

DASS GUPTA & ASSOCIATES

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
M/s Jaypee Assam Cement Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s Jaypee Assam Cement Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 of 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 misstatement, 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 the Standards on Auditing specified under Section 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures 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 Company's Directors, 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 a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2016, and its loss and its Cash flows for the year ended on that date.



Emphasis of Matters

We draw attention to the following matters in the notes to the Financial Statements:

Note 2.12 in the Financial Statements which indicates that the accumulated losses of the company as at 31st March, 2015 amounting to Rs.1,03,38,964/- are more than the issued and paid up share capital of the company of Rs.6,30,000/- and thus eroding the net worth of company to Negative and in view of uncertainties related to future outcome, the company's ability to continue as a going concern is dependent upon its Holding Company commitment to provide continued financial support. However, the financial statement of the Company has been prepared on going concern basis for the reason stated above.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, a statement on the matters specified in paragraphs 3 and 4 of the Order, as may be applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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, 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, 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.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is



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

(g) 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.

(h) 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 does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Dass Gupta & Associates**
Chartered Accountants
Firm Reg. No: 000112N

(CA Ashok Kumar Jain)
(Partner)

(Membership No. 090563)

Place: Noida

Date : 25/05/2016



ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph - 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date.)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:-

- (i) The Company is not having any fixed asset, Accordingly, paragraph 3(i) of the Order is not applicable.
- (ii) The Company is not having any inventory, Accordingly, paragraph 3(ii) of the Order is not applicable.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loan, secured or unsecured, to companies, firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(b) Since there are no such loans, the comments regarding terms and conditions, repayment of the principal amount & interest thereon and overdue amount are not required.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans and investments during the year, Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, company has not accepted any deposits from the public.
- (vi) According to the information and explanations given to us, rules made by Central Government for maintenance of Cost Records under section 148(1) of the Companies Act, 2013 are not applicable to the Company.
- (vii) a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company has generally been regular in



depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, and any other material statutory dues applicable to it. There were no arrears of such dues at the year end which have remain outstanding for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and as per the books and records examined by us, the Company has not any disputed amounts which payable in respect of Income Tax, Sales Tax, Service Tax, Excise Duty, Custom Duty and value added tax.

(viii) According to the information and explanations given to us and as per the books and records examined by us, the Company has no outstanding loans or borrowing to a financial institution, bank, Government or dues to debenture holders, Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) According to the information and explanations given to us and as per the books and records examined by us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year under review, Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided managerial remuneration during the year under concern, Accordingly paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, Company is not a Nidhi Company. Accordingly paragraph 3(xii) of the Order is not applicable.

(xiii) 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.

- (xiv) According to the information and explanations give 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 under review, Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) 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.
- (xvi) Based on the examination of the books of account and related records and according to the information and explanations given to us, company has not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



Annexure - B to the Auditors' 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 M/s Jaypee Assam Cement 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.

Auditors' 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 **Dass Gupta & Associates**
Chartered Accountants
Firm Reg. No: 000112N



(CA Ashok Kumar Jain)

(Partner)

(Membership No. 090563)

Place: Noida

Date : 25/05/2016

JAYPEE ASSAM CEMENT LIMITED
Balance Sheet as at 31st March, 2016

(In Rupees)

PARTICULARS	Note No.	As at 31st March, 2016		As at 31st March, 2015	
I. EQUITY AND LIABILITIES					
1. Shareholder's funds					
(a) Share Capital	2.1	6,30,000		6,30,000	
(b) Reserves and Surplus	2.2	(1,03,38,964)	(97,08,964)	(1,01,96,932)	(95,66,932)
2. Non-current Liabilities					
(a) Other long-term liabilities	2.3	1,01,15,596	1,01,15,596	1,01,15,596	1,01,15,596
3 Current Liabilities					
(a) Other Current Liabilities	2.4	1,15,180	1,15,180	1,13,040	1,13,040
TOTAL			5,21,812		6,61,704
II ASSETS					
1. Non-current assets					
(a) Fixed assets					
(i) Incidental Expenditure during Construction period pending allocation including Capital Work in Progress	2.5	-	-	-	-
(b) Long Term Loans and Advances	2.6	-	-	-	-
2. Current assets					
(a) Cash and Bank Balances	2.7	4,92,030		6,31,922	
(b) Other current assets	2.8	29,782	5,21,812	29,782	6,61,704
TOTAL			5,21,812		6,61,704
Significant accounting policies and notes to financial Statements	1 & 2				

As per our report attached

For and on behalf of the Board

For Dass Gupta & Associates
Chartered Accountants

Ashok Kumar Jain
Partner
Membership No. 090563



Sunny Gaur
Director

S-D Nailwal
Director

Place : Noida
Date: 25/05/2016

JAYPEE ASSAM CEMENT LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

	PARTICULARS	Note No.	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
			(Rs.)	(Rs.)	(Rs.)	(Rs.)
I	Revenue					
	Revenue from operations		-		-	
	Other Income		-		-	
	Total Revenue			-		-
II	Expenses					
	Incidental expenses written off during the year		-		44,17,991	
	Other expense	2.9	1,42,032		2,28,926	
	Total Expenses			1,42,032		46,46,917
III	Profit before tax (I-II)			(1,42,032)		(46,46,917)
IV	Tax expense:			-		-
V	Profit/(Loss) for the period			(1,42,032)		(46,46,917)
VI	Earnings per equity share:					
	(1) Basic			(2.25)		(73.76)
	(2) Diluted			(2.25)		(73.76)
	Significant accounting policies and notes to financial Statements	1 & 2				

As per our report attached

For and on behalf of the Board

For Dass Gupta & Associates
Chartered Accountants

Ashok Kumar Jain
Partner
Membership No. 090563



Sunny Gaur
Director

S.D. Nairwal
Director

Place : Noida

Date: 25/05/2016

JAYPEE ASSAM CEMENT LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH'2016

(In Rupees)

PARTICULARS	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit/(Loss) before Tax as per Profit & Loss Account		(1,42,032)		(46,46,917)
Changes in Assets and Liabilities				
Increase / (decrease) in Assets	-		-	
Increase / (decrease) in Liabilities	2,140	2,140	(97)	(97)
NET CASH USED IN OPERATING ACTIVITIES (A)		(1,39,892)		(46,47,014)
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
<u>Inflow:</u>				
(a) Decrease in Capital Advances		-		44,17,991
<u>Outflow:</u>				
		-		-
NET CASH USED IN INVESTING ACTIVITIES (B)		-		44,17,991
(C) CASH FLOW FROM FINANCING ACTIVITIES:				
NET CASH FROM FINANCING ACTIVITIES (C)		-		-
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B-C)		(1,39,892)		(2,29,023)
CASH AND CASH EQUIVALENTS AS AT 01.04.2015 (OPENING BALANCE)		6,31,922		8,60,945
CASH AND CASH EQUIVALENTS AS AT 31.03.2016 (CLOSING BALANCE)		4,92,030		6,31,922

As per our report attached

For and on behalf of the Board

**For Dass Gupta & Associates
Chartered Accountants**

**Ashok Kumar Jain
Partner
Membership No. 090563**




Sunny Gaur
Director


S D Nairwal
Director

Place : Noida
Date: 25/05/2016

Significant accounting policies and notes to financial statements

1. Significant accounting policies

a) Background

Jaypee Assam Cement Limited is a public Limited Company registered under the Companies Act, 2013. The Company was incorporated on 30th August, 2011 as 100% subsidiary of Jaiprakash Associates Limited. The Company is in the business of Manufacturing and sale of Cement. However, the operation of the Company is in its preliminary stage.

b) General

The financial statements have been prepared to comply with the requirements of the Companies Act, 2013 (to the extent notified) under the historical cost convention on the accrual basis of accounting and in accordance with the mandatory accounting standard as prescribed U/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c) Fixed Assets

Fixed Assets are stated at cost. Cost of Fixed Assets is arrived at after including therein expenses for bringing the respective assets to working conditions.

d) Recognition of Income and Expenditure

Revenue/Incomes & Cost/Expenditures are accounted for on accrual basis as they are earned or incurred.

e) Incidental Expenditure During Construction period

Expenditure incurred on the project during implementation will be capitalized and apportioned to various assets on commissioning of the project.

f) Preliminary Expenses

Preliminary Expenses is written off as per the provisions of AS-26.

g) Depreciation

Depreciation on Fixed Assets is provided on Straight Line Method as per the classification and in the manner specified in Schedule II to the Companies Act, 2013 as amended. Depreciation has been provided on a pro-rata basis with reference to the date of addition/installation.

h) Taxation

Provision for current tax is made in accordance with the Income Tax Act, 1961.

Deferred Tax Assets/Liability are computed by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

i) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates

j) Contingent Liability

Contingent Liability is not provided for in the books of accounts and are disclosed by way of Notes on Accounts.



2 Notes to financial statements

2.1 Share Capital

Particulars	March 31, 2016		March 31, 2015	
	(No. of Shares)	(Rs.)	(No. of Shares)	(Rs.)
A. Authorised Equity Shares of Rs. 10/- each	10,00,00,000	1,00,00,00,000	10,00,00,000	1,00,00,00,000
	<u>10,00,00,000</u>	<u>1,00,00,00,000</u>	<u>10,00,00,000</u>	<u>1,00,00,00,000</u>
B. Issued, Subscribed and Paid-up Equity Shares of Rs 10/- each, fully paid-up	63,000	6,30,000	63,000	6,30,000
	<u>63,000</u>	<u>6,30,000</u>	<u>63,000</u>	<u>6,30,000</u>
TOTAL	<u>63,000</u>	<u>6,30,000</u>	<u>63,000</u>	<u>6,30,000</u>

The Company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share and receive dividend.

C. Reconciliation of No. of Shares Outstanding

Particulars	March 31, 2016		March 31, 2015	
	(No. of Shares)	(Rs.)	(No. of Shares)	(Rs.)
Number of Shares at the beginning	63,000	6,30,000	63,000	6,30,000
Add: Shares issued during the year	-	-	-	-
Number of Shares at the End	<u>63,000</u>	<u>6,30,000</u>	<u>63,000</u>	<u>6,30,000</u>

Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	March 31, 2016		March 31, 2015	
	(Nature of Relationship)	(No. of Shares)	(Nature of Relationship)	(No. of Shares)
Jaiprakash Associates Limited (along with its nominee)	Holding Company	63,000	Holding Company	63,000
TOTAL		<u>63,000</u>		<u>63,000</u>

D. Details of shareholders holding more than 5% shares

Particulars	March 31, 2016		March 31, 2015	
	(No. of Shares)	(%)	(No. of Shares)	(%)
Jaiprakash Associates Limited (along with its nominee)	63,000	100	63,000	100



2.2 Reserves and Surplus

	(In Rupees)	
Particulars	March 31, 2016	March 31, 2015
Surplus in Profit and Loss Account		
Opening Balance	(1,01,96,932)	(55,50,015)
Add: Profit / (Loss) During the year	(1,42,032)	(46,46,917)
Closing Balance	(1,03,38,964)	(1,01,96,932)

2.3 Other Long term liabilities

	(In Rupees)	
Particulars	March 31, 2016	March 31, 2015
Payable to Holding Company	1,01,15,596	1,01,15,596
TOTAL	1,01,15,596	1,01,15,596

2.4 Other current liabilities

	(In Rupees)	
Particulars	March 31, 2016	March 31, 2015
Provision for Expenses	1,04,500	1,02,360
Expenses Payable	680	680
TDS Payable	10,000	10,000
TOTAL	1,15,180	1,13,040

2.5 Incidental Expenditure during Construction period pending allocation including Capital Work in Progress

	(In Rupees)	
Particulars	March 31, 2016	March 31, 2015
Opening Balance	-	44,17,991
Less: Incidental expenses written off during the year	-	(44,17,991)
TOTAL	-	-

2.6 Long-term loans and advances

	(In Rupees)	
Particulars	March 31, 2016	March 31, 2015
(Unsecured, considered good)		
Capital Advances	-	-
TOTAL	-	-

2.7 Cash and Bank Balances

	(In Rupees)	
Particulars	March 31, 2016	March 31, 2015
Cash and cash equivalents		
Cash on Hand	-	-
Balance with bank		
- In Current Accounts	4,92,030	6,31,922
TOTAL	4,92,030	6,31,922

2.8 Other current assets

	(In Rupees)	
Particulars	March 31, 2016	March 31, 2015
(Unsecured, considered good)		
Amount with Govt. Dept	29,782	29,782
TOTAL	29,782	29,782



2.9 Other Expenses

Particulars	(In Rupees)	
	March 31, 2016	March 31, 2015
Rates & Taxes	11,828	4,947
Legal & Professional Fee	14,064	20,607
Printing & Stationery Expense	-	-
Bank Charges	-	91,012
Auditor's Remuneration		
- Audit Fee	1,16,140	1,12,360
- Certification Charges	-	-
TOTAL	1,42,032	2,28,926

2.10 Capital Commitment remaining to be executed and not provided for as on March 31, 2016 is Rs Nil (Previous period Rs Nil). Out of the above, the Company has paid Rs. Nil/- (Previous period Rs. Nil) on account of Capital Commitment .

2.11 Contingent liabilities Rs. NIL as on 31st March, 2016 (Previous Period Rs. Nil).

2.12 The accumulated losses of the company as at 31st March, 2016 amounting to Rs.1,03,38,964/- are more than the issued and paid up share capital of the company of Rs.6,30,000/- and thus eroding the net worth of company to Negative. In view of company's current financial position and the uncertainties related to future outcome, the company's ability to continue as a going concern is dependant on the continued financial support from its Holding Company. The company has received a letter of support from the Holding company and accordingly financial statements are prepared on going concern basis.

2.13 There are no Small Scale Industrial Undertakings to whom the company owes more than Rs.1,00,000/- outstanding for more than 30 days as at 31st March, 2016.

2.14 The information pursuant to the paragraph 5 of part-II of General instructions in preparation of Statement of Profit & Loss to Schedule III of the Companies Act, 2013 is either Nil or not applicable.

2.15 The timing difference results in net deferred credit as per Accounting Standard 22 "Accounting for Taxes on Income". As a prudent measure the net deferred assets relating to the above has not been recognised in the accounts.

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

Relationships:

A. Holding Company : M/s. Jaiprakash Associates Limited (Holding 100% of the paid-up equity share capital)

B. Fellow Subsidiary Companies:

- 1 Jaiprakash Power Ventures Limited
- 2 Jaypee Powergrid Limited (subsidiary of Jaiprakash Power Ventures Limited)
- 3 Himalayan Expressway Limited
- 4 Jaypee Infratech Limited
- 5 Bhilai Jaypee Cement Limited
- 6 Jaypee Ganga Infrastructure Corporation Limited



B. Fellow Subsidiary Companies: (Contd.)

- 7 Jaypee Arunachal Power Limited (subsidiary of Jaiprakash Power Ventures Limited)
- 8 Sangam Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited)
- 9 Prayagraj Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited)
- 10 Jaypee Agra Vikas Limited
- 11 Jaypee Fertilizers & Industries Limited
- 12 Jaypee Meghalaya Power Limited (subsidiary of Jaiprakash Power Ventures Limited)
- 13 Jaypee Cement Corporation Limited
- 14 Gujarat Jaypee Cement & Infrastructure Limited
- 15 Himalyaputra Aviation Limited
- 16 Jaypee Healthcare Limited (subsidiary of Jaypee Infratech Limited)
- 17 Jaypee Cement Cricket (India) Limited (subsidiary of Jaypee Sports International Limited)
- 18 Jaypee Cement Hockey (India) Limited (subsidiary of Jaypee Sports International Limited)
- 19 Himachal Baspa Power Company Limited (subsidiary of Jaiprakash Power Ventures Limited)
- 20 Himachal Karcham Power Company Limited (subsidiary of Jaiprakash Power Ventures Limited)
- 21 Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Cement Corporation Limited)
(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)

C. Associate Companies:

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

D. KMP Based companies

- 1 Jaypee Mining Venture Private Limited
- 2 Ceekay Estates Private Limited

E. Key Management Personnel :

- 1 Shri Sunny Gaur, Director
- 2 Shri Pankaj Gaur, Director
- 3 Shri Rahul Kumar, Director
- 4 Shri S D Nailwal, Director
- 5 Shri H. K. Vaid, Director

F. Transactions carried out with related parties referred to above in the ordinary course of business:

<u>Nature of Transactions</u>	<u>(In Rupees)</u> Ref A above
Outstanding	
-Amount Payable	1,01,15,596
	<u>(1,01,15,596)</u>

(Previous period figures are in brackets)



2.17 The Company is into one operative segment i.e. Manufacturing and sale of Cement. Hence, separate segment reporting is not applicable.

2.18 Previous period figures has been regrouped/rearranged wherever found necessary.

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

As per our report attached

For Dass Gupta & Associates
Chartered Accountants

Ashok Kumar Jain
Partner
Membership No. 090563



Place : Noida
Date: 25/05/2016

For and on behalf of the Board

Sunny Gaur
Director

S D Nanwal
Director