



Regd. Office : C-124, NBR House, Preet Vihar Delhi-110092
Head Office : 122-124, Model Basti, New Delhi - 110 005

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS

JAYPEE FERTILIZERS & INDUSTRIES LTD.

We have audited the accompanying financial statements of M/S JAYPEE FERTILIZERS & INDUSTRIES LTD., which comprise the Balance Sheet as at 31st March, 2016, the statement of Profit & Loss for the year ended, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") read with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance and Cash flow of the company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies(Accounts) Rules 2014. This responsibility also includes maintenance of adequate Accounting Records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting policies; making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the Accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with Standards on Auditing specified under sec. 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial



statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting Policies used and the reasonableness of the accounting estimates, made by the management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- (b) In the case of Profit and Loss Account, of the 'Profit' for the Year ended on that date;
- (c) In the case of Cash Flow statements of the cash flows for the year ended on that date.

Emphasis of matter

The Company has contravened the provisions of section 203 of the Companies Act, 2013 for not appointing the Company Secretary and Chief Financial Officer.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies(Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that;
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
 - (c) The Balance Sheet and the statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, Except Accounting Standard- 15 & 18, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 to the extent applicable.
 - (e) On the basis of written representation received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Director is



disqualified as on 31st March, 2016, from being appointed as a Director in terms of Section 164(2) of the Act

- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11. of the Companies(Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses requiring any provision;
 - ii. There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.

**For LC KAILASH AND ASSOCIATES
CHARTERED ACCOUNTANTS**

Firm No: 001811N

(L.C. GUPTA)

Sr. Executive Partner

(M.No: 005122)

PLACE: DELHI

DATED: 27th May, 2016

ANNEXURE A REFERRED TO IN PARAGRAPH 5 (i) OF THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAYPEE FERTILIZERS & INDUSTRIES LTD. ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016.

1. In respect of Fixed Assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed Assets.
 - b. The only tangible Fixed Assets i.e. Computer Equipment held by the Company was physically verified at the end of the financial year. According to information and explanations given to us, no discrepancy was noticed on such verification.
 - c. As per information and Explanations given to us and on the basis of records examined by us, the company has not made investment in any landed Property.
2. In respect of its inventories
Since the company is not carrying any manufacturing and/or trading activity, there had not been any inventory of stores, spares and Raw materials at the end of the year. Therefore, there does not arise any question of expressing opinion on question of physical verification and on matters specified in the said clause of the order.
3. According to the information and explanations given to us, the company had, granted, in earlier years, loans secured and unsecured to companies, Firms, other parties under the scheme of rehabilitation of sick Industrial Fertilizer Unit of Duncans Industries Ltd. Kanpur which is now vested in Kanpur Fertilizers & Cement Limited, and is covered under Register maintained under Section 189 of Companies Act, 2013. At the year end, the outstanding loan so granted is Rs. 992.5 lakhs. The Party(ies) to whom loan had been granted is/are not regular in payment of interest and loan amount . We are informed that the outstanding loan and the interest thereon shall be squared up after the scheme approved by BIFR is fully implemented.
In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business with regard to grant of loans, investment in shares of Jaypee Uttar Bharat Vikas (P) Ltd. special purpose vehicle and of Kanpur Fertilizers & Cements Ltd. and the payments against expenses. During the Course of audit we have not observed any major weakness in such internal Control system.
4. In our opinion and according to the information given to us, the Company has not granted any loans and advances covered under the provisions of section 185 the Act. The Company has made investments and granted loans under section 186 of the Companies Act, 2013. However, the same are within the limits approved by the shareholders in the general meeting.
5. In our opinion and according to the information and explanations given to us and on the basis of records examined by us, the company has not accepted any deposits from public hence the provisions of Section 73 to 76 or any other provisions of the Companies Act, 2013 and the rules made there under are not applicable to the Company.
6. Since the Company is not carrying any Manufacturing activities, thus the question of maintaining Cost Record u/s 148(1) of the Companies Act, 2013, does not arise.
7. According to the information and explanations given to us, in respect of the statutory dues.
 - a) The company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities. There were no undisputed amount payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than 6 months from the date they became payable.
 - b) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and which have not been deposited as on March, 31, 2016 on account of disputes are as under. According to



information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of the dues	Demand amount (Rupees Lakhs) in	Amount deposited under protest (rupees in lakhs) in	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax Dues	432.57	NIL	AY 2012-13	Commissioner of Income Tax (Appeal) Noida

8. The Company has not defaulted in repayment of loans and Borrowing to Financial Institutions, Banks, Government, in respect of loans raised by the Company.
9. During the year the Company raised Rs. 105 Crs. by Right Issue of 10,50,00,000 Equity shares of Rs. 10 each to the existing shareholders as per Sec 62 of the Companies Act 2013 for the purpose of making Investment in equity Shares of Kanpur Fertilizers & Cement Limited, a company financed jointly by Jaypee Uttar Bharat Vikas Pvt. Ltd. & the Company under the scheme of rehabilitation of sick Fertilizers Unit of Duncans Industries Ltd. at Kanpur, which is now vested in Kanpur Fertilizers & Cement Limited. The fund so raised has been utilized for the purpose for which these were raised.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For LCKAILASH AND ASSOCIATES
CHARTERED ACCOUNTANTS**

(L.C. GUPTA)

**Sr. Executive Partner
M.No.5122**

Firm Regd. with ICAI No.001811N

PLACE: DELHI

DATED: 27th May,2016

Annexure - B to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Jaypee Fertilizers & Industries Limited** ("the Company") as of 31 March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance

Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

**For LCKAILASH AND ASSOCIATES
CHARTERED ACCOUNTANTS**


(L.C. GUPTA)
Sr. Executive Partner
M.No.5122

Firm Regd. with ICAI No.001811N

PLACE: DELHI

DATED: 27th May, 2016

JAYPEE FERTILIZERS & INDUSTRIES LIMITED

BALANCE SHEET AS AT 31st MARCH 2016

(Amount in Rupees)

Particulars	Note No.	Figures as at the end of current reporting year	Figures as at the end of previous reporting year
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	3,91,64,50,000	2,86,64,50,000
(b) Reserves and Surplus	2.2	3,08,24,90,620	2,95,92,85,834
(2) Non Current Liabilities			
(a) Long Term Borrowings	2.3	-	1,05,00,00,000
(b) Long Term Provisions	2.4	12,86,205	12,67,894
(3) Current Liabilities			
(a) Short Term Borrowings	2.5	1,05,00,00,000	1,05,00,00,000
(b) Other Current Liabilities	2.6	15,51,21,233	21,97,20,720
(c) Short Term Provisions	2.7	1,29,66,825	17,98,971
Total		8,21,83,14,883	8,14,85,23,419
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	2.8	14,077	22,109
(ii) Capital Work in Progress		7,99,69,479	7,99,69,479
(iii) Incidental Expenses Pending Allocation		27,94,886	27,94,886
(b) Non Current Investments	2.9	7,86,17,50,980	7,71,17,50,980
(c) Deferred Tax Assets (Net)	2.19	6,01,547	6,01,547
(d) Other Long Term Assets	2.10	-	1,46,22,192
(2) Current Assets			
(a) Cash and Cash Equivalents (including other Bank Balances)	2.11	13,69,94,406	13,84,62,890
(b) Short Term Loans and Advances	2.12	9,92,50,000	9,92,50,000
(c) Other Current Assets	2.13	3,69,39,508	10,10,49,336
Total		8,21,83,14,883	8,14,85,23,419

Significant Accounting Policies and Notes to Accounts 1 & 2 are an integral part of the financial statements.

As per our report of even date

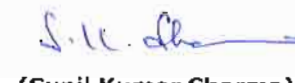
For L. C. KAILASH AND ASSOCIATES
Chartered Accountants
Firm Regn No.: 011311N

(L. C. GUPTA)
Partner
M.No. 005122

Place: Noida
Date: 27.05.2016

For and on Behalf of the Board


(Sunil Joshi)
Whole Time Director


(Sunil Kumar Sharma)
Chairman



JAYPEE FERTILIZERS & INDUSTRIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2016

(Amount in Rupees)

	Particulars	Note No.	Figures for the current reporting year	Figures for the previous reporting year
I.	Revenue from Operations		-	-
II.	Other Income	2.14	41,05,54,234	1,29,63,390
III.	Total Revenue (I + II)		41,05,54,234	1,29,63,390
IV.	<u>Expenses:</u>			
	Employee Benefits Expenses	2.15	1,68,88,091	2,11,44,154
	Finance Cost	2.16	25,81,27,516	38,24,21,484
	Depreciation and Amortization Expenses	2.8	8,032	8,032
	Other Expenses	2.17	11,25,809	12,28,505
	Total Expenses		27,61,49,448	40,48,02,174
V.	Profit before Exceptional and Extraordinary items and tax (III- IV)		13,44,04,786	(39,18,38,784)
VI.	Exceptional Items			-
VII.	Profit before Extraordinary Items and tax (V VI)		13,44,04,786	(39,18,38,784)
VIII.	Extraordinary Items			-
IX.	Profit before tax (VII VIII)		13,44,04,786	(39,18,38,784)
X.	Tax Expense:			
	(1) MAT		1,12,00,000	-
	(2) Deferred tax		-	-
XI.	Profit/(Loss) for the period from Continuing Operations (IX X)		12,32,04,786	(39,18,38,784)
XII.	Profit/(Loss) from Discontinuing Operations		-	-
XIII.	Tax expense of Discontinuing Operations		-	-
XIV.	Profit/(Loss) from Discontinuing Operations (XII XIII)		-	-
XV.	Profit/(Loss) for the period (XI + XIV)		12,32,04,786	(39,18,38,784)
XVI.	Earning per Equity Share:			
	(1) Basic		0.33	(1.41)
	(2) Diluted		0.33	(1.41)

Significant Accounting Policies and Notes to Accounts 1 & 2 are an integral part of the financial statements.

As per our report of even date

For L. C. KATLASH AND ASSOCIATES
Chartered Accountants
Firm Regn No.: 0181111

(L. C. GUPTA)
Partner
M.No. 005122

Place: Noida
Date: 27.05.2016

For and on Behalf of the Board


 (Sunil Joshi)
 Whole Time Director


 (Sunil Kumar Sharma)
 Chairman



JAYPEE FERTILIZERS & INDUSTRIES LIMITED

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

CORPORATE INFORMATION

The Company is 100% subsidiary of Jaiprakash Associates Limited. The entire Paid up Equity Share Capital of the Company is held by Jaiprakash Associates Limited, Holding Company including 600 Equity Shares held by the subscribers to the memorandum as nominee of the Company.

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPERATION OF FINANCIAL STATEMENTS

- (a) The accounts are prepared on the historical cost basis and on the accounting principles of a going concern.
- (b) Accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles.

1.2 USE OF ESTIMATES

The preparation for financial statements in conformity with generally accepted accounting principals requires estimates and assumptions to be made that affect the reported amount of Assets and Liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reported period. The difference between the actual & estimates are recognized in the period in which the results are known/materialized.

1.3 REVENUE RECOGNITION

- (a) Income and Expenditure considered receivable & payable are accounted for on accrual basis.
- (b) Income doubtful of recovery is provided on actual receipt basis.

1.4 FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction inclusive of freight, erection and commissioning charges, duties and taxes, expenditure during construction period, interest on borrowings and financing cost up to the date of acquisition / installation.

1.5 DEPRECIATION

Depreciation on Fixed Assets is provided on Straight Line Method as per the classification and in the manner specified in Schedule – XIV to the Companies Act, 1956.

1.6 EMPLOYEE BENEFITS

Employee benefits are provided in the books as per AS – 15 (revised) in the following manner:

- (a) Provident Fund – as a percentage of salary/wages is a Defined Contribution Scheme.
- (b) Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial period. The actuarial valuation is made on Projected Unit Credit method.

1.7 CAPITAL WORK IN PROGRESS

- (a) Capital Work in Progress includes civil work in progress, construction/ erection/material lying at site, machinery/equipment in transit/in hand, payment to labour contractors, expenses incurred on renovation/up gradation of the existing assets, depreciation on assets used for construction and other pre-operative expenses.
- (b) Expenses during Construction: Expenditure incurred on projects / assets during construction/implementation is capitalized & apportioned to projects/assets on commissioning.

1.8 FOREIGN CURRENCY TRANSACTION

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at period end exchange rates, exchange difference arising on settlement of transaction and translation of monetary items are recognized as income or expense in the period in which they arise, except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.



1.9 IMPAIRMENT OF ASSETS

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price or the value in use determined by present value of estimated future cash flows.

1.10 BORROWING COST

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized for the period until the asset is ready for its intended use. Other borrowing costs are recognized as expense in the period in which it is incurred.

1.11 INVESTMENTS

Long term investments are stated at the cost of acquisition. In case of long term investment, provision/write down is made for permanent diminution in value. Current investments are valued at lower of cost or quoted / fair value computed category wise. Dividend is accounted for as and when received.

1.12 TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

1.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS [AS-29]

The Company recognises a provision when there is a present obligation that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

A disclosure for contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are neither recognized nor disclosed. However, provision of contingent liability and contingent assets are reviewed at each Balance Sheet date.

1.14 VALUATION OF INVENTORIES

Stores & Spares is valued at cost on weighted moving average basis.

1.15 MISCELLANEOUS EXPENDITURE

Preliminary and Share Issue Expenses are written off in the period in which they are incurred.

1.16 RESEARCH AND DEVELOPMENT

All Revenue expenditure pertaining to Research are charged to the Statement of Profit & Loss in the period in which they are incurred and Development expenditure of capital nature are capitalized as Fixed Assets and depreciated as per Company's policy.



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JAYPEE FERTILIZERS & INDUSTRIES LIMITED

2 NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH 2016

(Amount in Rupees)

Note No.	Particulars	Figures for the current reporting year	Figures for the previous reporting year
2.1	Share Capital		
	Authorized share capital		
	99,50,00,000 Equity Share Capital of Rs.10/- each	9,95,00,00,000	9,95,00,00,000
	50,00,00,000 Preference Share Capital of Rs.10/- each	5,00,00,00,000	5,00,00,00,000
		10,00,00,00,000	10,00,00,00,000
	Issued, Subscribed & fully Paid share capital		
	Equity Share Capital	3,87,29,50,000	2,82,29,50,000
	38,72,95,000 Equity Shares of Rs. 10/- each fully paid up. (Previous year 28,22,95,000 Equity Shares of Rs. 10/- each fully paid up)		
	Preference Share Capital	4,35,00,00,000	4,35,00,00,000
	43,50,00,000 10% Cumulative Redeemable Preferential Shares of Rs. 10/- each fully paid up. (Previous year 43,50,00,000 shares) (These shares are redeemable as 50% on 26.09.2022 and remaining 50% on 26.09.2023.)		
Total	3,91,64,50,000	2,86,64,50,000	

Reconciliation of no. of shares	As at 31.03.2016	As at 31.03.2015
Equity		
Shares outstanding at the beginning of the current reporting period	28,22,95,000	27,75,85,000
Shares issued during the current reporting period	10,50,00,000	47,10,000
Shares bought back during the current reporting period	NIL	NIL
Closing no. of shares	38,72,95,000	28,22,95,000
10% Cumulative Redeemable Preference Shares		
Shares outstanding at the beginning of the current reporting period	43,50,000	43,50,000
Shares issued during the current reporting period	NIL	NIL
Shares bought back during the current reporting period	NIL	NIL
Closing no. of shares	43,50,000	43,50,000

Details of Shareholders having more than 5 % shareholding in paid up capital of the company		
Equity		
Jaiprakash Associates Limited	38,72,95,000 shares 100% Holding	28,22,95,000 shares 100% Holding
10% Cumulative Redeemable Preference Share		
Jaiprakash Associates Limited	43,50,000 shares 100% Holding	43,50,000 shares 100% Holding

- The entire Paid up Equity Share Capital of the Company is held by Jaiprakash Associates Limited, Holding Company including 600 Equity Shares held by the subscribers to the Memorandum of Association as nominee of the Company and as such making the Company a 100% subsidiary of Jaiprakash Associates Limited (JAL).
- In order to organise funds required for revival of sick fertilizer manufacturing unit of Duncans Industries Limited at Kanpur, the Company had issued 43,50,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- each at a premium of Rs. 990/- per share for investment through a Special Purpose Vehicle, namely Jaypee Uttar Bharat Vikas Private Limited.

2.2	Reserves and Surplus		
	Security Premium Redemption Reserve Account (Opening Balance)	1,91,43,73,784	1,29,86,68,876
	Add : Addition during the current period	68,28,16,742	61,57,04,908
	Closing Balance (A)	2,59,71,90,526	1,91,43,73,784
	Securities Premium Reserve Account (Opening Balance)	2,20,02,04,216	2,81,59,09,124
	Less : Transferred to Security Premium Redemption Reserve Account	(68,28,16,742)	(61,57,04,908)
	Closing Balance (B)	1,51,73,87,474	2,20,02,04,216
	Surplus		
	Opening Balance	(1,15,52,92,166)	(76,34,53,382)
	Adjustment of Surplus as per the Statement of Profit & Loss	12,32,04,786	(39,18,38,784)
	Closing Balance (C)	(1,03,20,87,380)	(1,15,52,92,166)
	Total (A+B+C)	3,08,24,90,620	2,95,92,85,834

- Security Premium Reserve Account: During the current reporting period a sum of Rs. 68,28,16,742/- equivalent to premium payable to Preference Shareholders on redemption providing annual yield of 11% on day to day basis has been transferred out of Security Premium Reserve Account to Security Premium Redemption Reserve Account.
- Board of Directors have not recommended any dividend on equity shares of the Company.



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2.3	Long Term Borrowings		
	Medium Term Loans	-	1,05,00,00,000
	Total	-	1,05,00,00,000

Since the Medium term loan of Rs.105 crore has to be liquidated within next twelve months from the reporting period, the same has been transferred to Short Term Borrowings.

2.4	Long Term Provisions		
	Provision for Employee Benefits:		
	- Gratuity	5,05,460	5,29,070
	- Leave Encashment	7,80,745	7,38,824
	Total	12,86,205	12,67,894

2.5	Short Term Borrowings		
	Medium Term Loans	1,05,00,00,000	1,05,00,00,000
	Total	1,05,00,00,000	1,05,00,00,000

- 1) Last year's long term borrowing of Rs.105 crores, as per agreement shall be paid within 12 months from the reporting date, as such has been transferred to short term borrowings under the head current liabilities. This loan is secured by way of pledge of 90,00,000 10% Cumulative Redeemable Preference Shares of Kanpur Fertilizers & Cement Limited purchased out of the proceeds of the Medium Term Loan.
- 2) The loan is further secured by Collateral Security of Jalprakash Associates Limited (JAL) by way of Non Disposal Undertaking (NDU) along with Power of Attorney (POA) for 12 crore Equity shares of Jaypee Infratech Limited (JIL) held by JAL. JAL has also provided its Corporate Guarantee for the loan in addition to Personal Guarantee of Sh. Manoj Gaur.
- 3) Interest on Loan is payable @ (Base Rate + 2.25)% p.a. on monthly basis. The present rate of Interest is 12.85% p.a.

2.6	Other Current Liabilities		
	Amount Due to Holding Company	13,77,873	13,77,873
	Taxes Payable	8,04,545	25,64,657
	Trade Payable	1,00,000	1,00,000
	Expenses Payable	3,34,63,851	41,58,415
	Others Payable	11,93,74,964	21,15,19,775
	Total	15,51,21,233	21,97,20,720

2.7	Short Term Provisions		
	Provision for Employee Benefits:		
	- Gratuity	21,038	6,053
	- Leave Encashment	2,12,693	2,59,824
	Provision for Tax (Assessment Year 2012-13)	15,33,094	15,33,094
	Provision for Income Tax - Current(Minimum Alternate Tax)	1,12,00,000	-
	Total	1,29,66,825	17,98,971

(I) Leave Encashment:

- 1) Actuarial Method:
 - a) Projected Unit Credit (PUC) actuarial method is used to assess the plan's liabilities on exit of employees due to retirement, death-in-service, withdrawals (Resignations / Terminations) and compensated absence while in service.
 - b) The projected accrued benefit is based on the plan accrual formula and upon service as of the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as of the beginning and end of the period for active members including availment, encashment while in service.

2) Economic Assumption :

	31.03.2016	31.03.2015
i) Discounting Rate	8.00	8.00
ii) Future Salary Increase	6.00	6.00
iii) Expected Rate of Return on Plan Assets	0.00	0.00

3) Actuarial Value

Present value of obligation as at the end of period - Non Current Liability	7,80,745
Present value of obligation as at the end of period - Current Liability	2,12,693

(II) Gratuity:

- 1) Actuarial Method:
 - a) Projected Unit Credit (PUC) actuarial method is used to assess the plan's liabilities on exit of employees due to retirement, death-in-service, withdrawals (Resignations / Terminations) and compensated absence while in service.
 - b) Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active member of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as of the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.

2) Economic Assumption :

	31.03.2016	31.03.2015
i) Discounting Rate	8.00	8.00
ii) Future Salary Increase	6.00	6.00
iii) Expected Rate of Return on Plan Assets	0.00	0.00

3) Actuarial Value

Present value of obligation as at the end of period - Non Current Liability	5,05,460
Present value of obligation as at the end of period - Current Liability	21,038



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Note No. 2.8 : Fixed Assets

(in rupees)

PARTICULARS	ORIGINAL COST				Depreciation & Amortization				Net Book Value	
	As at April, 2015	Additions During the Period	Deduction s/Retirem ent during the period	As at March, 2016	As at April, 2015	For the Period	Deduction during the period	As at March, 2016	As at April, 2015	As at March, 2016
Tangible Assets : Computer Equipment *	49,550	-	-	49,550	27,441	8,032	-	35,473	22,109	14,077
Total	49,550	-	-	49,550	27,441	8,032	-	35,473	22,109	14,077
Previous Period	-	-	-	-	-	-	-	-	-	-
Capital Work in Progress									7,99,69,479	7,99,69,479
Incidental Expenditure During Construction Period									27,94,886	27,94,886

* This Tangible Asset is represented by Laptop purchased in November' 2011 and the useful life of the said asset was determined as 6 years in the year of purchase. Although this asset has already depreciated for 3.5 years as on 31.03.2015 but the same is in perfect working condition. Therefore Depreciation for the year 2015-16 has been provided at the same rate which was determined in the year of acquisition.



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2.9 Non Current Investments		
Investment in Equity Shares	10,21,50,980	10,21,50,980
Investment in Preference Shares:		
- 10% Cumulative Redeemable Preference Shares	4,70,21,00,000	5,60,21,00,000
- 11% Unsecured Convertible Preference Shares	2,35,75,00,000	1,30,75,00,000
Other Non Current Investments	70,00,00,000	70,00,00,000
Total	7,86,17,50,980	7,71,17,50,980

Aggregate Value of:		
Quoted Investments	-	-
Unquoted Investments (at cost of purchase)	7,86,17,50,980	7,71,17,50,980
Total	7,86,17,50,980	7,71,17,50,980

- 1) For revival of sick fertilizer manufacturing unit of Duncans Industries Limited at Kanpur, the Board of Directors in the meeting held on 5th June, 2010 decided to make investment in the Share Capital of Jaypee Uttar Bharat Vikas Private Limited, which are treated as Long Term Investment by the Company and include:
- a) 1,00,00,000 Equity Shares of Rs.10/- each fully paid up of Jaypee Uttar Bharat Vikas Private Limited & 1,07,549 Equity Shares of Rs.10 each at a premium of Rs. 10/- per share of Kanpur Fertilizers & Cement Limited. (Previous period 1,00,00,000 Equity Shares of Rs.10/- each fully paid up & 1,07,549 Equity Shares of Rs.10 each at a premium of Rs. 10/- per share respectively).
- b (i) 38,02,100 10% Cumulative Redeemable Preference Shares of Rs.10/- each at a premium of Rs.990/- per share of Jaypee Uttar Bharat Vikas Private Limited (Previous period 38,02,100 10% Cumulative Redeemable Preference Shares of Rs.10/- each at a premium of Rs.990/- per share). 50 % of these shares are redeemable by 22/08/2022 and balance 50% by 22/08/2023.
- b(ii) 90,00,000 10% Cumulative Redeemable Preference Shares of Kanpur Fertilizers & Cement Limited of Rs.10 each at a premium of Rs.90/- each (Previous period 1,80,00,000 10% Cumulative Redeemable Preference Shares of Rs.10/- each at a premium of Rs.90/- each). 50% of these shares were redeemed during the year and balance 50% will be redeemed in next year by 05/07/2016.
- b(iii) 11,78,75,000 11% Unsecured Convertible Preference Shares of Kanpur Fertilizers & Cement Limited of Rs.10/- each at a premium of Rs.10/- each (Previous year 6,53,75,000 11% Unsecured Convertible Preference Shares of Rs.10/- each at a premium of Rs.10/- each). These shares are convertible into equity in the ratio of 1:1 at anytime from 3 months to 5 years at the option of the company.
- c) Other non current investments represent the advance given to ISG Traders Limited against purchase of 20 lakh equity shares of Rs.10/- each of Jaypee Uttar Bharat Vikas Private Limited held by ISG Traders Limited which are yet to be transferred in the name of the company. Since we are acquiring total rights of Jaypee Uttar Bharat Vikas Private Limited from ISG Traders Limited, the Board of Directors agreed to pay Rs. 350/- per equity share of Rs. 10/- each.
- 2) Since the shares in which investment made are not quoted in any stock exchange, the cost of shares at which investment has been made is taken as the total market value of investment.

2.10 Other Long term Assets		
Prepaid Expenses - Long Term	-	1,46,22,192
Total	-	1,46,22,192

2.11 Cash and Cash Equivalents		
Cash on hand	138	514
Balances with Banks in Current Accounts	4,94,268	19,62,376
Other Bank Balances		
- In Fixed Deposits (lien marked) having maturity of more than 3 months but less than 12 months	13,65,00,000	13,65,00,000
Total	13,69,94,406	13,84,62,890

Fixed Deposit of Rs. 13.65 crore is pledged with IndusInd Bank Limited representing an amount of the Debt Service Reserve Account equivalent to six months interest on Loan of Rs. 105 crore from the Bank.

2.12 Short Term Loans and Advances		
Loans & Advances - Interest bearing (Secured)	8,00,00,000	8,00,00,000
Loans & Advances - Interest bearing (Unsecured)	1,92,50,000	1,92,50,000
Total	9,92,50,000	9,92,50,000

Loan amounting to Rs.9.925 crore given to ISG Traders Limited is secured to the extent of Rs.8.00 crore against pledge of 80,00,000 Equity Shares of Jaypee Uttar Bharat Vikas Private Limited.

2.13 Other Current Assets		
Advance to Contractor/Supplier	2,42,660	2,42,660
Accrued Interest on Fixed Deposits	20,88,450	22,72,725
Interest Receivable on Loans (Doubtful of Recovery)	24,99,148	24,99,148
Prepaid Expenses - Short Term (Upfront Fees)	1,46,22,192	7,97,41,055
TDS on Interest		
- On Fixed Deposits	1,52,50,539	1,40,57,229
- On Other Loans	22,36,519	22,36,519
Total	3,69,39,508	10,10,49,336

- 1) In the opinion of Board of Directors, the "Current Assets, Loans and Advances" have a value on realization in the ordinary course of business at least equal to the amount at which these are stated in the Balance Sheet except interest of Rs.24,99,148/- provided on Loan of Rs.9.925 crore given to ISG Traders Limited which is doubtful of recovery and for which no provision has been made in the accounts.

Prepaid Expenses pertain to the upfront fees paid on Rs.210 crore Medium Term Loan from Indusind Bank. As the repayment period of Term Loan is four years, the upfront fees is being proportionately charged to Profit & Loss Account & the balance left as on 31.03.2016, Rs.1,46,22,192/- is classified as Other Current Assets and the same will be adjusted within next twelve months from the date of reporting.



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2.14	Other Income		
	Interest Income on Fixed Deposit	1,19,33,099	1,24,24,305
	Premium on Redemption of Preference Share of KFCL	39,86,07,300	-
	Excess Provision written back:		
	- Gratuity	8,625	1,12,238
	- Leave Encashment	5,210	4,26,847
	Total	41,05,54,234	1,29,63,390

- 1) Gross interest income during the current reporting period is Rs.1,19,33,099/- and TDS deducted Rs.11,93,310/- (Previous period income Rs.1,24,24,305/- and TDS Rs.12,42,431/-)
- 2) Rs 39,86,07,300/- pertains to premium on redemption of 90 lakhs 10% cumulative redeemable preference shares by Kanpur Fertilizers & Cement Limited.
- 3) Interest Income amounting to Rs.4,76,40,000/- (including Rs.3,17,60,000/- upto previous reporting period) receivable on loan of Rs.9,92,50,000/- (refer Note no.2.12) given to ISG Traders Limited has not been accounted as the same is doubtful of recovery and will be accounted on receipt basis.

2.15	Employee Benefits Expenses		
	Salaries and Wages	1,22,94,090	1,34,73,050
	Leave Encashment	4,98,595	24,67,207
	Car Hire Charges	36,93,838	41,30,591
	<u>Reimbursements of</u>		
	- Car Running & Maintenance Charges	1,92,935	1,25,818
	- Medical Expense	1,77,625	5,93,534
	- Electricity Expense	31,008	3,53,954
	Total	1,68,88,091	2,11,44,154

Salaries & Wages Includes Rs.73,07,080/- paid to Whole Time Director.

2.16	Finance Cost		
	Interest to Bank	17,83,44,756	27,82,50,314
	Upfront Fees	7,97,32,628	10,41,60,500
	Interest (Others)	50,132	10,670
	Total	25,81,27,516	38,24,21,484

2.17	Other Expenses		
	Travelling Expenses	-	62,859
	Bank Charges	25,715	1,14,102
	Telephone Expenses (Others)	20,403	30,878
	Taxes & Fees	27,491	42,092
	Legal & Professional Charges	6,08,991	8,02,085
	Printing & Stationery Expenses	2,434	7,949
	Director's Meeting Fee	2,69,025	-
	<u>Auditors Remuneration</u>		
	- Statutory Audit Fees	1,14,500	1,12,360
	- Tax Audit Fees	57,250	56,180
	Total	11,25,809	12,28,505

2.18	Contingent Liabilities and Commitments (to the extent not provided for)		
	Tax Demand Disputed (under appeal)	4,32,56,860	4,32,56,860
	Sub Total (A)	4,32,56,860	4,32,56,860
	Commitments		
	Estimated amount of contracts remaining to be executed on capital account	8,80,000	8,80,000
	Sub Total (B)	8,80,000	8,80,000
	Total(A+B)	4,41,36,860	4,41,36,860

2.19	Deferred Tax		
	The Breakup of Deferred Tax Asset/Liability as at March 31 st , 2016 comprises of the following: -		
		Deferred Tax Assets/(Liabilities) As at 31.03.2016	Deferred Tax Assets/(Liabilities) As at 31.03.2015
	Particulars		
	Leave Encashment	-	-
	Gratuity	-	-
	Preliminary Expenses	-	-
	Depreciation	-	-
	Total Deferred Tax Asset	-	-
	Board of Directors did not foresee to earn profit in the near future to avail the benefit of deferred tax assets and as such neither deferred tax assets nor liabilities have been worked out or provided for in the books of accounts during the current year as well as in the previous year.		



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JAYPEE FERTILIZERS & INDUSTRIES LIMITED

2.20 There has been no incoming or outgo of any foreign currency in respect of the business of the company.

2.21 Details of dues to Micro & Small Enterprises as defined under MSMED act, 2006 - NIL

2.22 Related Party Disclosures as required in terms of "Accounting Standard [AS] – 18" are given below:

(1) Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

(a) Holding Company :

(1) Jaiprakash Associates Limited

(b) Fellow Subsidiary Companies:

- (1) Jaiprakash Power Ventures Limited (JPVL) (subsidiary of JAL)
- (2) Jaypee Powergrid Limited (subsidiary of JPVL)
- (3) Jaypee Arunachal Power Limited (subsidiary of JPVL)
- (4) Sangam Power Generation Company Limited (subsidiary of JPVL)
- (5) Prayagraj Power Generation Company Limited (subsidiary of JPVL)
- (6) Jaypee Meghalaya Power Limited (subsidiary of JPVL)
- (7) Bina Power Supply Limited (new name w.e.f. 28.09.15 of Himachal Karcham Power Company Limited) (subsidiary of JPVL)
- (8) Jaypee Infratech Limited (JIL) (subsidiary of JAL)
- (9) Bhilai Jaypee Cement Limited (subsidiary of JAL)
- (10) Himalyan Expressway Limited (subsidiary of JAL)
- (11) Gujarat Jaypee Cement and Infrastructure Limited (subsidiary of JAL)
- (12) Jaypee Ganga Infrastructure Corporation Limited (subsidiary of JAL)
- (13) Jaypee Agra Vikas Limited (subsidiary of JAL)
- (14) Jaypee Cement Corporation Limited (subsidiary of JAL)
- (15) Himalyaputra Aviation Limited (subsidiary of JAL)
- (16) Jaypee Assam Cement Limited (subsidiary of JAL)
- (17) Jaypee Cement Cricket (India) Limited (subsidiary of JAL)
- (18) Jaypee Healthcare Limited (subsidiary of JIL)
- (19) Jaypee Cement Hockey (India) Limited (subsidiary of JAL)
- (20) Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL) (w.e.f. 25.03.13)

Notes:

1. Bokaro Jaypee Cement Limited (BoJCL) ceased to be a subsidiary of the Company w.e.f. 29th November 2014, consequent to sale of JAL's entire 74% stake in it.
2. Jaypee Sports International Limited (JPSI) ceased to be a subsidiary of JAL as it amalgamated into JAL on 16.10.15 w.e.f. the Appointed Date 01.04.14.
3. Himachal Baspa Power Company Limited (subsidiary of JPVL till 07.09.15; No more a subsidiary w.e.f. 08.09.15)

(c) Associate Companies:

- (1) MP Jaypee Coal Limited
- (2) MP Jaypee Coal Fields Limited
- (3) Madhya Pradesh Jaypee Minerals Limited
- (4) Kanpur Fertilizers & Cement Limited
- (5) Jaypee Infra Ventures (A Private Company with Unlimited Liability) (JIV)
- (6) Jaypee Development Corporation Limited (JDCL) (Subsidiary of JIV)
- (7) Andhra Cement Limited (Subsidiary of JDCL)
- (8) JIL Information Technology Limited (JILIT) (Subsidiary of JIV)
- (9) Gaur & Nagi Limited (Subsidiary of JILIT)
- (10) Jaypee International Logistics Company Private Limited (Subsidiary of JIV)
- (11) Tiger Hills Holiday Resort Private Limited (Subsidiary of JDCL)
- (12) Anvi Hotels Private Limited (Subsidiary of JIV)
- (13) RPJ Minerals Private Limited (RPJMPL)
- (14) Sarveshwari Stone Product Private Limited (Subsidiary of RPJMPL)
- (15) Rock Solid Cement Limited (Subsidiary of RPJMPL)
- (16) Sonebhadra Minerals Private Limited
- (17) Jaiprakash Kashmir Energy Limited
- (18) Indesign Enterprises Private Limited (Subsidiary of JIV)
- (19) Jaypee Uttar Bharat Vikas Private Limited

(d) Key Management Personnel:

- (1) Shri Sunil Joshi – Whole Time Director



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(2) Transactions carried out with related parties referred above in the ordinary course of business:

(Amount in Rupees)

Particulars	Related party	Figures for the current reporting year	Figures for the previous reporting year
Receipts			
Receipt against allotment of Equity Shares	Referred in (a) above	1,05,00,00,000	4,71,00,000
Receipt towards reimbursement of expenses by KFCL	Referred in (c) above	3,71,14,844	4,07,31,000
Money receipt against redemption of 10% Cumulative Redeemable Preference Shares of KFCL including premium.	Referred in (c) above	1,29,86,07,300	-
Expenditure			
Remuneration to Whole Time Director	Referred in (d) above	73,07,080	81,89,504
Others			
- Purchase of Equity Shares of KFCL	Referred in (c) above	-	21,50,980
- Purchase of 11% Unsecured Convertible Preference Shares of KFCL	Referred in (c) above	1,05,00,00,000	18,75,00,000
Outstanding Balances as at 31.03.2016			
Payable	Referred in (a) above	13,77,873	13,77,873
Payable	Referred in (c) above	11,93,43,864	21,13,55,247

2.23 Since the company is not carrying on any manufacturing or trading activity, there is no specific segment to be reported.

2.24 Wherever the balance confirmation is not available from the parties, the balance as appearing in the books of account has been considered for preparing the Financial Statement for the reporting period.

2.25 Previous period figures have been regrouped / reclassified as per requirement of Companies Act, 2013.

2.26 All figures have been rounded off to the nearest rupee.

As per our report of even date

For L. C. KAILASH AND ASSOCIATES

Chartered Accountants

Firm Regn No. 01811N

(L. C. Gupta)

Partner

M.No. 005122

For and on behalf of the Board

(Sunil Joshi)

Whole Time Director

(Sunil Kumar Sharma)

Chairman

Place: Noida

Date: 27.05.2016

JAYPEE FERTILIZERS & INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2016

(Amount in Rupees)

Particulars	Figures for the current reporting year	Figures for the previous reporting year
A. Cash flow from Operating Activities		
Net Profit & (Loss) as per Statement of Profit & Loss	12,32,04,786	(39,18,38,784)
Add : Depreciation	8,032	8,032
Less : Deferred Tax Assets	-	-
Net cash inflow from operating activities 'A'	12,32,12,818	(39,18,30,752)
B. Cash flow from Investing Activities		
<u>Inflow</u>		
Increase/(Decrease) in Trade Payables & Other Liabilities	(6,45,99,487)	18,77,60,264
Increase/(Decrease) in Provisions	1,11,86,165	(5,39,085)
(Increase)/Decrease in Loans and Advances	-	18,75,00,000
<u>Outflow</u>		
Investment in Fixed Assets (including Capital work in Progress and Incidental Expenditure Pending allocation)	-	(2,63,835)
(Increase)/Decrease in Other Long term Assets	1,46,22,192	7,97,32,628
(Increase)/Decrease in Other Current Assets	6,41,09,828	7,78,04,087
Investment in Shares	(15,00,00,000)	(18,96,50,980)
Net cash used in investing activities---- 'B'	(12,46,81,302)	34,23,43,079
C. Cash flow from Financing Activities		
<u>Inflow</u>		
Increase/(Decrease) in Share Capital	1,05,00,00,000	4,71,00,000
Increase/(Decrease) in Securities Premium	-	-
Increase/(Decrease) in Borrowings	(1,05,00,00,000)	-
Net cash in financing activities---- 'C'	-	4,71,00,000
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(14,68,484)	(23,87,673)
Cash & Cash Equivalents at the commencement of the year	13,84,62,890	14,08,50,563
Cash & Cash Equivalents at the end of the year	13,69,94,406	13,84,62,890

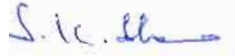
For **L. C. KAILASH AND ASSOCIATES**
Chartered Accountants
Firm Regn No. 01811N

(**L. C. GUPTA**)
Partner
M.No. 005122

Place: Noida
Date: 27.05.2016

For and on Behalf of the Board


(**Sunil Joshi**)
Whole Time Director


(**Sunil Kumar Sharma**)
Chairman