ROHIT MEHRA & ASSOCIATES
CHARTERED ACCOUNTANTS

C-9/9310, VASANT KUNJ
NEW DELHI - 110 070
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Independent Auditor's Report

To the Members of
JAIPRAKASH AGRI INITIATIVES COMPANY LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying financial statements of **JAIPRAKASH AGRI INITIATIVES COMPANY LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder, including 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 thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

Rohit Mehra & Associates
New Delhi
Chartered Accountants

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 March 31, 2017, and its Loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at July 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 24, 2016 and Sept01, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report 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 (including Other Comprehensive Income), the Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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 has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 28 to the financial statements.

ii. The Company does not have any material foreseeable losses in respect of any long-term contracts including derivative contracts;

iii. There are no amounts that were due for being transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company - Refer Note 42 to the financial statements

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For ROHIT MEHRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 014926N

(CA ROHIT MEHRA)
Prop
M.NO. 093910

Rohit Mehra & Associates
New Delhi
Chartered Accountants

Place: Noida
Dated:25.05.2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **JAIPRAKASH AGRI INITIATIVES COMPANY LIMITED** ("the Company") as of March 31, 2017 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. 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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.

Rohit Mehra & Associates
New Delhi
Chartered Accountants

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, to the best of our information and according to the explanations given to us, 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 March 31, 2017, 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 ROHIT MEHRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 014926N

Rohit Mehra & Associates
New Delhi
Chartered Accountants

(CA ROHIT MEHRA)
Prop
M.NO. 093910

Place: Noida
Dated: 25.05.2017

ANNEXURE 'B' referred to in paragraph 2 of our report of even date to the members of JAIPRAKASH AGRI INITIATIVES COMPANY LIMITED on the accounts of the Company for the year ended 31st March 2017.

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

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b)A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to us, no material discrepancies were identified on such verification.

(c) The title deeds of immovable properties are held in the name of the company, except in the following cases

Land measuring 8 acres amounting to Rs. 32,65,570 at Distt Rewa Madhya Pradesh is yet to be transferred in the name of the company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on physical verification carried out at the end of the year.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the company has not given any loans, made investments, given guarantees, and security, hence Clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) In our opinion Clause (vi) of Para 3 of the Order relating to cost accounting records is not applicable during the period under report.

(vii) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Income-tax etc, and other material statutory dues applicable to it with the appropriate authorities, and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they became payable.

(b) As per records produced before us and according to the information and explanations given to us there are no dues of Income-tax, Sales-tax, Wealth tax, Service Tax, Customs duty, Excise Duty, Value Added Tax or Cess which have not been deposited on account of any dispute, except for the following:

Rohit Mehra & Associates New Delhi Chartered Accountants

Name of Statute (Nature of dues)	Period to which amount relates	Forum where Dispute is pending	Total In Rs
Commercial Tax Rewa	F.Y 2012-2013	Tribunal	1,20,45,388

(viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution.

(ix) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained. The company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid any managerial remuneration hence Clause 3(xi) of the Order is not applicable.

(xii) In our opinion, the Company is not a nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) Based on information and explanations given to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial Statements as required by the applicable accounting standards.

(xiv) Based on information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or person connected with him which is covered by Section 192 of the Act. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For ROHIT MEHRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 014926N

Rohit Mehra & Associates
New Delhi
Chartered Accountants

(CA ROHIT MEHRA)
Prop
M.NO. 093910

Place: Noida
Dated:25.05.2017

JAIPRAKASH AGRI INITIATIVES COMPANY LTD

BALANCE SHEET AS AT 31ST MARCH 2017

		NOTE	AS AT 31.03.2017 ₹	AS AT 31.03.2016 ₹	AS AT 01.07.2015 ₹
	ASSETS				
[A]	**NON CURRENT ASSETS**				
(a)	Property, Plant and Equipment	3	88,13,01,168	95,31,60,374	1,00,71,66,521
(b)	Capital Work-in-Progress	4	5,62,95,250	5,62,95,250	5,62,95,250
(c)	Financial Assets				
	(i) Investments		-	-	-
	(ii) Trade Receivables		-	-	-
	(iii) Loans	5	6,92,151	6,92,151	6,92,151
	(iv) Others (to be specified)	6	11,22,415	2,05,06,000	1,97,06,000
(d)	Deferred Tax Assets [Net]		-	-	-
(e)	Other Non-Current Assets	7	1,89,587	1,89,587	2,81,659
			93,96,00,571	**1,03,08,43,362**	**1,08,41,41,581**
[B]	**CURRENT ASSETS**				
(a)	Inventories	8	2,23,45,384	2,23,45,384	2,24,15,697
(b)	Financial Assets				
	(i) Investments		-	-	
	(ii) Trade Receivables	9	70,30,404	70,35,485	70,35,485
	(iii) Cash and Cash Equivalents	10	21,13,639	29,70,468	3,17,24,244
	(iv) Bank Balances other than (iii) above	11	63,88,302	-	-
	(v) Loans		-	-	-
	(vi) Others (to be specified)	12	20,326	22,10,440	23,76,194
(c)	Current Tax Assets [Net]	13	5,87,956	6,33,379	9,07,516
(d)	Other Current Assets	14	25,61,380	25,65,208	25,04,876
			4,10,47,391	**3,77,60,364**	**6,69,64,012**
	TOTAL ASSETS		**98,06,47,962**	**1,06,86,03,726**	**1,15,11,05,593**
	EQUITY AND LIABILITIES				
[A]	**EQUITY**				
(a)	Equity Share Capital	15	55,10,00,000	55,10,00,000	55,10,00,000
(b)	Other Equity	16	(63,29,12,439)	(46,73,29,422)	(33,10,70,458)
			(8,19,12,439)	8,36,70,578	21,99,29,542
[B]	**LIABILITIES**				
[1]	**NON-CURRENT LIABILITIES**				
(a)	Financial Liabilities				
	(i) Borrowings	17	72,62,57,056	58,90,10,562	56,67,81,417
	(ii)Trade Payables		-	-	-
	(iii) Other Financial Liabilities (other than those specified in item (b) to be specified)		-	-	-
(b)	Provisions	18	-	-	2,63,562
(c)	Deferred Tax Liabilities [Net]		-	-	-
(d)	Other Non-Current Liabilities		-	-	-
			72,62,57,056	58,90,10,562	56,70,44,979
[2]	**CURRENT LIABILITIES**				
(a)	Financial Liabilities				
	(i) Borrowings		-	-	
	(ii)Trade Payables	19	2,14,64,467	2,74,93,582	4,93,37,806
	(iii) Other Financial Liabilities (other than those specified in item (b) to be specified)	20	31,43,73,390	35,20,23,668	31,42,69,356
(b)	Other Current Liabilities	21	4,65,488	1,64,05,336	5,05,379
(c)	Provisions	22	-	-	18,531
(d)	Current Tax Liabilities [Net]		-	-	-
			33,63,03,345	39,59,22,586	36,41,31,072
	TOTAL EQUITY AND LIABILITIES		**98,06,47,962**	**1,06,86,03,726**	**1,15,11,05,593**
	Significant Accounting Policies & Notes to the Financial Statements	1 to 44			

As per our report of even date attached to the Financial Statements

For Rohit Mehra & Associates
Chartered Accountants
Firm Registration No.014926N

(Rohit Mehra)
Proprietor
M.No. 093910

Rohit Mehra & Associates Chartered Accountants New Delhi

For and on Behalf of the Board

Rahul Kumar
Director
DIN 00020779

Alok Gaur
Director
DIN 00112520

Place : Noida
Dated : 25.05.2017

JAIPRAKASH AGRI INITIATIVES COMPANY LTD

PROFIT & LOSS STATEMENT FOR THE PERIOD FROM 01.04.2016 TO 31.03.2017

	PARTICULARS	NOTE No.	APR'16 TO MAR' 17 (₹)	JULY'15 TO MAR' 16 (₹)
I	Revenue From Operations		-	-
II	Other Income	23	17,84,600	18,25,102
III	**TOTAL INCOME**		17,84,600	18,25,102
IV	**Expenses:**			
	Cost Of Materials Consumed		-	15,156
	Purchase Of Stock In Trade		-	-
	Changes In Inventories Of Finished Goods, Stock In Trade And Work In Progress		-	-
	Employee Benefits Expenses	24	2,57,862	4,83,622
	Finance Costs	25	9,07,31,940	4,29,33,772
	Depreciation & Ammortization Expenses	26	7,18,59,206	5,40,06,147
	Other Expenses	27	45,18,609	4,06,45,369
	Total Expenses (IV)		16,73,67,617	13,80,84,066
V	**Profit/(Loss) before exceptional items and tax (I - IV)**		**(16,55,83,017)**	**(13,62,58,964)**
VI	Exceptional Items		-	-
VII	**Profit/(Loss) before tax (V - VI)**		**(16,55,83,017)**	**(13,62,58,964)**
VIII	**Tax Expense:**			
	Current Tax		-	-
	Deferred Tax		-	-
IX	Profit/(Loss) For The Period From Continuing Operation (VII - VIII)		(16,55,83,017)	(13,64,83,529)
X	Profit/(Loss) From Discontinued Operations		-	2,24,565
XI	Tax Expense of discontinued operations			
XII	Profit/(Loss) From Discontinued Operations (after tax)(X - XI)		-	2,24,565
XIII	Profit/(Loss) For The Period (IX + XII)		**(16,55,83,017)**	**(13,62,58,964)**
XIV	Other Comprehensive Income			
A(i)	Items that will not be reclassified to Profit or Loss		-	-
(ii)	Income tax relating to items that will not be reclassified to Profit or loss		-	-
B(i)	Items that will be reclassified to Profit or Loss		-	-
(ii)	Income tax relating to items that will be reclassified to Profit or loss		-	-
			-	-
XV	Total Comprehensive Income for the period (XIII + XIV) (Comprising Profit(Loss) and other comprehensive income for the period		**(16,55,83,017)**	**(13,62,58,964)**
XVI	Earning per equity share			
	Basic		(3.01)	(2.47)
	Diluted		(3.01)	(2.47)
	Significant Accounting Policies & Notes to the Financial Statements	1 to 44		

As per our report of even date attached to the Financial statements

For Rohit Mehra & Associates
Chartered Accountants
Firm Registration No.014926N

Rohit Mehra & Associates New Delhi Chartered Accountants

(Rohit Mehra)
Proprictor
M.No. 093910

For and on Behalf of the Board

Rahul Kumar
Director
DIN 00020779

Alok Gaur
Director
DIN 00112520

Place : Noida
Dated : 25.05.2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2017

Company Overview and Significant Accounting Policies

1. Company Overview

Jaiprakash Agri Initiative Company Limited (JAICO) a part of Jaypee Group was incorporated in the year 2008. The Company is engaged in the business of agricultural and allied activities.

2. Significant Accounting Policies

a)- Basis of Preparation of financial statements:-

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 *First time adoption of Indian Accounting Standards*. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. There were no effect of the transition in the financial statement.

Accounting policies have been consistently followed by the company.

(i) - Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. .

Revenue includes excise duty, as excise duty flows to the company on its own account but excludes sales tax/ value added tax (VAT) which is received by the Company on behalf of the government.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue from the sale of goods are net of value added tax and exclusive of self-consumption.

Rendering of services

Revenue from rendering of services is recognised by reference to the stage of completion. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in Other income in the statement of profit and loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(ii) - Property, plant and equipment

Property, plant and equipment are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) up to the date of acquisition/ installation], net of accumulated depreciation and accumulated impairment losses, if any.

Rohit Mehra & Associates Chartered Accountants New Delhi

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset when the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profit or loss when the asset is derecognised.

(iii) - Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost which comprises purchase price (including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates) and any directly attributable cost of preparing the asset for its intended use. An intangible assets acquired in a business combination is recognised at fair value at the date of acquisition. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation is recognised on a straight line basis over their estimated useful life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates being accounted for on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Computer Softwares is amortized over a period of 5 years.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

Its intention to complete and its ability and intention to use or sell the asset

How the asset will generate future economic benefits

The availability of resources to complete the asset

The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

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(iv) - Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable. Grants related to depreciable assets are usually recognised in profit or loss over the periods and in the proportions in which depreciation expense on those assets is recognised. Grants related to non-depreciable assets may also require the fulfilment of certain obligations and would then be recognised in profit or loss over the periods that bear the cost of meeting the obligations.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e., by equal annual instalments. When loans or similar assistance or deffered liability are provided by governments, with nil interest rate or rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(v) - Foreign Exchange Transactions

The Company's financial statements are presented in INR, which is also its functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(vi) - Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials, construction materials, stores and spares, packing materials, stock of food and beverages, operating stores and supplies: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress / Stock in Process: cost includes cost of direct materials and labour and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods, borrowing costs of qualifying asset. In case of item rate contract, work in progress is measured on the basis of physical measurement of work actually completed as at the balance sheet date. In case of cost plus contracts, work in progress is taken as cost not billed on the contractee.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(vii) - Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset, that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of the asset.The borrowing cost is ceased to capitalise when the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes finance charges in respect of finance lease and exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to the interest costs.

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(viii) - Employee benefits

The undiscounted amount of short-term employee benefits i.e. wages and salaries,bonus, incentive, annual leave and sick leave etc. expected to be paid in exchange for the service rendered by employees are recognized as an expense except in so far as employment costs may be included within the cost of an asset during the period when the employee renders the services.

Retirement benefit in the form of provident fund and pension contribution is a defined contribution scheme. and is recognized as an expense except in so far as employment costs may be included within the cost of an asset

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 year. The actuarial valuation is done as per Projected Unit Credit method.

Re measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to profit or loss through OCI in the period in which they occur. Re measurements are not reclassified to profit or loss in subsequent periods.

(ix) - Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of the ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

Asset held under finance leases are initially recognised as assets at its fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised immediately in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either:

another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Company as a lessor

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless either:

another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

(x) - Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment as at each Balance Sheet date and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at each Balance sheet date at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

(xi) - Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

When the Company expects some or all of a provision to be reimbursed (like under an insurance contract, indemnity clauses or suppliers' warranties) and the Company is solely liable to pay the liability, the reimbursement is recognised as a separate asset. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement if the Company is not solely liable to pay the liability. The reimbursement of provision is only recognized when it is virtually certain that the company will receive the reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Restructuring provisions

Restructuring provisions are recognised only when the Company has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline, and the employees affected have been notified of the plan's main features.

Warranties

A warranty provision is recognised for the best estimate of the expenditure that will be required to settle the company obligation of relevant goods.

Decommissioning liability

The Company records a provision for decommissioning costs with respect to manufacturing units/ project sites etc. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(xii) - Contingent Liabilities/ Contingent Assets

Contingent Liabilities are not recognized but are disclosed in the notes unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are disclosed in the financial statements only when the inflow of economic benefits is probable. Contingent liability and contingent assets are reviewed at each reporting date.

(xiii) - Taxes

Tax expense represents the sum of the current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

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Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity respectively.

(xiv)- Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Held for sale is classified only if the asset (or disposal group) is available for immediate sale in its present condition subject only to the terms that are usual and customary for sale for such assets (or disposal group) and its sale is highly probable i.e. Management is committed to sale, which is expected to be completed within one year from date of classification.

Sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. Non-current assets (or disposal group) that is to be abandoned are not classified as held for sale

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Non-current assets once classified as held for sale are not depreciated or amortised. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are continue to be recognised.

Non-current asset (or disposal group) is reclassified from held to sale if the criteria are no longer met. And measured at lower of:

Its carrying amount before the asset (or Disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale, and

Its recoverable amount at the date of the subsequent decision not to sell.

Any adjustment to the carrying amount of a non-current asset that ceases to be classified as held for sale is charged to profit or loss from continuing operations in the period in which criteria are no longer met.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed off, or is classified as held for sale, and:

Represents a separate major line of business or geographical area of operations,

Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or

Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

(xv) - Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xvi) - Earnings per share

Basic earnings per equity share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

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(xvii) - Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(xviii) - Convertible Preference Shares/ Bonds

Convertible Preference Shares/ Bonds are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible Preference Shares/ Bonds, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised as equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the Preference Shares/ Bonds based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(xix) - Financial instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instruments

Financial instruments are initially measured at fair value including transaction costs unless they are classified at fair value through profit and loss, in which case the transaction costs are expensed immediately. Subsequent to initial recognition, these instruments are measured in accordance with their classification as set out below.

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Subsequent measurement-Financial assets

Financial assets are classified in four categories:

Amortised cost, if the financial asset is held within a business model whose object is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVOCI), if the financial asset is held within a business mode whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payment of principal and interest on the principal amount outstanding. Any interest income, impairment losses & reversals and foreign exchange gain or loss is recognised in Profit or loss,

Fair value through other comprehensive income, if the financial assets is investment in an equity instrument within the scope of this standard, that is neither held for trading nor contingent consideration recognised by company in a business combination, for which the company make an irrevocable election to present subsequent changes in fair value in other comprehensive income. Any dividend is recognised in profit or loss, or

Fair value through profit or loss (FVTPL)

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognising of a financial asset in its entirety, the difference between the assets's carrying amount and the sum of the consideration received or receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost, e.g., loans, debt securities, deposits, trade receivables and bank balance

Financial assets that are debt instruments and are measured as at FVTOCI

Lease receivables under Ind AS 17

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

Loan commitments which are not measured as at FVTPL

Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables or contract revenue receivables; and

All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement-Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The company reclassify all affected financial assets prospectively when, and only when company changes its business model for managing financial assets but financial liability is not reclassified in any case.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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JAIPRAKASH AGRI INITIATIVES COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017

Note - 3- Property, Plant and Equipment

(Amount in Rs.)

Particulars	Free Hold	Buildings	Plant & Machinery	Furniture & Fittings	Office Equipments	Vehicles	Computers	Total
Cost or deemed cost								
Gross Block								
As at July 1, 2015	54,16,005	33,32,92,037	88,67,76,577	64,53,611	1,02,09,731	25,01,277	1,20,47,381	1,25,66,96,619
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
As at March 31,2016	**54,16,005**	**33,32,92,037**	**88,67,76,577**	**64,53,611**	**1,02,09,731**	**25,01,277**	**1,20,47,381**	**1,25,66,96,619**
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
As at March 31,2016	54,16,005	33,32,92,037	88,67,76,577	64,53,611	1,02,09,731	25,01,277	1,20,47,381	1,25,66,96,619
Accumulated Depreciation								
As at July 1, 2015	-	3,77,61,090	19,60,57,695	22,47,983	26,60,887	10,80,826	97,21,617	24,95,30,098
Charge for the year	-	80,36,883	4,37,35,684	4,97,169	8,55,131	2,48,617	6,32,663	5,40,06,147
Additions on acquisition	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
As at March 31,2016	**-**	**4,57,97,973**	**23,97,93,379**	**27,45,152**	**35,16,018**	**13,29,443**	**1,03,54,280**	**30,35,36,245**
Charge for the year		1,06,96,358	5,82,08,220	6,61,698	11,20,134	3,30,884	8,41,912	7,18,59,206
Disposals		-	-	-	-	-	-	-
As at March 31,2017	-	5,64,94,331	29,80,01,599	34,06,850	46,36,152	16,60,327	1,11,96,192	37,53,95,451
Net Block(As at July 1,2015)	54,16,005	29,55,30,947	69,07,18,882	42,05,628	75,48,844	14,20,451	23,25,764	**1,00,71,66,521**
Net Block(As at March 31,2016)	54,16,005	28,74,94,064	64,69,83,198	37,08,459	66,93,713	11,71,834	16,93,101	**95,31,60,374**
Net Block(As at March 31,2017)	54,16,005	27,67,97,706	58,87,74,978	30,46,761	55,73,579	8,40,950	8,51,189	**88,13,01,168**

Note - 4 - Capital Work in Progress

	(Amount in Rs.)
Opening Balance as on 01.07.2015	**5,62,95,250**
Add: Additions during the year	-
Less: Capitalized during the year	-
Balance as on 31.03.2016	**5,62,95,250**
Add: Additions during the year	-
Less: Capitalized during the year	-
Balance as on 31.03.2017	5,62,95,250

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ASSETS

(IN RUPEES)

A-1 NON-CURRENT ASSETS

	AS AT 31.03.2017	AS AT 31.03.2016	AS AT 01.07.2015
NOTE 5 - LOANS			
Security Deposit [Unsecured considered good]	-	-	-
Deposits with Govt Dept & Public Bodies	-	-	-
Deposits with Others	6,92,151	6,92,151	6,92,151
Loans and Advances to Related Parties	-	-	-
Other Loans and Advances	-	-	-
	6,92,151	**6,92,151**	**6,92,151**
NOTE 6 - OTHER FINANCIAL ASSETS			
Long term Deposits with Banks* (maturity more than 12 months) (Pledged with Govt Deptt)	11,21,823	2,05,06,000	1,97,06,000
Interest accrued on Fixed Deposits & others	592	-	-
	11,22,415	2,05,06,000	1,97,06,000

*Long term Deposit includes deposits of Rs.11,21,823/- [Pr. Yr. Rs.10,46,228/-] pledged as Guarantees/Deposits/ Margin Money.

	AS AT 31.03.2017	AS AT 31.03.2016	AS AT 01.07.2015
NOTE 7- OTHER NON-CURRENT ASSETS			
Claims and Refund Receivables - From Govt.	1,89,587	1,89,587	2,81,659
	1,89,587	**1,89,587**	**2,81,659**
A-2 CURRENT ASSETS			
NOTE 8 - INVENTORIES			
a) Raw Materials	1,18,99,976	1,18,99,976	1,18,99,976
b) Stores & Spare Parts	1,04,45,408	1,04,45,408	1,05,15,721
	2,23,45,384	2,23,45,384	2,24,15,697
NOTE 9 -TRADE RECEIVABLES - CURRENT			
Trade Receivables (Unsecured, considered good)-others	6,38,634	6,38,734	6,38,734
Related Party	63,91,770	63,96,751	63,96,751
	70,30,404	70,35,485	70,35,485
NOTE 10 -CASH AND CASH EQUIVALENTS			
a) Balance with Scheduled Banks			
- In Current Accounts in INR	21,08,123	29,62,732	1,51,97,068
b) Cheques-in-hand	-	-	-
c) Cash on hand	5,516	7,736	42,970
d) Term Deposits less than 3 months	-	-	1,64,84,206
	21,13,639	29,70,468	3,17,24,244
NOTE 11 -BANK BALANCES OTHER THAN ABOVE			
a) Short Term Deposits with Banks (More than 3 month but less than 12 months)	63,88,302	-	-
	63,88,302	-	-
NOTE 12 - OTHER CURRENT FINANCIAL ASSETS			
a) Interest accrued on Fixed Deposits & others	-	21,90,114	23,55,868
b) Staff Advance	20,326	20,326	20,326
c) Claim & Refund Receivable (from Non Govt. party)	-	-	-
c) Other Receivables (Scrap Receivable)	-	-	-
	20,326	**22,10,440**	**23,76,194**
NOTE 13 - CURRENT TAX ASSETS [NET]			
Advance Tax & Tax Deducted At source	5,87,956	6,33,379	9,07,516
Less: provision for Tax	-	-	-
	5,87,956	**6,33,379**	**9,07,516**
NOTE 14 -OTHER CURRENT ASSETS			
a) Claims and Refunds Receivable (from Govt Refundable)	23,60,250	23,60,250	23,30,035
b) Prepaid Expenses	2,01,130	2,04,958	1,74,841
	25,61,380	25,65,208	25,04,876

EQUITY AND LIABILITIES

(IN RUPEES)

A EQUITY	AS AT 31.03.2017	AS AT 31.03.2016	AS AT 01.07.2015
NOTE 15 - EQUITY SHARE CAPITAL			
Authorised			
10,00,00,000 (Prev. Yr 10,00,00,000) Equity Shares of Rs. 10/- each fully paid up at par	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000.00
	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000.00
Issued, Subscribed and Paid-up			
5,51,00,000 Equity Shares (Previous year 5,51,00,000) of Rs. 10/- each fully paid up	55,10,00,000	55,10,00,000	55,10,00,000.00
	55,10,00,000	55,10,00,000	55,10,00,000.00

Note 15.1: Issued , Subscribed and Paid-up Share Capital in number comprises of :
50,00,00,000 Equity shares were alloted at premium of Rs. 10/- each per share during the year ended 30 June 2012 persuant to the scheme of amalgamation for consideration other than cash.

Note 15.2: Reconciliation of the number of the shares outstanding

Particulars	31st Mar, 2017	31st Mar, 2016	AS AT 01.07.2015
	Number	Number	Number
Equity shares of Rs 10/- each			
Shares outstanding at the beginning of the year	5,51,00,000	5,51,00,000	5,51,00,000
Shares issued during the year	-	-	-
Shares outstanding at the end of the year	**5,51,00,000**	**5,51,00,000**	**5,51,00,000**
	Amount (Rs)	**Amount (Rs)**	**Amount (Rs)**
Shares outstanding at the beginning of the year	55,10,00,000	55,10,00,000	55,10,00,000
Shares issued during the year	-	-	-
Shares outstanding at the end of the year	55,10,00,000	55,10,00,000	55,10,00,000

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Note 15.3: The Rights attached to the each clause of shares
Each Equity shareholder is eligible for one vote per share and is entitled for dividend.

Note 15.4 The shares held by the holding company

5,51,00,000 Equity Shares of Rs.10/- each held by Jaypee Cement Corporation Limited, the holding company. (Previous year 5,51,00,000 Equity Shares)

Note 15.5 The Shares held by the company held by each shareholder holding more than 5 % of the aggregate shares in the company.

Name of Shareholder	31st March,2017	31st March,2016	1st April,2015
	No. of shares held	No. of shares held	No. of shares held
a: Equity shares of Rs 10/- each			
Jaypee Cement Corporation Limited	5,51,00,000	5,51,00,000	5,51,00,000
	% of holding	% of holding	% of holding
	100%	100%	100%

NOTE 16 - OTHER EQUITY			
Surplus			
As per last balance sheet	(1,10,67,19,397)	(99,93,85,242)	
Add: Provided during the year	(12,23,09,814)	(10,73,34,155)	
	(1,22,90,29,211)	**(1,10,67,19,397)**	**(99,93,85,242)**
Other Equity	**59,61,16,772**	**63,93,89,975**	**66,83,14,784**
Total	**(63,29,12,439)**	**(46,73,29,422)**	**(33,10,70,458)**

B **LIABILITIES**

B-1 **NON CURRENT LIABILITIES**

FINANCIAL LIABILITIES:

NOTE 17 - BORROWINGS

(I) SECURED LOANS			
Debentures	-	-	-
Term Loans from Banks/FIs	**32,23,73,828**	**22,84,00,537**	**23,50,96,201**
Total	**32,23,73,828**	**22,84,00,537**	**23,50,96,201**

Security: Financial assistance of Rs.32,41,00,000/- from IFCI Ltd. (previous year Rs.23,05,00,000/-) together with all interest, other charges, dues & costs payable to the Lenders under the Agreement & Financing documents are secured / to be secured by first pari-passu mortgage and hypothecation of all immovable properties / assets, movables pertaining to the Project (both present and future) and collaterally secured by 2nd charge on Current Assets i.e. Book debts, operating cash flows, receivables, commissions, revenues and any nature whatsoever arising, intangibles, goodwill, uncalled capital (present and future).

Terms of repayment : Repayable in 16 quarterly instalments after the moratorium period of 2 years (Door to door tenure of 6 years from date of 1st disbursement which is 31.03.2016)

(II) UNSECURED LOANS	**AS AT 31.03.2017**	**AS AT 31.03.2016**	**(IN RUPEES) AS AT 01.07.2015**
Redemable Preference Share			
12% Non- Comulative Redeemable Preference Share Capital.1,00,00,000 (Prev Yr 1,00,00,000) Shares of Rs. 100/- each fully paid up at par (allotted for consideration other than cash against amount outstanding	40,38,83,228	36,06,10,025	33,16,85,216
	40,38,83,228	36,06,10,025	33,16,85,216
BORROWINGS - TOTAL	**72,62,57,056**	**58,90,10,562**	**56,67,81,417**

NOTE 18 - PROVISIONS - NON CURRENT			
Provisions for Employee Benefits			
Gratuity	-	-	1,63,671
Leave Encashment	-	-	99,891
	-	-	**2,63,562**

B-2 **CURRENT LIABILITIES**

NOTE 19 - TRADE PAYABALES - CURRENT	**AS AT 31.03.2017**	**AS AT 31.03.2016**	**AS AT 01.07.2015**
Sundry Creditors			
--Small Scale Industrial Undertakings	-	-	-
--Others	2,14,64,467	2,74,93,582	4,93,37,806
Due to Related Party	-	-	-
	2,14,64,467	**2,74,93,582**	**4,93,37,806**
NOTE 20 - OTHER FINANCIAL LIABILITIES - CURRENT			
Current maturities of Long term Debt	-		8,76,00,000
Interest accrued and due on loans	1,70,09,914	91,253	92,41,801
Interest accrued but not due on loans	21,88,785	-	-
Other Payables			
--- Staff Dues	45,753	14,953	3,24,877
--- Deposits (from Stockists, Sales Promoters, Transporters & Others)	16,739	16,739	16,739
--- Due to Related Party	29,46,02,366	35,13,90,890	21,70,85,939
--- Other Creditors	5,09,833	5,09,833	-
	31,43,73,390	**35,20,23,668**	**31,42,69,356**
NOTE 21 - OTHER CURRENT LIABILITIES			
Security Deposits	3,495	3,495	3,495
Statutory Dues	18,353	1,59,53,120	53,163
Advances from Customers	4,43,640	4,48,721	4,48,721
	4,65,488	**1,64,05,336**	**5,05,379**
NOTE 22 - PROVISIONS			
-For Gratuity	-	-	9,483
-For Leave Encashment	-	-	9,048
	-	-	**18,531**

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	(IN RUPEES) APR'16 TO MAR' 17	(IN RUPEES) JULY'15 TO MAR' 16
Note- 23 - Other Income		
Misc Receipts	-	12,27,656
Interest on FDRs	17,84,600	5,97,446
	17,84,600	**18,25,102**

Note 23 - Cost of Material Consumed	(IN RUPEES) APR'16 TO MAR' 17	(IN RUPEES) JULY'15 TO MAR' 16
Chemical Consumed	-	15,156
Sub Total	-	**15,156**
Less: Cost Of Self Consumption		-
	-	**15,156**

Note- 24 - Employee Benefits Expenses		
Salaries, Wages & Bonus, Leave encashment Etc.	2,24,000	4,61,463
Contribution To Provident & Other Funds	33,862	12,675
Staff Welfare	-	9,484
	2,57,862	4,83,622
Note- 25 -Finance Cost		
Interest on Term Loans	4,74,58,737	1,37,04,463
Interest on Non-Convertible Pref Shares	4,32,73,203	2,89,24,809
Financial Charges	-	3,04,500
	9,07,31,940	4,29,33,772
Note - 26 - Depreciation and Ammortization Expenses		
Depreciation	7,18,59,206	5,40,06,147
Total	7,18,59,206	5,40,06,147
Note 27 - Other Expenses		
Rates & Taxes	39,24,030	3,92,77,535
Insurance	2,23,626	1,41,754
Travelling & Conveyance	49,866	34,321
Bank Charges & Guarantee Commission	89,526	36,098
Printing & Stationery	-	2,335
Stores & Spares Consumed	-	69,598
Legal & Professional Charges	84,737	4,47,646
Labour & Maintenance Contract		3,56,649
Power & Fuel	31,324	87,472
Miscellaneous Expenses	-	17,751
Auditors' Remuneration		
Audit Fee	1,15,500	1,74,210
	45,18,609	4,06,45,369

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Note - 28 - Contingent Liabilities not provided for :

a) Outstanding amount of Bank Guarantee Rs. NIL (Previous year - ₹1,40,00,000/-)
Margin money deposited against the above Rs. NIL (Previous Year - Rs.1,40,00,000/-)

b) Claims against company not acknowledged as Debts Rs.12,41,27,420/- (Previous year - Rs.12,41,27,420/-)

c) Entry Tax Matters under Appeal Rs.1,40,08,162/- (Previous year -Rs.1,40,08,162/-)
Amount Deposited under Protest Rs.19,62,774/- (Previous year - Rs.19,62,774/-)

Note - 29

Disclosure as required under Notification No.G.S.R.(E) dated 04th September, 2015 issued by the Department of Company Affairs(as certified by the Management):

(in ₹)

Sl. No.	Particulars	31st Mar, 2017	31st Mar, 2016
a)	The principal amount and interest due thereon remaining unpaid to any supplier		
	- Principal	Nil	Nil
	- Interest	Nil	Nil
b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small, and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day.	Nil	Nil
c)	The amount of interest due & payable for the year of delay in making payment(which have been paid beyond the appointed date during year)but without adding interest specified under the Micro, Small and Medium Enterorises Development Act, 2006	Nil	Nil
d)	The amount of interest accrued & remaining unpaid.	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding years, until auch date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

Note - 30 - Deferred Tax Liblities (net)

(In ₹)

Particulars	31st Mar, 2017	31st Mar, 2016
(a) Deferred tax Liability		
On account of depreciation	13,76,70,743	10,88,22,714
	13,76,70,743	10,88,22,714
(b) Deferred tax Assets		
On account of Income Tax loss	55,70,59,609	43,75,08,206
On account of employee benefits	-	-
	55,70,59,609	43,75,08,206
Total (a-b)	(41,93,88,866)	(32,86,85,492)

Note : Deferred tax Assets ₹41,93,88,866 /- (Previous year ₹ 32,86,85,492/-) has not been made due to absense of Revenue Reserve.

Note - 31 - Related Party Disclosures, as required in terms of "Indian Accounting Standard [IND AS] -24" are given below:

(1) Relationships:

a) **Holding Companies:**
(i) Jaypee Cement Corporation Limited
(ii) Jaiprakash Associates Limited, being holding company of Jaypee Cement Corporation Limited

b) **Fellow Subsidiary Companies [including their subsidiaries]:**
[i] Jaiprakash Power Ventures Limited (JPVL) (subsidiary of JAL till 17.02.2017)
[ii] Jaypee Infratech Limited (JIL) (subsidiary of JAL)
[iii] Himalyan Expressway Limited(HEL) (subsidiary of JAL)
[iv] Jaypee Ganga Infrastructure Corporation Limited (subsidiary of JAL)
[v] Jaypee Agra Vikas Limited (subsidiary of JAL)
[vi] Jaypee Fertilizers and Industries Limited (subsidiary of JAL)
[vii] Himalyaputra Aviation Limited (HEL) (subsidiary of JAL)
[viii] Sangam Power Generation Company Limited (Subsidiaries of JPVL) (subsidiary of JAL till 17.02.2017)
[ix] Prayagraj Power Generation Company Limited (Subsidiaries of JPVL) (subsidiary of JAL till 17.02.2017)
[x] Jaypee Meghalaya Power Limited (Subsidiaries of JPVL) (subsidiary of JAL till 17.02.2017)
[xi] Jaypee Assam Cement Limited (subsidiary of JAL)
[xii] Jaypee Healthcare Limited. (Subsidiaries of JIL)
[xiii] Jaypee Infrastructure Development Limited (New name of Jaypee Cement Cricket (India) Limited.w.e.f. 21.02.2017) (subsidiary of JAL)
[xiv] Jaypee Cement Hockey (India) Limited. (subsidiary of JAL)
[xv] Himachal Baspa Power Company Limited (Subsidiaries of JPVL till 07.09.2015, No more a subsidiary w.e.f. 08.09.15)
[xvi] Bina Power Supply Limited (New Name of Himachal Karcham Power Company Limited w.e.f.28.09.15) (Subsidiaries of JPVL) (subsidiary of JAL till 17.02.2017)
[xvii] Yamuna Expressway Tolling Limited (new name of Jaypee Mining Ventures Pvt Ltd w.e.f.24.03.2017) (Subsidiary of JAL w.e.f. 25.03.2017 only)

c) **Joint Venture Subsidiaries :**
[i] Bhilai Jaypee Cement Limited
[ii] Gujarat Jaypee Cement and Infrastructure Limited
[iii] Jaypee Powergrid Limited (Subsidiaries of JPVL) (Subsidiary of JAL till 17.02.2017)
[iv] Jaypee Arunachal Power Limited (Subsidiaries of JPVL) (subsidiary of JAL till 17.02.2017)

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d) **Associate Companies:**

[i] Jaiprakash Power Ventures Limited (JPVL) (Associate w.e.f.18.02.2017)
[ii] Sangam Power Generation Company Limited (Subsidiaries of JPVL) (Associate w.e.f. 18.02.2017)
[iii] Prayagraj Power Generation Company Limited (Subsidiaries of JPVL) (Associate w.e.f. 18.02.2017)
[iv] Jaypee Meghalaya Power Limited (Subsidiaries of JPVL) (Associate w.e.f. 18.02.2017)
[v] Bina Power Supply Limited (New Name of Himachal Karcham Power Company Limited w.e.f.28.09.15) (Subsidiaries of JPVL) (Associate w.e.f. 18.02.2017)
[vi] Jaypee Powergrid Limited (Subsidiaries of JPVL) (Associate w.e.f. 18.02.2017)
[vii] Jaypee Arunachal Power Limited (Subsidiaries of JPVL) (Associate w.e.f.18.02.2017)
[viii] Jaypee Infra Ventures (Private Company with unlimited Liability)(JIV)
[ix] Jaypee Development Corporation Limited (JDCL) (Subsidiary of JIV)
[x] JIL Information Technology Limited (Subsidiaries of JIV)
[xi] Gaur & Nagi Limited (Subsidiary of JILIT)
[xii] Indesign Enterprises Private Limited (subsidiary of JIV)
[xiii] Sonebhadra Minerals Private Limited
[xiv] RPJ Minerals Private Limited
[xv] Jaypee Uttar Bharat Vikas Private Limited (JV Associate)
[xvi] Kanpur Fertilizers & Cement Limited (JV Associate)
[xvii] Tiger Hills Holiday Resort Private Limited (Subsidiary of JDCL)
[xviii] Anvi Hotels Private Limited (Subsidiary of JIV) (Dissolved w.e.f. 16.07.16)
[xix] Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals)
[xx] Rock Solid Cement Limited
[xxi] MP Jaypee Coal Limited (JV Associate)
[xxii] Jaypee International Logistics Company Private Limited (Subsidiaries of JIV)
[xxiii] Madhya Pradesh Jaypee Minerals Limited (JV Associate)
[xxiv] MP Jaypee Coal Fields Limited (JV Associate)
[xxv] Andhra Cement Limited (Subsidiary of JDCL)
[xxvi] Ibonshourne Limited (subsidiary of IEPL w.e.f. 11.01.16)

e) **KMP Based companies**

[i] Jaiprakash Kashmir Energy Limited (controlled by Shri Manoj Gaur, Shri Sunny Gaur & their relatives)
[ii] Ceekay Estates Private Limited (controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
[iii] Jaiprakash Exports Private Limited (controlled by relatives of Shri Manoj Gaur/ Shri Sunny Gaur)
[iv] Bhumi Estate Developers Private Limited (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur and also by relative of Shri Rahul Kumar)
[v] Pac Pharma Drugs and Chemicals Private Limited (controlled by relative of Shri Sunil Kumar Sharma) (Dissolved on 16.04.2016)
[vi] Jaypee Jan Sewa Sansthan ('Not For Profit' Private Limited Company) (controlled by relatives of Shri Manoj Gaur/ Shri Sunny Gaur)
[vii] JC World Hospitality Private Limited (controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
[viii] JC Wealth & Investments Private Limited (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
[ix] CK World Hospitality Private Limited (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
[x] Librans Venture Private Limited (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
[xi] Librans Real Estate Private Limited (Jointly controlled by relative of Shri Manoj Gaur/ Shri Sunny Gaur)
[xii] Think Different Enterprises Private Limited (contolled by relative of Shri Manoj Gaur)

e) **Key Management Personnel :**

[i] Shri Rahul Kumar
[ii] Ms Urvashi Gaur
[iii] Shri R.K.Singh
[iv] Shri Manoj Gaur (KMP of JAL & JCCL)
[v] Shri Sunil Kumar Sharma (KMP of JAL)
[vi] Shri Suresh Chand Rathi (KMP of JAL)
[vii] Shri Subrat Kumar Mohapatra (KMP of JAL)
[viii] Shri Shailesh Verma (KMP of JAL)
[ix] Shri Raj Narayan Bhardwaj (KMP of JAL)
[x] Shri Subhash Chandra Bhargava (KMP of JAL)
[xi] Shri Basant Kumar Goswami (KMP of JAL)
[xii] Ms. Homai A. Daruwalla (KMP of JAL)
[xiii] Shri Kailash Nath Bhandari (KMP of JAL)
[xiv] Shri Satish Charan Kumar Patne (KMP of JAL)
[xv] Shri Chandra Prakash Jain (KMP of JAL)
[xvi] Shri Keshav Prasad Rau (KMP of JAL)
[xvii] Shri Tilak Raj Kakkar (KMP of JAL)
[xviii] Shri Sunny Gaur (KMP of JAL)
[xix] Shri Pankaj Gaur (KMP of JAL & JCCL)
[xx] Shri Ranvijay Singh (KMP of JAL)
[xxi] Ms Nandita Gaur (KMP of JCCL)
[xxii] Shri Naveen Kr Singh (KMP of JCCL)
[xxiii] Shri S.D.M.Nagpal (KMP of JCCL)
[xxiv] Shri R.B.Singh (KMP of JCCL)
[xxv] Shri M.N.Jha (KMP of JCCL)
[xxvi] Shri R.S.Kuchhal (KMP of JCCL)

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

(In ₹)

Nature of Transactions	Referred in (a) above	Referred in (b) above	Referred in (c) above	Referred in (d) above
Receipts				
Share Capital	- -	- -	- -	- -
Expenditure				
Contract, Material purchase & services	- -	- -	- -	- -
Sales	- -	- -	- -	- -
Managerial Remuneration	- -	- -	- -	- -
Outstanding				
Receivable	**63,91,770** (63,96,751)	- -	- -	- -
Payable	**29,46,02,366** (35,13,90,890)	- -	- -	- -

Previous year figures are given in brackets

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Financial Instruments and Risk Management

Note - 32 - Fair Value Measurement

(i) Financial instruments by category

in Rupees

	31.03.2017		31.03.2016		01.07.2015	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets						
Investments						
- Equity Instruments		-		-		-
- Preference Shares		-		-		-
- Mutual Fund		-		-		-
- Bonds	-		-		-	
- Interest in Beneficiary Trust	-		-		-	
Trade Receivables	-	70,30,404	-	70,35,485	-	70,35,485
Loans	-	6,92,151	-	6,92,151	-	6,92,151
Other Financial Assets	-	11,42,741	-	2,27,16,440		2,20,82,194
Cash and Cash Equivalents	-	21,13,639	-	29,70,468	-	3,17,24,244
Bank Balance Other than Cash and Cash Equivalents	-	63,88,302	-	-	-	-
Total Financial Assets	**-**	**1,73,67,237**	**-**	**3,34,14,543**	**-**	**6,15,34,074**
Financial Liabilities						
Borrowings	-	72,62,57,056	-	58,90,10,562	-	56,67,81,417
Trade Payables	-	2,14,64,467	-	2,74,93,582	-	4,93,37,806
Other Financial Liabilities	-	31,43,73,390	-	35,20,23,668	-	31,42,69,356
Total Financial Liabilities	**-**	**1,06,20,94,913**	**-**	**96,85,27,812**	**-**	**93,03,88,579**

Fair value hierarchy
The fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2017 are as follows: **Not Applicable**

Note - 33- Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(A) Credit Risk
Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Credit risk management
Credit risk refers to the risk of default on its obligation by he counterparty resulting in a financial loss. Trade receivables, Loans and Other receivables are typically unsecured. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of the adoption of Ind AS 109, the Company uses ECL model to assess the impairment loss or gain. The Company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies and the Company's historical experience for customers.

Credit risk exposure
The allowance for life time ECL on trade receivables and other receivables for the year ended March 31, 2017 and for the year ended March 31, 2016 are NIL.

Credit risk on cash and cash equivalents and bank balances is limited as the Company generally invest in deposits with bank. Investments primarily include investments in liquid mutual fund units, quoted and unquoted equity shares, preference shares and quoted bonds.

(B) Liquidity Risk
Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

(i) Liquidity risk management
The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, bonds and finance lease. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated , over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

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(ii) Maturity of financial liabilities

The detail of contractual maturities of significant financial liabilities as on 31 March 2017 are as follows:

in Rupees

Particulars	Less Than 6 Months	6 Months to 1 Years	1 Years to 2 Years	2 Years to 5 Years	More than 5 Years	Total
Borrowings			8,10,25,000	24,30,75,000		
Obligation under finance lease						
Trade payables	2,14,64,467					
Other financing liabilities						
Total financial liabilities	**2,14,64,467**	-	**8,10,25,000**	**24,30,75,000**	-	-

The detail of contractual maturities of significant financial liabilities as on 31 March 2016 are as follows:

in Rupees

Particulars	Less Than 6 Months	6 Months to 1 Years	1 Years to 2 Years	2 Years to 5 Years	More than 5 Years	Total
Borrowings				23,05,00,000		
Obligation under finance lease						
Trade payables	2,74,93,582					
Other financing liabilities						
Total financial liabilities	**2,74,93,582**	-	-	**23,05,00,000**	-	-

The detail of contractual maturities of significant financial liabilities as on 1st July 2015 are as follows:

in Rupees

Particulars	Less Than 6 Months	6 Months to 1 Years	1 Years to 2 Years	2 Years to 5 Years	More than 5 Years	Total
Borrowings	5,84,00,000	5,84,00,000	11,68,00,000	8,90,96,201		
Obligation under finance lease						
Trade payables	4,93,37,806					
Other financing liabilities						
Total financial liabilities	**10,77,37,806**	**5,84,00,000**	**11,68,00,000**	**8,90,96,201**	-	-

(C) Market Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(i) Foreign Currency Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company do not expose to foreign exchange risk arising from foreign currency borrowings. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is managed through a forecast of highly probable foreign currency cash flows.

Foreign Currency Risk Management

The Company's risk management committee is responsible to frame, implement and monitor the risk management plan of the Company. The committee carry out risk assessment with regard to foreign exchange variances and suggests risk minimization procedures and implement the same.

Foreign Currency Risk Exposure

Foreign Currency Exposure as on 31.03.2017 is Nil.

The Company does not have any long term contracts including derivative contracts for which there are any material foreseable losses as at 31 March 2017.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR is NIL

Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.- **Not Applicable**

(ii) Interest Rate Risk

The Company's main interest rate risk arises from long term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company do not have fixed rate borrowings

Interest Rate Risk Management

The Company's risk management committee ensures all the current and future material risk exposures are identified, assessed, quantified, appropriately mitigated, minimised, managed and critical risks when impact the achievement of the Company's objective or threatens its existence are periodically reviewed.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

in Rupees

Particulars	Weighted average interest rate	31.03.2017	Weighted average interest rate	31.03.2016	Weighted average interest rate	01.07.2015
Variable rate borrowings	15.62%	32,41,00,000	15.51%	23,05,00,000	16.83%	32,26,96,201
Fixed rate borrowings						
Total Borrowings	**15.62%**	**32,41,00,000**	**15.51%**	**23,05,00,000**	**16.83%**	**32,26,96,201**

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Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates.

in Rupees

Particulars	Impact on Profit / (Loss) after tax	
	31.03.2017	31.03.2016
Interest rates - increase by 70 basis points (70 bps)	-21,10,734	-6,14,389
Interest rates - decrease by 70 basis points (70 bps)	21,10,734	6,14,389

(iii) Price Risk

The price risk for the company is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Price Risk Management

To manage its price risk arising from investments, the Company diversifies its portfolios. Diversification of the portfolio is done in accordance with the limits set by the Company.

Price risk exposure

The Company's exposure to price risk arises from investments held by the Company and classified in the balance sheet as fair value through profit or loss.

Note - 34 - Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The objective of the company's capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits other stakeholders and maintain an optimal capital structure to reduce the cost of capital. The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company monitors capital structure using gearing ratio, which is net debt divided by total equity plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

in Rupees

Particulars	31.03.2017	31.03.2016	01.07.2015
Borrowings	72,62,57,056	58,90,10,562	56,67,81,417
Trade payables	2,14,64,467	2,74,93,582	4,93,37,806
Other payables	31,48,38,879	36,84,29,005	31,47,74,735
Less: Cash and cash equivalents	(21,13,639)	(29,70,468)	(3,17,24,244)
Net debt	1,06,04,46,762	98,19,62,680	89,91,69,714
Total Equity	-8,19,12,439	8,36,70,578	21,99,29,542
Total equity plus net debt	97,85,34,323	1,06,56,33,258	1,11,90,99,256
Gearing ratio	**108%**	**92%**	**80%**

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Note - 35-

Effect of Ind AS adoption on the consolidated Balance Sheet as at March 31, 2016 & July 1, 2015

(In Rupees)

Particulars	IGAAP As on April 1, 2016	Opening Ind AS Adjustment	Ind AS as on April 1, 2016	IGAAP As on July,1 2015	Ind AS Adjustment	Ind AS as on July,1 2015
Assets						
Non Current assets						
Property ,Plant and Equipment	95,31,60,374	-	95,31,60,374	1,00,71,66,522	-	1,00,71,66,521
Capital Work in Progress	5,62,95,250	-	5,62,95,250	5,62,95,250	-	5,62,95,250
Goodwill						
Other Intangible Assets						
Financial Assets						
(i)Investments						
(ii) Trade Receivable						
(iii) Loans	8,81,737	(1,89,587)	6,92,151	9,73,809	(2,81,659)	6,92,151
(iv) Other Financial assets	2,05,06,000	-	2,05,06,000	1,97,06,000	-	1,97,06,000
Deffered Tax Assets (Net)						
Other non current Assets	-	1,89,587	1,89,587		2,81,659	2,81,659
	1,03,08,43,362	-	1,03,08,43,362	1,08,41,41,581	-	1,08,41,41,581
Current Assets						
Inventories	2,23,45,384	-	2,23,45,384	2,24,15,696	-	2,24,15,697
Financial Assets		-			-	
(i) Trade Receivables	70,35,485	-	70,35,485	70,35,485	-	70,35,485
(ii)Cash and Cash equivalents	29,70,468	-	29,70,468	3,17,24,244	-	3,17,24,244
(iii) Bank balance other than (ii) above		-			-	-
(iv) Loans	30,13,955	(30,13,955)	-	32,57,877	(32,57,877)	-
(v) other Financial assets		22,10,440	22,10,440		23,76,194	23,76,194
Current Tax assets (Net)		6,33,379	6,33,379		9,07,516	9,07,516
Other Current Assets	23,95,072	1,70,136	25,65,208	25,30,709	(25,833)	25,04,876
	3,77,60,364	-	3,77,60,364	6,69,64,011	-	6,69,64,012
Total	**1,06,86,03,726**	**-**	**1,06,86,03,726**	**1,15,11,05,592**	**-**	**1,15,11,05,593**
EQUITY AND LIABILITIES						
Equity	1,55,10,00,000	(1,00,00,00,000)	55,10,00,000	1,55,10,00,000	(1,00,00,00,000)	55,10,00,000
Other equity	(1,10,88,18,861)	64,14,89,438	(46,73,29,422)	(99,93,85,243)	66,83,14,785	(33,10,70,458)
Equity contributable to the equity holder of the parents	44,21,81,139	(35,85,10,562)	8,36,70,578	55,16,14,757	(33,16,85,215)	21,99,29,542
Non controlling interest						
	44,21,81,139	(35,85,10,562)	8,36,70,578	55,16,14,757	(33,16,85,215)	21,99,29,542
Non Current Liabilities	-					
Financial Liabilities						
(i) Borrowings	23,05,91,253	35,84,19,309	58,90,10,562	23,50,96,201	33,16,85,216	56,67,81,417
(ii) Trade payables		-				
(iii) Other Financial Liabilities(other than those specified in (b) below, to be specified)						
Provisions				2,63,562	-	2,63,562
Deffered Tax Liabilities						
Other non current Liabilities						
	23,05,91,253	35,84,19,309	58,90,10,562	23,53,59,763	33,16,85,216	56,70,44,979
Current Liabilities						
Financial Liabilities						
(i) Borrowings	16,739	(16,739)	-	16,739	(16,739)	-
(ii) Trade and other payables	37,88,84,472	(35,13,90,890)	2,74,93,582	26,64,47,543	(21,71,09,737)	4,93,37,806
(iii) Other Financial Liabilities		35,20,23,668	35,20,23,668		31,42,69,356	31,42,69,356
Other Current Liabilities	1,69,30,122	(5,24,786)	1,64,05,336	9,76,48,259	(9,71,42,880)	5,05,379
Short Term Provisions				18,531	-	18,531
Current Tax Liabilities (Net)						
	39,58,31,333	91,253	39,59,22,586	36,41,31,072	-	36,41,31,072
Total	**1,06,86,03,726**	**-**	**1,06,86,03,726**	**1,15,11,05,592**	**-**	**1,15,11,05,593**

Explanation for reconciliation of Balance sheet as previously reported under previous GAAP to Ind AS

1 Claim and refund receivable from Govt has been shown under Other non current assets

2 **Loan processing fees:** As per IGAAP loan processing fees are charged to profit and loss or capitalized in the period in which it is incurred. Under Ind AS loan processing fees are amortised over the period of loan.

3 As Per IndAs Redeemabale preference shares issued has been partially charged to Borrowing.

Note - 36

Effect of Ind AS adoption on the consolidated Profit & Loss as at March 31, 2016

Amount in Rs.

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations			
Other income	18,25,102	-	18,25,102
Total income	18,25,102	-	18,25,102
Expenses:			
Cost of operation and maintenance	15,156	-	15,156
Changes in inventories of finished goods work-in-progress and stock-in-trade	-	-	-
Employee benefits expense	4,83,622	-	4,83,622
Finance costs	1,61,08,426	2,68,25,346	4,29,33,772
Depreciation and amortization expense	5,40,06,147	-	5,40,06,147
Other expenses	4,06,45,369	-	4,06,45,369
Less : Captive consumtion / transfer			
Total expenses	11,12,58,720	2,68,25,346	13,80,84,066
Profit before tax (III-IV)	(10,94,33,618)	(2,68,25,346)	(13,62,58,964)
Exceptional items	-		
Profit before tax (V-VI)	(10,94,33,618)	(2,68,25,346)	(13,62,58,964)
Tax expense:			
(1) Current tax	-		
Profit/(loss) from operations (IX-X)	(10,94,33,618)	(2,68,25,346)	(13,62,58,964)
Profit/(loss) from continuing operations	(10,96,58,183)	(2,68,25,345.80)	(13,64,83,529)
Tax expense of continuing operations			
Profit/(loss) from continuing operations (after tax) (XII-XIII)	(10,96,58,183)	(2,68,25,346)	(13,64,83,529)
Profit/(loss) from discontinuing operations	2,24,565	-	2,24,565
Tax expense of discontinuing operations			
Profit/(loss) from discontinuing operations (after tax) (XV-XVI)	2,24,565	-	2,24,565
Profit/(loss) for the period (XIV + XVII)	(10,94,33,618)	(2,68,25,346)	(13,62,58,964)
Other comprehensive income			
Items that will not be reclassified to profit or loss	-		
Comprehensive income for the period	-	-	-
Total comprehensive income for the period	(10,94,33,618)	(2,68,25,346)	(13,62,58,964)

Explanation for reconciliation of Profit & Loss as previously reported under previous GAAP to Ind AS

1 Interest expense has been recognised on redeemable preference shares and adjustment due to IND AS

Note - 37 - Reconciliation of total equity (consolidated) as at March, 31, 2016 and July 1, 2015

S.No.	Description of Adjustment	As on 31.03.2016 (₹)	As on 01.07.2015 (₹)
1	Total Equity (Shareholder's funds) as per previous GAAP	44,21,81,139	55,16,14,757
2	Adjustments:		
	Effect of accounting for the financial liabilities at amortised cost using effective interest rate	(35,85,10,561)	(33,16,85,215)
	Effect of accounting for the financial assets at amortised cost using effective interest rate		
	Total (2)	(35,85,10,561)	(33,16,85,215)
3	Total Equity as per Ind AS (1+2)	8,36,70,578	21,99,29,542

Note - 38- Provident Fund - Defined Contribution Plan & Provision for Gratuity and Leave Encashment :

Since there are no employees, Provident Fund, Gratuity and Leave encashment is not applicable during the year.

Note 39 - Earnings Per Equity Share (EPS) in accordance with Accounting Standard (IND AS -33)

	2016-17	2015-16
Profit/(Loss) after Tax for the year	**(16,55,83,017)**	(13,62,58,964)
Nominal value per Equity Share	₹ 10/-	₹ 10/-
Number of Equity Shares at the beginning of the year	5,51,00,000	5,51,00,000
Number of Equity Shares issued during the year	-	-
Number of Equity Shares at the end of the year	5,51,00,000	5,51,00,000
Weighted Average Number of Equity Shares	5,51,00,000	5,51,00,000
Basic Earnings per Share (in ₹)	(3.01)	(2.47)
Diluted Earnings per Share (in ₹)	(3.01)	(2.47)

Note 40 - Segment Information

(in ₹)

Particulars	Edible Oil Division		Milk Division		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Revenue						
Sales	-	12,27,656	-	-	-	12,27,656
Total Revenue	-	12,27,656	-	-	-	12,27,656
Results					-	-
Operating Profit/(Loss)	(7,66,35,677)	(9,39,22,638)	-	-	(7,66,35,677)	(9,39,22,638)
Interest Expenses	9,07,31,940	4,29,01,712	-	32,060	9,07,31,940	4,29,33,772
Interest Income	17,84,600	3,40,821	-	2,56,625	17,84,600	5,97,446
Profit/(Loss) from ordinary activities	(16,55,83,017)	(13,64,83,529)	-	2,24,565	(16,55,83,017)	(13,62,58,964)
Unallocated Corporate Expenses	-	-	-	-	-	
Net Profit/(Loss)	(16,55,83,017)	(13,64,83,529)	-	2,24,565	(16,55,83,017)	(13,62,58,964)
Other Information						
Segment Assets	97,95,45,561	1,06,74,12,844	11,02,401	11,90,881	98,06,47,962	1,06,86,03,726
Total Assets	97,95,45,561	1,06,74,12,844	11,02,401	11,90,881	98,06,47,962	1,06,86,03,726
Segment Liabilities	1,02,95,93,394	95,19,66,141	3,29,67,007	3,29,67,007	1,06,25,60,401	98,49,33,148
Total Liabilities	1,02,95,93,394	95,19,66,141	3,29,67,007	3,29,67,007	1,06,25,60,401	98,49,33,148
Capital Expenditure CWIP	5,62,95,250	5,62,95,250	-	-	5,62,95,250	5,62,95,250
Depreciation / Amortisation	7,18,59,206	5,40,06,147	-	-	7,18,59,206	5,40,06,147
Provision for Gratuity & Leave Encashment	-	-	-	-	-	-

a) Segment have been identified in accordance with accounting standards on Segmental Reporting (AS -17) taking into account the organisation structure as well as differential risk and returns of these segments.

b) Business segment has been disclosed as the primary segment.

c) Types of Products and Services in each Business Segment:

(i)	Edible Oil Division	Manufacturing of Soya Refined Oil & Mustard Oil
(ii)	Milk Division	Trading of Milk & Milk products

d) Segment Revenues, Operating Results, Assets & Liabilities include the amount identificable to each segment and amounts allocated on a reasonable basis.

e) Segment Assets exclude Miscellaneous Expenditure & Deferred Tax Asset and Segment Liabilities exclude Deferred Tax Liability.

Note -41 - Discontinuing Operations

(In Rupees)

	Particulars	Discontinuing operations Milk Division		Continuing Operations Other Businesses		Total	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
i	Total Revenues	-	2,56,625	17,84,600	15,68,477	17,84,600	18,25,102
ii	Operating Expenses		-	47,76,471	4,11,44,146	47,76,471	4,11,44,146
iii	Pretax Loss from operating activity	-	2,56,625	(29,91,871)	(3,95,75,669)	(29,91,871)	(3,93,19,044)
iv	Finance Costs	-	32,060	9,07,31,940	4,29,01,712	9,07,31,940	4,29,33,772
v	Depreciation & Amortization	-	-	7,18,59,206	5,40,06,147	7,18,59,206	5,40,06,147
vi	Profit (Loss) before tax	-	2,24,565	(16,55,83,017)	(13,64,83,528)	(16,55,83,017)	(13,62,58,963)
vii	Deferred Tax	-	-	-	-	-	
viii	Profit (Loss) from operating activities	-	2,24,565	(16,55,83,017)	(13,64,83,528)	(16,55,83,017)	(13,62,58,963)

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Note - 42 -Specified Currency Notes : Details of Specified Currency Notes held and transactions during the period from 08.11.2016 to 30.12.2016 are given below:

(Amount in Rs.)

Particulars	SBN*	Other denomination	Total
Closing cash in hand as on 08.11.16	500.00	6,536.00	7,036.00
(+) Permitted Receipts	-	500.00	500.00
(-) Permitted Payments	-	-	-
(-) Amount deposited in Bank/Exchange	500.00		500.00
Closing cash in hand as on 30.12.16	-	7,036.00	7,036.00

Note - 43 - All figures have been rounded off to the nearest rupee.

Note - 44 - Previous Year's figures have been re-grouped / re-cast / re-arranged, wherever considered necessary.

As per our report of even date attached to the Financial Statements

For Rohit Mehra & Associates
Chartered Accountants
Firm Registration No.014926N

Rohit Mehra & Associates New Delhi Chartered Accountants

(Rohit Mehra)
Proprietor
M.No. 093910

Place : Noida
Dated : 25.05.2017

For and on Behalf of the Board

Rahul Kumar
Director
DIN 00020779

Alok Gaur
Director
DIN 00112520

JAIPRAKASH AGRI INITIATIVES COMPANY LTD

Cash Flow Statement for the year ended 31th March, 2017

	Particulars	2016-17 ₹	2015-16 ₹
(A)	**Cash Flow from Operating Activities**		
	Net Loss as per Statement of Profit & Loss	(16,55,83,017)	(13,62,58,964)
	Add Back		
	Depreciation	7,18,59,206	5,40,06,147
	Finance Costs	9,07,31,940	4,29,33,772
	Operating profit/(Loss) before working capital changes	**(29,91,871)**	(3,93,19,045)
	Add:		
	(Increase) / Decrease in Inventories	-	70,312
	(Increase) / Decrease in Trade receivables	5,081	0
	(Increase) / Decrease in Current Tax Assets (net)	45,423	2,74,137
	(Increase) / Decrease in Other Financial assets	21,90,114	1,65,754
	(Increase) / Decrease in Other current assets	3,828	(60,332)
	(Increase) / Decrease in Bank Balances other than cash equivalents	(63,88,302)	-
	(Increase) / Decrease in Long term loans and advances	-	92,072
	(Increase) / Decrease in Other non-current Financial assets	1,93,83,585	(8,00,000)
	Deduct:		
	Increase / (Decrease) in Trade payables	(60,29,115)	(2,18,44,224)
	Increase / (Decrease) in Other current liabilities	(1,59,39,848)	1,58,99,957
	Increase / (Decrease) in Short-term provisions	-	(18,531)
	Increase / (Decrease) in Other current financial liabilities	(3,76,50,278)	3,77,54,312
	Increase / (Decrease) in Provisions - non current		(2,63,562)
	Net Cashflow from Operating Activities	**(4,73,71,383)**	(80,49,149)
(B)	**Cash Flow from Investing Activities**		
	Sale of Fixed Assets	-	-
	Net Cashflow from Investing Activities	-	-
(C)	**Cash Flow from Financing Activities**		-
	Increase / (Decrease) in Borrowing	13,72,46,494	2,22,29,145
	Finance Costs	(9,07,31,940)	(4,29,33,772)
	Net Cashflow from Financing Activities	**4,65,14,554**	(2,07,04,627)
	Net Increase/(Decrease) in Cash And Cash Equivalents (A+B+C)	**(8,56,829)**	(2,87,53,776)
	Cash and Cash Equivalents at the beginning of the year (Opening balance)	**29,70,468**	3,17,24,244
	Cash and Cash Equivalents at the end of the year (Closing balance)	**21,13,639**	29,70,468

As per our report of even date attached to the Financial Statements

For Rohit Mehra & Associates
Chartered Accountants
Firm Registration No.014926N

Rohit Mehra & Associates Chartered Accountants New Delhi

(Rohit Mehra)
Proprietor
M.No. 093910

Place : Noida
Dated : 25.05.2017

For and on Behalf of the Board

Rahul Kumar
Director
DIN 00020779

Alok Gaur
Director
DIN 00112520

JAIPRAKASH AGRI INITIATIVES COMPANY LTD

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended March 31,2017

A. Equity Share Capital

Particulars	No. of Shares	Amount (in Rs.)
As at July 1, 2015	**5,51,00,000**	**55,10,00,000**
Changes in the Equity Share Capital during the year	-	-
As at March 31, 2016	**5,51,00,000**	**55,10,00,000**
Changes in the Equity Share Capital during the year	-	-
As at March 31, 2017	**5,51,00,000**	**55,10,00,000**

B. Other Equity

(in Rupees)

Particulars	Reserves and surplus	Other items of other comprehensive income	Total Equity
	Retained earning		
Balance at the begining of the reporting period (01.07.2015)	**(33,10,70,458)**	-	**(33,10,70,458)**
Total comprehensive income/(loss) for the year	(13,62,58,964)	-	(13,62,58,964)
Balance at the begining of the reporting period (01.04.2016)	**(46,73,29,422)**	-	**(46,73,29,422)**
Total comprehensive income/(loss) for the year	(16,55,83,017)	-	(16,55,83,017)
Balance at the end of reporting period (31.03.2017)	**(63,29,12,439)**	-	**(63,29,12,439)**

As per our report of even date attached to the Financial Statements

For and on Behalf of the Board

For Rohit Mehra & Associates
Chartered Accountants
Firm Registration No.014926N

(Rohit Mehra)
Proprietor
M.No. 093910

Rohit Mehra & Associates * New Delhi * Chartered Accountants

Place : Noida
Dated : 25.05.2017

Rahul Kumar
Director
DIN 00020779

Alok Gaur
Director
DIN 00112520