



## Independent Auditor's Report

### To the Members of JAYPEE CEMENT CORPORATION LIMITED

#### Opinion

We have audited the accompanying financial statements of **JAYPEE CEMENT CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, Statement of changes in equity and Statement of cash flows for the year ended 31st March 2021, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, and its Loss, changes in equity, and its cash flows for the year ended 31st March 2021.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matters

We draw the attention to the following matters in the notes to the financial statements:

1. Confirmations/ Reconciliation of balances of certain secured & unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) and loans and advances are pending. The management is confident that on confirmation / reconciliation there will not be any material impact on the financial statements.
2. We draw the attention to the following matters in the notes to the financial statements:  
  
Note No.36 in the financial statements indicates that the company has accumulated losses. The company's ability to continue as a Going Concern is dependent upon the financial support of the holding Company. Therefore, the financial statements of the company have been prepared on a going concern basis for the reasons stated in the said Note.

Further, it is indicated that the auditor report is not a qualified report in respect of above matters emphasized.

#### Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that



give a true and fair view of the financial position, financial performance, changes in equity, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **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, 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 financial statements comply with the Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note 35 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.



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, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Sharma Vats & Associates  
Chartered Accountants  
Firm Registration Number: 031486N



(Manoj Vats)  
Partner

M.NO. 527922

Place: New Delhi

Dated: 19.06.2021

VATIN = 215279224AAA(C26358)

## **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, 2021 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, 2021, 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.

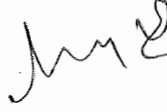
Place: New Delhi

Dated: 19.06.2021

V.D.N. = 21527922AAAA C2 6358



For Sharma Vats & Associates  
Chartered Accountants  
Firm Registration Number: 031486N

  
(Manoj Vats)  
Partner  
M.NO. 527922

**ANNEXURE 'B' referred to in paragraph 2 of our report of even date to the members of**

**JAYPEE CEMENT CORPORATION LIMITED** on the accounts of the Company for the year ended 31<sup>st</sup> March 2021.

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

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to us, no material discrepancies were identified on such verification.
- c) According to the information and explanations given to us and the records examined by us, we report that, other than the immovable properties acquired on amalgamations with the Company as per schemes approved by the Hon'ble High Courts in earlier years, the title deeds are held in the name of the Company as at the balance sheet date
- (ii) (a) As explained to us, the Inventory has been physically verified by the management at reasonable intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security, the provisions of Section 185 and 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (vi) We have broadly reviewed the accounts and cost records maintained by the Company section 148(1) of the Companies Act, 2013, and are of the opinion that prima-facie the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the records.
- (vii) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Sales Tax/ Value Added Tax, Wealth Tax, Customs Duty, Excise Duty, GST, Cess and other material statutory dues applicable to it with the appropriate authorities, except the following:



Building and Other Constructions Workers (Regulation of Employment and Conditions of Service) Act, 1996 – Rs. 30.78 Lacs

ISI & Cess on Cement – Rs. 0.56 Lacs

Goods & Service Tax (including Interest) – Rs. 1307.64 Lacs

Professional Tax – Rs. 0.024 Lacs

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

| Name of Statute (Nature of dues) | Period to which amount relates | Forum where Dispute is pending | Total (In Rs Lacs) |
|----------------------------------|--------------------------------|--------------------------------|--------------------|
| Central Excise                   | F.Y 2007-2016                  | Tribunal                       | 1,318.96           |
| Central Excise                   | F.Y 2009-2017                  | Commissionerate                | 1,956.46           |
| Commercial tax                   | 2012-13, 2013-14               | Tribunal                       | 157.30             |
| Gujarat Green Cess               | 2011-2014                      | Supreme Court                  | 73.56              |
| Entry Tax (AP)                   | 2014-2017                      | High Court                     | 195.75             |
| VAT & CST                        | 2014, 2016                     | Commissionerate                | 95.16              |

(viii) *During the year the company has defaulted in repayment of Principal and interest to Banks and Financial institution, wherein the period of delay ranges from 1 day to 1370 Days.*

*As per Information and records produced before us details of Overdue Interest on borrowings amounting to Rs. 12078.81 Lacs & Rs. reflected in Note No 22 to the financial statements “Other Financial liabilities” which was outstanding as at 31<sup>st</sup> March 2021 is given below*

| Name of Banks/Financial Institution                             | Range Period | Amount in Rs. Lacs |
|---|--------------|--------------------|
| Asset Care and Reconstruction Enterprise Limited (Yes Bank Ltd) | 1-1370 Days  | 12056.12           |
| Srei Equipment Finance Limited                                  | 1-149 Days   | 22.69              |

*As per Information and records produced before us details of Overdue Principal Repayment of borrowings amounting to Rs.. 28563.30.00 Lacs reflected in Note No 16 & Note 22 which was outstanding as at 31<sup>st</sup> March 2021 is given below*

| Name of Banks/Financial Institution                             | Range Period | Amount in Rs. Lacs |
|---|--------------|--------------------|
| Asset Care and Reconstruction Enterprise Limited (Yes Bank Ltd) | 1-992 Days   | 28540.43           |
| Srei Equipment Finance Limited                                  | 1-149        | 22.87              |

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

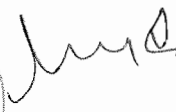




- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (xiii) Based on information and explanations given to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial Statements as required by the applicable accounting standards.
- (xiv) Based on information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3(xi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or person connected with him which is covered by Section 192 of the Act. Accordingly, the provisions of clause 3(xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 Accordingly, the provisions of clause 3(xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

For Sharma Vats & Associates  
Chartered Accountants  
Firm Registration Number: 031486N



 (Manoj Vats)  
Partner  
M.NO. 527922

Place: New Delhi

Dated: 19.06.2021

UDIN-21527922 AAAA C26358

Jaypee Cement Corporation Limited

Balance Sheet as on 31st March, 2021

(Rs. in Lacs)

|  | NOTE No. | As at 31st March, 2021 | As at 31st March, 2020 |
|--|----------|------------------------|------------------------|
| <b>ASSETS</b>  |          |                        |                        |
| <b>[A] NON-CURRENT ASSETS</b>                          |          |                        |                        |
| (a) Property, Plant and Equipment                      | 3        | 97,226                 | 1,01,192               |
| (b) Capital Work-in-Progress                           | 3        | 19,580                 | 19,722                 |
| (c) Intangible Assets                                  | 3        | -                      | -                      |
| (d) Financial Assets :                                 |          |                        |                        |
| (i) Investments  | 4        | 10                     | 10                     |
| (ii) Trade Receivables                                 |          | -                      | -                      |
| (iii) Loans  |          | -                      | -                      |
| (iv) Other financial assets                            | 5        | 217                    | 333                    |
| (e) Deferred Tax Assets [Net]                          |          | -                      | -                      |
| (f) Other Non-Current Assets                           | 6        | 15,760                 | 16,006                 |
| <b>TOTAL</b>   |          | <b>1,32,793</b>        | <b>1,37,263</b>        |
| <b>[B] CURRENT ASSETS</b>                              |          |                        |                        |
| (a) Inventories  | 7        | 4,129                  | 4,854                  |
| (b) Financial Assets :                                 |          |                        |                        |
| (i) Investments  |          | -                      | -                      |
| (ii) Trade Receivables                                 | 8        | 595                    | 1,174                  |
| (iii) Cash and Cash Equivalents                        | 9        | 943                    | 501                    |
| (iv) Bank Balances other than cash and cash equivalent | 10       | 305                    | 878                    |
| (v) Loans  | 11       | -                      | -                      |
| (vi) Other financial assets                            | 12       | 7,648                  | 7,177                  |
| (c) Other Current Assets                               | 13       | 7,144                  | 9,265                  |
| <b>TOTAL</b>   |          | <b>20,765</b>          | <b>23,849</b>          |
| <b>TOTAL ASSETS</b>                                    |          | <b>1,53,558</b>        | <b>1,61,112</b>        |
| <b>EQUITY AND LIABILITIES</b>                          |          |                        |                        |
| <b>[A] EQUITY</b>                                      |          |                        |                        |
| (a) Equity Share Capital                               | 14       | 62,750                 | 62,750                 |
| (b) Other Equity                                       | 15       | (1,15,108)             | (94,590)               |
| <b>TOTAL</b>   |          | <b>(52,358)</b>        | <b>(31,840)</b>        |
| <b>[B] LIABILITIES</b>                                 |          |                        |                        |
| <b>1 NON-CURRENT LIABILITIES</b>                       |          |                        |                        |
| (a) Financial Liabilities                              |          |                        |                        |
| (i) Borrowings   | 16       | 3,854                  | 32,483                 |
| (ii) Trade Payables                                    |          | -                      | -                      |
| (iii) Other Financial Liabilities                      | 17       | 1,29,686               | 1,15,862               |
| (b) Provisions   | 18       | 313                    | 356                    |
| (c) Deferred Tax Liabilities [Net]                     | 19       | 11,879                 | 11,116                 |
| (d) Other Non-Current Liabilities                      | 20       | 625                    | 1,022                  |
| <b>TOTAL</b>   |          | <b>1,46,357</b>        | <b>1,60,840</b>        |
| <b>2 CURRENT LIABILITIES</b>                           |          |                        |                        |
| (a) Financial Liabilities                              |          |                        |                        |
| (i) Trade Payables                                     | 21       | 12,320                 | 16,692                 |
| (ii) Other Financial Liabilities                       | 22       | 43,060                 | 11,962                 |
| (b) Other Current Liabilities                          | 23       | 4,145                  | 3,419                  |
| (c) Provisions   | 24       | 35                     | 40                     |
| <b>TOTAL</b>   |          | <b>59,560</b>          | <b>32,113</b>          |
| <b>TOTAL EQUITY AND LIABILITIES</b>                    |          | <b>1,53,558</b>        | <b>1,61,112</b>        |

Summary of significant Accounting Policies. 2

The Note nos. 1 to 50 are integral part of the Financial Statements

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

For Sharma Vats & Associates

Chartered Accountants

Firm Registration No. 031486N

Manoj Vats

Partner

M.No. 527922



For and on behalf of the Board

Manoj Gaur

Chairman

DIN: 00008480

Alok Gaur

Director

DIN: 00112520

Satish Semwal

Chief Financial Officer

R S Kuchhal

Company Secretary

Place: New Delhi

Dated: 19th June, 2021

**Jaypee Cement Corporation Limited**

**Statement of Profit and Loss for the year ended 31st March, 2021**

(Rs. in Lacs)

|   | NOTE No. | 2020-21         | 2019-20         |
|---|----------|-----------------|-----------------|
| <b>INCOME</b>   |          |                 |                 |
| Revenue from operations                                     | 25       | 19,508          | 16,607          |
| Other Income  | 26       | 535             | 524             |
| <b>TOTAL INCOME</b>   |          | <b>20,044</b>   | <b>17,131</b>   |
| <b>EXPENSES</b>   |          |                 |                 |
| Cost of Materials Consumed                                  | 27       | 10,221          | 8,914           |
| Changes in Inventories of Finished Goods & Work-in-Progress | 28       | 455             | (914)           |
| Manufacturing Expenses                                      | 29       | 1,010           | 1,208           |
| Employee Benefits Expenses                                  | 30       | 2,649           | 3,425           |
| Finance Costs   | 31       | 17,517          | 21,112          |
| Depreciation and Amortisation Expense                       | 32       | 4,198           | 4,197           |
| Other Expenses  | 33       | 3,723           | 3,412           |
| <b>Total Expenses</b>                                       |          | <b>39,773</b>   | <b>41,354</b>   |
| <b>Profit / (Loss) before exceptional items and tax</b>     |          | <b>(19,730)</b> | <b>(24,223)</b> |
| Exceptional Items   |          | -               | (11,668)        |
| <b>Profit / (Loss) before tax</b>                           |          | <b>(19,730)</b> | <b>(35,891)</b> |
| <b>Tax Expense</b>  |          |                 |                 |
| Current Tax   |          | -               | -               |
| Deferred Tax Reversed (Net)                                 |          | 762             | 38,120          |
| <b>Profit / (Loss) for the year after tax</b>               |          | <b>(20,492)</b> | <b>(74,011)</b> |
| <b>Other comprehensive Income</b>                           |          |                 |                 |
| Remeasurment gain / (loss) on defined benefit plans         |          | (27)            | (37)            |
| <b>Total Comprehensive Income for the year</b>              |          | <b>(20,519)</b> | <b>(74,048)</b> |
| Earnings per Equity Share                                   |          |                 |                 |
| Basic (In Rs.)  | 41       | (3.27)          | (11.80)         |
| Diluted (In Rs.)  |          | (3.27)          | (11.80)         |

**Summary of significant Accounting Policies.** 2  
**The Note nos. 1 to 50 are integral part of the Financial Statements**

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

**For Sharma Vats & Associates**

Chartered Accountants

Firm Registration No. 031486N

**Manoj Vats**

Partner

M.No. 527922



**For and on behalf of the Board**

**Manoj Gaur**

Chairman

DIN: 00008480

**Alok Gaur**

Director

DIN: 00112520

**Satish Semwal**

Chief Financial Officer

**R S Kuchhal**

Company Secretary

Place: New Delhi

Dated: 19th June, 2021

Registered office: Sector, 128, Noida - 201304

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2021

### Note No. "1" Corporate Information

Jaypee Cement Corporation Limited, a wholly owned subsidiary of Jaiprakash Associates Limited, has a 1.20 MTPA cement grinding unit at Shahabad District Gulbarga, Karnataka alongwith a 60 MW captive power plant, two Abestoes plants each having capacity of 1 Lac MT p.a. at Sadwa, district- Allahabad & Chunar, district Mirzapur, U.P. and one Foundry & one Heavy Engineering Workshop each having capacity of 15000 MT p.a., both at Jaypee Nagar, district- Rewa, M.P., leased out to Jaiprakash Associates Limited.

### 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.

#### 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. .

The Company has applied a five step model as per Ind AS 115 "Revenue from Contracts with Customers" to recognise revenue in the financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- i) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- ii) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- iii) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied. Revenue is recognised either at a point in time and over a period of time based on various conditions as included in the contracts with customers.

#### 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.



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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 5 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



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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.



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## **j. Leases**

### **Finance lease**

Leases of property, plant and equipment are classified as finance leases where the lessor has substantially transferred all the risks and rewards of ownership to the Company.

### **Operating lease**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Indian Accounting Standard (Ind AS) 116, Leases, was notified as part of the Companies (Indian Accounting Standards) (Amendment) Rules, 2019, issued by the Ministry of Corporate Affairs, Government of India, vide notification dated March 30, 2019. These Rules came into force w.e.f. April 1, 2019. Accordingly, Ind AS 116, comes into effect in respect of annual reporting periods beginning on or after 1st April, 2019. The same is not applicable to the company.

### **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.



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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**

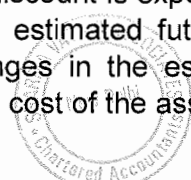
Restructuring provisions are recognised only when the Company has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs and an appropriate timeline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



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## **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.

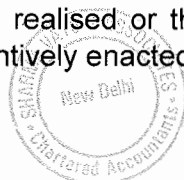
### **Deferred tax**

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.



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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.

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



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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.



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#### **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:

- 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.



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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



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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:

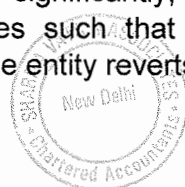
- i. Financial assets that are debt instruments, and are measured at amortised cost, e.g., loans, debt securities, deposits, trade receivables and bank balance
- ii. Financial assets that are debt instruments and are measured as at Fair Value Through Other Comprehensive Income (FVTOCI)
- iii. Lease receivables 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.



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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.



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## 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.



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## NOTE 3

## PROPERTY, PLANT &amp; EQUIPMENT

(Rs. in Lacs)

| Particulars                  | TANGIBLE ASSETS |               |                   |                         |                                |            |                                |                  |  |  | Total |                 |  |
|------------------------------|-----------------|---------------|-------------------|-------------------------|--------------------------------|------------|--------------------------------|------------------|--|--|-------|-----------------|--|
|                              | Freehold Land   | Buildings     | Plant & Machinery | Electrical Installation | Water Works, Tanks & Reservoir | Vehicles   | Furniture, Fixtures & Fittings | Office Equipment |  |  |       |                 |  |
| <b>Gross Block</b>           |                 |               |                   |                         |                                |            |                                |                  |  |  |       |                 |  |
| As at 1st April 2019         | 13,914          | 19,820        | 92,994            | 530                     | 376                            | 156        | 100                            | 495              |  |  |       | 1,28,385        |  |
| Additions                    | -               | 86            | -                 | -                       | -                              | -          | -                              | 1                |  |  |       | 86              |  |
| Disposals                    | -               | -             | 57                | -                       | -                              | -          | -                              | 1                |  |  |       | 58              |  |
| <b>As at 31st March 2020</b> | <b>13,914</b>   | <b>19,906</b> | <b>92,937</b>     | <b>530</b>              | <b>376</b>                     | <b>156</b> | <b>100</b>                     | <b>495</b>       |  |  |       | <b>1,28,413</b> |  |
| Additions                    | -               | 240           | -                 | -                       | -                              | -          | -                              | 1                |  |  |       | 241             |  |
| Disposals                    | -               | 57            | 21                | -                       | -                              | -          | -                              | 2                |  |  |       | 81              |  |
| <b>As at 31st March 2021</b> | <b>13,914</b>   | <b>20,089</b> | <b>92,916</b>     | <b>530</b>              | <b>376</b>                     | <b>156</b> | <b>100</b>                     | <b>494</b>       |  |  |       | <b>1,28,573</b> |  |
| <b>Depreciation</b>          |                 |               |                   |                         |                                |            |                                |                  |  |  |       |                 |  |
| As at 1st April, 2019        | -               | 4,409         | 17,783            | 245                     | 120                            | 118        | 75                             | 322              |  |  |       | 23,072          |  |
| Depreciation for the Year    | -               | 800           | 3,318             | 29                      | 13                             | 11         | 9                              | 17               |  |  |       | 4,197           |  |
| Disposals                    | -               | -             | 48                | -                       | -                              | -          | -                              | -                |  |  |       | 48              |  |
| <b>As at 31st March 2020</b> | <b>-</b>        | <b>5,209</b>  | <b>21,053</b>     | <b>274</b>              | <b>133</b>                     | <b>129</b> | <b>84</b>                      | <b>339</b>       |  |  |       | <b>27,221</b>   |  |
| Depreciation for the Year    | -               | 820           | 3,306             | 29                      | 14                             | 6          | 7                              | 16               |  |  |       | 4,198           |  |
| Disposals                    | -               | 57            | 12                | -                       | -                              | -          | -                              | 2                |  |  |       | 72              |  |
| <b>As at 31st March 2021</b> | <b>-</b>        | <b>5,971</b>  | <b>24,346</b>     | <b>303</b>              | <b>147</b>                     | <b>135</b> | <b>91</b>                      | <b>352</b>       |  |  |       | <b>31,347</b>   |  |
| <b>Net Book Value</b>        |                 |               |                   |                         |                                |            |                                |                  |  |  |       |                 |  |
| As at 31st March 2020        | 13,914          | 14,697        | 71,884            | 256                     | 243                            | 26         | 17                             | 156              |  |  |       | 1,01,192        |  |
| As at 31st March 2021        | 13,914          | 14,117        | 68,569            | 227                     | 230                            | 20         | 9                              | 141              |  |  |       | 97,226          |  |

Note: Capital Work-in-Progress Rs. 19,580 Lacs (31st March, 2020 Rs. 19,722 Lacs)

As at 31st March, 2021

(Rs. in Lacs)  
As at 31st March, 2020**ASSETS****NOTE 4  
INVESTMENTS****Investments in Equity Instruments****Investment in Equity Shares of Subsidiary Company (At Cost)  
Unquoted , fully paid up**5,51,00,000 (31st March, 2020: 5,51,00,000) Equity Shares of Rs.  
10/- each of Jaiprakash Agri Initiatives Company Limited

|                                     |              |   |              |
|-------------------------------------|--------------|---|--------------|
|                                     | <b>1,668</b> |   | 1,668        |
| Less: Provision for Impairment Loss | <b>1,668</b> | - | <b>1,668</b> |

**Investment in Preference shares at fair value through Profit &  
(Loss)****Investment in Subsidiary Company  
Unquoted , fully paid up**1,00,00,000 (31st March, 2020: 1,00,00,000) 12% Non Cumulative  
Redeemable Preference Shares of Rs 100/- each of Jaiprakash Agri  
Initiatives Company Limited

|                                     |              |   |              |
|-------------------------------------|--------------|---|--------------|
|                                     | <b>3,645</b> |   | 4,326        |
| Less: Provision for Impairment Loss | <b>3,645</b> | - | <b>4,326</b> |

Other Investments (Redeemable Preference Share of UltraTech  
Cement Limited)

|    |    |
|----|----|
| 10 | 10 |
|----|----|

|           |           |
|-----------|-----------|
| <b>10</b> | <b>10</b> |
|-----------|-----------|

**Aggregate Amount of:**

|  |    |    |
|--|----|----|
| Quoted Investments in Equity and Preference Shares   | -  | -  |
| Unquoted Investments in Equity and Preference Shares | 10 | 10 |

**NOTE 5****OTHER FINANCIAL ASSETS**

|  |            |            |
|--|------------|------------|
| Financial Security Deposit With Public Bodies & Others         | 117        | 183        |
| Term Deposits with Banks with maturity more than twelve months | 98         | 142        |
| Interest accrued on Fixed Deposits & others                    | 2          | 8          |
|  | <b>217</b> | <b>333</b> |

**NOTE 6****OTHER NON-CURRENT ASSETS**

|   |               |               |
|---|---------------|---------------|
| Capital Advance                                       | 5,190         | 5,217         |
| Non-Financial Security Deposits with Govt Departments | 2,606         | 2,487         |
| Claims and Refunds Receivable from Govt Departments   | 7,541         | 7,541         |
| IncomeTax deducted at source                          | 199           | 526           |
| Prepaid Expenses                                      | 225           | 235           |
|   | <b>15,760</b> | <b>16,006</b> |

**NOTE 7****INVENTORIES**

|                          |              |              |
|--------------------------|--------------|--------------|
| Raw Materials            | 285          | 583          |
| Raw Materials-in-Transit | 17           | -            |
| Stock-in-Process         | 1,257        | 816          |
| Finished Goods           | 2,260        | 3,157        |
| Stores and Spare Parts   | 310          | 298          |
|                          | <b>4,129</b> | <b>4,854</b> |



(Rs. in Lacs)

As at 31st March, 2021

As at 31st March, 2020

**NOTE 8****TRADE RECEIVABLES****(Unsecured, considered good)****Debts outstanding for a period exceeding six months**

|  |     |     |       |       |
|--|-----|-----|-------|-------|
| Trade receivables considered good – Secured  | -   | -   | -     | -     |
| Trade receivables considered good – Unsecured  | 608 |     | 1,187 |       |
| Trade receivables which have significant increase in Credit Risk and Trade receivables – credit impaired | -   |     | -     |       |
|  | 608 |     | 1,187 |       |
| Less: Allowance for Bad and doubtful debts   | 13  | 595 | 13    | 1,174 |
|  |     | 595 |       | 1,174 |

**NOTE 9****CASH AND CASH EQUIVALENTS**

|                     |  |     |  |     |
|---------------------|--|-----|--|-----|
| Balances with Banks |  |     |  |     |
| Current Accounts    |  | 941 |  | 497 |
| Cash on hand        |  | 3   |  | 4   |
|                     |  | 943 |  | 501 |

**NOTE 10****BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

|   |  |     |  |     |
|---|--|-----|--|-----|
| Term Deposits with maturity less than twelve months (Pledged with banks & Government Departments) |  | 305 |  | 878 |
|   |  | 305 |  | 878 |

**NOTE 11****LOANS****(Unsecured, considered good)**

|  |       |   |       |   |
|--|-------|---|-------|---|
| Loan component of investment in Preference Shares of Jaiprakash Agri Initiatives Company Limited | 6,355 |   | 5,674 |   |
| Less: Provision for Impairment Loss  | 6,355 | - | 5,674 | - |
|  |       |   |       |   |

**NOTE 12****OTHERS- FINANCIAL ASSETS**

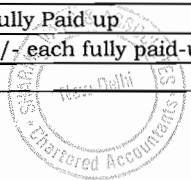
|   |       |  |       |  |
|---|-------|--|-------|--|
| Claim & Refunds Receivable                  | 2,842 |  | 3,303 |  |
| Interest accrued on Fixed Deposits & others | 21    |  | 17    |  |
| Staff Imprest and Advances                  | 19    |  | 19    |  |
| Receivable from Related Parties             | 4,075 |  | 3,805 |  |
| Receivable Others                           | 692   |  | 7     |  |
| Security Deposits with Others               | -     |  | 26    |  |
|   | 7,648 |  | 7,177 |  |

**NOTE 13****OTHER CURRENT ASSETS****(Unsecured, considered good)**

|  |       |  |       |  |
|--|-------|--|-------|--|
| Advances to Suppliers, Contractors & Others          | 2,604 |  | 3,752 |  |
| Non-Financial Security Deposit With Govt Departments | 1     |  | 1     |  |
| Claims and Refunds Receivable                        | 4,494 |  | 5,478 |  |
| Advance against Custom duty                          | 7     |  | -     |  |
| Prepaid Expenses                                     | 37    |  | 33    |  |
|  | 7,144 |  | 9,265 |  |

**NOTE 14****EQUITY SHARE CAPITAL**

|  | 31st March, 2021 |             | 31st March, 2020 |             |
|--|------------------|-------------|------------------|-------------|
|  | Number           | Rs. in lacs | Number           | Rs. in lacs |
| Authorised                                   |                  |             |                  |             |
| Equity Shares of Rs. 10/- each               | 1,50,00,00,000   | 1,50,000    | 1,50,00,00,000   | 1,50,000    |
| Preference Shares of Rs. 100/- each          | 40,00,00,000     | 4,00,000    | 40,00,00,000     | 4,00,000    |
| Total  |                  | 5,50,000    |                  | 5,50,000    |
|  | 31st March, 2021 |             | 31st March, 2020 |             |
|  | Number           | Rs. in lacs | Number           | Rs. in lacs |
| Issued, Subscribed & Fully Paid up           |                  |             |                  |             |
| Equity Shares of Rs. 10/- each fully paid-up | 62,75,00,000     | 62,750      | 62,75,00,000     | 62,750      |
| Total  | 62,75,00,000     | 62,750      | 62,75,00,000     | 62,750      |



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As at 31st March, 2021

As at 31st March, 2020

**Note 14.1 Reconciliation of the number of Equity shares outstanding**

| Particulars                                     | 31st March, 2021 |             | 31st March, 2020 |             |
|---|------------------|-------------|------------------|-------------|
|   | Number           | Rs. in lacs | Number           | Rs. in lacs |
| Equity Shares of Rs. 10/- each                  |                  |             |                  |             |
| Shares outstanding at the beginning of the year | 62,75,00,000     | 62,750      | 62,75,00,000     | 62,750      |
| Shares issued during the year                   | -                | -           | -                | -           |
| Shares outstanding at the end of the year       | 62,75,00,000     | 62,750      | 62,75,00,000     | 62,750      |

**Note 14.2: 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 14.3 The shares held by the holding company**

| Name of the shareholder                            | 31st March, 2021      |  | 31st March, 2020      |  |
|--|-----------------------|--|-----------------------|--|
|  | Number of shares held |  | Number of shares held |  |
| Equity Shares of Rs. 10/- each                     |                       |  |                       |  |
| Jaiprakash Associates Limited, the holding company | 62,75,00,000          |  | 62,75,00,000          |  |

**Note 14.4 The shares held by the shareholders more than 5% of the aggregate shares in the company.**

| Name of Shareholder  | 31st March, 2021   |              | 31st March, 2020   |              |
|--|--------------------|--------------|--------------------|--------------|
|  | 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) | 62,75,00,000       | 100          | 62,75,00,000       | 100          |

**Note 14.5 Other clauses of Share Capital are not applicable to the company.****NOTE 15  
OTHER EQUITY**

As at 31st March, 2021

As at 31st March, 2020

|   |            |                   |            |                 |
|---|------------|-------------------|------------|-----------------|
| Security Premium Reserve                        |            | 49,662            |            | 49,662          |
| Equity component of Preference Shares           |            | 2,54,666          |            | 2,54,666        |
| <b>Retained Earnings</b>                        |            |                   |            |                 |
| Opening Balance                                 | (3,99,034) |                   | (3,25,021) |                 |
| Add: Profit / (Loss) for the year               | (20,492)   |                   | (74,011)   |                 |
| Adjustment during Year                          |            | (4,19,526)        | (2)        | (3,99,034)      |
| <b>Other Comprehensive Income</b>               |            |                   |            |                 |
| Opening balance                                 | 116        |                   | 153        |                 |
| Add: Other Comprehensive Income during the year | (27)       | 90                | (37)       | 116             |
| <b>TOTAL</b>                                    |            | <b>(1,15,108)</b> |            | <b>(94,590)</b> |

**NOTE 16  
BORROWINGS****Secured**

|  |  |       |  |        |
|--|--|-------|--|--------|
| Term Loans from Banks  |  | -     |  | 28,540 |
| Loans from Uttar Pradesh Financial Corporation and The Pradeshieye Industrial & Investment Corporation of UP Limited |  | 3,615 |  | 3,930  |
| Term Loan From SREI Equipment Finance Limited  |  | 232   |  | -      |

**Unsecured**

|                 |  |              |  |               |
|-----------------|--|--------------|--|---------------|
| Lease Liability |  | 8            |  | 13            |
| <b>TOTAL</b>    |  | <b>3,854</b> |  | <b>32,483</b> |



## NOTE-16.1

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

| S. No. | Banks   | Terms of Repayment/ Periodicity  | (Rs in Lacs)                                     |               |
|--------|---|--|--|---------------|
|        |   |  | Outstanding (including current maturities) as on |               |
|        |   |  | 31.03.2021                                       | 31.03.2020    |
| A      | i Asset Care & Reconstruction Enterprise Limited                    | Loans assigned by Yes Bank in favour of Asset Care & Reconstruction Enterprise Limited | 28,540   | 28,540        |
| B      | ii Srei Equipment Finance Limited                                   | In 44 monthly instalments commencing from 03.11.2020 to 03.06.2024                     | 265  | -             |
|        | iii Uttar Pradesh Financial Corporation                             | In Annual instalments commencing from 12.07.2018 to 15.10.2025                         | 4,287  | 4,996         |
|        | iv The Pradeshiye Industrial & Investment Corporation of UP Limited | In Annual instalments commencing from 18.08.2022 to 31.10.2025                         | 1,193  | 1,188         |
|        |   | <b>Total (B)</b>   | <b>5,745</b>                                     | <b>6,184</b>  |
|        |   | <b>Total (A to B)</b>  | <b>34,285</b>                                    | <b>34,724</b> |
| C      | Lease liability   |  | 48   | 48            |
|        |   | <b>Total (A to C)</b>  | <b>34,333</b>                                    | <b>34,772</b> |
|        |   | Less: Transferred to Other Non-Current Liabilities (Note no. 20)                       | 625  | 1,022         |
|        |   | Less: Transferred to Current maturities of long term debts (Note no. 22)               | 29,430   | 817           |
|        |   | Less: Transferred to Other Current Liabilities (Note no. 23)                           | 424  | 450           |
|        |   | <b>Borrowings (Note no. 16)</b>  | <b>3,854</b>                                     | <b>32,483</b> |

b) Pursuant to Comprehensive Re-organisation and Restructuring Plan of Jaiprakash Associates Limited and the Company, approved by Independent Evaluation Committee at its meeting held on 19.06.2017 and Joint Lender Forum (including Yes Bank Limited) at its meeting held on 22.06.2017 and execution of Master Restructuring Agreement (MRA) on 31.10.2017 and joining the MRA by Yes Bank through Deed of Accession dated 29.11.2017, assigning of loans granted to the company by Yes Bank to Assets Care & Reconstruction Enterprise Limited (ACRE) vide assignment agreement dated 26.09.2018 (without providing copy to the company) and proceeding with transfer of 30% pledged shares of Bhilai Jaypee Cement Limited by ACRE in its favour has not been taken cognizance of.

c) Term Loans specified as Shahabad Project Loans in Master Restructuring Agreement are further secured by first charge ranking pari-passu among Shahabad Project Lenders over movable and immovable fixed assets of Shahabad Cement Plant (both present & future) situated at Shahabad, Distt. Gulbarga, Karnataka.

16.2 Interest Free Loans of Rs 6,403 Lacs (outstanding Rs 4,287 Lacs) granted by Uttar Pradesh Financial Corporation under Audhyogik 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 had commenced during FY 2018-19 (Previous Year: Rs 4,996 Lacs).

Interest Free Loans of Rs 1,237 Lacs (outstanding Rs 1,193 Lacs) granted by The Pradeshiye 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 7 years from the date of disbursement and repayment will commence from FY 2022-23 onwards (Previous year: Rs. 1,188 lacs)

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

|   | (Rs. in Lacs)     |              |
|---|-------------------|--------------|
|   | Outstanding as on |              |
|   | 31.03.2021        | 31.03.2020   |
| Loans from Uttar Pradesh Financial Corporation and The Pradeshiye Industrial & Investment Corporation of UP Limited | 5,480             | 6,184        |
|   | <b>5,480</b>      | <b>6,184</b> |



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**NOTE 17****OTHER FINANCIAL LIABILITIES**

Liability component of Preference Shares  
Deposits

1,28,738

1,14,944

948

918

1,29,6861,15,862**NOTE 18****PROVISIONS**

Provision for Employee Benefits:

Gratuity

239

240

Leave Encashment

74

116

313356**NOTE 19****DEFERRED TAX LIABILITIES [Net]**

Deferred Tax Liabilities

12,245

11,606

Less: Deferred Tax Assets

367

489

11,87911,116**NOTE 20****OTHER NON-CURRENT LIABILITIES**

Government Grants (by way of Loans from Uttar Pradesh Financial Corporation and The Pradeshiye Industrial & Investment Corporation of UP Limited)

625

1,022

6251,022**NOTE 21****TRADE PAYABLES****Others**

Total outstanding dues of Micro &amp; Small Enterprises

138

26

Total outstanding dues of creditors other than Micro &amp; Small Enterprises

1,881

3,791

Advances from Related Parties

10,301

12,875

12,32016,692**NOTE 22****OTHER FINANCIAL LIABILITIES**

Current maturities of Long term Debt:

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

817

782

Loan From Srei Equipment Finance Limited

33

-

Loans assigned by Yes Bank in favour of Asset Care & Reconstruction Enterprise Limited

28,540

-

Interest accrued and due

12,079

9,345

Interest accrued but not due

3

-

Lease Liability ( Unsecured)

40

35

Other Payables:

Capital Suppliers

989

1,067

Staff Dues

430

379

Other Creditors

129

355

43,06011,962**NOTE 23****OTHER CURRENT LIABILITIES**

Advances from Customers

1,981

1,547

Statutory Dues

1,740

1,421

Government Grants (by way of Loans from Uttar Pradesh Financial Corporation and The Pradeshiye Industrial & Investment Corporation of UP Limited)

424

450

4,1453,419**NOTE 24****PROVISIONS**

Provision for employee benefits:

Gratuity

24

26

Leave Encashment

11




14

3540



|  | 2020-21       | 2019-20       |
|--|---------------|---------------|
| <b>NOTE 25</b>   |               |               |
| Revenue from Operations  |               |               |
| Sale of Products (Refer Note 25.1)                                   | 17,666        | 13,807        |
| Sale of Services (Refer Note 25.2)                                   | 1,096         | 1,788         |
| Other Operating Revenues (Refer Note 25.3)                           | 746           | 1,012         |
|  | <u>19,508</u> | <u>16,607</u> |
| <b>NOTE 25.1</b>   |               |               |
| <b>SALE OF PRODUCTS</b>  |               |               |
| Asbestos Sheets Sales  | 17,666        | 13,807        |
|  | <u>17,666</u> | <u>13,807</u> |
| <b>NOTE 25.2</b>   |               |               |
| <b>SALE OF SERVICES</b>  |               |               |
| Manpower Supply  | 1,096         | 1,788         |
|  | <u>1,096</u>  | <u>1,788</u>  |
| <b>NOTE 25.3</b>   |               |               |
| <b>OTHER OPERATING REVENUE</b>                                       |               |               |
| Lease Rent   | 348           | 960           |
| Sale of Scrap  | 7             | 6             |
| Sundry Balance Written Back (Net)                                    | 238           | 4             |
| Other Receipts   | 152           | 42            |
|  | <u>746</u>    | <u>1,012</u>  |
| <b>NOTE 26</b>   |               |               |
| <b>OTHER INCOME</b>  |               |               |
| Interest   | 110           | 50            |
| Rent   | 2             | 2             |
| Miscellaneous  | 424           | 472           |
|  | <u>535</u>    | <u>524</u>    |
| <b>NOTE 27</b>   |               |               |
| <b>COST OF MATERIALS CONSUMED</b>                                    |               |               |
| Raw Materials  | 9,836         | 8,552         |
| Stores & Spares  | 385           | 361           |
|  | <u>10,221</u> | <u>8,914</u>  |
| <b>NOTE 28</b>   |               |               |
| <b>CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b> |               |               |
| <b>Opening Stocks</b>  |               |               |
| Finished Goods   | 3,157         | 1,951         |
| Stock-In-Process   | 816           | 1,108         |
|  | <u>3,973</u>  | <u>3,059</u>  |
| <b>Less: Closing Stocks</b>  |               |               |
| Finished Goods   | 2,260         | 3,157         |
| Stock-In-Process   | 1,257         | 816           |
|  | <u>3,518</u>  | <u>3,973</u>  |
|  | <u>455</u>    | <u>(914)</u>  |



2020-21

2019-20

**NOTE 29****MANUFACTURING EXPENSES**

|  |              |              |
|--|--------------|--------------|
| Hire Charges & Lease rental of Machineries | 10           | 104          |
| Power , Electricity & Water Charges        | 756          | 753          |
| Repairs & Maintainance of Machinery        | 185          | 309          |
| Repairs to Buildings                       | 30           | 12           |
| Freight, Octroi & Transportation charges   | 28           | 30           |
|  | <u>1,010</u> | <u>1,208</u> |

**NOTE 30****EMPLOYEE BENEFITS EXPENSES**

|   |              |              |
|---|--------------|--------------|
| Salaries, Wages & Bonus                 | 2,443        | 3,137        |
| Gratuity                                | 37           | 53           |
| Contribution to Provident & Other Funds | 137          | 191          |
| Staff Welfare                           | 33           | 45           |
|   | <u>2,649</u> | <u>3,425</u> |

**NOTE 31****FINANCE COSTS**

|  |               |               |
|--|---------------|---------------|
| Interest on Term Loans                                 | 2,711         | 7,981         |
| Interest on Borrowings & Others                        | 1,005         | 808           |
| Interest on Liability Component of Preferential shares | 13,793        | 12,315        |
| Financing Charges                                      | -             | 1             |
| Finance Cost of Lease Liability (Ind AS -116)          | 8             | 6             |
|  | <u>17,517</u> | <u>21,112</u> |

**NOTE 32****DEPRECIATION AND AMORTISATION EXPENSE**

|   |              |              |
|---|--------------|--------------|
| Depreciation on Property, Plant & Equipment | 4,198        | 4,197        |
|   | <u>4,198</u> | <u>4,197</u> |

**NOTE 33****OTHER EXPENSES**

|   |              |              |
|---|--------------|--------------|
| Loading , Transportation & Other Charges            | 2,702        | 2,489        |
| Sales Promotion                                     | 174          | 323          |
| Rent  | 1            | 31           |
| Rates & taxes                                       | 73           | 70           |
| Insurance   | 45           | 35           |
| Travelling & conveyence                             | 64           | 129          |
| Bank Charges & Guarantee Commission                 | 33           | 26           |
| Loss on Sale / Disposal / write off of Assets (Net) | -            | 9            |
| Postage & Telephone                                 | 24           | 7            |
| Vehicle running & Maintainance                      | 15           | 13           |
| Legal & Professional                                | 288          | 118          |
| Security & Medical Services                         | 88           | 106          |
| Directors' fee                                      | 4            | 4            |
| Auditors' Remuneration                              |              |              |
| Audit Fee   | 2            | 2            |
| Tax Audit Fee                                       | 1            | 1            |
| Miscellaneous Expenses                              | 210          | 50           |
|   | <u>3,723</u> | <u>3,412</u> |



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**NOTE 34**

31st March, 2021

31st March, 2020

Contingent Liabilities not provided for :

|   |        |        |
|---|--------|--------|
| (a) Claims against the Company not acknowledged as debts  | 7,816  | 7,740  |
| Amount deposited under protest  | 1,952  | 1,915  |
| Bank Guarantee Against Above  | 138    | 138    |
| (b) Outstanding amount of Bank Guarantees (inclusive of Bank Guarantees for Rs. 9,729 lacs provided by Jaiprakash Associates Limited) | 11,414 | 11,414 |
| Margin Money deposited against the above  | 297    | 189    |
| (c) Excise matters under appeal   | 3,570  | 3,622  |
| Amount deposited under protest  | 294    | 271    |
| (d) Entry Tax/VAT/Sales/Commercial Tax matters under appeal   | 595    | 629    |
| Amount deposited under protest  | 146    | 152    |
| (e) Gujrat Green Cess Act 2011  | 139    | 139    |
| Deposit Against Above   | 65     | 65     |

**NOTE 35**

The company has amounts due to suppliers registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31st March, 2021. The Disclosure as required in terms of Notification No. G.S.R. 679 (E) dated 4th September, 2015 issued by the Ministry of Corporate Affairs read with notification dated 22nd January 2019 (As certified by the Management):



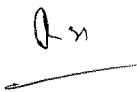
SN Particulars

|   |     |    |
|---|-----|----|
| (a) The principal amount and interest due thereon remaining unpaid to any supplier  |     |    |
| Principal:  | 138 | 16 |
| Interest:   | 5   | -  |
| (b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day.   | -   | -  |
| (c) Interest accrued and remaining unpaid at the end of the accounting year   | 5   | -  |
| (d) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | -   | -  |

**NOTE 36**

The accumulated losses of the company as at 31st March, 2021 amounting to Rs. 1,15,108 lacs, as per financial statements prepared on going concern basis are more than the issued and paid up share capital of Rs. 62,750 lacs of the company and thus eroded the net worth of company to negative. The company's ability to continue as a going concern is dependent upon the continuing financial support of the Holding Company (Previous year: Rs. 94,590 lacs).



Note 37

Deferred Tax Assets/Deferred Tax Liabilities for FY 2020-21

(Rs. in Lacs)

| Particulars   | Opening balance | Recognised in Profit or loss | Recognised in other comprehensive income | Closing balance |
|---|-----------------|------------------------------|--|-----------------|
| <b>Deferred tax (liabilities)/assets in relation to:</b>                                    |                 |                              |  |                 |
| Provision for diminution in value of Investment   | -               | -                            | -  | -               |
| Provision for doubtful trade receivables/advances   | 3               | -                            | -  | 3               |
| Provision for employee benefits   | 103             | (13)                         | -  | 90              |
| Unabsorbed depreciation Business loss & Tax disallowance benefit carried forward and others | -               | -                            | -  | -               |
| Others  | 383             | (110)                        | -  | 273             |
| <b>Deferred Tax Assets Total</b>  | <b>489</b>      | <b>(123)</b>                 | <b>-</b>                                 | <b>366</b>      |
| <b>Deferred tax liabilities on account of</b>   |                 |                              |  |                 |
| Due to depreciation   | 11,106          | (770)                        | -  | 11,876          |
| Others  | 499             | 130                          | -  | 369             |
| <b>Deferred Tax Liabilities Total</b>   | <b>11,605</b>   | <b>(639)</b>                 | <b>-</b>                                 | <b>12,245</b>   |
| <b>Deferred Tax (Net)</b>   | <b>(11,116)</b> | <b>(762)</b>                 | <b>-</b>                                 | <b>(11,879)</b> |

Deferred Tax Assets/Deferred Tax Liabilities for FY 2019-2020

(Rs. in Lacs)

| Particulars   | Opening balance | Recognised in Profit or loss | Recognised in other comprehensive income | Closing balance |
|---|-----------------|------------------------------|--|-----------------|
| <b>Deferred tax (liabilities)/assets in relation to:</b>                                    |                 |                              |  |                 |
| Provision for diminution in value of Investment   | -               | -                            | -  | -               |
| Provision for doubtful trade receivables/advances   | -               | 3                            | -  | 3               |
| Provision for employee benefits   | 249             | (146)                        | -  | 103             |
| Unabsorbed depreciation Business loss & Tax disallowance benefit carried forward and others | 53,929          | (53,929)                     | -  | -               |
| Others  | -               | 383                          | -  | 383             |
| <b>Deferred Tax Assets Total</b>  | <b>54,178</b>   | <b>(53,689)</b>              | <b>-</b>                                 | <b>489</b>      |
| <b>Deferred tax liabilities on account of</b>   |                 |                              |  |                 |
| Due to depreciation   | 27,175          | (16,068)                     | -  | 11,106          |
| Others  | -               | 499                          | -  | 499             |
| <b>Deferred Tax Liabilities Total</b>   | <b>27,175</b>   | <b>(15,569)</b>              | <b>-</b>                                 | <b>11,606</b>   |
| <b>Deferred Tax (Net)</b>   | <b>27,003</b>   | <b>38,120</b>                | <b>-</b>                                 | <b>(11,116)</b> |



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**NOTE 38****Segment Information**

The Company's operating segments are identified on the basis of those components of the Company that are evaluated regularly by 'Chief Operating Decision Maker' [CODM], in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

- [i] Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Sales between segments are carried out at cost.
- [ii] Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Deferred tax liability and loans that cannot be allocated to a segment on reasonable basis have been separately disclosed.

**Primary Segment Information:**

|   | (Rs. in Lacs)         |              |  |                       |               |  |
|---|-----------------------|--------------|--|-----------------------|---------------|--|
|   | 2020-2021             |              |  | 2019-2020             |               |  |
|   | Segment Revenue       |              | Segment Result before Tax & Finance Cost | Segment Revenue       |               | Segment Result before Tax & Finance Cost |
| External  | Inter Segment Revenue | External     |  | Inter Segment Revenue |               |  |
| Asbestos  | 17,648                | 18           | (1,196)                                  | 13,700                | 106           | (26,103)                                 |
| Manpower Supply & lease Rent                          | -                     | 1,443        | (1,016)                                  | -                     | 2,748         | (283)                                    |
| Other Operating Income                                | 386                   | 13           | (27)                                     | 49                    | 4             | (99)                                     |
|   | <b>18,034</b>         | <b>1,474</b> | <b>(2,239)</b>                           | <b>13,749</b>         | <b>2,858</b>  | <b>(26,485)</b>                          |
| Less: Finance Costs                                   |                       |              | <b>17,517</b>                            |                       |               | <b>21,112</b>                            |
| <b>Profit/(Loss) before Tax and Exceptional Items</b> |                       |              | <b>(19,756)</b>                          |                       |               | <b>(47,597)</b>                          |
| Exceptional Items                                     |                       |              |  |                       |               |  |
| Unallocated- Provision for Impairment of Investment   |                       |              | -  |                       |               | 11,668                                   |
| <b>Profit/(Loss) before Tax</b>                       |                       |              | <b>(19,756)</b>                          |                       |               | <b>(35,929)</b>                          |
| <u>Provision for Tax</u>                              |                       |              |  |                       |               |  |
| Current Tax   |                       |              | -  |                       |               | -  |
| Deferred Tax  |                       | <b>762</b>   | <b>762</b>                               |                       | <b>38,120</b> | <b>38,120</b>                            |
| <b>Profit/(Loss) for the year after Tax</b>           |                       |              | <b>(20,519)</b>                          |                       |               | <b>(74,048)</b>                          |

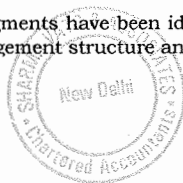
**Other Information**

|                                   | 2020-2021       |                     | 2019-2020       |                     |
|-----------------------------------|-----------------|---------------------|-----------------|---------------------|
|                                   | Segment Assets  | Segment Liabilities | Segment Assets  | Segment Liabilities |
| Asbestos                          | 1,37,037        | 1,89,018            | 1,45,561        | 1,83,511            |
| Manpower Supply & lease Rent      | 13,434          | 762                 | 15,000          | (2,369)             |
| Other Operating Income            | 3,087           | 4,258               | 551             | 695                 |
| <b>Segment Total</b>              | <b>1,53,558</b> | <b>1,94,038</b>     | <b>1,61,112</b> | <b>1,81,837</b>     |
| Deferred Tax Liabilities (Net)    | -               | <b>11,879</b>       | -               | <b>11,116</b>       |
| <b>Total as per Balance Sheet</b> | <b>1,53,558</b> | <b>2,05,917</b>     | <b>1,61,112</b> | <b>1,92,953</b>     |

|                              | 2020-2021           |                             |                 | 2019-2020           |                             |                 |
|------------------------------|---------------------|-----------------------------|-----------------|---------------------|-----------------------------|-----------------|
|                              | Capital Expenditure | Depreciation & Amortisation | Impairment loss | Capital Expenditure | Depreciation & Amortisation | Impairment loss |
| Asbestos                     | -                   | 3,038                       | -               | 1                   | 3,080                       | -               |
| Manpower Supply & lease Rent | -                   | 1,092                       | -               | -                   | 1,106                       | -               |
| Other Operating Income       | -                   | 68                          | -               | -                   | 12                          | -               |
|                              | -                   | <b>4,198</b>                | -               | <b>1</b>            | <b>4,197</b>                | -               |

- [a] Segments have been identified in accordance with Indian Accounting Standard on Operating Segment [IND AS-108] taking into account the organisation structure as well as differential risk and returns of these segments.
- [b] Business segment has been disclosed as the primary segment.
- [c] The Company has identified following reporting segment based on the information reviewed by the Company's Chief Operating Decision Maker [CODM]:
- |                                   |   |
|-----------------------------------|---|
| [i] Asbestos                      | Manufacturing of Asbestos                 |
| [ii] Manpower Supply & lease Rent | Includes Lease Rentals & Man Power Supply |
| [iii] Other Operating Income      | Includes Scrap Sales & other receipts     |

The above business segments have been identified considering - [i] the nature of product and services, [ii] differing risks and returns, [iii] the internal organisation and management structure and [iv] the internal financial reporting system.



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**NOTE 39**

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.

| <b>NOTE 40</b>                         | <b>2020-21</b> | (Rs. In lacs)<br>2019-20 |
|--|----------------|--------------------------|
| <b>Value of Imports (on CIF basis)</b> |                |                          |
| Raw Materials                          | <u>4,051</u>   | <u>3,503</u>             |
|  | <b>4,051</b>   | <b>3,503</b>             |



**NOTE 41****Earnings Per Equity Share (EPS) in accordance with Accounting Standards (IND AS - 33)**

|  |                     |              |
|--|---------------------|--------------|
| Net Profit / (Loss) after tax for the year (Rs. In lacs)                   | <b>(20,519)</b>     | (74,048)     |
| Nominal value per Equity Share (In Rs.)                                    | <b>10.00</b>        | 10.00        |
| Weighted average number of equity shares for earning per share computation |                     |              |
| Number of equity shares at the beginning of the year                       | <b>62,75,00,000</b> | 62,75,00,000 |
| Number of equity shares allotted during the year                           | -                   | -            |
| Weighted average number of equity shares allotted during the year          | -                   | -            |
| Weighted average number of equity shares at the end of the year            | <b>62,75,00,000</b> | 62,75,00,000 |

**Earnings per Equity Share**

|                  |               |         |
|------------------|---------------|---------|
| Basic (In Rs.)   | <b>(3.27)</b> | (11.80) |
| Diluted (In Rs.) | <b>(3.27)</b> | (11.80) |



**Note 42**

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

**(I) 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 Ganga Infrastructure Corporation Limited
- (iii) Jaypee Fertilizers & Industries Limited
- (iv) Jaypee Agra Vikas Limited
- (v) Jaypee Cement Hockey (India) 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
- (xi) Himalayaputra Aviation Limited
- (xii) Jaypee Healthcare Limited (subsidiary of Jaypee Infratech Limited)
- (xiii) Yamuna Expressway Tolling Limited
- (xiv) Jaypee Uttar Bharat Vikas Private Limited.
- (xv) Kanpur Fertilizers & Cement Limited.

**(d) Associate Companies:**

- (i) Jaypee Infra Ventures Private Limited (formerly Jaypee Infra Ventures)
- (ii) JIL Information Technology Limited (subsidiary of Jaypee Infra Ventures Private Limited).
- (iii) Mahabhadra Constructions Limited (w.e.f. 21.04.2020) (Formerly Jaypee Development Corporation Limited) (subsidiary of Jaypee Infra Ventures Private Limited).
- (iv) Indesign Enterprises Private Limited (subsidiary of Jaypee Infra Ventures Private Limited)
- (v) Andhra Cements Limited. (subsidiary of Mahabhadra Constructions Limited).
- (vi) Tiger Hills Holiday Resort Private Limited (subsidiary of Mahabhadra Constructions Limited).
- (vii) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited).
- (viii) Ibonshourne Limited (subsidiary of Indesign Enterprises Private Limited)
- (ix) RPJ Minerals Private Limited
- (x) Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals Private Limited).
- (xi) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited).
- (xii) Madhya Pradesh Jaypee Minerals Limited.
- (xiii) MP Jaypee Coal Limited.
- (xiv) MP Jaypee Coal Fields Limited.
- (xv) Sonebhadra Minerals Private Limited.



*[Handwritten signatures]*

- (xvi) JC World Hospitality Private Limited
- (xvii) Jaiprakash Exports Private. Limited
- (xviii) JC Wealth & Investment Private Limited
- (xix) C K World Hospitality Private Limited
- (xx) Librans Venture Private Limited
- (xxi) Jaypee Hotels Limited
- (xxii) Ceekay Estates Private Limited
- (xxiii) Jaypee Technical Consultants Private Limited
- (xxiv) Think Different Enterprises Private Limited
- (xxv) Samvridhi Advisors LLP
- (xxvi) Kram Infracon Private Limited (upto 30.09.2020)
- (xxvii) Jaypee Jan Sewa Sansthan ['Not for Profit' Private Limited Company]
- (xxviii) First Light Estates Private Limited
- (xxix) Jaiprakash Power Ventures Limited
- (xxx) Jaypee Powergrid Limited (A subsidiary of Jaiprakash Power Ventures Limited) (upto 25.03.2021)
- (xxxi) Jaypee Arunachal Power Limited (A subsidiary of Jaiprakash Power Ventures Limited)
- (xxxii) Sangam Power Generation Company Limited (A subsidiary of Jaiprakash Power Ventures Limited)
- (xxxiii) Jaypee Meghalaya Power Limited (A subsidiary of Jaiprakash Power Ventures Limited)
- (xxxiv) Bina Power Supply Limited (A subsidiary of Jaiprakash Power Ventures Limited)
- (xxxv) Sidharth Utility Private Limited
- (xxxvi) AVU Enterprises Private Limited
- (xxxvii) Dixit Holdings Private Limited
- (xxxviii) iValue Advisors Private Limited
- (xxxix) Bhumi Estate Developers Private Limited
- (xxxx) Kenbee Consultants LLP

**(e) Key Management Personnel**

- (i) Shri Manoj Gaur, Chairman
- (ii) Shri Pankaj Gaur, Director
- (iii) Shri Alok Gaur, Director
- (iv) Shri Naveen Kumar Singhi, Director
- (v) Shri R B Singh, Director
- (vi) Shri M N Jha, Director
- (vii) Smt. Raina Dora, Director
- (viii) Shri R S Kuchhal, Company Secretary





(f) **Key Management Personnel of holding company**

- i Shri Jaiprakash Gaur, Director
- ii Shri Manoj Gaur, Executive Chairman & CEO
- iii Shri Sunil Kumar Sharma, Executive Vice Chairman
- iv Shri Raj Narayan Bhardwaj, Independent Director
- v Ms. Homai A. Daruwalla, Independent Director
- vi Shri Kailash Nath Bhandari, Independent Director
- vii Shri Satish Charan Kumar Patne, Independent Director
- viii Shri Keshav Prasad Rau, Independent Director
- ix Shri Tilak Raj Kakkar, Independent Director
- x Shri Ravindra Kumar Singh (w.e.f. 23.12.2020)
- xi Shri Sunny Gaur, Managing Director (Cement) (upto 04.07.2020)
- xii Shri Pankaj Gaur, Managing Director (Construction)
- xiii Shri Ranvijay Singh, Whole-time Director
- xiv Shri M M Sibbal, Company Secretary
- xv Shri Ashok Soni, Chief Financial Officer

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

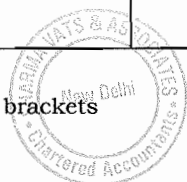
Transactions carried out with related parties referred to above in ordinary course of business

(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)<br>above | Referred in (b)<br>above | Referred in (c)<br>above | Referred in (d)<br>above |
|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Receipts</b>        |                          |                          |                          |                          |
| Sales                  | 15<br>(106)              | -<br>-                   | 3<br>(3)                 | -<br>-                   |
| Manpower Supply        | 550<br>(1,788)           | -<br>-                   | -<br>-                   | -<br>-                   |
| Services               | 12<br>(4)                | -<br>-                   | -<br>-                   | -<br>-                   |
| Rent                   | 204<br>(960)             | -<br>-                   | -<br>-                   | -<br>-                   |
| <b>Expenditure</b>     |                          |                          |                          |                          |
| Purchases              | 4,055<br>(3,392)         | -<br>-                   | -<br>-                   | -<br>(30)                |
| Other Expenses         | 244<br>(295)             | -<br>-                   | -<br>-                   | 60<br>(68)               |
| <b>Outstanding</b>     |                          |                          |                          |                          |
| Receivable             | -<br>-                   | 3,374<br>(3,107)         | 433<br>(430)             | 267<br>(267)             |
| Payable                | 8,883<br>(11,381)        | -<br>-                   | 115<br>(115)             | 176<br>(209)             |

Previous Year figures are given in brackets



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**NOTE 43**

(a) **Provident Fund - Defined Contribution Plan:**

All employees are entitled to Provident Fund benefits. A sum of **Rs. 137 Lacs** (Previous year Rs. 191 Lacs) has been debited to Statement of Profit & Loss during the year.

(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:**

(Rs in Lacs)

| SN  | Particulars   | FY 2020-21 |                  | FY 2019-20 |                  |
|-----|---|------------|------------------|------------|------------------|
|     |   | Gratuity   | Leave Encashment | Gratuity   | Leave Encashment |
| I   | <b>Expenses recognised in the Statement of Profit and Loss / IEDC for the year ended 31st March, 2021</b>     |            |                  |            |                  |
|     | 1 Current Service Cost  | 26         | 10               | 33         | 21               |
|     | 2 Interest Cost   | 18         | 9                | 20         | 11               |
|     | 3 Expected return on plan assets  | -          | -                | -          | -                |
|     | 4 Actuarial (Gains) / Losses  | -          | (15)             | -          | 7                |
|     | 5 Net impact on Profit/(Loss) before Tax  | 45         | 4                | 53         | 39               |
| II  | <b>Expenses recognised in the Statement of Other comprehensive income for the year ended 31st March, 2021</b> |            |                  |            |                  |
|     | 1 Actuarial (Gain)/Loss on arising from Change in Demographic Assumption                                      | -          | -                | -          | -                |
|     | 2 Actuarial (Gain)/Loss on arising from Change in Financial Assumption  | -          | -                | (5)        | (2)              |
|     | 3 Actuarial (Gain)/Loss on arising from Experience Adjustment   | 10         | (46)             | 41         | 9                |
|     | 4 Actuarial (Gain)/Loss for the year on Asset   | -          | -                | -          | -                |
|     | 5 Net impact on other comprehensive income  | 10         | (46)             | 37         | 7                |
| III | <b>Net Asset/ (Liability) recognised in the Balance Sheet as at 31st March, 2021</b>                          |            |                  |            |                  |
|     | 1 Present Value of Defined Benefit Obligation   | 296        | 85               | 305        | 130              |
|     | 2 Fair Value of Plan Assets   | 32         | -                | 39         | -                |
|     | 3 Funded Status [Surplus/ (Deficit)]  | (263)      | (85)             | (266)      | (130)            |
|     | 4 Net Asset/ (Liability)  | (263)      | (85)             | (266)      | (130)            |
| IV  | <b>Change in Present Value of Obligation during the Year</b>  |            |                  |            |                  |
|     | 1 Present value of Defined Benefit Obligation at the beginning of the year                                    | 305        | 130              | 271        | 138              |
|     | 2 Liability transferred to other company during the year  | -          | -                | -          | -                |
|     | 3 Current Service Cost  | 26         | 10               | 33         | 21               |
|     | 4 Interest Cost   | 21         | 9                | 21         | 11               |
|     | 5 Actuarial (Gain)/Loss on arising from Change in Demographic Assumption                                      | -          | -                | -          | -                |
|     | 6 Actuarial (Gain)/Loss on arising from Change in Financial Assumption  | 10         | (46)             | 36         | 7                |
|     | 7 Actuarial (Gain)/Loss on arising from change in Experience Adjustment                                       | -          | -                | -          | -                |
|     | 8 Benefit Payments  | (66)       | (19)             | (57)       | (47)             |
|     | 9 Present Value of Defined Benefit Obligation at the end of the year  | 296        | 85               | 305        | 130              |



*[Handwritten signatures and initials]*

| SN  | Particulars  | FY 2020-21 |                  | FY 2019-20 |                  |
|-----|--|------------|------------------|------------|------------------|
|     |  | Gratuity   | Leave Encashment | Gratuity   | Leave Encashment |
| V   | <b>Change in Fair value of Assets during the Year</b>          |            |                  |            |                  |
|     | 1 Plan Assets at the beginning of the year                     | 39         | -                | 11         | -                |
|     | 2 Expected return on plan assets                               | 3          | -                | -          | -                |
|     | 3 Actuarial Gains/ (Losses)                                    | -          | -                | -          | -                |
|     | 4 Contribution by employer                                     | 57         | -                | 57         | -                |
|     | 5 Actual Benefit Paid  | (66)       | -                | (30)       | -                |
|     | 6 Plan Assets at the end of the year                           | 32         | -                | 39         | -                |
| VI  | <b>Maturity Profile of Defined Benefit Obligation</b>          |            |                  |            |                  |
|     | 1 Within the next 12 months (next annual reporting period)     | 24         | 11               | 26         | 14               |
|     | 2 Between 2 and 5 years  | 75         | 19               | 72         | 33               |
|     | 3 Beyond 5 years   | 196        | 55               | 206        | 83               |
|     | <b>Total</b>   | <b>296</b> | <b>85</b>        | <b>305</b> | <b>130</b>       |
| VII | <b>Sensitivity Analysis of the defined Benefit Obligations</b> |            |                  |            |                  |
|     | <b>Impact of the change in Discount Rate</b>                   |            |                  |            |                  |
|     | 1 Impact due to increase of 0.50%                              | (12)       | (4)              | (13)       | (6)              |
|     | 2 Impact due to decrease of 0.50%                              | 13         | 4                | 14         | 6                |
|     | 3 Present Value obligation at the end of the Year              | 296        | 85               | 305        | 130              |
|     | <b>Impact of the change in Salary Increase</b>                 |            |                  |            |                  |
|     | 1 Impact due to increase of 0.50%                              | 13         | 4                | 14         | 6                |
|     | 2 Impact due to decrease of 0.50%                              | (12)       | (4)              | (13)       | (6)              |
|     | 3 Present Value obligation at the end of the year              | 296        | 85               | 305        | 130              |

**C Actuarial Assumptions****Economic Assumptions**

- (i) Discount Rate  
(ii) Future Salary Increase

6.80% [Previous year 7.65%]

4.00% [Previous year 5.00%]

**Demographic Assumptions**

- (i) Mortality  
(ii) Turnover Rate

100% of IALM [2006-08]

Upto 30 years - 2%, 31-44 years - 5%, Above 44 years - 3%



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**NOTE 44****Leases****A Lease Arrangements- As Lessor**

- The company has leased its premises under cancellable operating leases and classified as
  - operating lease.
  - Lease Income for the year Rs. 348 lacs (Previous year Rs. 960 lacs) (Note No. 25.3)
- The Lease Income for the remaining period of the lease during FY 2021-22 Rs. 96.17 Lacs (Previous Year Rs. 155.78 Lacs)

**B Lease Arrangements- As Lessee**

- The company has lease contracts for buildings. The lessor has secured the lease by the lessor's titles of the leased assets.
- The Company has certain lease of low value with lease terms not exceeding 12 months, hence not considered for recognition.

(a) The following lease amounts have been depicted in the Balance Sheet (Note No. 3) :

|                                      | (Rs. in Lacs)    |                  |
|--------------------------------------|------------------|------------------|
|                                      | 31st March, 2021 | 31st March, 2020 |
| Balance at the beginning of the year | 85.47            | -                |
| Additions during the year            | 65.84            | 85.47            |
|                                      | 151.31           | 85.47            |
| Less: Leases expired during the year | 57.23            | -                |
| Balance at the end of the year       | <b>94.08</b>     | <b>85.47</b>     |
| Depreciation during the year         | <b>65.61</b>     | <b>40.37</b>     |

**(b) Lease Liabilities**

|  |              |              |
|--|--------------|--------------|
| Balance at the beginning of the year       | 47.56        | 87.23        |
| Lease Liability recognised during the year | 65.84        | -            |
| Interest                                   | 7.83         | 6.29         |
|  | 121.23       | 93.52        |
| Less: Payments made                        | (73.19)      | (45.96)      |
| Balance at the end of the year             | <b>48.04</b> | <b>47.56</b> |
| Current                                    | 40.12        | 34.88        |
| Non-Current                                | 7.92         | 12.68        |
|  | <b>48.04</b> | <b>47.56</b> |

(c) The following expenses pertaining to leases have been charged to the statement of Profit and Loss :

|   | 2020-21      | 2019-20      |
|---|--------------|--------------|
| • Interest Expense- (Note No 31)                      | 7.83         | 6.29         |
| • Depreciation of right-to-use assets - (Note No. 32) | 65.61        | 40.37        |
| • Expenses related to lease -(Note No.33)             | 0.95         | 30.89        |
|   | <b>74.39</b> | <b>77.55</b> |

(d) Maturity profile of lease liability based on contractual undiscounted payments.

|               |              |              |
|---------------|--------------|--------------|
| FY 2021-22    | 42.99        | 44.76        |
| FY 2022-23    | 7.92         | 12.68        |
| FY 2023-24    | -            | -            |
| FY 2024-25    | -            | -            |
| FY 2025-26    | -            | -            |
| After 2025-26 | -            | -            |
|               | <b>50.91</b> | <b>57.44</b> |



Financial Instruments and Risk Management

Note 45

Fair Value Measurement

(i) Financial instruments by category

(Rs. in lacs)

|   | 31st March, 2021 |                 | 31st March, 2020 |                 |
|---|------------------|-----------------|------------------|-----------------|
|   | FVTPL            | Amortised Cost  | FVTPL            | Amortised Cost  |
| <b>Financial Assets</b>                           |                  |                 |                  |                 |
| Investments                                       |                  |                 |                  |                 |
| Preference Shares                                 | -                | 10              | -                | 10              |
| Trade Receivables                                 | -                | 595             | -                | 1,174           |
| Other Financial Assets                            | -                | 7,865           | -                | 7,510           |
| Cash and Cash Equivalents                         | -                | 943             | -                | 501             |
| Bank Balance Other than Cash and Cash Equivalents | -                | 305             | -                | 878             |
| <b>Total Financial Assets</b>                     | -                | <b>9,718</b>    | -                | <b>10,073</b>   |
| <b>Financial Liabilities</b>                      |                  |                 |                  |                 |
| Borrowings  | -                | 33,284          | -                | 33,300          |
| Trade Payables                                    | -                | 12,320          | -                | 16,692          |
| Other Financial Liabilities                       | -                | 1,43,316        | -                | 1,27,008        |
| <b>Total Financial Liabilities</b>                | -                | <b>1,88,920</b> | -                | <b>1,77,000</b> |

Fair value hierarchy

The fair value hierarchy of assets and liabilities measured at fair value as on 31st March 2021: Nil

The fair value hierarchy of assets and liabilities measured at fair value as on 31st March 2020: Nil

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 2020-21.

(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, 2021 and 31st March, 2020

(Rs. in lacs)

| Particulars                                | Unquoted Equity Share |            | Preference Shares |            |
|--|-----------------------|------------|-------------------|------------|
|  | 31.03.2021            | 31.03.2020 | 31.03.2021        | 31.03.2020 |
| <b>As at 1st April</b>                     | <b>1,668</b>          | 1,668      | <b>3,645</b>      | 4,326      |
| Gain / (Loss) recognised in profit or loss | (1,668)               | (1,668)    | (3,645)           | (4,326)    |
| <b>As at 31st March</b>                    | -                     | -          | -                 | -          |

(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.



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**Note 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, 2021 Rs. 13 lacs and for the year ended 31st March, 2020: Rs. 13 Lacs

| Particulars                | (Rs. in lacs)     |            |                   |            |            |            |
|----------------------------|-------------------|------------|-------------------|------------|------------|------------|
|                            | Trade Receivables |            | Other Receivables |            | Total      |            |
|                            | 31.03.2021        | 31.03.2020 | 31.03.2021        | 31.03.2020 | 31.03.2021 | 31.03.2020 |
| As at 1st April            | 13                | 13         | -                 | -          | 13         | 13         |
| Impairment loss recognised | -                 | -          | -                 | -          | -          | -          |
| <b>As at 31st March</b>    | <b>13</b>         | <b>13</b>  | <b>-</b>          | <b>-</b>   | <b>13</b>  | <b>13</b>  |

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 2021 are as follows:

| Particulars                        | (Rs. in lacs)      |                    |                 |
|------------------------------------|--------------------|--------------------|-----------------|
|                                    | Less Than One Year | More than One Year | Total           |
| Borrowings                         | -                  | 33,284             | 33,284          |
| Trade payables                     | 12,320             | -                  | 12,320          |
| Other financial liabilities        | 16,308             | 1,27,008           | 1,43,316        |
| <b>Total financial liabilities</b> | <b>28,628</b>      | <b>1,60,292</b>    | <b>1,88,920</b> |

The detail of contractual maturities of significant financial liabilities as on 31st March 2020 are as follows:

| Particulars                        | (Rs. in lacs)      |                    |                 |
|------------------------------------|--------------------|--------------------|-----------------|
|                                    | Less Than One Year | More than One Year | Total           |
| Borrowings                         | 817                | 32,483             | 33,300          |
| Trade payables                     | 13,126             | 3,566              | 16,692          |
| Other financial liabilities        | 1,801              | 1,25,207           | 1,27,008        |
| <b>Total financial liabilities</b> | <b>15,744</b>      | <b>1,61,256</b>    | <b>1,77,000</b> |

**(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.



*[Handwritten signatures]*

**(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 31.03.2021: **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 2021.

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 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) |               |
|---------------------------------------|---------------|---------------|
|                                       | 31.03.2021    | 31.03.2020    |
| Borrowings                            | 33,284        | 33,300        |
| Trade payables                        | 12,320        | 16,692        |
| Other financial liabilities           | 13,630        | 11,146        |
|                                       | 59,234        | 61,138        |
| Less: Cash and cash equivalents       | (943)         | (501)         |
| <b>(a) Net debt</b>                   | <b>58,291</b> | <b>60,637</b> |
| Total Equity                          | (52,358)      | (31,840)      |
| <b>(b) Total equity plus net debt</b> | <b>5,933</b>  | <b>28,797</b> |
| <b>Gearing ratio (a/b)</b>            | <b>983%</b>   | <b>211%</b>   |



**Note 48**

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

**Note 49**

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

**Note 50**

The financial statements were approved by the Board of Directors of the company at its meeting held on 19th June, 2021 at Vasant Vihar, New Delhi - 110057

As per our report of even date annexed

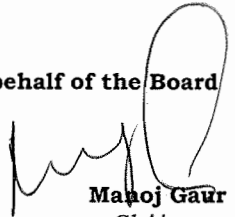
**For Sharma Vats & Associates**  
Chartered Accountants  
Firm Registration No. 031486N



**Manoj Vats**  
Partner  
M.No. 527922

Place: New Delhi  
Dated: 19th June, 2021

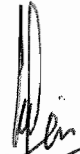
**For and on behalf of the Board**



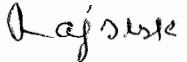
**Manoj Gaur**  
Chairman  
DIN: 00008480



**Alok Gaur**  
Director  
DIN: 00112520



**Satish Semwal**  
Chief Financial Officer



**R S Kuchhal**  
Company Secretary

Registered office: Sector, 128, Noida - 201304



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021**

(Rs. in Lacs)

| PARTICULARS  | 2020-21  | 2019-20  |
|--|----------|----------|
| <b>(A) Cash flow from Operating Activities:</b>  |          |          |
| Profit / (Loss) before Tax as per statement of Profit and Loss Account                 | (20,519) | (74,050) |
| <b>Add Back:</b>   |          |          |
| (a) Finance Costs  | 17,517   | 21,112   |
| (b) Loss on Impairment of Investment   | -        | 6,602    |
| (c) Deferred Tax   | 762      | 38,120   |
| (d) Depreciation & Ammortisation   | 4,198    | 4,198    |
|  | 22,477   | 70,031   |
| <b>Deduct</b>  |          |          |
| Interest Income  | 110      | 50       |
|  | 110      | 50       |
| Operating Profit before working Capital Changes  | 1,849    | (4,068)  |
| <b>Change in Working Capital</b>   |          |          |
| <b>Deduct</b>  |          |          |
| (a) Decrease / (Increase) in Trade Payable   | 4,372    | (13,125) |
| (b) Increase/(Decrease) in Loans & Advances  | (66)     | (5,001)  |
| (c) Increase in Inventories  | (725)    | 425      |
| (d) Decrease in Provisions   | 249      | 2        |
|  | 3,830    | (17,699) |
| <b>Add</b>   |          |          |
| (a) Increase in Current Liabilities  | 3,210    | 553      |
| (b) Increase / (Decrease) in other Current & Non Current Assets                        | 1,539    | 12,929   |
| (c) Increase / (Decrease) in Trade Receivables   | 579      | 5        |
| (d) Decrease in prepaid exps & income tax deducted at source                           | 333      | 78       |
| (e) Increase / (Decrease) in Long term Liabilities                                     | 13,627   | 4,529    |
|  | 19,288   | 18,094   |
| <b>Cash Generated from Operations</b>  | 17,306   | 31,724   |
| <b>Deduct</b>  |          |          |
| Tax paid   | -        | -        |
| <b>Net Cash flow from Operating Activities</b>   | 17,306   | 31,724   |
| <b>(B) Cash flow from Investing Activities:</b>  |          |          |
| <b>Inflow</b>  |          |          |
| (a) Interest Income  | 110      | 50       |
| (b) Decrease in Investment   | -        | -        |
|  | 110      | 50       |
| <b>Outflow</b>   |          |          |
| (a) Purchases/ Constructions of Fixed Assessts (Inclusive of Capital Work-in-progress) | 89       | 8        |
| (b) Increase / (Decrease) in Deposits with Banks                                       | (616)    | 695      |
| (C) Increase / (Decrease) in Capital Advances  | (28)     | (288)    |
|  | (555)    | 415      |
| <b>Net Cash flow from Investing Activities</b>   | 665      | (365)    |
| <b>(C) Cash flow from Financing Activities:</b>  |          |          |
| <b>Inflow:</b>   |          |          |
| (a) Decrease in Other Financial Assets   | 3        | 55       |
| (b) Decrease / (Increase) in Short Term Borrowings                                     | 28,614   | 37,038   |
|  | 28,617   | 37,093   |
| <b>Outflow:</b>  |          |          |
| (a) Finance Costs  | 17,517   | 21,112   |
| (b) Increase / (Decrease) in LongTerm Borrowings                                       | 28,629   | 48,315   |
|  | 46,146   | 69,428   |
| <b>Cash flow from Financing Activities</b>   | (17,529) | (32,335) |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>                  | 442      | (975)    |
| <b>Cash and Cash equivalents at the beginning of the year</b>                          | 501      | 1,476    |
| <b>Cash and Cash equivalents at the end of the year</b>                                | 943      | 501      |

**For Sharma Vats & Associates**  
Chartered Accountants  
Firm Registration No. 031486N

**Manoj Vats**  
Partner  
M.No. 527922

Place: New Delhi  
Dated: 19th June, 2021



**For and on behalf of the Board**

**Manoj Gaur**  
Chairman  
DIN: 00008480

**Alok Gaur**  
Director  
DIN: 00112520

**Satish Semwal**  
Chief Financial Officer

**R S Kuchhal**  
Company Secretary

Registered office: Sector, 128, Noida - 201304

**Jaypee Cement Corporation Limited**

**Statement of Changes in Equity for the year ended 31st March, 2021**

| <b>A. Equity Share Capital</b>                      |                      | <b>(Rs. in Lacs)</b> |
|---|----------------------|----------------------|
| <b>Particulars</b>                                  | <b>No. of Shares</b> | <b>Amount</b>        |
| <b>As at 1st April, 2019</b>                        | <b>62,75,00,000</b>  | <b>62,750</b>        |
| Changes in the Equity Share Capital during the year | -                    | -                    |
| <b>As at 1st April, 2020</b>                        | <b>62,75,00,000</b>  | <b>62,750</b>        |
| Changes in the Equity Share Capital during the year | -                    | -                    |
| <b>As at 31st March, 2021</b>                       | <b>62,75,00,000</b>  | <b>62,750</b>        |

**B. Other Equity**

**(Rs. in Lacs)**

| <b>Particulars</b>                                     | <b>Security Premium Reserve</b> | <b>Equity component of Preference Shares</b> | <b>Retained Earnings</b> | <b>Other comprehensive income</b> | <b>Total</b>      |
|--|---------------------------------|--|--------------------------|-----------------------------------|-------------------|
| <b>Balance at the beginning of the year 01.04.2019</b> | <b>49,662</b>                   | <b>2,54,666</b>                              | <b>(3,25,021)</b>        | <b>153</b>                        | <b>(20,540)</b>   |
| Total comprehensive income/(loss) for the year         | -                               | -  | (74,013)                 | (37)                              | <b>(74,050)</b>   |
| <b>Balance at the end of year 31.03.2020</b>           | <b>49,662</b>                   | <b>2,54,666</b>                              | <b>(3,99,034)</b>        | <b>116</b>                        | <b>(94,590)</b>   |
| Total comprehensive income/(loss) for the year         | -                               | -  | (20,492)                 | (27)                              | <b>(20,519)</b>   |
| <b>Balance at the end of year 31.03.2021</b>           | <b>49,662</b>                   | <b>2,54,666</b>                              | <b>(4,19,526)</b>        | <b>90</b>                         | <b>(1,15,108)</b> |

**As per our report attached.**

**For Sharma Vats & Associates**  
Chartered Accountants  
Firm Registration No. 031486N

**Manoj Vats**  
Partner  
M.No. 527922



Place: New Delhi  
Dated: 19th June, 2021

**For and on behalf of the Board**

**Manoj Gaur**  
Chairman  
DIN: 00008480

**Alok Gaur**  
Director  
DIN: 00112520

**Satish Semwal**  
Chief Financial Officer

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Registered office: Sector, 128, Noida - 201304