



R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

**To the Members of
JAYPEE CEMENT CORPORATION LIMITED**

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

We have audited the accompanying financial statements of **JAYPEE CEMENT CORPORATION 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.



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 April 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 June 30, 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 25, 2016 and Sept 15, 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 Ind AS financial statements-Refer Note 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 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 48 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 R. Nagpal Associates
Chartered Accountants
Firm Registration Number 002626N




(CA Ravinder Nagpal)
Partner
Membership No. 081594

Place: Noida
Date: May 15, 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 **JAYPEE CEMENT CORPORATION 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.



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 R. Nagpal Associates
Chartered Accountants
Firm Registration Number 002626N




(CA Ravinder Nagpal)
Partner
Membership No. 081594

Place: Noida
Date: May 15, 2017

Jaypee Cement Corporation Limited

Balance Sheet as on 31st March, 2017

	NOTE No.	As at 31st March, 2017	As at 31st March, 2016	(Rs. in Lacs) As at 1st July, 2015
ASSETS				
[A] NON-CURRENT ASSETS				
(a) Property, Plant and Equipment	3	350,293	331,047	286,824
(b) Capital Work-in-Progress	3	25,854	54,528	91,629
(c) Intangible Assets	3	66,346	66,575	66,738
(d) Financial Assets :				
(i) Investments	4	7,629	8,062	8,448
(ii) Trade Receivables		-	-	-
(iii) Loans	5	1,554	1,835	1,627
(iv) Other financial assets	6	318	4	5
(e) Deferred Tax Assets [Net]	7	27,003	27,003	26,125
(f) Other Non-Current Assets	8	7,145	7,813	7,720
TOTAL		486,142	496,868	489,116
[B] CURRENT ASSETS				
(a) Inventories	9	7,678	10,175	14,324
(b) Financial Assets :				
(i) Investments		-	-	-
(ii) Trade Receivables	10	4,270	9,522	9,245
(iii) Cash and Cash Equivalents	11	2,912	9,331	4,668
(iv) Bank Balances other than cash and cash equivalent	12	832	551	1,374
(v) Loans	13	8,581	34,296	33,076
(vi) Other financial assets	14	4,129	3,220	5,608
(c) Other Current Assets	15	9,448	13,578	11,429
TOTAL		37,850	80,873	79,724
TOTAL ASSETS		523,992	577,741	568,840
EQUITY AND LIABILITIES				
[A] EQUITY				
(a) Equity Share Capital	16	62,750	62,750	62,750
(b) Other Equity	17	12,662	60,400	72,912
TOTAL		75,412	123,159	135,662
[B] LIABILITIES				
1 NON-CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	18	216,774	223,238	167,722
(ii) Trade Payables		-	-	-
(iii) Other Financial Liabilities	19	5,372	5,939	6,235
(b) Provisions	20	487	681	535
(c) Other Non-Current Liabilities	21	2,700	3,195	2,401
TOTAL		225,333	233,053	176,893
2 CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	22	83,825	74,685	76,825
(ii) Trade Payables	23	77,378	113,760	153,129
(iii) Other Financial Liabilities	24	56,249	26,615	18,681
(b) Other Current Liabilities	25	5,755	6,342	7,562
(c) Provisions	26	40	127	88
TOTAL		223,247	221,529	256,285
TOTAL EQUITY AND LIABILITIES		523,992	577,741	568,840

Summary of significant Accounting Policies. 1

The Note nos. 1 to 55 are integral part of the Financial Statements

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

For R. Nagpal Associates

Chartered Accountants
Firm Registration No. 002626N

Ravinder Nagpal
Partner
M.No. 081594



Place: Noida
Dated: 15th May, 2017

For and on behalf of the Board

Manoj Gaur
Chairman
DIN: 00008480

R B Singh
Director
DIN: 00229692

R S Kuchhal
Company Secretary

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

Note No. "1" Corporate Information

Jaypee Cement Corporation Limited, a wholly owned subsidiary of Jaiprakash Associates Limited, has a 5.0 MTPA capacity integrated cement plant along with captive power plant of 60 MW at Jaggayyapet, District Krishna, Andhra Pradesh. The company also has a 1.20 MTPA cement grinding unit at Shahabad District Gulbarga, Karnataka alongwith a 60 MW captive power plant

Note No. "2" Significant Accounting Policies

a. Basis of Preparation of financial statements

The 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 value, 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.

b. 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 all the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. 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.



Dividend

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

Insurance Claim

Claims lodged with the insurance companies are accounted for on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

c. 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.

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 on fixed assets 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.

Leasehold Land

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013

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.

d. 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 6 years.

Research and development costs

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

- i. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- ii. Its intention to complete and its ability and intention to use or sell the asset
- iii. Its potential to generate future economic benefits
- iv. The availability of resources to complete the asset
- v. 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.

e. 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 deferred 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.

f. Foreign Exchange Transactions

Functional Currency

The Company's financial statements are presented in Rupee, which is the company's 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 other comprehensive income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

g. Inventories

Inventories are valued at cost or net realisable value, whichever is less.

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

i. Raw materials, construction materials, stores and spares, packing materials, 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.

ii. 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.

h. 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 cease to be capitalised 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.

i. 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.

Remeasurements, 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 Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

j. 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:

i. 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

ii. 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

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. 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

k. 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.

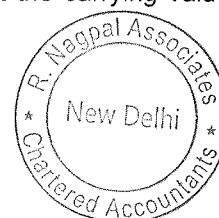
Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI 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.



I. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events and 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.

Contingent liability is disclosed in the case of

- i. a present obligation arising from past events, when no reliable estimate is possible;
- ii. a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Contingent assets

Contingent assets are disclosed in the financial statements only when the inflow of economic benefits is probable.

Contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Liquidated damages

Provisions for liquidated damages are recognised on contracts for which delivery dates are exceeded and computed in reasonable manner

Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal

m. Taxes on Income

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 received 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, at the reporting date.

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 recognised using the liability method 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.

Minimum Alternate Tax

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

n. 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.

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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:

i. 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

ii. 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:

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

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

iii. 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.

o. 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.

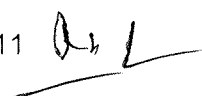
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

p. 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.

q. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.



An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

r. 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:

- i. In the principal market for the asset or liability, or
- ii. 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:

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- i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii. 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.

s. 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.

t. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

Financial assets

Initial recognition and measurement

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.

Subsequent measurement

Financial assets are classified in four categories:

i. 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,

ii. 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,

iii. 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

iv. 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 i.e. removed from the company's statement of financial position when:

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

ii. 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:

- i. Financial assets that are debt instruments, and are measured at amortised cost, e.g., loans, debt securities, deposits, trade receivables and bank balance
- ii. Financial assets that are debt instruments and are measured as at Fair Value Through Other Comprehensive Income (FVTOCI)
- iii. Lease receivables under Ind AS 17
- iv. 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
- v. Loan commitments which are not measured as at FVTPL
- vi. 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 expected credit losses (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 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

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loan & borrowings and payable, net off directly attributable transaction cost.

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

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 (EIR) 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 through 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.



Particulars	TANGIBLE ASSETS										INTANGIBLE ASSETS				
	Freehold Land	Buildings	Plant & Machinery	Electrical Installation	Water Works, Tanks & Reservoir	Plant & Machinery	Electrical Installation	Railway Siding	Vehicles	Furniture, Fixtures & Fittings	Office Equipment	Total	Goodwill	Mining Rights	Total
Gross Block															
Cost	17,572	39,487	236,133	6,482	2,322	21,635	2,478	5,057	671	279	719	332,835	100,949	6,824	107,773
Impact of IND AS Transition	-	-	(1,293)	-	-	-	-	-	-	-	-	(1,293)	-	-	-
As at 1st July, 2015	17,572	39,487	234,840	6,482	2,322	21,635	2,478	5,057	671	279	719	331,542	100,949	6,825	107,774
Additions	-	522	52,843	49	-	-	-	-	4	45	45	53,462	-	-	-
Disposals	-	30	33	11	-	-	-	-	8	18	4	104	-	-	-
As at 31st March 2016	17,572	39,979	287,650	6,520	2,322	21,635	2,478	5,057	663	265	760	384,901	100,949	6,825	107,774
Additions	-	9,878	7,329	13	-	15,035	740	-	15	-	6	33,016	-	-	-
Disposals	-	-	37	-	-	-	-	-	-	-	3	39	-	-	-
As at 31st March 2017	17,572	49,857	294,942	6,533	2,322	36,670	3,218	5,057	678	265	763	417,877	100,949	6,825	107,774
Depreciation															
Cost	-	4,620	34,541	1,065	289	2,605	343	400	308	112	437	44,720	42,917	643	43,560
Impact of IND AS Transition	-	-	(2)	-	-	-	-	-	-	-	-	(2,524)	-	-	(2,524)
As at 1st July, 2015	-	4,620	34,539	1,065	289	2,605	343	400	308	112	437	44,718	40,393	643	41,036
Depreciation for the Year	-	961	7,144	183	63	367	69	241	68	18	49	9,163	-	163	163
Disposals	-	7	12	1	-	-	-	-	6	-	2	28	-	-	-
As at 31st March 2016	-	5,574	41,671	1,247	352	2,972	412	641	370	130	484	53,853	40,393	805	41,199
Depreciation for the Year	-	1,561	10,695	251	91	584	97	320	87	22	51	13,759	-	230	230
Disposals	-	-	13	-	-	-	-	-	1	-	14	28	-	-	-
As at 31st March 2017	-	7,135	52,353	1,498	443	3,556	509	961	456	152	521	67,584	40,393	1,035	41,428
Net Book Value															
As at 1st July, 2015	17,572	34,867	200,301	5,417	2,033	19,030	2,135	4,657	363	167	282	286,824	60,556	6,182	66,738
As at 31st March, 2016	17,572	34,405	245,979	5,273	1,970	18,663	2,066	4,417	293	134	276	331,047	60,556	6,019	66,575
As at 31st March, 2017	17,572	42,722	242,589	5,035	1,879	33,114	2,709	4,096	223	112	242	350,293	60,556	5,790	66,346
Net Book Value - Assets classified as held for sales															
As at 1st July, 2015	3,875	25,667	174,120	5,021	1,728	19,029	2,135	4,658	310	106	93	236,742	-	6,182	6,182
As at 31st March, 2016	3,658	25,026	168,318	4,896	1,673	18,663	2,066	4,417	246	82	104	229,147	-	6,020	6,020
As at 31st March, 2017	3,658	26,045	160,559	4,690	1,595	33,113	2,709	4,096	182	68	80	236,895	-	5,790	5,790
Net Book Value Continuing operation															
As at 1st July, 2015	13,697	9,200	26,181	396	305	1	-	(1)	53	61	189	50,082	60,556	-	60,556
As at 31st March, 2016	13,914	9,379	77,661	377	297	-	-	-	47	53	172	101,900	60,556	(1)	60,555
As at 31st March, 2017	13,914	16,677	81,930	345	284	1	-	-	41	45	162	113,399	60,556	-	60,556

Note: Capital Work-in-Progress Rs. 25,854 Lacs (31st March, 2016 Rs. 54,528 Lacs, 1st July, 2015 Rs. 91,629 Lacs)



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As at 31st March, 2017

As at 31st March, 2016

(Rs. in Lacs)
As at 1st July, 2015**ASSETS****NOTE 4****INVESTMENTS****Investments in Equity Instruments****Investment in Equity Shares of Subsidiary Company
Unquoted, fully paid up**

5,51,00,000 (31st March, 2016: 5,51,00,000, 1st July, 2015: 5,51,00,000) Equity Shares of Rs. 10/- each of Jaiprakash Agri Initiatives Company Limited

1,668

1,668

1,668

Investment in Preference shares at fair value through Profit & (Loss) Account**Investment in Subsidiary Company
Unquoted, fully paid up**

1,00,00,000 (31st March, 2016: 1,00,00,000, 1st July, 2015: 1,00,00,000) 12% Non Cumulative Redeemable Preference Shares of Rs 100/- each of Jaiprakash Agri Initiatives Company Limited

5,961

6,394

6,780

7,629

8,062

8,448

Aggregate Amount of:

Quoted Investments in Equity and Preference Shares

-

-

-

Unquoted Investments in Equity and Preference Shares

7,629

8,062

8,448

NOTE 5**LOANS****(Unsecured, considered good)**

Security Deposits with Govt Departments, Public Bodies & Others

Govt Departments & Public Bodies

1,231

1,395

1,130

Others

323

440

497

1,554

1,835

1,627

NOTE 6**OTHER FINANCIAL ASSETS**

Term Deposits with Banks with maturity more than twelve months

317

4

5

Interest accrued on Fixed Deposits & others

1

-

-

318

4

5

NOTE 7**DEFERRED TAX ASSETS [Net]**

Deferred Tax Assets

54,178

54,178

48,591

Less: Deferred Tax Liabilities

27,175

27,175

22,466

27,003

27,003

26,125

NOTE 8**OTHER NON-CURRENT ASSETS**

Capital Advance

4,176

4,513

5,344

Deposit with others

2,194

1,935

1,409

Income Tax deducted at source

766

1,073

947

Prepaid Expenses

9

292

20

7,145

7,813

7,720

NOTE 9**INVENTORIES**

Raw Materials

780

2,102

1,508

Raw Materials-in-Transit

8

2

9

Stock-in-Process

1,249

2,209

2,534

Finished Goods

2,740

2,972

4,533

Stores and Spare Parts

2,901

2,890

5,740

7,678

10,175

14,324

NOTE 10**TRADE RECEIVABLES****(Unsecured, considered good)**

Debts outstanding for a period exceeding six months

1,682

1,205

928

Less: Allowance for Bad and doubtful debts

(13)

(6)

(6)

Other debts

2,601

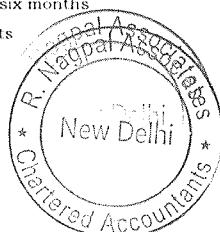
8,423

8,323

4,270

9,622

9,245



As at 31st March, 2017

As at 31st March, 2016

(Rs. in Lacs)
As at 1st July, 2015**NOTE 11****CASH AND CASH EQUIVALENTS**

Balances with Banks

Current Accounts	2,894	9,312	4,648
Cheques on hand	1	1	-
Cash on hand	17	18	20
	<u>2,912</u>	<u>9,331</u>	<u>4,668</u>

NOTE 12**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Term Deposits with remaining maturity less than twelve months (Pledged with banks & Government Departments)	832	551	1,374
	<u>832</u>	<u>551</u>	<u>1,374</u>

NOTE 13**LOANS****(Unsecured, considered good)**

Receivable from Related Parties	4,403	30,637	29,842
Loan component of investment in Preference Shares of Jaiprakash Agri Initiatives Company Limited	4,039	3,606	3,220
Deposits with Government Departments, Public Bodies & Others.	139	53	14
	<u>8,581</u>	<u>34,296</u>	<u>33,076</u>

NOTE 14**OTHERS- FINANCIAL ASSETS**

Claim & Refunds Receivable	4,057	3,146	5,554
Interest accrued on Fixed Deposits & others	60	64	16
Staff Imprest and Advances	12	10	38
	<u>4,129</u>	<u>3,220</u>	<u>5,608</u>

NOTE 15**OTHER CURRENT ASSETS****(Unsecured, considered good)**

Advances to Suppliers, Contractors & Others	3,408	8,468	9,325
Claims and Refunds Receivable	5,659	5,121	1,935
Prepaid Expenses	382	89	169
	<u>9,448</u>	<u>13,678</u>	<u>11,429</u>

NOTE 16 EQUITY SHARE CAPITAL	31st March, 2017		31st March, 2016		1st July, 2015	
	Number	Rs. in lacs	Number	Rs. in lacs	Number	Rs. in lacs
Authorised						
Equity Shares of Rs. 10/- each	1,500,000,000	150,000	1,500,000,000	150,000	1,500,000,000	150,000
Preference Shares of Rs. 100/- each	400,000,000	400,000	400,000,000	400,000	400,000,000	400,000
Total		<u>550,000</u>		<u>550,000</u>		<u>550,000</u>
	31st March, 2017		31st March, 2016		1st July, 2015	
	Number	Rs. in lacs	Number	Rs. in lacs	Number	Rs. in lacs
Issued, Subscribed & Fully Paid up						
Equity Shares of Rs. 10/- each fully paid-up	627,500,000	62,750	627,500,000	62,750	627,500,000	62,750
Total	<u>627,500,000</u>	<u>62,750</u>	<u>627,500,000</u>	<u>62,750</u>	<u>627,500,000</u>	<u>62,750</u>

Note 16.1 Reconciliation of the number of Equity shares outstanding

Particulars	31st March, 2017		31st March, 2016		1st July, 2015	
	Number	Rs. in lacs	Number	Rs. in lacs	Number	Rs. in lacs
Equity Shares of Rs. 10/- each						
Shares outstanding at the beginning of the year	627,500,000	62,750	627,500,000	62,750	627,500,000	62,750
Shares issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	<u>627,500,000</u>	<u>62,750</u>	<u>627,500,000</u>	<u>62,750</u>	<u>627,500,000</u>	<u>62,750</u>

Note 16.2: The Rights attached to equity shares

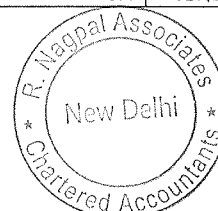
Each Equity shareholder holding equity shares of Rs. 10/- each is eligible for one vote per share and is entitled for dividend.

Note 16.3 The shares held by the holding company

	31st March, 2017	31st March, 2016	1st July, 2015
Name of the shareholder	Number of shares held	Number of shares held	Number of shares held
Equity Shares of Rs. 10/- each			
Jaiprakash Associates Limited, the holding company	627,500,000	627,500,000	627,500,000

Note 16.4 The shares held by the shareholders more than 5% of the aggregate shares in the company.

Name of Shareholder	31st March, 2017		31st March, 2016		30th June, 2015	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs 10/- each						
Jaiprakash Associates Limited (inclusive of shares held by nominee shareholders)	627,500,000	100	627,500,000	100	627,500,000	100

Note 16.5 Other clauses of Share Capital are not applicable to the company.

As at 31st March, 2017

As at 31st March, 2016

(Rs. in Laacs)
As at 1st July, 2015**NOTE 17****OTHER EQUITY**

Security Premium Reserve	49,662	49,662	49,662
Equity component of Preference Shares	254,666	254,666	246,540
Retained Earnings	(291,967)	(243,848)	(223,215)
Other items of Other Comprehensive Income	301	(72)	(75)
TOTAL	<u>12,662</u>	<u>60,409</u>	<u>72,912</u>

NOTE 18**BORROWINGS****Secured****Term Loans from Banks**

212,803

219,691

165,119

Loans from Uttar Pradesh Financial Corporation and
The Pradeshhiye Industrial & Investment Corporation
of UP Limited

3,972

3,547

2,603

TOTAL216,774223,238167,722


NOTE-18.1

[a] Terms of Repayment of Secured Rupee Term Loans from Banks are given as under :

S.No.	Banks	Terms of Repayment/ Periodicity	(Rs in Lacs)		
			Outstanding (including current maturities) as on		
			31.03.2017	31.03.2016	01.07.2015
A Consortium of Banks					
i	Punjab National Bank	In 44 quarterly installments from 30.06.18 to 31.03.29	44,811	44,451	42,018
ii	Corporation Bank	In 44 quarterly installments from 30.06.18 to 31.03.29	14,452	14,070	13,108
iii	Allahabad Bank	In 44 quarterly installments from 30.06.18 to 31.03.29	13,581	13,011	12,504
iv	Axis Bank Ltd	In 44 quarterly installments from 30.06.18 to 31.03.29	9,021	9,024	8,882
v	South Indian Bank Ltd	In 44 quarterly installments from 30.06.18 to 31.03.29	9,026	9,025	8,879
vi	State Bank of India	In 44 quarterly installments from 30.06.18 to 31.03.29	9,009	9,009	8,877
vii	State Bank of India	In 44 quarterly installments from 30.06.18 to 31.03.29	9,007	9,007	8,862
viii	Dena Bank	In 44 quarterly installments from 30.06.18 to 31.03.29	9,109	9,003	7,599
Total (A)			118,016	116,600	110,730
B Consortium of Banks					
ix	Axis bank Limited	In 24 quarterly instalments from 31.12.15 to 30.09.21	4,746	5,728	5,440
x	Punjab National Bank	In 24 quarterly instalments from 31.12.15 to 30.09.21	6,416	6,607	6,073
xi	Andhra Bank	In 24 quarterly instalments from 31.12.15 to 30.09.21	5,695	5,663	5,471
xii	Indian Bank	In 24 quarterly instalments from 31.12.15 to 30.09.21	5,567	5,616	5,468
xiii	Bank of Baroda	In 24 quarterly instalments from 31.12.15 to 30.09.21	5,132	5,106	4,019
xiv	State Bank of India	In 24 quarterly instalments from 31.12.15 to 30.09.21	5,035	4,962	5,007
xv	State Bank of India	In 24 quarterly instalments from 31.12.15 to 30.09.21	4,486	4,461	4,239
xvi	State Bank of India	In 24 quarterly instalments from 31.12.15 to 30.09.21	3,864	4,018	3,829
xvii	State Bank of India	In 24 quarterly instalments from 31.12.15 to 30.09.21	4,040	4,199	3,824
xviii	Vijaya Bank	In 24 quarterly instalments from 31.12.15 to 30.09.21	3,346	3,463	3,154
xix	Punjab and Sind Bank	In 24 quarterly instalments from 31.12.15 to 30.09.21	3,213	3,340	3,749
xx	The Jammu & Kashmir Bank Ltd	In 24 quarterly instalments from 31.12.15 to 30.09.21	5,457	5,560	4,264
Total (B)			56,997	58,724	54,537
C					
xxi	Yes Bank	In 20 quarterly instalments from 29.06.15 to 29.03.20	9,790	9,662	9,579
xxii	Yes Bank	In 12 quarterly instalments from 30.09.17 to 30.06.21	2,958	2,922	-
xxiii	Yes Bank	In 12 quarterly instalments from 30.09.17 to 30.06.21	45,938	45,730	-
xxiv	South Indian Bank Ltd	In 13 quarterly instalments from 29.03.17 to 29.06.20	600	-	-
xxv	South Indian Bank Ltd	In 13 quarterly instalments from 26.03.17 to 26.06.20	824	-	-
xxvi	Karur Vysya Bank	In 5 Yearly instalments from 20.03.18 to 20.03.22	3,000	-	-
Total (C)			63,110	58,314	9,579
Total (A to C)			238,123	233,638	174,845
Less: Transferred to Current maturities of long term debts (Note no. 24)			25,320	13,947	9,726
Long Term Borrowings			212,803	219,691	165,119

- b) Term loans of Rs 1,43,033 Lacs (outstanding Rs 1,18,016 Lacs) sanctioned by Consortium of Banks comprising of Punjab National Bank, Corporation Bank, Allahabad Bank, Axis Bank Limited, South Indian Bank Limited, State Bank of India and Dena Bank together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements, are secured / to be secured by equitable mortgage of immovable properties and hypothecation of movables of Jaypee Balaji Cement Plant at Jaggayyapet, District Krishna, Andhra Pradesh (both present and future), save and except book debts, ranking pari-passu, subject to prior charge on specified movables created / to be created in favour of company's bankers for working capital facilities (Previous Year: Rs 1,16,600 Lacs).
- c) Term loans of Rs 61,433 Lacs (outstanding Rs 56,997 Lacs) sanctioned by consortium of banks comprising of Axis Bank Limited, Punjab National Bank Limited, Andhra Bank, Indian Bank, Bank of Baroda, State Bank of Patiala, State Bank of Mysore, State Bank of Hyderabad, State Bank of Travancore, Vijaya Bank, Punjab & Sind Bank and Jammu & Kashmir Bank Ltd together with all interest, liquidated damages, additional interest, costs, charges, expenses and other monies, stipulated in the Loan Agreement, are secured by equitable mortgage of immovable properties and hypothecation of movables of Jaypee Shahabad Cement Plant at Shahabad, District Gulbarga, Karnataka (both present and future), save and except book debts, ranking pari-passu, subject to prior charge on specified movables created in favour of company's bankers for working capital facilities (Previous Year: Rs 58,724 Lacs).
- d) Term loans of Rs 66,000 Lacs (outstanding Rs 58,686 Lacs) sanctioned by Yes Bank together with all interest, liquidated damages, premia on prepayment, costs, expenses and other monies, stipulated in the Loan Agreements, are secured by first pari-passu charge on all the moveable & immoveable fixed assets of all the plants of the Company located at Jaypee Balaji Cement Plant at Jaggayyapet, District Krishna, Andhra Pradesh and Jaypee Shahabad Cement Plant at Shahabad, District Gulbarga, Karnataka except pertaining to Jaypee Hi Tech Castings Centre and Heavy Engineering Workshop (Previous Year: Rs 58,314 Lacs).
- e) Term loans of Rs 1500 Lacs (outstanding Rs 1,424 Lacs) sanctioned by South Indian Bank Limited together with all interest, liquidated damages, costs, expenses and other monies, stipulated in the Loan Agreements, are secured / to be secured by mortgage of immovable properties and hypothecation of movables of Jaypee Balaji Cement Plant at Jaggayyapet, District Krishna, Andhra Pradesh (both present and future), save, ranking pari-passu, (Previous Year: Nil).
- f) Term loans of Rs 3,000 Lacs (outstanding Rs 3,000 Lacs) sanctioned by Karur Vysya Bank together with all interest, liquidated damages, costs, expenses and other monies, stipulated in the Loan Agreements, are secured / to be secured by second charge on land, building and plant & machinery of Jaypee Shahabad Cement Plant at Shahabad, District Gulbarga, Karnataka (Previous Year: Nil).

18.2 Interest Free Loans of Rs 6,403 Lacs (outstanding Rs 5938 Lacs) granted by Uttar Pradesh Financial Corporation under Auchyogik Nivesh Protsahan Yojna are secured by way of First Charge on the Fixed Assets of Jaypee Cement Products, Sadwa Khurd and Bank Guarantee. The said loans are repayable 10 years from the date of disbursement and repayment will commence from F.Y. 2018-19 onwards (Previous Year: Rs 5,992 lacs).

Interest Free Loans of Rs 761 Lacs (outstanding Rs 734 Lacs) granted by The Pradeshie Industrial & Investment Corporation of UP Limited under Audhyogik Nivesh Protsahan Yojna are secured by way of First Charge on the Fixed Assets of Jaypee Chunar Cement Products, Chunar and Bank Guarantee. The said loans are repayable 10 years from the date of disbursement and repayment will commence from F.Y. 2025-26 onwards (Previous year: Rs 750 lacs)

18.3 Financial Assistance is guaranteed by Directors of the Company as under:

	(Amt. in Lacs)		
	Outstanding as on		
	31.03.2017	31.03.2016	30.06.2015
Term Loans from Banks	237,223	233,638	174,845
Loans from Uttar Pradesh Financial Corporation and The Pradeshie Industrial & Investment Corporation of UP Limited	6,672	6,742	5,005
	243,895	240,380	179,850



Rs

	As at 31st March, 2017	As at 31st March, 2016	(Rs. in Lacs) As at 1st July, 2015
NOTE 19			
OTHER FINANCIAL LIABILITIES			
Deposits	5,372	5,939	6,235
	<u>5,372</u>	<u>5,939</u>	<u>6,235</u>
NOTE 20			
PROVISIONS			
Provision for Employee Benefits:			
Gratuity	275	452	325
Leave Encashment	210	228	210
Others			
Mining Restoration Liability	1	1	1
	<u>487</u>	<u>681</u>	<u>535</u>
NOTE 21			
OTHER NON-CURRENT LIABILITIES			
Government Grants (by way of Loans from Uttar Pradesh Financial Corporation and The Pradeshiye Industrial & Investment Corporation of UP Limited)			
	2,700	3,195	2,401
	<u>2,700</u>	<u>3,195</u>	<u>2,401</u>
NOTE 22			
BORROWINGS			
UNSECURED			
Banks	2,010	1,635	1,497
Liability component of Preference Shares	81,815	73,049	75,328
	<u>83,825</u>	<u>74,685</u>	<u>76,825</u>
NOTE 23			
TRADE PAYABLES			
Others	11,905	19,104	16,388
Advances from Related Parties	65,473	94,656	136,741
	<u>77,378</u>	<u>113,760</u>	<u>153,129</u>
NOTE 24			
OTHER FINANCIAL LIABILITIES			
Current maturities of Long term Debt			
Term Loans from Banks (Note no. 18(i)(a))	25,320	13,947	9,726
Interest accrued but not due on Borrowings	7,819	-	-
Interest accrued and due on Borrowings	16,744	6,313	2,124
Other Payables			
Capital Suppliers	3,895	4,371	4,625
Staff Dues	577	764	509
Other Creditors	1,894	1,220	1,697
	<u>56,249</u>	<u>26,615</u>	<u>18,681</u>
NOTE 25			
OTHER CURRENT LIABILITIES			
Advances from Customers	2,906	2,480	1,538
Statutory Dues	2,849	3,863	6,024
	<u>5,755</u>	<u>6,343</u>	<u>7,562</u>
NOTE 26			
PROVISIONS			
Provision for employee benefits:			
Gratuity	18	100	59
Leave Encashment	22	27	29
	<u>40</u>	<u>127</u>	<u>88</u>



Handwritten signatures and initials.

(Rs in Lacs)

NOTE 36

31st March,2017

31st March,2016

Contingent Liabilities not provided for :

(a) Claims against the Company not acknowledged as debts	8,364	8,364
Amount deposited under protest	1,843	1,833
(b) Outstanding amount of Bank Guarantees	14,225	14,013
Margin Money deposited against the above	402	228
(c) Excise matters under appeal	3,177	3,101
Amount deposited under protest	227	220
(d) Entry Tax/VAT/Sales/Commercial Tax matters under appeal	796	656
Amount deposited under protest	60	18
(e) Gujrat Green Cess Act 2011	139	139
Deposit Against Above	65	65
(f) Cess Assessment Officer & Joint Commissioner of Labour, Eluru, Andhra Pradesh had served a notice under the Building and Other Construction Workers Welfare Cess Act Rules, 1998 to pay cess @ 1% on the cost of construction upto 31.3.2015, being undertaken at company's cement plant in Andhra Pradesh. The Company had appealed against the same in Hon'ble High Court, Hyderabad and got interim Stay vide Order dated 31st Aug' 2010.	-	321

NOTE 37

Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances).

2,785	2,763
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NOTE 38

In compliance of Accounting Standard-2 IND AS, the Company has provided liability of Excise Duty amounting to **Rs. 248 Lacs** (previous year Rs. 398 Lacs) on the stocks of Finished Goods lying at Works. However, there is no impact on the profit / Loss for the current year.

NOTE 39

The Excise Duty **Rs. 214 Lacs** (previous year Rs. 246 Lacs) related to difference between Closing and Opening Stock has been debited in the statement of Profit & Loss separately.

NOTE 40

As per the information available with the Company, the Company has no dues to any supplier as on 31st March, 2017 under the Micro, Small and Medium Enterprise Development Act, 2006 in terms of Notification No. G.S.R. (E) dated 4th September, 2015 issued by the Department of Company Affairs (previous year: Rs. NIL).

NOTE 41

Investment in Preference Shares has been fair valued as on date of acquisition in accordance with Ind AS. The impact of fair valuation from the date of acquisition till date of transition and at each reporting date thereafter has been taken to retained earnings and statement of Profit & Loss respectively.

NOTE 42

2016-17

2015-16

(A) Value of Imports (on CIF basis)

Stores & Spares	350	788
Coal	1	311
Raw Materials	3,053	4,927
	<u>3,403</u>	<u>6,025</u>

(B) Expenditure in foreign currency (including expenditure during construction period)

Technical/Engineering Fee	7	-
	<u>7</u>	<u>-</u>

(C) Earnings in Foreign Currency

Exports (FOB) Value	-	1,462
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NOTE 43**Earnings Per Equity Share (EPS) in accordance with Accounting Standards (IND AS - 33)**

Profit/(Loss) after Tax for the year (Rs. In Lacs)	(47,747)	(20,366)
Nominal value per Equity Share (in Rs.)	10.00	10.00
Number of Equity Shares at the beginning of the year	627,500,000	627,500,000
Number of Equity Shares issued during the year	-	-
Number of Equity Shares at the end of the year	627,500,000	627,500,000
Weighted Average No. of Equity Shares	627,500,000	627,500,000
Basic and Diluted Earnings per Share (in Rs.)	(7.61)	(3.25)
Basic & Diluted Earnings Per Share for continuing operation	(3.49)	(1.29)
Basic & Diluted Earnings Per Share for dis continuing operation	(4.17)	(1.95)



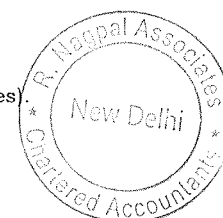
Note 44

Related Party Disclosures, as required in terms of 'Indian Accounting Standard (IND AS) - 24' are given below:

(l) **Relationships:**

- (a) **Holding Company:** Jaiprakash Associates Limited.
- (b) **Subsidiary Company:** Jaiprakash Agri Initiatives Company Limited
- (c) **Fellow Subsidiary Companies (including their subsidiaries):**
- (i) Jaypee Infratech Limited.
- (ii) Jaypee Agra Vikas Limited
- (iii) Jaypee Fertilizers & Industries Limited.
- (iv) Jaypee Cement Hockey (India) Limited
- (v) Jaypee Ganga Infrastructure Corporation Limited.
- (vi) Jaypee Assam Cement Limited
- (vii) Bhilai Jaypee Cement Limited.
- (viii) Gujarat Jaypee Cement & Infrastructure Limited.
- (ix) Himalayan Expressway Limited.
- (x) Jaypee Infrastructure Development Limited [formerly known as Jaypee Cement Cricket (India) Limited till 20.02.2017]
- (xi) Himalayaputra Aviation Limited
- (xii) Himachal Baspa Power Company Limited
- (xiii) Jaypee Healthcare Limited (subsidiary of Jaypee Infratech Limited)
- (xiv) Yamuna Expressway Tolling Limited [Subsidiary w.e.f 25.03.2017]
- (xv) Jaiprakash Power Ventures Limited (Upto 17.02.2017)
- (xvi) Jaypee Powergrid Limited (subsidiary of Jaiprakash Power Ventures Limited) (Upto 17.02.2017)
- (xvii) Prayagraj Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited) (Upto 17.02.2017)
- (xviii) Sangam Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited) (Upto 17.02.2017)
- (xix) Jaypee Arunachal Power Limited (subsidiary of Jaiprakash Power Ventures Limited) (Upto 17.02.2017)
- (xx) Jaypee Meghalaya Power Limited (subsidiary of Jaiprakash Power Ventures Limited) (Upto 17.02.2017)
- (xxi) Bina Power Supply Limited (subsidiary of Jaiprakash Power Ventures Limited) (Upto 17.02.2017)
- (d) **Associate Companies:**
- (i) Jaypee Infra Ventures (A private company with unlimited liability)
- (ii) JIL Information Technology Limited (subsidiary of Jaypee Infra Ventures).
- (iii) Jaypee Development Corporation Limited (subsidiary of Jaypee Infra Ventures).
- (iv) Indesign Enterprises Private Limited (subsidiary of Jaypee Infra Ventures)
- (v) Jaypee International Logistics Company Private Limited (subsidiary of Jaypee Infra Ventures)

Page 28
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- (vi) Andhra Cements Limited. (subsidiary of Jaypee Development Corporation Limited).
- (vii) Tiger Hills Holiday Resort Private Limited (subsidiary of Jaypee Development Corporation Limited).
- (viii) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited).
- (ix) Ibonshourne Limited (subsidiary of Indesign Enterprises Private Limited)
- (x) RPJ Minerals Private Limited
- (xi) Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals Private Limited).
- (xii) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited).
- (xiii) Kanpur Fertilizers & Cement Limited.
- (xiv) Madhya Pradesh Jaypee Minerals Limited.
- (xv) MP Jaypee Coal Limited.
- (xvi) MP Jaypee Coal Fields Limited.
- (xvii) Sonebhadra Minerals Private Limited.
- (xviii) Jaypee Uttar Bharat Vikas Private Limited.
- (xix) JC World Hospitality Private Limited
- (xx) Jaiprakash Exports Private. Limited
- (xxi) JC Wealth & Investment Private Limited
- (xxii) C K World Hospitality Private Limited
- (xxiii) Librans Venture Private Limited
- (xxiv) Librans Real Estate Private Limited
- (xxv) Jaypee Hotels Limited
- (xxvi) Yamuna Expressway Tolling Private Limited [formerly Jaypee Mining Venture Pvt. Ltd.] [associate till 24.03.2017]
- (xxvii) Ceekay Estates Private Limited
- (xxviii) Bhumi Estate Developers Private Limited
- (xxix) Jaypee Technical Consultants Private Limited
- (xxx) Think Different Enterprises Private Limited
- (xxxi) Samvridhi Advisors LLP
- (xxxii) Kram Infracon Private Limited
- (xxxiii) Jaypee Jan Sewa Sansthan ['Not for Profit' Private Limited Company]
- (xxxiv) Jaiprakash Power Ventures Limited (w.e.f. 18.02.2017)
- (xxxv) Jaypee Powergrid Limited (w.e.f. 18.02.2017)
- (xxxvi) Jaypee Arunachal Power Limited (w.e.f. 18.02.2017)
- (xxxvii) Sangam Power Generation Company Limited (w.e.f. 18.02.2017)
- (xxxviii) Prayagraj Power Generation Company Limited (w.e.f. 18.02.2017)
- (xxxix) Jaypee Meghalaya Power Limited (w.e.f. 18.02.2017)

Rs *2*



(e) Key Management Personnel

- (i) Shri Manoj Gaur, Chairman
- (ii) Shri Pankaj Gaur, Director

Note: Related party relationships are as identified by the company and relied upon by the Auditors.

Transactions carried out with related parties referred to above in ordinary course of business

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

(Rs in Lacs)

Nature of Transactions	Referred in (a) above	Referred in (b) above	Referred in (c) above	Referred in (d) above
Receipts				
Sales	49 (291)		- (16)	398 (585)
Manpower Supply	1,306 (1,137)	- -	- -	- -
Rent	960 (720)	- -	- -	- -
Expenditure				
Contract Expenses	- (1,264)	- -	- -	- -
Purchases	2,610 (2,258)	- -	17 (1)	202 (12)
Equipment	- (354)	- -	- -	- (2)
Other Expenses	2,013 (1,914)	- -	- -	226 (153)
Outstanding				
Receivable	-	2,162 (2,990)	424 (217)	2,706 (28,245)
Payable	66,176 (93,516)			37 (276)

Previous Year figures are given in brackets

Financial Instruments and Risk Management

Note No 45

Fair Value Measurement

(i) Financial instruments by category

(Rs. in lacs)

	31st March, 2017		31st March, 2016		1st July, 2015	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets						
Investments						
- Equity Shares	1,668	-	1,668	-	1,668	-
- Preference Shares	5,961	-	6,394	-	6,780	-
Trade Receivables	-	4,270	-	9,622	-	9,245
Loans	-	10,135	-	36,131	-	34,703
Other Financial Assets	-	4,447	-	3,224	-	5,613
Cash and Cash Equivalents	-	2,912	-	9,331	-	4,668
Bank Balance Other than Cash and Cash Equivalents	-	832	-	551	-	1,374
Total Financial Assets	7,629	22,595	8,062	58,859	8,448	55,602
Financial Liabilities						
Borrowings	-	300,599	-	297,923	-	244,547
Trade Payables	-	77,378	-	113,760	-	153,129
Other Financial Liabilities	-	61,621	-	32,554	-	24,916
Total Financial Liabilities	-	439,598	-	444,237	-	422,592

Fair value hierarchy

The fair value hierarchy of assets and liabilities measured at fair value as on 31st March 2017 are as follows:

(Rs. in lacs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
Equity investment-Unquoted	-	1,668	-	1,668
Preference Shares	-	5,961	-	5,961
Total Financial Assets	-	7,629	-	7,629

The fair value hierarchy of assets and liabilities measured at fair value as on 31st March 2016 are as follows:

(Rs. in lacs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
Equity investment-Unquoted	-	1,668	-	1,668
Preference Shares	-	6,394	-	6,394
Total Financial Assets	-	8,062	-	8,062

The fair value hierarchy of assets and liabilities measured at fair value as on 1st July, 2015 are as follows:

(Rs. in lacs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
Equity investment-Unquoted	-	1,668	-	1,668
Preference Shares	-	6,780	-	6,780
Total Financial Assets	-	8,448	-	8,448

Level 1:

This hierarchy includes financial instruments measured using quoted prices. **Not Applicable**

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:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case of unlisted equity shares and preference shares. The fair value of preference shares is determined using discounted cash flow analysis.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no significant changes in the classification and no significant movements between the fair value hierarchy classifications of assets and liabilities during FY 2016-17.

(ii) Valuation technique used to determine fair value (Level 1): Not Applicable

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended 31st March, 2017 and 31st March, 2016

Particulars	(Rs. in lacs)			
	Unquoted Equity Share		Preference Shares	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
As at 1st April	1,668	1,668	5,961	6,394
Gain / (Loss) recognised in profit or loss	-	-	-	(433)
As at 31st March	1,668	1,668	5,961	5,961

(iv) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents, bank balances are considered to be the same as their fair values.

The fair value for loans, security deposits are calculated based on cash flows discounted using a current lending rate.

The fair value of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note No 46

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.

(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 the 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 31st March, 2017 Rs. 13 lacs and for the year ended 31st March, 2016: Rs. 6 Lacs

Particulars	(Rs. in lacs)					
	Trade Receivables		Other Receivables		Total	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
As at 1st April	6	6	-	-	6	6
Impairment loss recognised	7	-	-	-	7	-
As at 31st March	13	6	-	-	13	6

Credit risk on cash and cash equivalents and bank balances is limited as the Company generally invest in deposits with banks. Investments primarily include investments in unquoted equity shares and Preference Shares.

(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 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.



(ii) Maturity of financial liabilities

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

(Rs. in lacs)

Particulars	Less Than One Year	More than One Year	Total
Borrowings	25,320	216,774	242,094
Trade payables	77,378	-	77,378
Other financing liabilities	30,929	5,372	36,301
Total financial liabilities	133,627	222,146	355,773

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

(Rs. in lacs)

Particulars	Less Than One Year	More than One Year	Total
Borrowings	13,947	223,238	237,185
Trade payables	113,760	-	113,760
Other financing liabilities	12,668	5,939	18,608
Total financial liabilities	140,375	229,177	369,552

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

(Rs. in lacs)

Particulars	Less Than One Year	More than One Year	Total
Borrowings	9,726	167,722	177,448
Trade payables	153,129	-	153,129
Other financing liabilities	8,955	6,235	15,190
Total financial liabilities	171,810	173,957	345,767

(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 is not exposed 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 team is responsible to frame, implement and monitor the risk management plan of the Company. The team 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: NIL

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

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

Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates 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's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rate.

Interest Rate Risk Management

The Company's risk management team 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.

Sensitivity Analysis

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

(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 No 47

Capital management

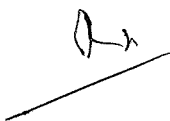

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The objective of the company's capital management is to safeguard their ability to continue as a going concern, so that they can 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.

Particulars	(Rs. in lacs)		
	31.03.2017	31.03.2016	01.07.2015
Borrowings	244,104	238,820	178,945
Trade payables	77,378	113,760	153,129
Other financial liabilities	30,929	12,668	8,955
	352,412	365,248	341,029
Less: Cash and cash equivalents	(2,912)	(9,331)	(4,668)
(a) Net debt	349,499	355,917	336,361
Total Equity	75,412	123,159	135,662
(b) Total equity plus net debt	424,912	479,075	472,023
Gearing ratio (a/b)	82%	74%	71%

NOTE: 48

Details of Specified Bank Notes held and transacted during the period from 08.11.2016 to 30.12.2016 in terms of notification no. 307(E) & 308(E) dated 30th March, 2017 issued by Ministry of Corporate Affairs:

Particulars	(In Rs.)		
	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	1,696,000	386,940	2,082,940
(+) Permitted Receipts	-	1,750,762	1,750,762
(-) Permitted Payments	2,000	1,160,012	1,162,012
(-) Amount Deposited in Banks	1,694,000	-	1,694,000
Closing cash in hand as on 30.12.2016	-	977,690	977,690



NOTE 49

(a) Provident Fund - Defined Contribution Plan:

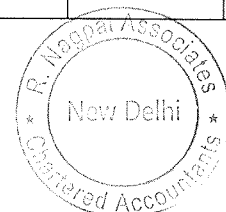
All employees are entitled to Provident Fund benefits. A sum of **Rs. 204 Lacs** (Previous year Rs. 182 Lacs) has been debited to Statement of Profit & Loss and Incidental Expenditure during Construction Period (IEDC) during the period.

(b) Gratuity and Leave Encashment-Defined Benefit Plans – Provision has been made as per actuarial valuation. Jaiprakash Associates Limited (JAL) (the holding company) has constituted a Gratuity Fund Trust under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March, 2009 for JAL and its subsidiaries. SBI Life Insurance Company Limited and ICICI Prudential Life Insurance Company Limited have been appointed for management of the Trust Fund for the benefits of the employees. As a subsidiary of JAL, the company is participating in the Trust Fund by contributing its liability accrued upto the close of each financial year to the Trust Fund:

SN	Particulars	(Rs in Lacs)			
		FY 2016-17		FY 2015-16	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
I	Expenses recognised in the Statement of Profit and Loss / IEDC for the year ended 31st March, 2017				
	1 Current Service Cost	49	56	58	70
	2 Interest Cost	42	20	29	17
	3 Expected return on plan assets	-	-	-	-
	4 Actuarial (Gains) / Losses	-	(47)	-	35
	5 Net impact on Profit/(Loss) before Tax	91	29	87	122
II	Expenses recognised in the Statement of Other comprehensive income for the year ended 31st March, 2017				
	1 Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-	-	-
	2 Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-	-	-	-
	3 Actuarial (Gain)/Loss on arising from Experience Adjustment	(302)	(48)	96	35
	4 Actuarial (Gain)/Loss for the year on Asset	-	-	-	-
	5 Net impact on other comprehensive income	(302)	(48)	96	35
III	Net Asset/ (Liability) recognised in the Balance Sheet as at 31st March, 2017				
	1 Present Value of Defined Benefit Obligation	282	233	544	255
	2 Fair Value of Plan Assets	2	-	17	-
	3 Funded Status [Surplus/ (Deficit)]	(280)	(233)	(527)	(255)
	4 Net Asset/ (Liability)	(280)	(233)	(527)	(255)
IV	Change in Present Value of Obligation during the Year				
	1 Present value of Defined Benefit Obligation at the beginning of the year	544	255	423	218
	2 Liability transferred to other company during the year	-	-	-	-
	3 Current Service Cost	49	56	58	70
	4 Interest Cost	44	20	34	17
	5 Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-	-	-
	6 Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(303)	(48)	96	35
	7 Actuarial (Gain)/Loss on arising from change in Experience Adjustment	-	-	-	-
	8 Benefit Payments	(52)	(50)	(67)	(85)
	9 Present Value of Defined Benefit Obligation at the end of the year	282	233	544	255

Rs

2



(Rs in Lacs)

SN	Particulars	FY 2016-17		FY 2015-16	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
V	Change in Fair value of Assets during the Year				
	1 Plan Assets at the beginning of the year	17	-	55	-
	2 Expected return on plan assets	1	-	29	-
	3 Actuarial Gains/ (Losses)	-	-	-	-
	4 Contribution by employer	-	-	-	-
	5 Actual Benefit Paid	(16)	-	(67)	-
	6 Plan Assets at the end of the year	2	-	17	-
VI	Maturity Profile of Defined Benefit Obligation				
	1 Within the next 12 months (next annual reporting period)	17	23	93	27
	2 Between 2 and 5 years	60	62	213	60
	3 Beyond 5 years	206	148	238	168
	Total	282	233	544	255
VII	Sensitivity Analysis of the defined Benefit Obligations				
	Impact of the change in Discount Rate				
	1 Impact due to increase of 0.50%	(13)	(12)	(17)	(13)
	2 Impact due to decrease of 0.50%	14	13	18	14
	3 Present Value obligation at the end of the Year	282	233	544	255
	Impact of the change in Salary Increase				
	1 Impact due to increase of 0.50%	15	13	18	14
	2 Impact due to decrease of 0.50%	(14)	(12)	(17)	(13)
	3 Present Value obligation at the end of the year	282	233	544	255

C Actuarial Assumptions**Economic Assumptions**

- (i) Discount Rate 7.50% [Previous year 8.00%]
(ii) Future Salary Increase 5.00% [Previous year 5.50%]

Demographic Assumptions

- (i) Mortality 100% of IALM [2006-08]
(ii) Turnover Rate Upto 30 years - 2%, 31-44 years - 5%, Above 44 years - 3%

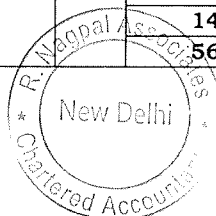
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Note No. 50(a) Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and 1st July, 2015

(Rs. in Lacs)

	ASSETS	Note No.	As at 31st March, 2016			As at 1st July, 2015		
			Indian GAAP	Effect of transition to IND AS	IND AS	Indian GAAP	Effect of transition to IND AS	IND AS
[A]	NON CURRENT ASSETS							
(a)	Property, Plant and Equipment	3	332,330	(1,283)	331,047	288,114	(1,290)	286,824
(b)	Capital Work-in-Progress	3	54,528	-	54,528	91,629	-	91,629
(c)	Intangible Assets	3	56,480	10,096	66,575	64,213	2,524	66,738
(d)	Financial Assets							
(i)	Investments	4	11,668	(3,606)	8,062	11,668	(3,220)	8,448
(ii)	Trade Receivables		-	-	-	-	-	-
(iii)	Loans	5	9,024	(7,189)	1,835	9,119	(7,492)	1,627
(iv)	Other financial assets	6	-	4	4	-	5	5
(e)	Deferred Tax Assets [Net]	7	27,003	-	27,003	26,125	-	26,125
(f)	Other Non-Current Assets	8	296	7,517	7,813	25	7,695	7,720
	TOTAL		491,329	5,538	496,868	490,895	(1,778)	489,116
[B]	CURRENT ASSETS							
(a)	Inventories	9	10,175	-	10,175	14,324	-	14,324
(b)	Financial Assets							
(i)	Investments		-	-	-	-	-	-
(ii)	Trade Receivables	10	9,628	(6)	9,622	9,251	(6)	9,245
(iii)	Cash and Cash Equivalents	11	9,331	-	9,331	4,667	-	4,668
(iv)	Bank Balances other than Cash and Cash Equivalents	12	551	-	551	1,374	-	1,374
(v)	Loans	13	47,764	(13,469)	34,296	46,915	(13,839)	33,076
(vi)	Other financial assets	14	-	3,220	3,220	-	5,608	5,608
(c)	Other Current Assets	15	793	12,884	13,678	186	11,244	11,429
	TOTAL		78,244	2,629	80,873	76,718	3,006	79,724
	TOTAL ASSETS		569,573	8,168	577,741	567,612	1,229	568,840
	EQUITY AND LIABILITIES							
[A]	EQUITY							
(a)	Equity Share Capital	16	372,750	(310,000)	62,750	372,750	(310,000)	62,750
(b)	Other Equity	17	(187,496)	247,904	60,409	(165,018)	237,930	72,912
	TOTAL		185,254	(62,096)	123,159	207,732	(72,070)	135,662
[B]	LIABILITIES							
[1]	NON-CURRENT LIABILITIES							
(a)	Financial Liabilities							
(i)	Borrowings	18	229,222	(5,984)	223,238	172,154	(4,431)	167,722
(ii)	Trade Payables		-	-	-	-	-	-
(iii)	Other Financial Liabilities	19	5,939	-	5,939	6,235	-	6,235
(b)	Provisions	20	679	1	681	534	1	535
(c)	Other Non-Current Liabilities	21	-	3,195	3,195	-	2,401	2,401
	TOTAL		235,840	(2,787)	233,053	178,923	(2,029)	176,893
[2]	CURRENT LIABILITIES							
(a)	Financial Liabilities							
(i)	Borrowings	22	1,635	73,049	74,685	1,497	75,328	76,825
(ii)	Trade Payables	23	113,759	1	113,760	153,129	-	153,129
(iii)	Other Financial Liabilities	24	26,615	-	26,615	18,681	-	18,681
(b)	Other Current Liabilities	25	6,342	-	6,342	7,562	-	7,562
(c)	Provisions	26	127	-	127	88	-	88
	TOTAL		148,479	73,050	221,529	180,957	75,328	256,285
	TOTAL EQUITY AND LIABILITIES		569,573	8,167	577,741	567,612	1,229	568,840



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Note No. 50(b) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2016

(Rs. in Lacs)

	Note No.	Indian GAAP	Effect of transition to IND AS	As per IND AS
Income				
Revenue from Operations	27	80,703	(1,941)	78,763
Other Income	28	91	343	434
Total Income		80,794	(1,598)	79,196
Expenses				
Cost of Materials Consumed	29	23,217	-	23,217
Changes in Inventories of Finished Goods and Work-in-Progress	30	1,466	-	1,466
Manufacturing Expenses	31	8,807	-	8,807
Excise Duty paid on Sales		9,838	-	9,838
Employee Benefits Expenses	32	4,942	(72)	4,870
Finance Costs	33	15,887	6,071	21,958
Depreciation & Ammortisation Expense	34	16,902	(7,578)	9,323
Other Expenses	35	22,830	(1,940)	20,890
Total Expenses		103,889	(3,520)	100,369
Profit / (Loss) before exceptional items and tax		(23,094)	1,922	(21,173)
Prior Period Adjustments		(262)	262	-
Profit / (Loss) before tax		(23,357)	2,185	(21,173)
Tax Expense				
Current Tax				
Deferred Tax		(878)	-	(878)
Profit / (Loss) for the year after tax		(22,479)	2,185	(20,295)
Other comprehensive Income			(72)	(72)
Total Comprehensive Income for the year		(22,479)	2,113	(20,366)

Note - 50(c) Reconciliation of total Equity as at 31st March, 2016 and 1st July, 2015

(Rs. in lacs)

Particulars	As at 31st March, 2016	As at 1st July, 2015
Total equity (shareholders' funds) as per Indian GAAP	(124,746)	(102,268)
Retained Earnings	(6,761)	(8,610)
Equity Component of Preference Shares	254,666	246,540
Total equity (shareholders' funds) as per IND AS	123,159	135,662

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NOTE 51

The Board of Directors of the Company at its meeting held on 31st March, 2016 approved the disinvestment of company's 5 MTPA capacity Integrated Cement plant along with captive power Plant. The transaction is expected to be consummated by June 2017.

Particulars		Discontinuing operations		Continuing Operations		(Rs. In Lacs)	
		Balaji Cement Plant		Other Businesses		Total	
		2016-17	1st July, 2015 to 31st March, 2016	2016-17	1st July, 2015 to 31st March, 2016	2016-17	1st July, 2015 to 31st March, 2016
i	Total Revenues	59,041	63,977	15,654	15,220	74,695	79,197
ii	Operating Expenses	51,028	54,074	19,503	15,013	70,531	69,087
iii	Pre-tax Loss from operating activity	8,013	9,903	(3,849)	207	4,164	10,110
iv	Finance Costs	23,931	14,524	14,293	7,434	38,224	21,958
v	Depreciation & Amortization	10,220	7,596	3,768	1,728	13,988	9,323
vi	Profit (Loss) before tax	(26,138)	(12,217)	(21,910)	(8,955)	(48,048)	(21,172)
vii	Deferred Tax	-	-	-	878	-	878
viii	Profit (Loss) after tax	(26,138)	(12,217)	(21,910)	(8,077)	(48,048)	(20,294)

Note 52

There is no separate segment other than Cement and Cement products, which exceeds 10% of segment assets, liabilities, revenues of the company, hence segment reporting is not applicable.

Note 53

The figures of current financial year are not comparable with previous year as previous financial year was of 9 months i.e. from 1st July, 2015 to 31st March, 2016.

Note 54

Figures for the previous year have been regrouped/recast/rearranged wherever considered necessary.

Note 55

All the figures have been rounded off to the nearest Rs. in Lacs.

As per our report of even date annexed

For R Nagpal Associates
Chartered Accountants
Firm Registration No. 002626N

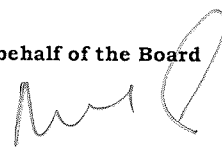


Ravinder Nagpal
Partner
M.No. 081594

Place: Noida
Dated: 15th May, 2017



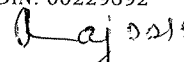
For and on behalf of the Board



Manoj Gaur
Chairman
DIN: 00008480



R.B. Singh
Director
DIN: 00229692



R S Kuchhal
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs. in Lacs)	
PARTICULARS	2016-17	1st July, 2015 to 31st March, 2016	
(A) Cash flow from Operating Activities:			
Profit / (Loss) before Tax as per statement of Profit and Loss Account	(47,747)	(20,366)	
Add Back:			
(a) Finance Costs	38,224	21,958	
(b) Depreciation & Ammortisation	13,988	9,323	
	52,212	31,281	
Deduct			
Interest Income	188	91	
	188	91	
Operating Profit before working Capital Changes	4,277	10,824	
Change in Working Capital			
Deduct			
(a) Decrease in Trade Payable	36,382	39,631	
(b) Increase in Trade Receivables	(5,353)	378	
(c) Increase in Loans & Advances	(25,996)	1,429	
(d) Increase in prepaid exps & income tax deducted at source	(297)	318	
(e) Increase in Current Liabilities	576	1,696	
(f) Decrease in Long term Liabilities	567	296	
(g) Increase in other Current & Non Current Assets	(4,261)	2,826	
	1,618	46,574	
Add			
(a) Decrease in Inventories	2,497	4,150	
(b) Increase in Short Term Borrowings	29,997	8,549	
(c) Increase in Provisions	(281)	185	
	32,213	12,884	
Cash Generated from Operations	34,872	(22,866)	
Deduct			
Tax paid	-	878	
Net Cash flow from Operating Activities	34,872	(23,745)	
(B) Cash flow from Investing Activities:			
Inflow			
(a) Interest Income	188	91	
(b) Decrease in Capital Advances	336	832	
(c) Decrease in Investment	433	386	
	957	1,309	
Outflow			
(a) Purchases/ Constructions of Fixed Assesets (Inclusive of Capital Work-in-progress)	4,329	16,283	
(b) Deposits with Banks	595	(824)	
	4,924	15,459	
Net Cash flow from Investing Activities	(3,967)	(14,150)	
(C) Cash flow from Financing Activities:			
Inflow:			
Increase in LongTerm Borrowings	1,808	62,155	
	1,808	62,155	
Outflow:			
(a) Finance Costs	38,224	21,958	
(b) Increase in Other Financial Assets	907	(2,361)	
	39,131	19,597	
Cash flow from Financing Activities	(37,323)	42,558	
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(6,418)	4,663	
Cash and Cash Equivalents at the beginning of the year (Opening balance)	9,331	4,668	
Cash and Cash Equivalents at the end of the year (Closing balance)	2,912	9,331	

For R. Nagpal Associates
Chartered Accountants
Firm Registration No. 002626N

Ravinder Nagpal
Partner
M.No. 081594



For and on behalf of the Board

Manoj Gaur
Chairman
DIN: 00008480

R B Singh
Director
DIN: 00229692

R S Kuchhal
Company Secretary

Place: Noida
Dated: 15th May, 2017

Jaypee Cement Corporation Limited

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

A. Equity Share Capital

(Rs. in lacs)

Particulars	No. of Shares	Amount
As at 1st July, 2015	627,500,000	62,750
Changes in the Equity Share Capital during the	-	-
As at 31st March, 2016	627,500,000	62,750
Changes in the Equity Share Capital during the	-	-
As at 31st March, 2017	627,500,000	62,750

B. Other Equity

(Rs. in lacs)

Particulars	Reserves and surplus	Other items of other comprehensive income	Total
	Retained earnings		
Balance at the beginning of the year 01.07.2015	72,912	-	72,912
Total comprehensive income/(loss) for the year	(12,503)	-	(12,503)
Balance at the beginning of the year 01.04.2016	60,409	-	60,409
Total comprehensive income/(loss) for the year	(47,747)	-	(47,747)
Balance at the end of year 31.03.2017	12,662	-	12,662

As per our report attached.

For R. Nagpal Associates

Chartered Accountants

Firm Registration No. 002626N



Ravinder Nagpal

Partner

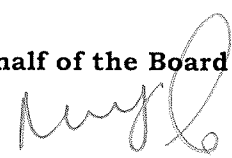
M.No. 081594



Place: Noida

Dated: 15th May, 2017

For and on behalf of the Board



Manoj Gaur

Chairman

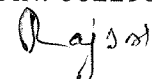
DIN: 00008480



R B Singh

Director

DIN: 00229692



R S Kuehhal

Company Secretary