SHARMA VATS & ASSOCIATES
CHARTERED ACCOUNTANTS

A-15/31, Vasant Vihar,
New Delhi - 110 057
Mob : 9899003961, 9811803200
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Independent Auditor's Report

To the Members of
JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Opinion

We have audited the accompanying financial statements of **JAYPEE FERTILIZERS & INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, Statement of changes in equity and Statement of cash flows for the year ended 31st March 2022, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its Loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

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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.

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- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Emphasis of Matters

We draw the attention to the following matters in the notes to the financial statements:
Note No. 16 in the financial statements which indicate that the Company is partially dependent upon its holding company for meeting its obligations.

Our opinion is not modified in respect of these matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, 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 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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.

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Chartered Accountants

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations as at the year end.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year.

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2. As required by the Companies (Auditor's Report) Order, 2020 (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

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

(CA Manoj Kumar Vats)
Partner
Membership No. 527922

Place:NEW DELHI
Date:27/05/2022
UDIN: 22527922AJVESL7376

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 FERTILIZERS & INDUSTRIES LIMITED** ("the Company") as of March 31, 2022 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

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

(CA Manoj Kumar Vats)
Partner
Membership No. 527922

Place:NEW DELHI
Date:27/05/2022
UDIN: 22527922AJVESL7376

ANNEXURE referred to in paragraph 2 of our report of even date to the members of JAYPEE FERTILIZERS & INDUSTRIES LIMITED on the accounts of the Company for the year ended 31st March 2022.

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) (A) The Company does not have any Property, Plant and Equipment at the end of the year; therefore, the Clause 3(i)(a) (A) is not applicable.

(B) The Company does not have any Intangible assets; therefore, the Clause 3(i)(a) (B) is not applicable.

(b) The Company does not have any Property, Plant and Equipment at the end of the year; therefore, the Clause 3(i)(b) is not applicable.

(c) The Company does not have any Property, Plant and Equipment at the end of the year; therefore, the Clause 3(i)(c) is not applicable.

(d) The Company does not have any Property, Plant and Equipment; therefore, the Clause 3(i)(d) is not applicable.

(e) As informed, the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, therefore the Clause 3(i)(e) is not applicable.

(ii) As the Company has no inventory, Clause 3(ii) of the Order is not applicable.

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

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

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

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

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

(b) As per records produced before us there are no dues of Income-tax, Sales-tax, Wealth tax, Service tax, Customs Duty, GST, Excise Duty and cess which have not been deposited on account of any dispute.

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New Delhi
Chartered Accountants

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) 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.

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

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

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business;

(b) clause 3(xiv) of the Order is not applicable to the Company.

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

SHARMA VATS & ASSOCIATES
New Delhi
Chartered Accountants

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

(xvii) The company has incurred cash loss of Rs. 952336/- during the current year but not in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) CSR is not applicable to the company, Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

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

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

(CA Manoj Kumar Vats)
Partner
Membership No. 527922

Place:NEW DELHI
Date:27/05/2022
UDIN: 22527922AJVESL7376

JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Balance Sheet as at 31st March 2022

(Amount in ₹)

Particulars	Note No	As on 31st March 2022	As on 31st March 2021
Assets			
Non Current assets			
Property ,Plant and Equipment	3	-	2,477
Financial Assets			
(i)Investments	4	7,96,10,00,980	7,96,10,00,980
		7,96,10,00,980	**7,96,10,03,457**
Current Assets			
Financial Assets			
(i) Cash and Cash equivalents (Including Bank Balance)	5	39,12,886	52,16,112
(ii) Other financial assets	6	11,18,999	7,76,998
Current Tax assets (Net)	7	5,25,950	4,00,522
		55,57,835	**63,93,632**
		7,96,65,58,815	**7,96,73,97,089**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	4,96,50,00,000	4,96,50,00,000
Other Equity	9	2,84,98,09,536	2,84,99,53,060
		7,81,48,09,536	**7,81,49,53,060**
Current Liabilities			
Financial Liabilities			
(i) Other Financial Liabilities	10	15,17,02,879	15,16,10,468
Other Current Liabilities	11	46,401	8,33,561
		15,17,49,279	**15,24,44,029**
Total		**7,96,65,58,815**	**7,96,73,97,089**
		0	-
Summary of Significant Accounting Policies & Notes to the Financial Statements	"1" to "17"		

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

For and on behalf of the Board

(Manoj Kumar Vats)
Partner
M.No. 527922

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

Place: New Dehi
Dated : 27.05.2022

(Joginder Pal Sindwani)
Chief Financial Officer

(S. D. Nailwal)
Director
DIN : 00008529

(Sunil Kumar Sharma)
Chairman
DIN: 00008125

JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Profit and Loss for the Year Ended 31st March 2022 (Amount in ₹)

Particulars	Note No	For The Year Ended 31st March 2022	For The Year Ended 31st March 2021
Other income	12	87,025	65,72,342
Total Income		87,025	65,72,342
Expenses:			
Employee benefits expense	13	-	4,27,008
Finance costs	14	-	2,074
Other expenses	15	10,39,361	14,29,912
Total expenses		10,39,361	18,58,994
Profit/(Loss) before exceptional items and tax		(9,52,336)	47,13,348
Exceptional Items (Expenses)		-	-
MAT Credit		8,08,811	
Profit/(Loss) before tax		(1,43,525)	47,13,348
Tax expense:			
(1) Minimum Alternate Tax		-	8,08,811
(2) Deferred tax		-	-
Total tax expenses		-	8,08,811
Profit/ (loss) for the period		(1,43,525)	39,04,537
Profit/ (loss) for the period attributed to			
i) Non Controlling Interests		NIL	NIL
ii) Owners of the Parent		100%	100%
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		-	-
Total Other comprehensive income		-	-
Total Other Comprehensive Income for the period attributed to			
i) Non Controlling Interests		NIL	NIL
ii) Owners of the Parent		100%	100%
Total Comprehensive Income/(Loss) for the period		(1,43,525)	39,04,537
Earnings per Share			
(1) Basic		(0.0003)	0.0079
(2) Diluted		(0.0003)	0.0078

Summary of Significant Accounting Policies &
Notes to the Financial Statements "1" to "17"

As per our report of even date attached to the Balance Sheet
For Sharma Vats & Associates
Chartered Accountants
Firm Registration No.: 031486N

For and on behalf of the Board

(Manoj Kumar Vats)
Partner
M.No. 527922

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

Place: New Dehi
Dated : 27.05.2022

(Joginder Pal Sindwani)
Chief Financial Officer

(S. D. Nailwal)
Director
DIN : 00008529

(Sunil Kumar Sharma)
Chairman
DIN: 00008125

JAYPEE FERTILIZERS & INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2022

(Amount in ₹)

Cash flow statement	Year ended 31st March 2022	Year ended 31st March 2021
A Cash flows from operating activities		
Profit for the year	(1,43,525)	47,13,348
Adjustments for:		
- Interest and finance charges	-	2,074
- Interest Income	(4,15,80,78,000)	(56,25,854)
- Other adjustment	-	-
Operating profit before working capital changes	(4,15,82,21,525)	(9,10,432)
Adjustments for :		
- (Increase) / decrease in other current assets	(1,25,428)	(1,79,514)
- Increase / (decrease) in trade payables	-	-
- (Increase) / Decrease in Other Financial Assets	(3,42,001)	(1,27,848)
- Increase / (decrease) in other current liabilities	(7,87,160)	(10,39,986)
- Increase / (decrease) in other financial liabilities and provision	92,411	(4,86,36,352)
- Interest Inome on Refund of Income Tax	4,15,80,78,000	56,25,854
Cash generated from operations	(13,05,702)	(4,52,68,279)
- Income tax refund/ (paid)	-	4,76,16,217
Net Cash flow generated from operating activities	**(13,05,702)**	**23,47,939**
B Cash flow from investing activities		
(Increase) / Decrease in Other Fixed Assets	2,477	-
Net cash flows (used in) investing activities	**2,477**	**-**
C Cash flow from financing activities		
- Interest and finance charges paid	-	(2,074)
Net cash flows (used in)/ generated from financing activities	**-**	**(2,074)**
Net change in cash and cash equivalents (A+B+C)	(13,03,225)	23,45,865
Cash and cash equivalents- opening balance	52,16,112	28,70,247
Cash and cash equivalents- closing balance	39,12,886	52,16,112
Notes to cash flow statement:		
Cash and cash equivalents include :		
Cash on hand	7,154	9,098
Balances with banks:	39,05,732	52,07,014
Cash and cash equivalents at the end of the year [refer note no 5]	**39,12,886**	**52,16,112**

Notes on financial statements
As per our report attached

Summary of Significant Accounting Policies &
Notes to the Financial Statements "1" to "17"
As per our report of even date attached to the Balance Sheet
For Sharma Vats & Associates
Chartered Accountants
Firm Registration No.: 031486N

For and on behalf of the Board

(Manoj Kumar Vats)
Partner
M.No. 527922

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

Place: New Dehi
Dated : 27.05.2022

(Joginder Pal Sindwani)
Chief Financial Officer

(S. D. Nallwal)
Director
DIN : 00008529

(Sunil Kumar Sharma)
Chairman
DIN: 00008125

JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Statement of Changes in Equity for the Year Ended 31st March 2022

(Amount in ₹)

Equity

Particulars	
a. Equity share capital	
Balance at 31st March 2020	4,96,50,00,000
Equity share issued during the year	-
Balance at 31st March 2021	4,96,50,00,000
Equity share issued during the period	-
Balance at 31st March 2022	4,96,50,00,000

Other equity

Particular	**Other equity (Preference share capital)**	**Retained Earnings**	**Remeasurements of the defined benefit plans**	**Total**
Balance at 31st March 2020	4,15,80,78,000	(1,31,20,29,477)	-	2,84,60,48,523
Profit for the year		39,04,537		39,04,537
Remeasurement of defined benefit liability(net of tax)			-	-
Balance at 31st March 2021	4,15,80,78,000	(1,30,81,24,940)	-	2,84,99,53,060
Profit for the year		(1,43,525)		(1,43,525)
Balance at 31st March 2022	4,15,80,78,000	(1,30,82,68,464)	-	2,84,98,09,536

Summary of Significant Accounting Policies &
Notes to the Financial Statements "1" to "17"

As per our report of even date attached to the Balance Sheet
For Sharma Vats & Associates
Chartered Accountants
Firm Registration No.: 031486N

(Manoj Kumar Vats)
Partner
M.No. 527922

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

Place: New Dehi
Dated : 27.05.2022

For and on behalf of the Board

(Joginder Pal Sindwani)
Chief Financial Officer

(S. D. Nailwal)
Director
DIN : 00008529

(Sunil Kumar Sharma)
Chairman
DIN: 00008125

Note No."1" Nature of Operations

The company is 100% subsidiary of Jaiprakash Associates Limited. The entire paid up equity share capital of the company is held by Jaiprakash Associates Limited, Holding company including 600 equity shares held by the subscribers to the memorandum as nominee of the company.

Note No."2" Significant Accounting Policies

a. Basis of preparation

The Company has adopted accounting policies that comply with Indian Accounting standards (IND AS or Ind AS) notified by Ministry of Corporate Affairs vide notification dated 16 February 2015 under section 133 of the Companies Act 2013. Accounting policies have been applied consistently to all periods presented in these financial statements. The financial statements referred hereinafter have been prepared in accordance with the requirements and instructions of Schedule III of the Companies Act 2013, amended from time to time applicable to companies to whom IND AS applies read with the IND AS's.

b. Property, Plant and Equipment (PPE)

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an item of property, plant and equipment at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with requirements of option available in Ind AS 101.
The carrying amount of PPE is stated in the balance sheet after deducting accumulated depreciation and accumulated impairment losses thereon if any.

Components of costs
The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes installation of fixed assetsborrowing costs if capitalization criteria are met and any directly attributable costs of bringing an asset to the location and condition of its intended use.

Subsequent expenditure related to an item of PPE is added to its carrying value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred. However major spare parts, standby equipments and servicing equipments qualify under PPE model when an entity expects to use them during more than one period.
Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and recognized under CWIP.

The carrying amount of a property, plant and equipment is de-recognized when no future economic benefits are expected from its use or on disposal. Any gain or

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loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss in line with IndAs 16.

Depreciation commences when the assets are ready for their intended use. Depreciation on all property plant and equipment except land are provided on a straight line method at the rates and in the manner specified in schedule II of the Companies Act, 2013, which is follows

Assets	Useful Lives
Computer	6 Years

Fixed assets are stated at cost less accumulated depreciation. Cost includes all costs relating to acquisition and installation of fixed assets including any incidental costs of bringing the assets to their working condition for their intended use.
The depreciation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the depreciation period is changed accordingly.

c. Intangible assets

An identifiable intangible asset shall be recognized if it is probable using reasonable and supportable assumptions representing management best estimates that the expected future economic benefits that are attributable to the asset will flow to the entity and cost of asset can be measured reliably.
An intangible asset shall be measured initially at cost and will include its purchase price, import duties, non refundable purchase taxes, and directly attributable cost of preparing the asset for its intended use less trade discount and rebates.

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life in manner specified in schedule II of the company's act 2013.

The amortization period and method are reviewed at least at each financial year end. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

An intangible assets is derecognized for disposal, or when expected future economic benefits that are attributable to the asset stop flowing to the entity due to age and condition, gain and loss arising from de-recognition of an intangible assets are measured as the difference between the net amount of proceeds (Residual value minus Estimate cost of disposal) and the carrying amount of the assets in the statement of profit and loss.

Further expenditure on intangible item shall be recognized as an expense when it is incurred provided it do not form part of the cost of an intangible asset that meets the recognition criteria as well as not an item of asset acquired in a business combination.

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d. Inventories

Inventories of raw material, finished goods, work in progress / stock in process, traded goods and stores & spares are valued at lower of cost or net releasable value. Cost is determined on weighted average basis. Cost comprises of purchase & other costs incurred in bringing then to their present location & condition.

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

e. Revenue Recognition

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The Standard is applicable to the Company with effect from 1st April, 2018.Ind AS 115 supersede the current revenue recognition standard Ind AS 18 Revenue & Ind AS 11 Construction Contracts. Prior to 1st April, 2018, the company was recognising revenue based on Ind AS 18.

Revenue from Contracts with Customers Ind AS 115 establishes a single comprehensive model (5 steps model) for entities to use in accounting for revenue arising from contracts with customers.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Ind AS 115 has no impact on the basis of recognition of revenue as under Ind AS 18 also, the above steps were compiled within the recognition of revenue with regard to sales of Urea to the Authorised dealers/agents. The company deals with the authorised agents only and has entered individual contract with them, meets the performance obligation when the urea reaches the dealer, sells at the government regulated price and recognises the revenue on satisfying the said performance obligation.

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Interest

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

f. Foreign Currency Transaction

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period-

i. Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.
ii. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.
iii. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in profit or loss in the period in which they arise.

g. Retirement and other employee benefits

i) Retirement benefit costs

Payments to retirement benefit plans such as provident fund are recognized as an expense.

For retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee Benefits Expense'. Curtailment gains and losses are accounted for as past service costs.

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Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Past service cost is recognized in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

ii) *Short-term and other long-term employee benefits*

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. These benefits include bonus/incentives and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

h. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest 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 recognized in profit or loss in the period in which they are incurred.

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i. 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.

j. Earnings per share

Basic earnings per equity share are 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.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease earning per share from continuing operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

k. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted upto the end of the reporting period.

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Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates.

ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there be sufficient taxable profits against which to utilize the benefits of the temporary differences and are expected to reverse in the foreseeable future.

Deferred income tax assets are recognized to the extent 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 utilized.

In the case of unused tax losses probability is evaluated considering factors like existence of sufficient taxable temporary differences, convincing other evidence that sufficient taxable profit will be available. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets and, the Company recognizes a previously unrecognized Deferred Tax Asset to the extent that it has become probable that future taxable profit will allow the Deferred Tax Asset to be recovered.

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

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

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The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises 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 recognises MAT credit as an asset in the said asset is created by way of credit to the statement of profit and loss as disclosed 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.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable Company and the same taxation authority.

iii) Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

I. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication based on internal/ external factors that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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

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assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

m. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

n. Contingent liabilities

A contingent liability is a possible obligation that arises from past events existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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o. Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

p. Use of estimates

The preparation of financial statements in conformity with Ind ASs requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

q. Cash and cash equivalents (for the purpose of Cash Flow Statement)

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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 agreed transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants 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.

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

Level 1— Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
Level 2— Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

s. Financial Instrument

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 asset is any assets that is

- Cash;
- An equity instrument of another entity;
- A contractual right:
  - (i) To receive cash or another financial asset from another entity; or
  - (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity; or
- A contract that will or may be settled in the entity's own equity instruments and is:
  - (i) A non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - (ii) A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial assets include current and non-current investments, loan to employees and body corporate, security deposits, trade receivables and other eligible current and non-current assets

Financial Liability is any liabilities that is

- A contractual obligation :
  - (i) To deliver cash or another financial asset to another entity; or
  - (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
- A contract that will or may be settled in the entity's own equity instruments and is:
  - (i) A non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
  - (ii) A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity

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offers the rights, options or warrants pro-rata to all of its existing owners of the same class of its own non-derivative equity instruments.

Financial liabilities include Loans, trade payable and eligible current and non-current liabilities.

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(i) The entity's business model for managing the financial assets and
(ii) The contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortized cost if both of the following conditions are met:

(i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

(i) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.
All financial liabilities are subsequently measured at amortized cost using the effective interest method or fair value through profit or loss.

Recognition

Financial assets and financial liabilities are recognized when and only when the Company becomes party to the contractual provisions of the instrument.

Measurement of financial assets

Financial assets are subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) as the case may be.
Financial liabilities are subsequently measured at amortized cost or fair value through profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over the relevant period. The

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effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets which are classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

Trade receivables

Trade receivables are recognized initially at fair value and all are considered as current subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the

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Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset and that transactions are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected allowance is computed based on a provision matrix which takes into account historical experience and adjusted for forward-looking information.

De-recognition of financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks rewards of ownership and continues to control the transferred asset, the Company recognizes its interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying and the sum of the consideration received and receivable and the cumulative gain or loss that had recognized in other comprehensive income and accumulated in equity is recognized in profit or loss, such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset, other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of financial asset between the part it continues to recognize under continuing involvement, and the part that is no longer recognized on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and sum of the consideration received for the part no longer recognized and any cumulative gain or allocated to it that had been recognized in other comprehensive income is recognized in the statement of profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

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Financial Liabilities

Financial liabilities measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement being recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in profit or loss.

Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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Trade payables

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period or not paid/payable within operating cycle. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of Company after deducting all of its liabilities. Equity instruments are recognized at the proceeds received, net of direct issue costs.

Preference share capital

Preference share capital is classified as a financial liability or an equity instrument based on the substance of a financial instrument, rather than its legal form.

Preference share is classified as an equity instrument if, and only if, both conditions a) and b) below are met

a) The instrument includes no contractual obligation:
   - To deliver cash or another financial asset to another entity; or
   - To exchange financial assets or financial liabilities with another entity under conditions that is potentially unfavorable to the issuer.

b) If the instrument will or may be settled in the issuer's own equity instruments, it is:
   - A non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments; or
   - A derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments.

Preference share capital is classified as a financial liability if it provides for mandatory redemption for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount.

Compound financial instruments

The component parts of compound financial instruments (convertible instrument) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

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At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible instrument are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible instrument using the effective interest method.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments substantially different terms is accounted for as an extinguishment of the original financial liability the recognition of a new financial liability. Similarly, a substantial modification of the terms of existing financial liability (whether or not attributable to the financial difficulty of the debtor)is accounted for as an extinguishment of the original financial liability and the recognition of a financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

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JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Notes to Balance Sheet (Amount in ₹)

3 **Property Plant & Equipment**

Cost or deemed cost	**Computers**
As at 31st March 2020	49,550
Additions	-
As at 31st March 2021	49,550
Additions	-
Discard	2,477
As at 31st March 2022	47,073
Accumulated Depreciation	
As at 31st March 2020	47,073
Charge for the year	-
As at 31st March 2021	47,073
Charge for the year	-
As at 31st March 2022	47,073
Net Block(As at 31st March 2020)	2,477
Net Block(As at 31st March 2021)	2,477
Net Block(As at 31st March 2022)	-
Capital Work In Progress(As at 31st March 2020)	-
Capital Work In Progress(As at 31st March 2021)	-
Capital Work In Progress(As at 31st March 2022)	-

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JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Notes to Balance Sheet (Amount in ₹)

Note No	Particulars	As on 31st March 2022	As on 31st March 2021
4	**Investments**		
	Investments in equity instrument		
	In subsidiary		
	JAYPEE UTTAR BHARAT VIKAS PVT. LTD(2,00,00,000(Previous year 2,00,00,000) equity share of Rs. 10/- each)	89,92,50,000	89,92,50,000
	KANPUR FERTILIZERS & CHEMICALS LIMITED (11,79,82,549 (Previous year 11,79,82,549) equity share of Rs. 10/- each)*	2,35,96,50,980	2,35,96,50,980
		3,25,89,00,980	3,25,89,00,980
	Investment in Other equity (Preference share capital)		
	In subsidiary		
	JAYPEE UTTAR BHARAT VIKAS PVT LTD Compulsory Convertible Preference Shares (CCPS) (38,02,100(Previous year 38,02,100) 10% CCPS of Rs. 10/- each, Ratio 1:1)	3,80,21,00,000	3,80,21,00,000
	KANPUR FERTILIZERS & CHEMICALS LIMITED(KFCL)* Compulsory Convertible Preference Shares (CCPS) (90,00,000(Previous year 90,00,000)10% CCPS of Rs. 10/- each, Ratio 1:1)	90,00,00,000	90,00,00,000
		4,70,21,00,000	4,70,21,00,000
	*6,00,15,000 Shares of Rs 10 each are pledge for loan from Indian infrastructure Finance Company Limited against loan to KFCL (The Subsidiary Company).Outstanding Loan as on 31/03/2022 is Rs. 54,40,00,000/-		
		7,96,10,00,980	**7,96,10,00,980**
5	**Cash and cash equivalents**		
	Balance with Banks in INR	39,05,732	52,07,014
	Cash on hand	7,154	9,098
		39,12,886	52,16,112
6	**Other Financial assets**		
	Advance to Related Parties	11,18,999	7,76,998
		11,18,999	7,76,998
7	**Current Tax assets/liability**		
	Advance tax	1,81,183	1,81,183
	GST Credit	3,44,767	2,19,339
		5,25,950	4,00,522

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JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Notes to Balance Sheet (Amount in ₹)

Note No	Particulars	As on 31st March 2022	As on 31st March 2021
10	**Other Financial Liabilities**		
	Expenses Payable	3,35,069	5,31,410
	Other Payable	15,13,67,809	15,10,79,058
		15,17,02,878	15,16,10,468
	Details relating to Micro, Small and Medium Enterprises is as under -		
	a) Principal amount	Nil	Nil
	b) Interest thereon	Nil	Nil
	c) The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 in terms of Notification dated 22nd January, 2019 issued by the Department of Company Affairs.	Nil	Nil
	d) The amount of interest due and payable for the period of delay in making payment without additing the interest specified	Nil	Nil
	e) The amount of interest accrued and remaining unpaid as at March 31, 2021	Nil	Nil
	f) The amount of interest remaining due and payable even in the suceeding years, until such date when the the interest is actually paid	Nil	Nil
11	**Other current liabilities**		
	Statutory taxes and dues		
	TDS Payable	32,000	24,750
	GST Payable	14,400	
	Provision for MAT	-	8,08,811
		46,400	8,33,561

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JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Notes to Balance Sheet

(Amount in ₹)

Note No	Particulars	As on 31st March 2022	As on 31st March 2021
8	**Share Capital**		
	Authorized share capital		
	99,00,00,000 Equity Share Capital of Rs.10/- each(Previous year 99,00,00,000 Equity share of	9,90,00,00,000	9,90,00,00,000
	1,00,00,000 Preference Share Capital of Rs.10/- each(Previous year 1,00,00,000 Preference Share	10,00,00,000	10,00,00,000
		10,00,00,00,000	**10,00,00,00,000**
	Issued, Subscribed & fully Paid share capital		
	Equity Share Capital 49,65,00,000 Equity Shares of Rs. 10/- each fully paid up. (Previous year 49,65,00,000 Equity Shares of Rs. 10/- each fully paid up)	4,96,50,00,000	4,96,50,00,000
	Total	**4,96,50,00,000**	**4,96,50,00,000**

Details of Promoters Shareholders	As on 31st March,2022			As on 31st March,2021		
Equity Shares	**No. of equity shares held**	**% of total shares**	**% Change during Year**	**No. of equity shares held**	**% of total shares**	**% Change during Year**
by nominees)						
Opening Balance	49,65,00,000	100.00%	-	49,65,00,000	100.00%	-
Acquired/Converted during the year	-	-	-	-	-	-
Closing Balance	49,65,00,000	100.00%	-	49,65,00,000	100.00%	-
Preference Shares						
Jaiprakash Associates Limited						
Opening Balance	43,50,000	100%	-	43,50,000	100%	-
Acquired/Converted during the year	-	-	-		-	-
Closing Balance	43,50,000	100%	-	43,50,000	100%	-

8.1	**Reconciliation of no. of shares**		
	Equity		
	Shares outstanding at the beginning of the current reporting period	49,65,00,000	49,65,00,000
	Shares issued during the current reporting period	-	-
	Closing no. of shares	**49,65,00,000**	**49,65,00,000**
8.2	**Details of Shareholders having more than 5 % shareholding in paid up capital of the company**		
	Equity		
	Jaiprakash Associates Limited	49,65,00,000 shares 100% Holding	49,65,00,000 shares 100% Holding

The entire Paid up Equity Share Capital of the Company is held by Jaiprakash Associates Limited, Holding Company including 600 Equity Shares held by the subscribers to the Memorandum of Association as nominee of the Company and as such making the Company a 100% subsidiary of Jaiprakash Associates Limited (JAL). Board of Directors have not recommended any dividend on equity shares of the Company.

8.3 Other Clauses of Share capital are not applicable.

		As on 31st March 2022	As on 31st March 2021
9	**Other Equity**		
	(i)Equity component of financial instrument		
	Opening balance	4,15,80,78,000	4,15,80,78,000
	Closing balance	4,15,80,78,000	4,15,80,78,000
	(ii)Reserves and Surplus		
	Surplus (Profit and loss balance)		
	Opening balance	(1,30,81,24,940)	(1,31,20,29,477)
	Profit / (Loss) for the year	(1,43,525)	39,04,537
	Total reserve and surplus	(1,30,82,68,464)	(1,30,81,24,940)
	Iii) Other comprehensive Income		
	Remeasurement of Defined benefit plan (net of tax)		
	Opening balance	-	-
	Addition/Deduction during the year	-	-
	Closing balance	-	-
	Total other equity	2,84,98,09,536	2,84,99,53,060

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JAYPEE FERTILIZERS & INDUSTRIES LIMITED

Note to Profit and Loss

(Amount in ₹)

Note No	Particulars	For The Year Ended 31st March 2022	For The Year Ended 31st March 2021
12	**Other Income**		
	Income From Support Services	-	
	Interest On Income Tax Refund	-	56,25,854
	Miscellaneous Income	87,025	9,46,488
		87,025	65,72,342

The assessment order for AY 12-13 disallowed the expenses as claimed by the company. The Company filed an appeal before CIT (A) and then further before the Hon'ble ITAT. The Hon'ble ITAT vide its order dated 13.11.2019 allowed relief to the Company. The refund amount pertaining to assessment of AY 2012-13 till AY 18-19 which was earlier witheld, was refunded to the Company along with the interest.

13	**Employee Benefit Expense**		
	Salaries and wages	-	4,27,008
	Leave Encashment	-	-
	Gratuity	-	-
	Car Hire Charges	-	-
		-	4,27,008
14	**Finance Cost**		
	Interest		
	Interest on TDS	-	2,074
		-	2,074
15	**Other expenses**		
	Bank Charges	2,272	1,907
	Taxes & Fees	1,41,070	3,15,920
	Legal & Professional Charges	1,04,163	62,475
	Annual Maintenance Contract (Others)	-	1,10,520
	Director's Sitting Fee	5,40,000	6,40,000
	Auditor's Remuneration		
	Audit Fee	2,00,000	2,00,000
	Tax Audit Fee	-	50,000
	Limited Review Certification Fee	9,000	9,000
	Secretarial Audit Fee	40,000	40,000
	Miscellaneous Expenses	2,856	90
		10,39,361	14,29,912

16 **Going Concern**

The Company is a 100% subsidiary of Jaiprakash Associates Limited (JAL) and has made investment in Jaypee Uttar Bharat Vikas Private Limited (JUBVPL) and Kanpur Fertilizers & Chemicals Limited (KFCL) which in turn are subsidiaries of the company. The Company is partially dependent upon its holding company for meeting its obligations.

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1. **Contingent liabilities and commitment (to the extent not provided for)**

Amount in₹

Particulars	Figures as at the end of current reporting year 31.03.2022	Figures as at the end of current reporting year 31.03.2021
Tax Demand Disputed (under appeal) net off refund	-	-
Estimated amount of contracts remaining to be executed on capital account	-	-
Stamp Duty (U/s 47 of Stamp Act)	42,00,00,000	-

2. **Related party disclosure**

Name of related party and relationship

a) **Holding Company-**

Jaiprakash Associates Limited

b) **Subsidiary Company**

Jaypee Uttar Bharat Vikas Private Limited
Kanpur Fertilizers & Chemicals Limited

c) **Key Management Personnel:**

1. Shri Sunil Kumar Sharma : Chairman
2. Shri G.P. Gaur : Director
3. Ms. Sunita Joshi : Director
4. Shri Amit Sharma : Director
5. Shri S.D. Nailwal : Director
6. Shri Gaurav Jain : Whole Time Director (From 28.05.2020 to 16.06.2020)
7. Shri Joginder Pal Sindwani : Chief Financial Officer

d) **Key Managerial Personnel of JAL**

1. Shri Jaiprakash Gaur (w.e.f. 19.05.2018)) - Chairman Emeritus
2. Shri Manoj Gaur- Executive Chairman & CEO
3. Shri Sunil Kumar Sharma – Executive Vice Chairman
4. Shri Raj Narayan Bhardwaj – Independent Director
5. Ms. Homai A. Daruwalla – Independent Director
6. Shri Kailash Nath Bhandari – Independent Director
7. Shri Satish Charan Kumar Patne – Independent Director
8. Shri Keshav Prasad Rau – Independent Director
9. Shri Tilak Raj Kakkar – Independent Director
10. Shri Pankaj Gaur – Joint Managing Director (Construction)
11. Shri Ranvijay Singh – Whole-time Director
12. Shri Ravindra Kumar Singh – Director (Appointed w.e.f. 23rd December, 2020)

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13. Shri R.B Singh, Wholetime Director (Appointed w.e.f. 12th February, 2022)
14. Dr. Pramod Kumar Agrawal, Independent Director (Appointed w.e.f. 12th February, 2022)
15. Shri Sunny Gaur, Managing Director (Cement) (Resigned w.e.f 4th July, 2020)
16. Shri Ashok Soni, CFO
17. Shri M.M. Sibbal, Company Secretary (1st June, 2017 to 30th June, 2021)
18. Shri Sandeep Sabharwal, Company Secretary (Appointed w.e.f 1st July, 2021)

The schedule of related party transaction is as follows.

Amount in₹

Particulars	**Related party**	**As at 31-03-2022**	**As at 31-03-2021**
Receipt towards reimbursement of expenses by KFCL	Referred in (b) above	-	-
Expenditure			
Remuneration to Whole Time Director	Referred in (f) above	5,40,000	4,27,008
Outstanding Balances			
Receivable	Referred in (b) above	11,18,999	7,76,998
Payable	Referred in (b) above	15,13,67,809	15,10,79,058

3) Financial Instrument

(i) Capital Management- The gearing ratio at the end of reporting period are as follows.

Amount in₹

Partciulars	**As at March 31, 2022**	**As at March 31, 2021**
Debt*	-	-
Cash and bank balances (Including Cash and Bank Balances In a Disposal Group Held For Sale)	39,12,886	52,16,112
Net Debt	(39,12,886)	(52,16,112)
Total Equity	7,81,48,09,536	781,49,53,060
Net Debt to Equity Ratio	-	-

*Debt is defined as long-term and short-term borrowings.

(ii) Categories of Financial Instruments

Amount in₹

Financial Assets	**As at March 31, 2022**	**As at March 31, 2021**
Measured at Amortised Cost		
a) Cash and Cash Equivalent Including Bank Balance	39,12,886	52,16,112
b) Other Financial Assets	11,18,999	7,76,998
Measured at Cost as per Ind AS 27		
Investment in Subsidiaries	796,10,00,980	796,10,00,980
Total	**797,20,25,975**	**796,69,94,090**

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Financial Liabilities	As at March 31, 2022	As at March 31, 2021
Measured at Amortised Cost		
a) Other Financial Liability	15,17,02,879	15,16,10,468
Total	**15,16,94,778**	**15,16,10,468**

Fair Value Hierarchy - This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (A) recognised and measured at fair value and (B) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Fair Value Measurements –

Particulars	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
Financial Liabilities	**As at March 31, 2022**	**As at March 31, 2021**		
Borrowings	-	-	Level 2	Discounted cash flow at a discount rate that reflects the company's current borrowings rate at the end of reporting period.

Valuation techniques used to determine Fair value - The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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.

Method and assumptions used to estimate Fair Value - The Carrying amounts of trade receivables, trade payables, short term borrowing, other financial assets/ Liabilities, cash and cash equivalents. are considered to be their fair value, due to their short-term nature. Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

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(iii) Liquidity Risk Management

The company activities do not have any market risk and credit risk exposure. The company has limited exposure related to liquidity risk which is as follows.

Amount in₹

Particulars	Weighted average effective interest rate (%)	Within 1 year	1-5 years	5+ years	Total	Carrying amount
As at March 31, 2022						
Other Financial Liabilities	-	15,17,02,879	-	-	15,17,02,879	15,17,02,879
Total	-	**15,17,02,879**			**15,17,02,879**	**15,17,02,879**
Particulars	**Weighted average effective interest rate (%)**	**Within 1 year**	**1-5 years**	**5+ years**	**Total**	**Carrying amount**
As at March 31, 2021						
Other Financial Liabilities	-	15,16,10,468	-	-	15,16,10,468	15,16,10,468
Total	-	**15,16,10,468**	-	-	**15,16,10,468**	**15,16,10,468**

(iv) The fair values of current debtors, bank balances, current creditors and current borrowings are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

	Carrying value	
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
i) Financial Assets - Current		
Cash and Cash Equivalents	39,12,886	52,16,112
Other Financial Assets	11,18,999	7,76,998
ii) Financial Liabilities – Current		
Other Financial Liabilities	15,17,02,879	15,16,10,468

4) There are no trade receivables.
5) Earnings Per Share is computed in accordance with IND AS - 33 issued by the Institute of Chartered Accountants of India.

	PARTICULARS	Figures as at the end of current reporting period, March 31, 2022	Figures as the end of previous reporting period, March 31, 2021
a)	Net Profit/(Loss) for Basic Earnings Per Share as per Profit & Loss Account	(1,43,525)	39,04,537
b)	No. of Equity Shares	49,65,00,000	49,65,00,000
c)	Weighted Average No. of Equity Shares	49,65,00,000	49,65,00,000
d)	Basic Earnings Per Share	0.0003	0.0079
e)	Face Value Per Share	10	10

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6) Other Information

a) Ratios as per Schedule III requirement.

		2021-2022	2020-2021
Current Ratio			
Numerator	Current Assets	55,57,835	63,93,632
Denominator	Current Liabilities	15,17,49,279	15,24,44,029
Ratio		**0.04**	**0.04**
%Change		**12.67%**	
Debt Equity Ratio		**N.A.**	**N.A.**
Debt Service Coverage Ratio		**N.A.**	**N.A.**
Return on Equity/ Investment Ratio			
Numerator	Net Profit after Taxes	(1,43,525)	39,04,537
Denominator	Shareholder's Equity	7,81,48,09,536	7,81,49,53,060
Ratio		**(0.00)**	**0.00**
%Change		**103.68%**	
Inventory Turnover Ratio		**N.A.**	**N.A.**
Trade Receivables Turnover Ratio		**N.A.**	**N.A.**
Trade Payables Turnover Ratio		**N.A.**	**N.A.**
Net Capital Turnover Ratio		**N.A.**	**N.A.**
Net Profit Ratio		**N.A.**	**N.A.**
Return on Capital Employed			
Numerator	Earning before Interest and Taxes	(1,43,525)	47,13,348
Denominator	Capital Employed	7,81,48,09,536	7,81,49,53,060
Ratio		**0.00%**	**0.06%**
%Change		**7.91%**	

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

b) There is no Land owned by the com pany, therefore the same is not applicable

c) **Loans and advances- to directors, KMP etc :-**
The company has not give any loans and advances- to directors, KMP etc.

d) **Details of Benami Property held:-**
The company does not hold any benami property.

e) **Wilful Defaulter:-**
The company has not been termed as wilful defaulter.

f) **Relationship with Struck off Companies:-**
The company has not dealt with any stuck off company.

g) **Borrowings and registration of charges or satisfaction with Registrar of Companies:-**
The company had not availed any facilities and respectiive charges have not been created against the facilities availed.

h) **Compliance with number of layers of companies:-**
The company had subsidairy, therefore compliance with layers of companies is applicable.

i) **The company has invested funds in subsidiaries Kanpur Fertilizers & Chemicals Limited & Jaypee Uttar Bharat Vikas Pvt Ltd.**

j) **Share premium, compliance with scheme of merger is not applicable to company.**

k) **Corporate Social Responsibility (CSR) - NIL**

l) **Details of Crypto Currency or Virtual Currency:-**
The company has not dealt with crypto/virtual currency.

7) Previous year figures have been regrouped/ reclassified wherever found necessary to make them confirm to the current year classification.

8) All figures have been rounded off to the nearest rupee.

Summary of Significant Accounting Policies &
Notes to the Financial Statements "1" to "17"
As per our report of even date attached to the Balance Sheet

For Sharma Vats & Associates
Chartered Accountants
Firm Regn No.:031486N

For and on behalf of the Board

(Manoj Kumar Vats)
Partner
M.No. 527922

SHARMA VATS & ASSOCIATES New Delhi Chartered Accountants

(Jogjnder Pal Sindwani)
Chief Financial Officer

(S. D. Nailwal)
Director
DIN: 00008529

(Sunil Kumar Sharma)
Chairman
DIN: 00008125

Place: New Delhi
Dated: 27.05.2022