

Ref: JPVL:SEC:2018

5th October, 2018

The Manager
Listing Department
National Stock Exchange of India Ltd
"Exchange Plaza", C-1, Block G,
Bandra-Kurla Complex,
Bandra (E),
Mumbai -400 051

BSE Limited
25th Floor, New Trading Ring,
Rotunda Building,
P J Towers, Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: 532627

Scrip Code: JPPOWER

Sub:- Submission of 23rd Annual Report of the Company

Dear Sirs,

We are pleased to submit herewith the 23rd Annual Report for the Financial Year 2017-18 as required under Regulation 34 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 duly approved and adopted by the members in the 23rd Annual General Meeting, held on Friday, the 28th September 2018 at its Registered Office at Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli 486669 (M.P.).

This is for your information and records.

Thanking you,

Yours faithfully,

For JAIPRAKASH POWER VENTURES LIMITED

(A.K. Rastogi)
Joint President & Company Secretary

Encl: As above

Annual Report 2017-18





**400 MW Vishnuprayag Dam,
Uttarakhand**



**400 MW Vishnuprayag
Powerhouse, Uttarakhand**



**500 MW Bina Thermal Power
Plant, Bina, Madhya Pradesh**

Board of Directors

Manoj Gaur, Chairman
 Sunil Kumar Sharma, Vice Chairman & CEO
 Suren Jain, Managing Director & CFO
 B. B. Tandon
 R. N. Bhardwaj
 A. K. Goswami
 S.S. Gupta
 K. N. Bhandari
 J. N. Gupta
 Atanu Sen (Resigned w.e.f. 13th September, 2017)
 S. L. Mohan
 K. P. Rau
 Umesh Jain (IDBI Nominee)
 G. P. Gaur (Resigned w.e.f. 11th December, 2017)
 Ravindra Mohan Chadha
 Sunita Joshi
 Praveen Kumar Singh, Whole-time Director
 M. K. V. Rama Rao, Whole-time Director

Bankers/Lenders

Allahabad Bank
 Andhra Bank
 Bank of Baroda
 Bank of India
 Bank of Maharashtra
 Canara Bank
 Central Bank of India
 Corporation Bank
 Dena Bank
 ICICI Bank Ltd
 IDBI Bank Ltd
 IDFC Bank Ltd
 Indian Overseas Bank
 Jammu & Kashmir Bank Ltd
 Life Insurance Corporation of India
 Oriental Bank of Commerce
 Punjab National Bank
 SREI Equipment Finance Pvt. Ltd
 State Bank of India
 Syndicate Bank
 UCO Bank
 Union Bank of India
 United Bank of India

Company Secretary

A K Rastogi
 Joint President & Company Secretary

Statutory Auditors

M/s. Lodha & Co.,
 Chartered Accountants, New Delhi

Internal Auditors

M/s. R. Nagpal Associates,
 Chartered Accountants, New Delhi

Secretarial Auditors

M/s SGS Associates,
 Practicing Company Secretaries, New Delhi

Cost Auditors

M/s Kabra & Associates,
 Cost Accountants, Delhi

Registrar & Transfer Agents

Alankit Assignments Limited
 Alankit House, 2E/21 Jhandewalan Extension
 New Delhi 110 055

Phone: +91 11 42541234, 23541234

Fax: +91 11 23552001

Website: www.alankit.com ; **E-mail:** info@alankit.com

Registered Office

Jaiprakash Power Ventures Limited
CIN: L40101MP1994PLC042920
 Complex of Jaypee Nigrie Super Thermal Power Plant,
 Nigrie, Tehsil Sarai, Dist. Singrauli 486669 (M. P.)
Phone: +91 (7801) 286021-39; **Fax:** +91 (7801) 286020

Corporate Office

'JA House', 63, Basant Lok, Vasant Vihar, New Delhi 110057
Phone: +91 11 26141358, **Fax:** +91 11 26145389

Website & E-mail Address

www.jppowerventures.com
 jpvl.investor@jalindia.co.in

CONTENTS	Page No.
Notice of Annual General Meeting	2
Directors' Report	26
Report on Corporate Governance	52
Declaration by the Vice Chairman & CEO	63
Auditors' Certificate on Corporate Governance	63
Management Discussion & Analysis Report	64
Business Responsibility Report	70
Financials	
Standalone Financial Statements	
Independent Auditors' Report	78
Balance Sheet	84
Statement of Profit & Loss	85
Cash Flow Statement	87
Notes to Financial Statements (1 - 74)	88
Consolidated Financial Statements	
Independent Auditors' Report	123
Consolidated Balance Sheet	128
Consolidated Statement of Profit and Loss	129
Consolidated Cash Flow Statement	131
Notes to Consolidated Financial Statements (1 to 74)	132
Route Map to the AGM Venue	166
Attendance Slip and Proxy Form	

JAIPRAKASH

POWER VENTURES LIMITED

CIN: L40101MP1994PLC042920

Registered Office: Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, Dist. Singrauli 486669 (M. P.)

Phone: +91 (7801) 286021-39; **Fax:** +91 (7801) 286020

Corporate Office: 'JA House', 63, Basant Lok, Vasant Vihar, New Delhi- 110057

Phone: +91 (011) 49828618/26141358

Website: www.jppowerventures.com **E-mail:** jpvl.investor@jalindia.co.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twenty Third Annual General Meeting** of the members of **JAIPRAKASH POWER VENTURES LIMITED** will be held on **Friday, the 28th September, 2018** at **10.00 A.M.** at the Registered Office of the Company at Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli – 486 669 (Madhya Pradesh), to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2018 together with the Report of the Board of Directors and the Auditors Report thereon and in this regard to pass the following Resolution as **Ordinary Resolution**:

“RESOLVED THAT the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2018 and the report of Board of Directors and Auditors Report thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Shri Suren Jain (DIN: 00011026), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following Resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Suren Jain (DIN: 00011026), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

3. To appoint a Director in place of Shri Praveen Kumar Singh (DIN: 00093039), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following Resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Praveen Kumar Singh (DIN: 00093039), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Special Business:

4. **RATIFICATION OF THE REMUNERATION OF COST AUDITORS**

To ratify the remuneration of Cost Auditors for the Financial Year ending March 31, 2019 and in this regard, to pass the following Resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 {including any statutory modification(s) or re-enactment(s) thereof, for the time being in force}, the remuneration payable to M/s. Kabra & Associates, Cost Accountants (Firm Regn no. 0075) appointed by the Board of Directors as Cost Auditors to conduct Audit of the cost records of the Company, relating to the Power Generation and for Cement Grinding Unit, for the Financial Year 2018-19,

as set out in the Statement annexed to the Notice convening this meeting, be and is hereby ratified.”

5. **CONTINUATION OF SHRI B. B. TANDON AS AN INDEPENDENT DIRECTOR BEYOND THE AGE OF 75 YEARS**

To consider the continuation of Shri B. B. Tandon as an Independent Director beyond the age of 75 Years and in this regard to pass the following Resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended by SEBI (LODR) (Amendment) Regulations, 2018, approval of members be and is hereby accorded in respect of continuation of Shri B. B. Tandon (DIN: 00740511), as Independent Director, despite having attained the age of 75 years, who was re-appointed by the members of the company at the 22nd Annual General Meeting held on 15th September, 2017 for a term of three consecutive years from 20th September, 2017 to 19th September, 2020.”

6. **CONTINUATION OF SHRI A. K. GOSWAMI AS AN INDEPENDENT DIRECTOR BEYOND THE AGE OF 75 YEARS**

To consider the continuation of Shri A. K. Goswami as an Independent Director beyond the age of 75 Years and in this regard to pass the following Resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended by SEBI (LODR) (Amendment) Regulations, 2018 approval of members be and is hereby accorded in respect of continuation of Shri A. K. Goswami (DIN: 02636247), as Independent Director, despite having attained the age of 75 years, who was re-appointed by the members of the company at the 22nd Annual General Meeting held on 15th September, 2017 for a term of three consecutive years from 20th September, 2017 to 19th September, 2020.”

7. **CONTINUATION OF SHRI S. S. GUPTA AS AN INDEPENDENT DIRECTOR BEYOND THE AGE OF 75 YEARS**

To consider the continuation of Shri S. S. Gupta as an Independent Director beyond the age of 75 Years and in this regard to pass the following Resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended by SEBI (LODR) (Amendment) Regulations, 2018 approval of members be and is hereby accorded in respect of continuation of Shri S. S. Gupta (DIN: 02284265), as Independent Director, despite having attained the age of 75 years, who was re-appointed by the

members of the company at the 22nd Annual General Meeting held on 15th September, 2017 for a term of three consecutive years from 20th September, 2017 to 19th September, 2020.”

8. CONTINUATION OF DR. J. N. GUPTA AS AN INDEPENDENT DIRECTOR BEYOND THE AGE OF 75 YEARS

To consider the continuation of Dr. J. N. Gupta as an Independent Director beyond the age of 75 Years and in this regard to pass the following Resolution **as Special Resolution:**

“**RESOLVED THAT** pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended by SEBI (LODR) (Amendment) Regulations, 2018 approval of members be and is hereby accorded in respect of continuation of Dr. J. N. Gupta (DIN: 00397952), as Independent Director, despite having attained the age of 75 years, who was re-appointed by the members of the company at the 22nd Annual General Meeting held on 15th September, 2017 for a term of three consecutive years from 20th September, 2017 to 19th September, 2020.”

9. CONTINUATION OF SHRI K. N. BHANDARI AS AN INDEPENDENT DIRECTOR BEYOND THE AGE OF 75 YEARS

To consider the continuation of Shri K. N. Bhandari as an Independent Director beyond the age of 75 Years and in this regard to pass the following Resolution **as Special Resolution:**

“**RESOLVED THAT** pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended by SEBI (LODR) (Amendment) Regulations, 2018 approval of members be and is hereby accorded in respect of continuation of Shri K. N. Bhandari (DIN: 00191219), as Independent Director, despite having attained the age of 75 years, who was re-appointed by the members of the company at the 22nd Annual General Meeting held on 15th September, 2017 for a term of three consecutive years from 30th September, 2017 to 29th September, 2020.”

10. CONTINUATION OF LT. GEN. (RETD.) SHRI RAVINDRA MOHAN CHADHA, AS A NON-EXECUTIVE & NON-INDEPENDENT DIRECTOR BEYOND THE AGE OF 75 YEARS

To consider the continuation of Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha as Director beyond the age of 75 Years and in this regard to pass the following Resolution **as Special Resolution:**

“**RESOLVED THAT** pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended by SEBI (LODR) (Amendment) Regulations, 2018 approval of members, be and is hereby accorded in respect of continuation of Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha (DIN: 02610012), as a Non-Executive & Non-Independent Director, liable to retire by rotation, despite having attained the age of 75 years.”

11. APPROVAL OF REMUNERATION PAID TO SHRI PRAVEEN KUMAR SINGH, WHOLE-TIME DIRECTOR DURING FY 2013-14, FY 2015-16 AND FY 2016-17 (UPTO 9TH FEBRUARY, 2017)

To consider the approval of remuneration paid to Shri Praveen Kumar Singh, Whole-Time Director during FY 2013-14, FY 2015-16 and FY 2016-17 (upto 9th February, 2017) and to

pass the following Resolution **as Special Resolution:**

(A) “**RESOLVED THAT** subject to the approval of the Central Government, if required, pursuant to Section 196, 197 and 198 of the Companies Act, 2013 (‘Act’) and other applicable provisions, if any, of the ‘Act’ including any amendment thereto, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, as per recommendations of Nomination and Remuneration Committee and the Board of Directors, approval of the members, be and is hereby accorded to the waiver of excess remuneration of Rs. 115.51 lakh paid to Shri Praveen Kumar Singh (DIN: 00093039), as Whole Time Director of the Company beyond the maximum permissible limit as per Schedule XIII of the erstwhile Companies Act, 1956 in view of absence of adequate profit during the Financial Year 2013-14.”

(B) “**RESOLVED THAT** subject to the approval of the Central Government, if required, pursuant to Section 196, 197 and 198 of the Companies Act, 2013 (‘Act’) and other applicable provisions, if any, of the ‘Act’ including any amendment thereto, Schedule V of the ‘Act’ read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, as per recommendations of Nomination and Remuneration Committee and the Board of Directors, approval of members, be and is hereby accorded to the payment of remuneration of Rs.150.20 lakh for the FY 2015-16 and Rs.127.35 lakh for the FY 2016-17 (upto 9th February, 2017) to Shri Praveen Kumar Singh (DIN: 00093039), as Whole Time Director, despite losses and occurrence of default in repayment of loans and interest to Banks and Financial Institutions for period exceeding 30 days.”

12. APPROVAL OF REMUNERATION PAID TO SHRI SUREN JAIN, MANAGING DIRECTOR & CFO DURING FY 2013-14, FY 2015-16, FY 2016-17 AND FY 2017-18 (UPTO 11TH JANUARY, 2018)

To approve remuneration paid to Shri Suren Jain, Managing Director & CFO during FY 2013-14, FY 2015-16, FY 2016-17 and FY 2017-18 (Upto 11th January, 2018) and to pass the following Resolution **as Special Resolution:**

(A) “**RESOLVED THAT** subject to the approval of the Central Government, if required, pursuant to Section 196, 197 and 198 of the Companies Act, 2013 (‘Act’) and other applicable provisions, if any, of the ‘Act’ including any amendment thereto, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, as per recommendations of Nomination and Remuneration Committee and the Board of Directors, approval of members be and is hereby accorded to the waiver of excess remuneration of Rs.133.62 lakh paid to Shri Suren Jain (DIN: 00011026) as Managing Director & CFO beyond the maximum permissible limit as per Schedule XIII of the erstwhile Companies Act, 1956 in view of absence of adequate profit during the Financial Year 2013-14.”

(B) “**RESOLVED THAT** subject to the approval of the Central Government, if required, pursuant to Section 196, 197 and 198 of the Companies Act, 2013(‘Act’) and other applicable provisions, if any, of the ‘Act’ including any amendment thereto, Schedule V of the ‘Act’ read

with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, as per recommendations of the Nomination and Remuneration Committee and the Board of Directors, approval of members, be and is hereby accorded to the payment of remuneration of Rs.156.41 lakh for the FY 2015-16, Rs.182.50 lakh for the FY 2016-17 and Rs. 201.74 lakh for the FY 2017-18 (upto 11th January, 2018) made to Shri Suren Jain (DIN: 00011026) as Managing Director & CFO of the Company, despite losses and occurrence of default in repayment of loans and interest to Banks and Financial Institutions for period exceeding 30 days in the relevant financial years .”

13. INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

To pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (**Act**) (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made there under, and the Articles of Association of the company, the Authorised Share Capital of the Company be and is hereby increased and altered from Rs.10050,00,00,000 (Rupees Ten thousand and fifty crore) divided into 705,00,00,000 (Seven hundred and five crore) Equity Shares of Rs.10/- each and 30,00,00,000 (Thirty crore) Preference Shares of Rs.100/- each to Rs. 20050,00,00,000 (Rupees Twenty thousand and fifty crore) divided into 1505,00,00,000 (One thousand Five Hundred and five crore) Equity Shares of Rs.10/- each and (i) 100,00,00,000 (One Hundred Crore) Preference Shares of Rs. 10/- each, (ii) 50,000 (Fifty Thousand) Preference Shares of Rs. 1,000/- each, (iii) 9,500 (Nine Thousand Five Hundred) Preference Shares of Rs. 1,00,000 each and (iv) 39,000 (Thirty Nine Thousand) Preference Shares of Rs. 10,00,000 each, by:

1. Creating additional 800,00,00,000 (Eight hundred crore) Equity Shares of Rs.10/- each aggregating to Rs. 8000,00,00,000 (Rupees Eight thousand crore); and
2. Cancelling 30,00,00,000 Preference Shares of Rs.100/- each and creating new Preference Shares aggregating to Rs. 5000,00,00,000 (Rupees Five Thousand crore) as under: -
 - i. 100,00,00,000 (One Hundred Crore) Preference Shares of Rs. 10/- each aggregating to Rs, 1,000,00,00,000;
 - ii. 50,000 (Fifty Thousand) Preference Shares of Rs. 1,000/- each aggregating to Rs. 5,00,00,000;
 - iii. 9,500 (Nine Thousand Five Hundred) Preference Shares of Rs. 1,00,000/- each aggregating to Rs. 95,00,00,000; and
 - iv. 39,000 (Thirty Nine Thousand) Preference Shares of Rs. 10,00,000/- each aggregating to Rs, 39,00,00,00,000.”

“RESOLVED FURTHER THAT pursuant to Section 13 read with all applicable provisions of the Act(including any statutory modification or re-enactment thereof for the time being in force) and the rules made there under, the Memorandum of Association of the Company, be and is hereby altered by substituting the existing Clause V thereof with the following new clause V:

“V: The Authorised Share Capital of the Company is Rs.

20050,00,00,000 (Rupees Twenty thousand and fifty crore) divided into 1505,00,00,000 (One thousand Five Hundred and five crore) Equity Shares of Rs.10/- each and (i) 100,00,00,000 (One Hundred Crore) Preference Shares of Rs. 10/- each, (ii) 50,000 (Fifty Thousand) Preference Shares of Rs. 1,000/- each, (iii) 9,500 (Nine Thousand Five Hundred) Preference Shares of Rs. 1,00,000 each and (iv) 39,000 (Thirty Nine Thousand) Preference Shares of Rs. 10,00,000 each (whether convertible – optionally or compulsorily or non convertible, cumulative or non cumulative) with power to the Company to convert the Preference Shares into Equity Shares at any time and from time to time to increase, reduce or modify the capital and to divide all or any of the shares in the capital of the Company, for the time being, and to classify and reclassify such shares from shares of one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions, in accordance with the relevant provisions of the Articles of Association of the Company for the time being in force in that behalf and the provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (which expression shall include a Committee thereof), be and is hereby authorized to take all such steps and actions and give such directions, as it may in its absolute discretion deem necessary and to settle any question that may arise in this regard.”

14. APPROVAL FOR CONVERSION OF LOANS BY LENDERS INTO 0.01% CUMULATIVE COMPULSORY CONVERTIBLE PREFERENCE SHARES(CCPs) PURSUANT TO IMPLEMENTATION OF RBI CIRCULAR ON RESOLUTION OF STRESSED ASSETS – REVISED FRAMEWORK:

To pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to and in accordance with:

- a) the provisions of Sections 42, 55 and 62 of the Companies Act, 2013 (**Act**) and other applicable provisions, if any, of the Act and Rules made there under;
- b) RBI circular dated 12th February 2018 on resolution of stressed assets – revised framework (**RBI Circular**) including any amendments/modifications or supplements thereto, pursuant to which a Scheme of Resolution which has been adopted by the Core Committee of the Lenders on 27th July, 2018 and approved at the meeting of the Lenders on 3rd August, 2018 (hereinafter called **Resolution Plan**);
- c) the Securities Exchange Board of India(Issue of Capital and Disclosures Requirements) Regulations 2009 (**SEBI ICDR Regulations**) and any other applicable Regulations, if any, including any statutory modifications or re-enactment thereof for the time being in force;
- d) in accordance with the Memorandum of Association and Articles of Association of the Company; and
- e) subject to all such approval(s), consent(s), permission(s) and modification(s), if any of appropriate statutory and other authorities as required under applicable laws and subject to such conditions and modifications as may

be prescribed or imposed while granting approvals, consents, sanctions in respect of conversion of part of existing loan /debt exposures, inter-alia, of all or any of the following Banks and Financial Institutions as per the **Resolution Plan**:

Sr. No.	Lenders (i.e. Banks and Financial Institutions)
(i)	ICICI Bank Ltd.
(ii)	IDBI Bank Ltd.
(iii)	Punjab National Bank
(iv)	Central Bank of India
(v)	State Bank of India
(vi)	United Bank of India
(vii)	Canara Bank
(viii)	Oriental Bank of Commerce
(ix)	UCO Bank
(x)	Edelweiss Asset Reconstruction Company Ltd.
(xi)	Life Insurance Corporation of India
(xii)	Syndicate Bank
(xiii)	Bank of Baroda
(xiv)	Corporation Bank
(xv)	Indian Overseas Bank
(xvi)	Allahabad Bank
(xvii)	Union Bank of India
(xviii)	J & K Bank Ltd.
(xix)	Bank of India
(xx)	Dena Bank
(xxi)	Andhra Bank
(xxii)	Bank of Maharashtra

(hereinafter collectively called as “lenders” of the company as specified in the financing documents executed or to be executed by the Company with the lenders for the purpose of implementation of **Resolution Plan**) and subject to the rights of the Company to prepay the facilities availed as per terms of the **Resolution Plan**, consent of the Company be and is hereby accorded to the Board (which term shall be deemed to include any Committee which the Board has constituted or may constitute to exercise its powers including the powers conferred under this Resolution or to any person duly authorized by the Board in this behalf), on the terms and conditions contained in the **Resolution Plan**, inter-alia, to convert part of the outstanding loans of the Company, at the options of the lenders, the loans or any other financial assistance, which have been availed from the lenders or as may be availed from the lenders, together with accumulated interests, not exceeding Rs. 4000,00,00,000 (Rupees Four Thousand Crore only) herein after called **Financial Assistance** into fully paid up 0.01% Cumulative Compulsory Convertible Preference Shares (CCPs), on such terms and conditions as may be stipulated in **Resolution Plan** and subject to applicable law (including extant guidelines in force) and the Board be and is hereby authorized to offer, issue and allot on Preferential basis in one or more Tranches, such number of CCPs of the Company of such face value as may be decided by the lenders, upto an amount of Rs. 4000,00,00,000 (Rupees Four thousand crore only) to the lenders, with a tenor of 29 years, (Provided that the CCPs shall be redeemed, including through conversion, in accordance with applicable laws), and such CCPs shall be convertible into such number of Equity Shares at such conversion price as may be determined by the Lenders in terms of the applicable law.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board / Committee be and is hereby authorized on behalf of the Company to take all actions for implementation of **Resolution Plan** and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient as found appropriate and the Board and any Committee thereof as has been or may be constituted, be and is hereby authorized to agree, make, accept all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit including condition(s), modification(s) and alteration(s) stipulated in the above **Resolution Plan** or required by any relevant authority or under applicable laws, Rules, regulations or guidelines and give such directions and instructions as may be necessary to resolve and settle all questions and difficulties that may arise in relation thereto including issuing clarifications to the concerned statutory and regulatory authorities, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board or Committee thereof in its absolute discretion may deem fit.”

“**RESOLVED FURTHER THAT** the Board and any of the Committee thereof, as has been or may be constituted, be and is hereby authorized to delegate all or any of the powers of the Board or Committee of the Board to any Director or Officer of the Company and generally to do things and all acts, deeds and things in connection therewith and incidental thereto as the Board/Committee in its absolute discretion may deem fit, including without limitation, to execute necessary documents and enter into contracts, arrangements, and to authorize all such persons at the absolute discretion of the Board.”

15. APPROVAL FOR OFFER AND ISSUE OF EQUITY SHARES OF FACE VALUE OF RUPEE TEN EACH BY THE COMPANY ON PREFERENTIAL BASIS TO PARTY(IES)

To pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Sections 42, 62 and other applicable provisions of the Companies Act, 2013 as amended, from time to time, (the “**Companies Act**”) (including any statutory modification or re-enactment thereof for the time being in force) read with Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, applicable provisions of Uniform Listing Agreement under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicable Rules, regulations, notifications, amendments issued by Government of India, Securities and Exchange Board of India (SEBI), RBI and any other regulatory or other appropriate authorities, Memorandum and Articles of Association of the Company and subject to such condition(s) and modification(s) as may be prescribed or as may be imposed by one or more of them while granting any such approval(s), consent(s), permission(s) and/or sanction(s), which may be agreed to by the Board of Directors of the Company hereinafter referred to as “**Board**” (which term shall be deemed to include any Committee which the Board has constituted or may constitute to exercise its powers including the powers conferred under this Resolution to any person duly authorized by the Board in this behalf) and enabling provisions of the Memorandum and Articles of Association of the Company and pursuant to RBI Circular, the consent, authority and approval of the Company be and is hereby accorded to the Board to offer, issue, and allot from time to time on preferential basis 35,20,00,000 (Thirty Five

Crore Twenty Lac only) Equity Shares at face value of Rs.10/- each fully paid up, at a price determined in accordance with the provisions of Section 53 of the Companies Act, 2013, RBI Circulars and Regulation 71 to 76 of ("SEBI ICDR Regulations"), to JSW Energy Limited, unsecured Creditors (herein after called "Party") in settlement of their entire/partial debts and on such other terms and conditions as may be decided by the Lenders, and as more particularly set out in the explanatory statement of Item No. 15 attached in accordance with Chapter VII of **SEBI ICDR Regulations**"), so that a portion of the outstanding amount of debt (which includes unpaid interest) amounting to Rs. 352,00,00,000 (Rupees Three Hundred Fifty Two Crore only) payable to Party by the Company is extinguished or paid."

"RESOLVED FURTHER THAT the **Reference Date/Relevant Date** in relation to pricing of the aforesaid issue of Equity Shares, in accordance with the RBI Circulars and SEBI ICDR Regulations would be 3rd August, 2018."

"RESOLVED FURTHER THAT the new Equity Shares arising out of the proposed issue shall rank pari-passu in all respects with the existing Equity Shares in the Company save and except to dividend that may be declared and paid in relation to the financial year in which the new Equity Shares are issued, which shall be pro-rata from the date of the allotment and shall be listed on the Stock Exchanges where the existing Equity Shares of the Company are listed."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board or Committee thereof be and is hereby authorized on behalf of the Company to take all actions including pursuing/implementing the full resolution plan finalized with the lenders and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient as found appropriate and the Board or Committee thereof, be and is hereby authorized to agree, make, accept all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit including condition(s), modification(s) and alteration(s) stipulated in the above Resolution or required by any relevant authority or under applicable laws, rules, regulations or guidelines and give such directions and instructions as may be necessary to resolve and settle all questions and difficulties that may arise in relation thereto including issuing clarifications to the concerned statutory and regulatory authorities, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board or Committee in its absolute discretion may deem fit, including without limitation, to execute necessary documents and enter into contracts, arrangements, and to authorize all such persons at the absolute discretion of the Board or Committee thereof, as may be necessary, in connection therewith and incidental thereto without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board or Committee thereof, be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Officer(s) of the Company respectively and to amend, modify, clarify the above resolution or to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including execution of any documents on behalf of the Company and to represent the Company before any government and regulatory authorities and to appoint any advisors, consultants for the purpose of implementation of the aforesaid Resolution."

16. AMENDMENT OF THE EXISTING TERMS AND CONDITIONS OF THE US\$ 200,000,000 5% FOREIGN CURRENCY CONVERTIBLE BONDS ("FCCBs") ISSUED BY THE COMPANY

To pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the Resolution passed by the Shareholders through Postal Ballot on 10th February, 2017 and in accordance with the provisions of Section 62 and other applicable provisions of the Companies Act, 2013 and/ or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment(s) thereof), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Deposit Receipt Mechanism) Scheme, 1993, as amended, the Uniform Listing Agreements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, where the Equity Shares of the Company are listed and the listing requirements of the Stock Exchange where the said FCCBs of the Company are listed and the applicable rules, regulations, notifications and circulars, if any, issued by Securities and Exchange Board of India ("SEBI") from time to time including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, the Reserve Bank of India ("RBI"), Government of India or any other competent authority and clarifications, if any, issued thereon from time to time by appropriate authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, as required under applicable laws of the RBI and any other regulatory, statutory or other authority(ies) as may be required, and subject to all conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions ("**Regulatory Approvals**"), which may be agreed to by the Board of Directors of the Company ("**Board**") (which term shall be deemed to include any committee constituted/ or to be constituted by the Board for exercising powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board, and the Board be and is hereby authorized, to modify the existing governing terms and conditions of the FCCBs as may be agreed between the Company and Lenders/Bond holders, downward reset of the conversion price of the outstanding FCCBs from the current conversion price of INR 85.8139 per Equity Share to INR 12.00 per Equity Share, subject to necessary approvals including Regulatory Approvals and approval of the holders of the FCCBs ("**Bondholders**")."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares (including additional Equity Shares) as may be required to be issued and allotted upon conversion of the FCCBs above as may be necessary pursuant to the proposed downward reset of the conversion price of the FCCBs and all such shares shall rank pari-passu with the existing Equity Shares of the Company in all respect as may be provided under the terms of issue thereof, in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulatory Approvals and other applicable laws."

"RESOLVED FURTHER THAT for the purpose of giving effect to the proposed downward reset of the conversion price of

the FCCBs above, and for any matter otherwise incidental or ancillary to the foregoing, the Board or the Committee of Directors as may be authorised by the Board, be and is hereby authorized, on behalf of the Company to do all such acts, deeds, matters, and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, filing of application(s) before RBI and other regulatory agencies whether in India or abroad, the entering into agreement(s) with one or more advisor(s), legal counsels and to sign all applications, filings, deeds, documents and writings and to pay any fees, commissions, remunerations, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such proposed downward reset of the conversion price of the FCCBs above, as it may, in its absolute discretion deem fit, without the need for any further authorisations of the shareholders in this regard."

By Order of the Board
For **JAIPRAKASH POWER VENTURES LTD**

A. K. RASTOGI

Place: New Delhi Jt. President & Company Secretary
Date : 31st August, 2018 (Membership No. FCS-1748)

Notes:

1. Relevant Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business set out under the above notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANY/BODY CORPORATES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY AS APPLICABLE. A BLANK PROXY FORM IS ENCLOSED.**

A person can act as the Proxy on behalf of the members, not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total Share Capital of the Company, carrying voting rights. However, a member holding more than 10% of the total Share Capital of the Company, carrying voting rights, may appoint a single person as the Proxy and such person shall not act as the Proxy for any other person or member.
3. Corporate Member(s) intending to send their Authorized Representative(s) are requested to send a duly certified copy of the Board Resolution authorizing such representative(s) to attend and vote at the Annual General Meeting.
4. All documents referred to in the Notice and the accompanying Statement, as well as the Annual Report and Annual Accounts of the subsidiary companies whose Annual Accounts have been consolidated with that of the Company, are open for inspection at the Registered Office of the Company on all working days, except Sundays and other holidays, between 11.00 A.M. and 1.00 P.M., upto the date of the Annual General Meeting.
5. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no Resolution is proposed for ratification

of appointment of Auditors, who were appointed in the Annual General Meeting held on 15th September, 2017 to hold their office till the conclusion of Annual General Meeting of year 2022.

6. Any query relating to the Financial Statements must be sent to the Company's Registered Office at Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli – 486 669 (Madhya Pradesh) or Corporate Office at 'JA House', 63, Basant Lok, Vasant Vihar, New Delhi- 110057 so as to reach at least seven days before the date of the Annual General Meeting. The envelope may please be superscribed "AGM Queries - Attn. Shri A.K. Rastogi, Joint President & Company Secretary."
7. (a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. Details of shares transferred to the IEPF Authority and the same can be accessed through the link: http://jppowerventures.com/wp-content/uploads/2018/07/JPVL_Consolidated-List-of-shares_trf-to-IEPF_Final.pdf. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
(b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the web link: <http://iepf.gov.in/IEPFA/refund.html> or contact Alankit Assignment Limited, 4E/2, Jhandewalan Extension, Delhi - 110055 for lodging claim for refund of shares and / or dividend from the IEPF Authority.
8. SEBI vide notification dated 8th June, 2018 has mandated that after the expiry of 180 days from the date of the notification, except in case of transmission or transposition of securities, request for effecting transfer of shares of a listed company shall not be processed unless the shares are held in dematerialized form with the depository.

Members who are still holding Shares in Physical Form are advised to dematerialize their shareholdings.
9. SEBI had further mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 and has advised that the shareholders holding shares in physical form and whose ledger folios do not have/ have incomplete details with regard to PAN and bank particulars, must compulsorily furnish the requisite details to the Company/Registrar and Transfer Agents (RTA). Accordingly members who are holding shares in physical form are requested to notify the change, if any, in their address or bank details to Company's RTA and always quote their folio number in all correspondence with the Company and RTA. In respect of holding shares in electronic form members are requested to notify any change in address or bank details to their respective Depository Participants.
10. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and

Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote on Resolutions proposed to be considered at the Annual General Meeting (AGM) by remote e-voting and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The members as on the cut-off date **viz. 21st September, 2018** shall only be eligible to vote on the Resolutions mentioned in the Notice of Annual General Meeting.

11. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
12. The members who have cast their vote by remote e-voting prior to the AGM can also attend the AGM but shall not be entitled to cast their vote again.
13. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	9.00 A.M. on 25 th September, 2018
End of remote e-voting	5.00 P.M. on 27 th September, 2018

During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **21st September, 2018**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the member, the member shall not be allowed to change it subsequently.

14. Procedure and instructions for remote e-voting

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- (iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- (iv) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

- (v) Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

- (vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

- (vii) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- (viii) Now, you will have to click on “Login” button.
- (ix) After you click on the “Login” button, Home page of e-Voting will open. **Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

- (i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- (ii) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- (iii) Select “EVEN” of company for which you wish to cast your vote.
- (iv) Now you are ready for e-Voting as the Voting page opens.
- (v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- (vi) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- (i) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sgsdel@gmail.com with a copy marked to evoting@nsdl.co.in.
- (ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- (iv) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (v) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **21st September, 2018**.
- (vi) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **21st September, 2018**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in

or [Issuer/RTA](#).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- (vii) A member can participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - (viii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - (ix) The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” or “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - (x) Shri D. P. Gupta, Practising Company Secretary (Membership No. FCS 2411) has been appointed as Scrutinizer and Shri Vishal Lochan Aggarwal, Practising Company Secretary (Membership No. FCS 7241) as Alternate Scrutinizer to Scrutinize the Polling at the ensuing Annual General Meeting and remote e-voting process in a fair and transparent manner and the Scrutinizer and Alternate Scrutinizer have given their consent for appointment and will be available for the said purpose.
 - (xi) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than Forty Eight hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - (xii) The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company www.jppowerventures.com and on the website of NSDL <https://www.nsdl.com/evoting/EvotingInstanceAndResults.aspx>. The results shall simultaneously be communicated to the Stock Exchanges.
15. The Register of Members and Share Transfer Books will remain closed from **21st September, 2018 to 28th September, 2018** (both days inclusive) for the purpose of Annual General Meeting.
 16. Members or their respective proxies are requested to:
 - (a) Bring copies of the Annual Report sent to the members as copies of Annual Report shall not be distributed at the Annual General Meeting;
 - (b) Quote their Folio no./Client-ID & DP-ID in all correspondence; and
 - (c) **Note that no gifts/coupons shall be distributed at the Annual General Meeting.**

17. Copies of the Notice of 23rd Annual General Meeting together with the Annual Report are being sent by Electronic mode to all the Members whose email addresses are registered with the Company/Depository Participant(s) and for Members who have not registered their e-mail addresses, physical copies of the Annual Report are being sent by the permitted mode, to those Members who hold shares as at **closing hours of business on 24th August, 2018**. Upon request, printed copy of Annual Report will be supplied to those share holders to whom Annual Report has been sent through Electronic Mode. The Notice is also available on the website of the Company www.jppowerventures.com and on the website of NSDL <https://www.nsdl.com/evoting/EvotingInstanceAndResults.aspx>.
18. Members, who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
19. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), Mandates, nomination, power of attorney, change of address, change of name, email address, contact numbers etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in Company's Records which will help the Company and the Company's Registrar and Transfer Agents – Alankit Assignments Limited (AAL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to AAL and always quote their Folio Numbers in all correspondences with the Company and RTA.
20. (a) The shareholdings of all the Directors in the Company (including those of who are being re-appointed) have been disclosed in the Report on Corporate Governance.
(b) None of the Director(s) proposed to be appointed/ re-appointed is related to any Director or Key Managerial Personnel of the Company or their respective relatives.
(c) Details of Directors retiring by rotation/ seeking re-appointment at the ensuing meeting are provided in the "Annexure" to the Notice pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India.

STATEMENT OF MATERIAL FACTS

Following Statement, pursuant to the provisions of Section 102 of the Companies Act, 2013, sets out the material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

As the members are aware, in terms of Section 148 of the Companies Act, 2013 and Rule 3A and Rule 4 of Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a Cost Auditor to conduct Audit of the cost records of the Company, relating to the Power Generation and Cement Grinding Unit.

M/s. Kabra & Associates, Cost Accountants have been appointed as the Cost Auditors of the Company for the Financial Year 2018-19 by the Board of Directors, in its meeting held on 5th May, 2018, on the recommendation of the Audit Committee. The Board has fixed remuneration of Rs. 1,50,000/- (Rupees One lakh fifty thousand only) exclusive of applicable Tax/GST and out-of-pocket expenses.

In terms of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors fixed by the Board of Directors is to be approved by the members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested, financially or otherwise, in this Resolution.

The Board commends the Resolution for approval of the members as an **Ordinary Resolution**.

Item No. 5 to 10

Continuation of Directors after attaining the age of 75 years

The following Directors of the Company are completing/have completed the age of 75 years, as per details given below:-

Sl. No.	Name	DIN	Date of Birth & Age	Tenure
1.	Shri B. B. Tandon, Independent Director	00740511	30.06.1941 (77 years)	20th September, 2017 to 19th September, 2020
2.	Shri A. K. Goswami, Independent Director	02636247	31.10.1943 (75 years)	
3.	Shri S. S. Gupta, Independent Director	02284265	13.10.1943 (75 years)	
4.	Dr. J. N. Gupta, Independent Director	00397952	19.10.1942 (76 years)	
5.	Shri K. N. Bhandari, Independent Director	00191219	01.03.1942 (76 years)	30th September, 2017 to 29th September, 2020
6.	Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha	02610012	12.10.1942 (76 years)	Appointed on 12th August, 2011 as Non-Executive & Non-Independent Director

The Securities and Exchange Board of India vide notification dated 9th May, 2018, amended the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, by inserting sub-regulation (1A) to the Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018, inter-alia, providing that w.e.f. 1st April, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless approval of shareholders is obtained by way of a Special Resolution to that effect.

Accordingly, the approval of shareholders is sought for their continuation as Directors beyond the age of 75 yrs., the brief profile of all such directors and details of justification are given below:-

Sl. No.	Name & Brief Profile of Directors	Detail of Justification
1.	Shri B. B. Tandon , holds a Bachelors Degree in Law and a Masters Degree in Economics from the University of Delhi. He is also a Certified Associate of the Indian Institute of Bankers. He was a Member of the Indian Administrative Services from 1965 to 2001 and had held various positions in the Central Government and the Government of Himachal Pradesh, such as Principal Secretary, Power and Chairman of the H.P.S.E.B. He has handled several key assignments in the Cabinet Secretariat, Department of Defence Production and Supplies, Ministry of Industry and Ministry of Mines, in the Government of India. He was the Election Commissioner and later Chief Election Commissioner of India from 2001 to 2006.	The Board of Directors feels that his rich experience as Principal Secretary (Power), Government of Himachal Pradesh and as Chairman of Himachal Pradesh State Electricity Board is of immense use during the decision making at Board level.
2.	Shri A. K. Goswami , IAS (Retd.), holds a Bachelors Degree in Mechanical Engineering. He has over 43 years of work experience in various capacities with the Central Government and the Government of Himachal Pradesh, including several senior level positions such as Secretary, Ministry of Water Recourses, Secretary, Drinking Water, Ministry of Rural Development, Director General of the National Productivity Council, Chief Secretary to the Government of Himachal Pradesh and Chairman of the H.P.S.E.B, amongst others. He was also the Chairman of the Board for Industrial and Financial Reconstruction (BIFR).	The Board of Directors feels that his rich experience as Chairman of Himachal Pradesh State Electricity Board and in Ministry of Water Resources helps Company in improving its core competence.
3.	Shri S. S. Gupta , is a first class Graduate in Electrical Engineering and a Post Graduate in Business Management, specialising in finance. He has served in various key positions such as the Chairman and Chief Executive Officer of the HPERC. He has also worked with the East African Power and Lighting Company, Kenya, as an Area Commercial Manager. He was also elected as the Senior Vice-Chairman of the Forum of Indian Regulators and continue to be its Honorary Member. He was also a Member of the Steering Committee of South Asian Forum of Infrastructure Regulators.	The Board of Directors feels that his Electrical Engineering Background coupled with high class Managerial skill is of immense help to the Board.
4.	Dr. J. N. Gupta , holds a Bachelors Degree in Commerce from Agra University, a Masters Degree in Commerce from Agra University, a Doctorate in Finance subject from Kanpur University. He is also a Member of the Indian Institute of Banking and Finance. He has previously worked with the Reserve Bank of India (1962-1964), as a Lecturer / Senior Reader, Department of Commerce, V.S.S.D. College, Kanpur University (1964-2002), as an Executive Director of U.P. Stock Exchange Association Limited (1993-2001), as a Professor and Director of Dr. Gaur Hari Singhania Institute of Management and Research (2002-2004), as a Director of Jagran Institute of Management, Kanpur (2006-2007). He is presently the Chief Executive Officer of Jagran Education Foundation.	The Board of Directors feels that a highly experienced person in handling Financial and Corporate matters as well as good scholar is of immense use to the Board.

Sl. No.	Name & Brief Profile of Directors	Detail of Justification
5.	Shri K. N. Bhandari , holds Bachelors' Degree in Law and is presently Chair Professor & Honorary Director of School of Insurance Studies, National Law University, Jodhpur. He was former Chairman-cum-Managing Director of New India Assurance Company Limited (2000-2002) and United India Assurance Company Limited (1998-2000).	The Board of Directors feel that his rich experience in the various positions held is of immense use to the Board.
6.	Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha , holds Bachelors' Degree in Engineering (Civil) from the University of Pune, a Masters' Degree in International Relations from the University of Madras, a Masters' Diploma in Business Administration from Symbiosis Institute of Management Studies, Pune and a Diploma in Foreign Trade from Institute of Foreign Trade, New Delhi. He was also a Member of the Institution of Engineers (India). He has over 54 years of experience in conceptualization, planning, direction and implementation of various projects especially in personnel management, equipment and materials, logistics and financial aspects. He has also served with the Indian Army for 40 years before retiring as a Lieutenant General. Presently, he is responsible for the overall administration of Vishnuprayag Plant of the Company	The Board of Directors is privileged to utilize his experience in project planning and implementation, expertise in handling man & material and wish to have him on the Board in future too.

Copy of letters of appointment of Shri B. B. Tandon, Shri A. K. Goswami, Shri S. S. Gupta, Dr. J. N. Gupta and Shri K. N. Bhandari, setting out the terms and conditions of appointment are available for inspection by the members at the Registered Office of the Company.

Shri B. B. Tandon, Shri A. K. Goswami, Shri S. S. Gupta, Dr. J. N. Gupta, Shri K. N. Bhandari and Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha and their relatives, are interested in the Resolutions set out respectively at item nos. 5 to 10 of the Notice with regard to their respective continuation as Director to the extent of their respective shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives, may be deemed to be concerned or interested, financially or otherwise, in the Resolutions.

The Board commends the Special Resolutions set out at Item nos. 5 to 10 of the Notice for approval of the members.

Item No.11

Shri Praveen Kumar Singh was appointed as a Whole-time Director of the Company from 12th August, 2011 to 11th August, 2016 at a salary in the Pay Scale and other perquisites as given in the Notice dated 11th August, 2011 for a period of 5 years. Since at the time of his appointment as Whole-time Director w.e.f 12th August, 2011, the Company was having a net profit of Rs. 165.11 crore during the relevant preceding Financial Year 2010-11, therefore, no approval of the Central Government was required for his appointment and payment of remuneration as per the relevant provisions of the Companies Act, 1956. Further, the shareholders at that meeting had also resolved that in the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the remuneration so approved shall be paid to him as minimum remuneration.

On expiry of his five years tenure on 11th August, 2016, the Shareholders at the 21st AGM held on 24th September, 2016, had, subject to approval of the Central Government, approved his re-appointment and remuneration on the same terms & conditions for a period of three years from 12th August, 2016 to 11th August, 2019. However, in view of loss in the preceding Financial Year i.e. 2015-16, the approval of his remuneration including the same as minimum remuneration in the case of inadequacy of profit was based on the effective capital of Rs.18,623.35 crore as on 31st March, 2015 as per Schedule-V to the Companies Act, 2013.

Since apart from losses in the Financial Year 2015-16, there was occurrence of defaults in repayment of Loans and interest to Banks and financial Institutions for a period exceeding 30 days, therefore, as per the Notification dated 12th September, 2016 of Ministry of Corporate Affairs (MCA), the Company had obtained approval from Secured Creditors vide letter dated 30th December, 2016 and had taken fresh approval from shareholders on 10th February, 2017, and thus complied with the condition stipulated in the aforesaid Notification of MCA. As a result, approval of Central Government for payment of remuneration to him was required only for intervening period of six months from 12th August, 2016 till 9th February, 2017, when the proposal was again approved by the Shareholders on 10th February, 2017.

However, upon filing an application to MCA for approval of his remuneration for the period from 12th August, 2016 to 11th August, 2019, MCA vide letter no. SRN G32369571/1/2017-CL-VII dated 7th April, 2017 and 28th June, 2017 has stated that the Company had inadequate profits under Section 198 of the Companies Act, 1956 during FY 2013-14 and was in default and in loss during the FY 2015-16 and FY 2016-17, hence, the eligible managerial remuneration to Shri Praveen Kumar Singh during the FY 2015-16 and FY 2016-17 was 'Nil'. MCA vide letter of even number dated 11th September, 2017 has subsequently rejected his application for payment of remuneration to him during the aforesaid period. A representation dated 14th November, 2017 was made to MCA against such rejection, however, replies from MCA is still awaited.

In order to ratify the excess remuneration paid to Shri Praveen Kumar Singh during the past period, on the recommendation of Nomination and Remuneration Committee, the Board in its meeting held on 5th May, 2018, subject to approval of shareholders, approved the proposal for waiver of excess remuneration of Rs. 115.51 lakh paid to him during the FY 2013-14 and for waiver of remuneration of Rs.150.20 lakh paid to him during FY 2015-16 and Rs.127.35 lakh for the FY 2016-17 (upto 9th February, 2017) as per amended Section 197 of the Companies Act, 2013.

Since amended Section 197 of the Companies Act 2013, as per Companies (Amendment) Act 2017, inter-alia, provides that for payment of excess remuneration to managerial personnel instead of Central Government, the approval of Shareholders by Special Resolution is required and in case of loss and default in payment of interest and loan to Secured Creditors, the approval of such creditors, shall be obtained by the Company before obtaining approval of shareholders. Accordingly, the Company vide letter No.MFG/2018/07/816 dated 27th July, 2018 issued by ICICI Bank Limited on behalf of lenders has obtained approval/ NOC from Secured Creditors and the said letter is being placed before the members and will form part of material documents for inspection, the same shall be open for inspection at the Registered Office of the Company upto the date of declaration of results of the AGM.

The Company has filed applications to Central Government for waiver of excess remuneration paid to Shri Praveen Kumar Singh during the Financial Year 2013-14, 2015-16 and 2016-17, and such applications are pending before the Central Government and Notification of Section 197 of Companies Act 2013 is yet to

be issued, pending issue of such Notification, the approval of shareholders of the Company is sought by a Special Resolution.

Except Shri Praveen Kumar Singh, and his relatives none of the Directors and Key Managerial Personnel of the Company, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board commends the Resolution for the approval of the members as a **Special Resolution**.

Item No 12

Shri Suren Jain, was appointed as Managing Director & CFO of the Company w.e.f. 12th January, 2010 for a period of 5 years by the Shareholders through Resolution dated 11th March, 2010. Since during the relevant preceding Financial Year 2008-09, the Company was having adequate net profit, therefore, no approval of the Central Government was required for his appointment and remuneration was fixed as per the erstwhile Companies Act, 1956. Later, his remuneration was revised w.e.f. 1st April, 2011 at the 16th AGM held on 30th September, 2011 for the remaining period of his tenure upto 11th January, 2015, since during that relevant period also, the Company was having adequate net profit therefore, no approval of the Central Government was required pursuant to the Companies Act, 1956.

Subsequently, he was re-appointed as Managing Director and CFO of the Company for a period of 5 years from 12th January, 2015 to 11th January, 2020, but his remuneration was approved for a period of three years w.e.f. 12th January, 2015 to 11th January, 2018 by the shareholders of the Company by a Special Resolution passed at the 19th AGM held on 20th September, 2014 and the remuneration was approved as the minimum remuneration in the event of absence or inadequacy of profits in any financial year during the tenure of his appointment.

As the profits of the Company during the relevant FY 2013-14 were inadequate; remuneration of Shri Suren Jain was fixed as per the limit of minimum remuneration prescribed in Schedule V of the Companies Act, 2013.

On an application made to Ministry of Corporate Affairs (MCA) for seeking approval of appointment and payment of remuneration to Shri Praveen Kumar Singh, Whole-time Director of the Company for a period of three years from 12.08.2016 to 11.08.2019, as elaborated in Item No.11, MCA vide letter dated 28th June, 2017 observed that the applicant Company had inadequate profit u/s 198 of the Companies Act 1956, during the FY 2013-14, but the Company had remunerated Shri Suren Jain also without the requisite Central Govt. approval during the FY 2013-14. MCA in the aforesaid letter dated 28.06.2017 has further stated that the Company was in default and in loss during the FY 2015-16 and the default being for more than 30 days as on 31.03.2016 and subsequently made good as on 12.12.2016, thus default continued during the FY 2015-16 and FY 2016-17 for more than 30 days, hence, the managerial remuneration payable to him during the FY 2015-16 and FY 2016-17 was stated to be 'Nil'.

Though the shareholders of the company at the 16th AGM held on 30th September, 2011 fixed his remuneration pursuant to Schedule-XIII to the Companies Act, 1956 and have also resolved that the appointee shall be paid the remuneration as approved by the Shareholders as the minimum remuneration in the event of loss or inadequacy of profit in any year during his remaining tenure but since during the FY 2013-14, the Company was having inadequate profit, as such the remuneration paid to him during the FY 2013-14 was in excess of Rs 133.62 lakh beyond the limit of minimum remuneration of Rs. 48.00 lakh. As such, for waiver of excess remuneration paid to him during the FY 2013-2014, the approval of Central Government is required.

Further, since the Company had defaulted in the repayment of principal and interest to Banks and financial Institutions during the FY 2015-16 and FY 2016-17 and the default as on 31st March, 2016 continued for 30 days or more as the same has been made good as on 12th December, 2016. Thus, though remuneration paid to him was within the limit of minimum remuneration during FY 2015-16, FY 2016-17 and FY 2017-18 (upto 11.01.2018) but due to default in repayment of loan and interest thereon during this period, the approval of Central Government is required for such payment.

The Company vide letter dated 14th November, 2017 has represented to MCA, however, reply from MCA is still awaited.

In order to ratify the excess remuneration paid to Shri Suren Jain during the past period, on the recommendation of Nomination and Remuneration Committee, the Board of Directors in its meeting held on 5th May, 2018 subject to approval of lenders and shareholders, approved the proposal for waiver of excess remuneration paid to the tune of Rs. 133.62 lakh during the FY 2013-14 and for payment of remuneration of Rs. 156.41 lakh during FY 2015-16, Rs.182.50 lakh for the FY 2016-17 and Rs.201.74 lakh for FY2017-18 (upto 11th January 2018) in terms of Section 197 as per amended Section 197 of the Companies Act, 2013.

Except Shri Suren Jain, and his relatives none of the Directors and Key Managerial Personnel of the Company, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board commends the Resolution for the approval of the members as a **Special Resolution**.

The Information as required by second proviso (iv) of Paragraph B of Section-II of Part-II of Schedule-V of the Companies Act, 2013 in respect of Item No.11 & 12 is given below:-

I. GENERAL INFORMATION:

Sl. No.	Description	Reply
1.	Nature of Industry:	Power Generation (Hydro and Thermal), Cement grinding and Coal Mining
2.	Date or expected date of commencement of commercial production:	a) Jaypee Vishnuprayag Hydro Power Plant: June, 2006 (1st Unit), July, 2006 (2nd Unit), August, 2006 (3rd unit) and October, 2006 (4th Unit). b) Jaypee Bina Thermal Power Project: August, 2012 (1st Unit) and April, 2013 (2nd Unit). c) Jaypee Nigrie Super Thermal Power Project August, 2014 (1st Unit of 660 MW) and December, 2014 (2nd Unit of 660 MW). d) Jaypee Nigrie Cement Grinding Unit June, 2015
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable.
4.	Financial performance based on given indicators:	
		(Rs. in crore)
	Particulars	FY-15-16 FY-16-17 FY-17-18
	Total Income	4,056.30 2,879.43 3,730.06
	EBIDTA	2,434.93 1,065.38 1359.90
	PAT	(231.00) (760.18) (527.35)
	EPS	(0.79) (2.31) (0.88)
	Net Block of Fixed Assets [including CWIP]	16,304.64 16,010.43 15,570.96
	Net Worth	7,615.00 9,892.81 9,365.46
5.	Foreign Investments or collaborations, if any:	NIL

II.	INFORMATION ABOUT THE APPOINTEE:	
A)	Shri Praveen Kumar Singh, Whole-time Director	B) Shri Suren Jain, Managing Director & CFO
(1)	Background details:	
	Shri Praveen Kumar Singh, aged about 46 years, whole-time Director of the Company, holds a Bachelors' Degree in Civil Engineering from the University of Bangalore. He has been associated with Jaypee Group for the past 21 years and has been involved in the construction and implementation of Karcham-Wangtoo HEP. He was also involved in the construction of the Indira Sagar hydro electric project and was the unit in-charge of Omkareshwar hydroelectric project. He is on the Boards of Jaypee Infra Ventures Private Limited and Jaypee Meghalaya Power Limited. He holds 3,50,000 Equity Shares of the Company in his own name. Neither any share is held by him for any other person on a beneficial basis, nor does any other person hold any share for Shri Praveen Kumar Singh on a beneficial basis. The Nomination & Remuneration Committee and Board of Directors in their Meetings held on 5th May, 2018, had ratified/approved the payment of excess remuneration to him for FY 2013-14, FY 2015-16 & FY 2016-17 (upto 9th February, 2017).	Shri Suren Jain, aged 48 years, Managing Director and Chief Financial Officer of the Company, holds a Bachelors' Degree in Production Engineering from Marathwada University, Aurangabad, and has over 25 years of experience in corporate planning, corporate finance and management. He had worked in various capacities and businesses within the Jaypee Group, including, working on the construction of the Indira Sagar and Sardar Sarovar Dams and the commissioning of the Jaypee Group's hotel projects in Mussoorie and Agra. He is on the Boards of Akasva Associates Private Limited, Jaypee Powergrid Limited, Prayagraj Power Generation Company Limited, SHEL Investments Consultancy Private Limited, Yamuna Expressway Tolling Limited, Jaypee Uttar Bharat Vikas Private Limited, Jaypee Infra Ventures Private Limited, Sunil Hitech Energy Private Limited, MSMC Adkoli Natural Resources Limited, Jaypee Infrastructure Development Limited and Bina Power Supply Limited. He is Member of Nomination and Remuneration Committee of Prayagraj Power Generation Company Limited. He is also Chairman of Corporate Social Responsibility Committee of Jaypee Infra Ventures Private Limited. He is chairman of Finance Committee and Member of Audit Committee and Corporate Social Responsibility Committee of Jaypee Powergrid Limited. He is also member of Stakeholders Relationship Committee, Finance Committee, Committee of Directors (For Restructuring), CSR Committee and Committee of Directors (For Raising Funds) of the Company. He holds 71,100 Equity Shares of the Company in his own name. Neither any share is held by him for any other person on a beneficial basis, nor does any other person hold any share for Shri Suren Jain on a beneficial basis. The Nomination & Remuneration Committee and Board of Directors in their Meetings held on 5th May, 2018, had ratified/approved the payment of excess remuneration to him for FY 2013-14, FY 2015-16, FY 2016-17, FY 2017-18 (upto 11th January, 2018).
(2)	Past remuneration:	
	Praveen Kumar Singh Rs. 9,61,875/- per month in the Pay Scale of Rs. 2,25,000-22,500-3,37,500-33,750-5,06,250-50,625-7,59,375-50,625-10,12,500	Suren Jain Rs. 12,60,000/- (Rupees Twelve Lac Sixty Thousand only) per month) in the pay scale of Rs. 4,00,000-40,000-6,00,000-60,000-9,00,000-90,000-13,50,000
(3)	Recognition or Awards:	
	Nil	Nil
(4)	Job profile and his suitability:	
	Shri Praveen Kumar Singh has been associated with Jaypee Group for the past 21 years and has been involved in the construction of the Indira Sagar Hydro electric Project and was the unit in-charge of Omkareshwar Hydro-electric Project. Shri Praveen Kumar Singh has vast experience in construction, implementation and management of Hydro – Power Projects/plants. His continuation in present post was necessary considering the responsibility handled constant requirement of management expertise and his qualification and experience.	As a Managing Director and CFO of the Company, he is responsible for arranging finance and to look after management of day-to-day affairs of the Company, at all Plants/ Projects of the Company and at Head Office under superintendence, control and directions of the Board of Directors, for which he is considered to be quite competent and suitable. His continuation in present post was necessary considering the responsibility handled constant requirement of management expertise and his qualification and experience.
(5)	Remuneration proposed:	
	Waiver of excess remuneration of Rs. 115.51 lakh paid to him during the FY 2013-14 and for waiver of remuneration of Rs.150.20 lakh paid to him during FY 2015-16 and Rs.127.35 lakh for the FY 2016-17 (upto 9th February, 2017) as per amended Section 197 of the Companies Act, 2013, which is subject to approval of Central Government, till it is notified.	Waiver of excess remuneration of Rs.133.62 lakh paid to him during the FY 2013-14 and for waiver of remuneration of Rs.156.41 lakh paid to him during FY 2015-16 and Rs.182.50 lakh for the FY 2016-17 and Rs. 201.74 lakh for FY 2017-18 (upto 11th January, 2018) as per amended Section 197 of the Companies Act, 2013, which is subject to approval of Central Government, till it is notified.

(6)	Perquisites and other benefits:	
	Besides the above salary, Shri Praveen Kumar Singh shall be entitled to the perquisites which may include accommodation/ HRA, reimbursement of expenses for gas, electricity, water and furnishings, medical reimbursement, LTC, insurance premium, contribution to Provident Fund, Superannuation Fund or Annuity Fund, and Gratuity at a rate not exceeding half a months' salary for each completed year of service and leave encashment at the end of the tenure etc. Perquisites, save and except the following, would be restricted to an amount equal to the annual salary: (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; (ii) Gratuity at a rate not exceeding half a month's salary for each completed year of service; and (iii) Encashment of leave at the end of the tenure as per rules/ policy of the Company. Shri Praveen Kumar Singh, Whole-time Director, shall also be entitled to use of car, telephone at residence and mobile phone for Company's business at Company's expense. The Chairman is authorized to fix the inter-se limits of the aforesaid perquisites.	Besides the above salary, Shri Suren Jain shall be entitled to the perquisites which may include accommodation/ HRA, reimbursement of expenses for gas, electricity, water and furnishings, medical reimbursement, LTC, insurance premium, contribution to Provident Fund, Superannuation Fund or Annuity Fund, and Gratuity at a rate not exceeding half a months' salary for each completed year of service and leave encashment at the end of the tenure etc. Perquisites, save and except the following, would be restricted to an amount equal to the annual salary: (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; (ii) Gratuity at a rate not exceeding half a month's salary for each completed year of service; and (iii) Encashment of leave at the end of the tenure as per rules/ policy of the Company. Shri Suren Jain, Managing Director & CFO, shall also be entitled to use of car, telephone at residence and mobile phone for Company's business at Company's expense. The Chairman is authorized to fix the inter-se limits of the aforesaid perquisites.
(7)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	
	Keeping in view of the criticality of the electricity generation business, number of Projects operated by the Company, Effective Capital and Revenue of the Company, the payment of remuneration to Whole-time Director in his existing pay scale is justifiable, which is at par with the trend of industry regarding the payment of remuneration to the managerial personnel in the private sector power generating company.	Keeping in view of the criticality of the electricity generation business, number of Projects operated by the Company, Effective Capital and Revenue of the Company, the payment of remuneration to Managing Director & CFO in his existing pay scale is justifiable, which is at par with the trend of industry regarding the payment of remuneration to the managerial personnel in the private sector power generating company.
(8)	Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:	
	Shri Praveen Kumar Singh is the Whole-time Director and thus receives Directors' remuneration. Apart from above, he and his relatives is/ are also entitled to various benefits in respect of his/ their shareholdings, if any, in the Company and other group companies of Jaypee Group in which he/ his relatives is/ are holding shares.	Shri Suren Jain is the Managing Director & CFO and thus receives Directors' remuneration. Apart from above, he and his relatives is/ are also entitled to various benefits in respect of his/ their shareholdings, if any, in the Company and other group companies of Jaypee Group in which he/ his relatives is/ are holding shares.

III. OTHER INFORMATION:

(1) Reasons of loss or inadequate profits:

The operations of the Company for year ended 31st March, 2018 resulted in net loss of Rs. 527.35 crore as compared to net loss of Rs. 760.18 crore in the previous year. The reasons for the losses were as under:-

- i) In respect of 500 MW Jaypee Bina Thermal Power Plant (JBTPP), the Company has executed a Power Purchase Agreement (PPA) with Madhya Pradesh Power Management Company Ltd. (MPPMCL) to supply 65% of installed capacity at tariff determined by MPERC guidelines and 5% of actual generation at variable cost. Thus the Plant supplies 70% of the installed capacity on long-term basis to MPPMCL in terms of the Power Purchase

Agreements executed with them and balance of installed capacity is to be sold as merchant power.

MPPMCL has restricted offtake to 70%/60% of the contracted capacity from all the power producer(s) in Madhya Pradesh. However, MPPMCL is also not adhering to the above restriction of 70%/60% of the contracted capacity and is giving despatch schedules erratically, which is technically not feasible, requiring Company to sell balance power to power exchanges at the unremunerative market prices. During the year 2017-18, 1,126.38 MUs power were sold through exchange.

- ii) The Company had acquired coal mine at Amelia (North) at a negative bid of Rs.712 PMT through e-auction conducted by Government of India for

meeting part of the coal requirement of 1320 MW Jaypee Nigrie Supercritical Thermal Power Plant (JNSTPP) and the Coal mine allocation condition require that 85% of Amelia Coal shall be used for sales through long term PPA(s) to DISCOMS, the balance 15% can be used for sale on merchant basis.

The Company achieved a PLF of 66.49% as compared to 62.85% in the previous year. The Plant has long term PPAs only for 37.5% (Including 7.5% on variable cost) with MPPMCL. Energy was also sold on merchant power basis through bilateral arrangements and through Indian Energy Exchange & Power Exchange of India Limited. The merchant power rates are not very attractive and hardly cover variable cost. The operations have been adversely affected due to non-availability of long term PPA(s) and lower merchant power rates.

- iii) The Company has a captive coal mine, Amelia (North), with an annual mining capacity of 2.8 MTPA as per the Coal Mine Development and Production Agreement (CMDPA). Allocation of Amelia (North), coal block, which was already in production & supplying coal to JNSTPP, was cancelled by the Hon'ble Supreme Court in September 2014. In order to keep JNSTPP operational, the Company secured Amelia (N) coal block against stiff competition at a negative bid of INR 712 PMT, which is not passed through the tariff.

(2) Steps taken or proposed to be taken for improvement:

- i) The Company had sold some of its plants (300 MW Baspa-II HEP & 1091 MW Karcham Wangtoo HEP) to improve the liquidity & reduce the debt/ interest burden. The lenders have converted Rs. 3058 crores out of its debts/outstanding interest into Equity upon invocation of Strategic Debt Restructuring Scheme. This has resulted into reduction of interest burden on the Company.
- ii) As on 31.03.2018, the Company was having outstanding loan of Rs.11,342.98 crore from banks and financial institutions, which has been reduced from Rs. 22901.41 crore as on 31.03.2015. The finance cost has also come down to Rs.1491.78 crore from Rs. 2117.55 crore in FY 2014-15. The Company has requested the lenders to consider the resolution/revival plan, which is under consideration of lenders as per revised RBI guidelines.

(3) Expected increase in productivity and profits in measurable terms:

It is expected that in the near future, with the betterment in Indian economy & turnaround of Power Sector in which the Company operates, and reduction of debt burden on the Company due to resolution/revival plan being considered by lenders, the Company is expected to improve its operations.

IV. DISCLOSURES:

The following disclosures if applicable, have been mentioned in the Board of Directors' Report under the heading "Corporate Governance", attached to the Annual Report:

Shri Praveen Kumar Singh, Whole-time Director	Shri Suren Jain, Managing Director & CFO
(i) All elements of remuneration packages such as salary, benefits, bonuses, stock options, pension, etc. of all the Directors:	
Salary and benefits are being disclosed in the Annual Report. The Company did not give any bonuses and stock options to the Directors.	Salary and benefits are being disclosed in the Annual Report. The Company did not give any bonuses and stock options to the Directors.
(ii) Details of fixed component and performance linked incentives along with the performance criteria:	
Salary and benefits are being disclosed in the Annual Report. The Company does not give any performance linked incentives to the Directors.	Salary and benefits are being disclosed in the Annual Report. The Company does not give any performance linked incentives to the Directors.
(iii) Service contracts, notice period, severance fees:	
Not Applicable.	Not Applicable.
(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:	
Not Applicable.	Not Applicable.

DETAILS OF DIRECTORS RETIRING BY ROTATION/SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Particulars	Shri Suren Jain	Shri Praveen Kumar Singh	Shri B. B. Tandon
Age	48 Years	46 Years	77 Years
Qualifications	Bachelors' Degree in Production Engineering from Marathwada University, Aurangabad	Bachelors' Degree in Civil Engineering from the University of Bangalore	Bachelors' Degree in Law and Masters' Degree in Economics from the University of Delhi
Experience (including expertise in specific functional area)/ Brief Resume	Shri Suren Jain has over 25 years of experience in corporate planning, corporate finance and management. He had worked in various capacities and businesses within the Jaypee Group, including, working on the construction of the Indira Sagar and Sardar Sarovar Dams and the commissioning of the Jaypee Group's hotel projects in Mussoorie and Agra.	He has been associated with Jaypee Group for the past 21 years' and has been involved in the construction and implementation of Karcham-Wangtoo HEP. He was also involved in the construction of the Indira Sagar hydro electric project and was the unit in-charge of Omkareshwar hydroelectric project.	He holds an 'Associate Certificate' from the Indian Institute of Bankers (CAIIB). He was a Member of the Indian Administrative Services (IAS) from 1965 to 2001. He held various positions in the Government of India and Government of Himachal Pradesh including as Principal Secretary, Power and Chairman, Himachal Pradesh State Electricity Board. He handled several key assignments in the Cabinet Secretariat, Department of Defence Production and Supplies, Ministry of Industry and the Ministry of Mines, Government of India. He was the Election Commissioner and later Chief Election Commissioner of India from 2001 to 2006.
Terms and Conditions of Appointment/ Re-Appointment	In terms of Section 257 of the Companies Act, 1956, Shri Suren Jain who was appointed as Director at the Annual General Meeting held on 24th September, 2010 is liable to retire by rotation at the meeting.	In terms of Section 257 of the Companies Act, 1956, Shri Praveen Kumar Singh who was appointed as Director at the Annual General Meeting held on 30th September, 2011 is liable to retire by rotation at the meeting.	As per the Resolution at item no. 5 of the Notice convening this Annual General Meeting read with explanatory statement thereto, Shri B. B. Tandon is proposed to be continued as an Independent Director even after attaining the age of 75 years.
Date of first appointment on the Board	12th January, 2010	12th August, 2011	29th October, 2007
Shareholding in the Company as on June 30, 2018	71,100 Equity Shares	350,000 Equity Shares	NIL
Relationship with other Directors/ Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of the Board attended during the year	4	1	4
Directorships of other Companies as on June 30, 2018	- Akasva Associates Private Limited, - Jaypee Powergrid Limited - Prayagraj Power Generation Company Limited, - SHEL Investments Consultancy Private Limited, - Yamuna Expressway Tolling Limited - Jaypee Uttar Bharat Vikas Private Limited - Jaypee Infra Ventures Private Limited [previously known as Jaypee Infra Ventures (A private company with unlimited liability)], - Sunil Hitech Energy Private Limited, - MSMC Adkoli Natural Resources Limited - Jaypee Infrastructure Development Limited - Bina Power Supply Limited	- Jaypee Infra Ventures Private Limited [Previously known as Jaypee Infra Ventures (a private company with unlimited liability)] - Jaypee Meghalaya Power Limited	- Birla Corporation Limited - Exicom Tele-Systems Limited - Filatex India Limited - Jaypee Infratech Limited - Oriental Carbon & Chemicals Limited - Ambience Private Limited - Duncan Engineering Limited (Previously known as Schrader Duncan Limited) - Jinbhuvish Power Generations Private Limited

Particulars	Shri Suren Jain	Shri Praveen Kumar Singh	Shri B. B. Tandon
Membership / Chairmanship of Committees of other Public Companies as on June 30, 2018	Prayagraj Power Generation Company Limited - Nomination & Remuneration Committee – Member Jaypee Powergrid Limited - Audit Committee – Member - Corporate Social Responsibility – Member - Finance Committee - Chairman	NIL	Birla Corporation Limited - Audit Committee – Member - Nomination & Remuneration Committee – Member - Corporate Social Responsibility – Member Filatex India Limited - Audit Committee – Member - Nomination & Remuneration Committee – Member - Corporate Social Responsibility – Member Duncan Engineering Limited - Audit Committee – Member - Nomination & Remuneration Committee – Member Oriental Carbon & Chemicals Limited - Audit Committee – Member - Nomination & Remuneration Committee – Member Exicom Tele-systems Limited - Audit Committee – Member - Nomination & Remuneration Committee – Member - Corporate Social Responsibility – Chairman Jaypee Infratech Limited - Finance Committee - Member - Nomination & Remuneration Committee – Chairman - Corporate Social Responsibility – Chairman - Fund Raising Committee – Chairman

Particulars	Shri A. K. Goswami	Shri S. S. Gupta	Dr. J. N. Gupta
Age	75 Years	75 Years	76 Years
Qualifications	Bachelors' Degree in Mechanical Engineering	First Class Graduate in Electrical Engineering and a Post Graduate in Business Management with specialisation in Finance	M.Com., Ph.D., C.A.I.I.B., D.I.F
Experience (including expertise in specific functional area)/Brief Resume	He is Retd IAS and has over 46 years of experience in various capacities with the Central Government and the Government of Himachal Pradesh, including several senior level positions such as Secretary, Ministry of Water Resources, Secretary, Drinking Water, Ministry of Rural Development, Director General of the National Productivity Council, Chief Secretary to the Government of Himachal Pradesh and amongst other positions, he was also the Chairman of the Himachal Pradesh State Electricity Board. He was also the Chairman of the Board for Industrial and Financial Reconstruction (BIFR).	Shri S. S. Gupta has served in key positions such as the Chairman and Chief Executive Officer of Himachal Pradesh Electricity Regulatory Commission. He also worked with East African Power and Lighting Company, Kenya. He was elected as the Senior Vice-Chairman of the Forum of Indian Regulators and continues to be its Honorary Member. He was also a Member of the Steering Committee of South Asian Forum of Infrastructure Regulators	He served Reserve Bank of India from 1962 to 1964, as a Lecturer and later as Senior Reader, Department of Commerce, V.S.S.D. College, Kanpur University, as the Executive Director of U.P. Stock Exchange Association Ltd., Professor & Director of Dr. Gaur Hari Singhania Institute of Management & Research (2002-2004), Director of Jagran Institute of Management, Kanpur (2006-2007) and is presently Chief Executive Officer of Jagran Education Foundation. During the last 8 years with 'Jagran', he has been instrumental in setting up professional colleges including schools by the name of Jagran in New Delhi & Noida.
Terms and Conditions of Appointment/ Re-Appointment	As per the Resolution at item no. 6 of the Notice convening this Annual General Meeting read with explanatory statement thereto, Shri A. K. Goswami is proposed to be continued as an Independent Director even after attaining the age of 75 years.	As per the Resolution at item no. 7 of the Notice convening Annual General Meeting read with explanatory statement thereto Shri S. S. Gupta is proposed to be continued as an Independent Director even after attaining the age of 75 years.	As per the Resolution at item no. 8 of the Notice convening this Annual General Meeting read with explanatory statement thereto, Dr. J. N. Gupta is proposed to be continued as an Independent Director even after attaining the age of 75 years.

Particulars	Shri A. K. Goswami	Shri S. S. Gupta	Dr. J. N. Gupta
Date of first appointment on the Board	12th January, 2010	26th July, 2008	14th March, 2008
Shareholding in the Company as on June 30, 2018	-	-	2,500 equity shares
Relationship with other Directors/ Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of the Board attended during the year	3	3	4
Directorships of other Companies as on June 30, 2018	Stone India Limited	Jaypee Infratech Limited	- J.K. Cotton Limited - Prayagraj Power Generation Company Limited - RSPL Limited.
Membership / Chairmanship of Committees of other Public Companies as on June 30, 2018	Stone India Limited - Audit Committee- Member - Nomination & Remuneration Committee – Member - Share Allotment Committee – Member	NIL	J.K. Cotton Limited - Audit Committee-Chairman - Stakeholder's Relationship Committee – Chairman RSPL Limited - Audit Committee- Member - Nomination & Remuneration Committee - Member Prayagraj Power Generation Company Limited - Audit Committee - Chairman - Nomination & Remuneration Committee-Chairman - Corporate Social Responsibility - Chairman

Particulars	Shri K. N. Bhandari	Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha
Age	76 Years	76 Years
Qualifications	Bachelors' Degree in Law and is presently Chair Professor & Honorary Director of School of Insurance Studies, National Law University, Jodhpur	Bachelors' Degree in Engineering (Civil) from University of Pune, a Masters' Degree in International Relations from Madras University, Masters Diploma in Business Administration from Symbiosis Institute of Management Studies, Pune, Diploma in Foreign Trade from Institute of Foreign Trade, New Delhi, and was also a Fellow of the Institution of Engineers, New Delhi
Experience (including expertise in specific functional area)/Brief Resume	Shri Kailash Nath Bhandari was former Chairman-cum-Managing Director of New India Assurance Company Limited (2000-2002) and United India Assurance Company Limited (1998-2000).	He has over 56 years of experience in conceptualization, planning, direction and implementation of various projects especially in personnel management, equipment and materials, logistics and financial aspects. He has also served with the Indian Army for 40 years before retiring as a Lieutenant General. Presently, he is responsible for the overall administration of Vishnuprayag Plant.
Terms and Conditions of Appointment/ Re-Appointment	As per the Resolution at item no. 9 of the Notice convening this Annual General Meeting read with explanatory statement thereto Shri K. N. Bhandari is proposed to be continued as an Independent Director even after attaining the age of 75 years.	As per the Resolution at item no. 10 of the Notice convening this Annual General Meeting read with explanatory statement thereto Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha is proposed to be continued as Non-executive and non-Independent Director even after attaining the age of 75 years.
Date of first appointment on the Board	30th September, 2014	12th August, 2011
Shareholding in the Company as on June 30, 2018	-	2,850 Shares
Relationship with other Directors/ Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel

Particulars	Shri K. N. Bhandari	Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha
Number of meetings of the Board attended during the year	3	1
Directorships of other Companies as on June 30, 2018	- Jaiprakash Associates Limited - Andhra Cements Limited - Agriculture Insurance Company of India Limited - Shristi Infrastructure Development Corporation Limited - Magma HDI General Insurance Company Limited - Saurashtra Cement Limited - Hindalco Industries Limited - Gujarat Sidhee Cement Limited - Suvas Holding Limited	NIL
Membership / Chairmanship of Committees of other Public Companies as on June 30, 2018	Andhra Cements Ltd - Audit Committee- Chairman Agriculture Insurance Company India Ltd. - Audit Committee - Chairman - Investment Committee -Member - Risk Management Committee - Chairman - Nomination & Remuneration Committee - Chairman - Personnel Committee - Chairman Shrishti Infrastructure Development Corporation Ltd. - Audit Committee - Member - Nomination & Remuneration Committee - Member - Stakeholders' Relationship Committee - Member Magma HDI General Insurance Company Limited - Audit Committee - Member - Investment Committee - Chairman - Policy Holders' Protection Committee - Chairman - Risk Management Committee/Board Committee - Member - Nomination & Remuneration Committee – Member Jaiprakash Associates Limited - Audit Committee - Chairman - Risk Management Committee - Member - Finance Restructuring Committee - Member Saurashtra Cement Limited - Audit Committee- Member - Nomination & Remuneration Committee – Member Hindalco Industries Ltd - Audit Committee - Member - Stakeholders' Relationship Committees-Chairman - Nomination & Remuneration Committee – Member Suvas Holding Limited - Audit Committee - Member	NIL

Item No. 13

The present Capital structure of the 'Company is as under:

Particulars	Authorised Share Capital		Issued/Subscribed/Paid up Share Capital	
	Number of shares	Value in Rs.	Number of shares	Value in Rs.
Equity Shares of Rs.10/- each	705,00,00,000	7050,00,00,000	599,60,03,084	5996,00,30,840
Preference Shares of Rs.100/- each	30,00,00,000	3000,00,00,000	-Nil-	-Nil-
Total		10050,00,00,000		5996,00,30,840

As on 31st July, 2018, the Company has outstanding secured term loan of Rs. 11,508.72 crore from various banks and financial institutions and other unsecured creditors. Pursuant to revised RBI Guidelines dated 12th February, 2018 for the stressed assets, the Company may be required to convert part of the debt into Equity Shares/Preference Shares. To meet the requirement of enhanced authorized share capital, the Board of Directors of the Company in the meeting held on 31st August, 2018 has decided to increase the Authorized Share Capital of the Company as per details given below:-

Particulars	Present Authorised Share Capital		Proposed Authorised Share Capital	
	Number of shares	Value in Rs.	Number of share	Value in Rs.
Equity Shares of Rs.10/- each	705,00,00,000	7050,00,00,000	1505,00,00,000 Equity Shares of Rs.10/- each	15050,00,00,000
Preference Shares of Rs.100/- each	30,00,00,000	3000,00,00,000	(i) 100,00,00,000 Preference Shares of Rs. 10/- each; (ii) 50,000 Preference Shares of Rs. 1,000/- each; (iii) 9,500 Preference Shares of Rs. 1,00,000/- each and (iv) 39,000 Preference Shares of Rs. 10,00,000/- each	5000,00,00,000
Total		10050,00,00,000		20050,00,00,000

Section 13 read with Section 61 of the Act requires the Company to obtain the approval of the Shareholders for alteration of Clause V of Memorandum of Association (MOA).

The draft of the MOA of the Company, after incorporating the proposed changes is available for inspection by the Members at the Registered Office of the Company during business hours on any working day upto the date of the Meeting and will be kept open at the place of the Meeting during the continuation of the Meeting.

The Directors commend the Resolution as set out at Item No. 13 of the accompanying Notice for approval of the Members of the Company.

None of the Directors of the Company or their relatives, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the Resolution.

The Board commends the Resolution for the approval of the members as an **Ordinary Resolution**.

Item No. 14

Due to unsatisfactory operations, the Company had not been able to service the lenders dues regularly. In order to overcome the financial stress, the Company/ Lenders were in process of formulating a revival plan. Under the Reserve Bank of India Scheme of Debt Restructuring (SDR Scheme), in the Joint Lender Forum (JLF) meeting held on 25th July 2016, the Lenders decided to convert part of the loan into Equity Shares. Consequent to that the Company had allotted 30,580 lakh equity shares valued at Rs. 3,05,800 lakh on 18th February, 2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest after getting requisite approval of Shareholders, etc. Accordingly the Equity Share Capital of the Company was increased to Rs. 5,99,600 lakh from Rs. 2,93,800 lakh and the lenders shareholding stood at 49.85% of paid up capital as on 30th June, 2018.

Despite conversion of part of the loan into equity, the company is facing liquidity issues and challenges in debt servicing, due to inter-alia non availability of coal, lack of Power Purchase Agreements for entire generation capacity and increased interest cost due to increase in working capital requirement and non realization of claims etc. This has resulted in mismatch in gap of cash flow between realization and debt servicing.

Reserve Bank of India vide circular dated 12th February, 2018 in supersession of its earlier circular has issued Revised Framework for Resolution of Stressed Assets (**RBI Circular**). Accordingly, in the meeting of the lenders held on 19th March, 2018, the Company submitted the proposal for deep re-structuring of the loan facilities, which has been considered by the banks and financial institutions.

The Lenders in their meeting held on 3rd August, 2018 have decided that the banks and financial institutions would convert a portion of respective debt of each of such bank/financial institution allocated to them into such number of Cumulative Compulsory Convertible

Preference Share of the Company (CCPs) as per **Resolution Plan** finalized pursuant to RBI Circular.

The proposed allottees to whom aggregating upto Rs. 4,000,00,00,000 (Rupee four thousand crores only) CCPs are proposed to be issued and allotted in dematerialized form shall be any or all of the Lenders, whose names are given hereunder. However number of CCPs to be issued to each such lender will be finalized by the Core Committee constituted by the JLF.

Sr. No.	Lenders (i.e. Banks and Financial Institutions)
(i)	ICICI Bank Ltd.
(ii)	IDBI Bank Ltd.
(iii)	Punjab National Bank
(iv)	Central Bank of India
(v)	State Bank of India
(vi)	United Bank of India
(vii)	Canara Bank
(viii)	Oriental Bank of Commerce
(ix)	UCO Bank
(x)	Edelweiss Asset Reconstruction Company Ltd.
(xi)	Life Insurance Corporation of India
(xii)	Syndicate Bank
(xiii)	Bank of Baroda
(xiv)	Corporation Bank
(xv)	Indian Overseas Bank
(xvi)	Allahabad Bank
(xvii)	Union Bank of India
(xviii)	J & K Bank Ltd.
(xix)	Bank of India
(xx)	Dena Bank
(xxi)	Andhra Bank
(xxii)	Bank of Maharashtra

The Board of Directors at its meeting held on 31st August, 2018, had approved the offer and issue of 0.01% Cumulative Compulsory Convertible Preference Shares ('CCPs') aggregating upto Rs. 4000,00,00,000 (Rupees Four Thousand Crore only), in one or more tranche(s) on Preferential Basis to the Lenders of the Company.

Section 55 of the Act read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 ('Rules') framed there under, inter-alia, requires the Company to obtain the prior approval of the Shareholders, by way of a Special Resolution for issuance of CCPs. Accordingly, the approval of the Members is being sought, by way of a Special Resolution, to offer and issue CCPs, in one or more tranche(s) on preferential basis to the lenders of the Company.

A statement of disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 and the containing of issue of CCPs, are as under:-

(a)	the size of the issue and number of preference shares to be issued and nominal value of each share	0.01% Cumulative Compulsory Convertible Preference Shares (CCPs) of aggregating value upto Rs. 4,000,00,00,000 Crore (Rupees Four thousand Crore) subject to the condition that the value of each such Preferential offer of CCPs shall be with investment size of not less than Rs. 20,000 of face value of shares																																																		
(b)	the nature of such shares i.e. cumulative or non - cumulative, participating or non - participating , convertible or non – convertible	Cumulative Compulsory Convertible Preference Shares (CCPs)																																																		
(c)	the objectives of the issue	To prepay/repay the term loan and interest obtained from the lenders.																																																		
(d)	the manner of issue of shares	Preferential issue to lenders.																																																		
(e)	the price at which such shares are proposed to be issued	As per the Scheme formulated by the lenders in terms of RBI circular dated 12th February, 2018 and Section 53 and other applicable provisions of the Companies Act, 2013.																																																		
(f)	the basis on which the price has been arrived at	As per the Scheme formulated by the Lenders in terms of RBI Circular dated 12th February, 2018 and Section 53 and other applicable provisions of the Companies Act, 2013.																																																		
(g)	the terms of issue, including terms and rate of dividend on each share, etc.	The shares shall carry a fixed cumulative dividend at a rate of 0.01% on the capital for the time being paid-up thereon.																																																		
(h)	the terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	Each CCPs shall be compulsory converted into such number of equity shares at a price to be determined at the time of conversion as per the applicable RBI Regulations and SEBI Guidelines in this regard. Such conversion shall be at option of the lenders at any time from the date of conversion of loan into CCPs. The CCPs shall have a tenor of 29 years (provided that CCPs shall be redeemed, including through conversion, in accordance with applicable laws.)																																																		
(i)	the manner and modes of redemption	Not applicable; since CCPs are not redeemable upto 20 years.																																																		
(j)	the current shareholding pattern of the company	Equity shareholding pattern of the company as on 30.06.2018 is as under:- <table><tr><th>S. No.</th><th>Category</th><th>Holders</th><th>Holding</th><th>%age</th></tr><tr><td>1</td><td>Promoters</td><td>11</td><td>1,86,86,48,237</td><td>31.16</td></tr><tr><td>2</td><td>FPI</td><td>24</td><td>4,89,46,688</td><td>0.82</td></tr><tr><td>3</td><td>Mutual Funds</td><td>4</td><td>7,03,33,360</td><td>1.17</td></tr><tr><td>4</td><td>Bodies Corporate</td><td>1,753</td><td>14,80,40,368</td><td>2.47</td></tr><tr><td>5</td><td>Public Financial Inst.</td><td>6</td><td>10,38,49,287</td><td>1.73</td></tr><tr><td>6</td><td>Banks</td><td>21</td><td>2,91,00,11,689</td><td>48.53</td></tr><tr><td>7</td><td>JPVL Trust</td><td>2</td><td>34,40,76,923</td><td>5.74</td></tr><tr><td>8</td><td>Public</td><td>3,01,461</td><td>50,20,96,532</td><td>8.37</td></tr><tr><td></td><td></td><td>3,03,282</td><td>5,99,60,03,084</td><td>100.00</td></tr></table>	S. No.	Category	Holders	Holding	%age	1	Promoters	11	1,86,86,48,237	31.16	2	FPI	24	4,89,46,688	0.82	3	Mutual Funds	4	7,03,33,360	1.17	4	Bodies Corporate	1,753	14,80,40,368	2.47	5	Public Financial Inst.	6	10,38,49,287	1.73	6	Banks	21	2,91,00,11,689	48.53	7	JPVL Trust	2	34,40,76,923	5.74	8	Public	3,01,461	50,20,96,532	8.37			3,03,282	5,99,60,03,084	100.00
S. No.	Category	Holders	Holding	%age																																																
1	Promoters	11	1,86,86,48,237	31.16																																																
2	FPI	24	4,89,46,688	0.82																																																
3	Mutual Funds	4	7,03,33,360	1.17																																																
4	Bodies Corporate	1,753	14,80,40,368	2.47																																																
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8	Public	3,01,461	50,20,96,532	8.37																																																
		3,03,282	5,99,60,03,084	100.00																																																
(k)	the expected dilution in equity share capital upon conversion of preference shares	Can not be quantified at this stage																																																		
(l)	Minimum Subscription	Not applicable																																																		
(m)	Renunciation of Rights	Not applicable																																																		
(n)	Transferability of CCPS	All CCPs shall be transferrable subject to provision of Articles of Association and applicable regulations, including FEMA Regulations/ Guidelines.																																																		
(o)	Payment	Conversion of Loan into CCPs																																																		

(p) Variation in terms of CCPs	Any variation in the terms of CCPs after allotment shall be made in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under, SEBI/RBI guidelines issued in this regard.
(q) Fractional Shares	Fractional shares, if any, arising on conversion of CCPs shall be rounded off to the next higher digit if equal to or greater than 0.5 share. Any fraction below 0.5 share shall be ignored
(r) Ranking of equity shares arising on conversion	The equity share to be allotted on conversion of the CCPs shall rank pari passu in all respect with then existing equity shares of the Company and shall be subject to the Memorandum and Articles of Association of the Company.
(s) Manner of issuance of CCPs and equity shares on conversion	CCPs would be allotted in dematerialised form and the equity shares arising on conversion shall also be issued in dematerialised form.

The Board of Directors in their meeting held on 31st August, 2018, has considered and approved the aforesaid proposed issue and has recommended the same for approval of the shareholders.

None of the Directors except Shri Umesh Jain, Nominee Director of IDBI Bank Limited as representative of IDBI Bank Limited or Key Managerial Personnel including their relatives is concerned or interested, financially or otherwise in the Resolution except to the extent of their shareholding in the Company.

The Board commends the Resolution for the approval of the members as a **Special Resolution**.

Item No. 15

The Company has taken a term loan of Rs.1000 crore from Axis Bank Limited, who had disbursed the loan to the Company on the basis of Corporate Guarantee given by JSW Energy Limited (JSW). Later on JSW repaid the loan amount to Axis Bank Limited on behalf of the Company. As against the said loan, an amount of Rs 752 crore was outstanding as on 31st July, 2018.

The Company proposes to issue long-term financial instruments of Rs.400 crore against the outstanding debt of JSW at the later stage, which would be fully redeemable from the cash flow of the company. Further, residual JSW debt of Rs. 352 crore is proposed to be converted into equity shares of Rs.10/- each of the Company at par.

In terms of the requirement of Section 102 of the Companies Act, 2013 ("Act") read with Rule 9 and 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 as amended and Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") the following disclosures are placed before the Members:

(i) the objects of the issue;	An unsecured Creditor of the Company (not a related party) proposes to convert its outstanding debt into Equity Shares of the Company.
(ii) the total number of shares or other securities to be issued;	35,20,00,000 Equity Shares of Rs. 10/- each
(iii) the price or price band at/within which the allotment is proposed;	Equity share of Rs.10/- each at par.
(iv) basis on which the price has been arrived at along with report of the registered valuer;	The price has been fixed at face value of shares as per provisions of Section 53 of the Companies Act, 2013.
(v) relevant date with reference to which the price has been arrived at;	3rd August, 2018
(vi) the class or classes of persons to whom the allotment is proposed to be made;	Unsecured creditor of the Company.
(vii) intention of promoters, directors or key managerial personnel to subscribe to the offer;	Nil
(viii) the proposed time within which the allotment shall be completed;	The allotment on preferential basis shall be completed within a period of 12 months from the date of passing of the Special Resolution.
(ix) the names of the proposed allottees and the percentage of post preferential offer capital that may be held by them;	JSW Energy Limited
(x) the change in control, if any, in the company that would occur consequent to the preferential offer;	No substantial change in control shall takes place with the allotment of shares as the number of shares to be allotted are very small.
(xi) the number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;	No such preferential allotment has been made during the last one year.
(xii) the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;	Equity shares on preferential basis are proposed to be issued so as to reduce the debt burden of the Company.
(xiii) The pre issue and post issue shareholding pattern of the company in the following format—	The shareholding pattern of the Company as on 30th June, 2018 (pre- issue) and post issue & allotment has been given hereunder:-

Sr. No.	Category	Pre Issue		Post Issue	
		No. of Shares	%	No. of Shares	%
(A)	Promoters Shareholding				
	Indian:				
	Individuals	1,800	0.00%	1,800	0.00%
	Bodies Corporate	1,86,86,46,437	31.16%	1,86,86,46,437	29.44%
	Sub Total	1,86,86,48,237	31.16%	1,86,86,48,237	29.44%
	Foreign	-		-	
	Total Shareholding of Promoter & Promoter Group (A)	1,86,86,48,237	31.16%	1,86,86,48,237	29.44%
(B)	Non Promoters' Shareholding				
	Institutional Investors:				
	Mutual Funds/ UTI	7,39,38,360	1.23%	7,39,38,360	1.16%
	Financial Institutional Investor / Banks	2,89,15,19,306	48.22%	2,89,15,19,306	45.55%
	Foreign Institutional Investors	4,89,46,688	0.82%	4,89,46,688	0.77%
	Non Institutional Investors :				0.00%
	Bodies Corporate*	14,09,95,597	2.35%	49,29,95,597	7.77%
	Individual holding nominal share capital up to Rs. 2 Lac	24,27,84,873	4.05%	24,27,84,873	3.82%
	Individual holding nominal share capital in excess of Rs. 2 Lac	21,22,66,767	3.54%	21,22,66,767	3.34%
	Employee Trust	74,28,300	0.12%	74,28,300	0.12%
	Any other-				0.00%
	NBFCs registered with RBI	69,99,045	0.12%	69,99,045	0.11%
	Non Resident Indians	1,43,58,675	0.24%	1,43,58,675	0.23%
	Trusts	34,50,38,838	5.75%	34,50,38,838	5.44%
	Clearing Member	33,70,670	0.06%	33,70,670	0.05%
	Resident (HUF)	1,62,92,353	0.27%	1,62,92,353	0.26%
	Insurance Companies	10,02,37,933	1.67%	10,02,37,933	1.58%
	Banks Foreign	2,10,10,881	0.35%	2,10,10,881	0.33%
	Central Govt./ State Govt./ President of India	21,66,561	0.04%	21,66,561	0.03%
	Issue & allotment of Equity Shares to SDR lenders	-		-	
	Total Public Shareholding (B)	4,12,73,54,847	68.84%	4,47,93,54,847	70.56%
	Total (A + B)	5,99,60,03,084	100.00%	6,34,80,03,084	100.00%

* Proposed allotment of 35,20,00,000 Equity shares of Rs. 10/- each to JSW Energy Ltd is added in post Issue figures

The proposed enhanced Authorised Share Capital of the Company as per above item no. 15 will be Rs. 20050,00,00,000 (Rupees Twenty thousand and fifty crore) divided into 1505,00,00,000 (One thousand Five Hundred and five crore) Equity Shares of Rs.10/- each and (i) 100,00,00,000 (One Hundred Crore) Preference Shares of Rs. 10/- each, (ii) 50,000 (Fifty Thousand) Preference Shares of Rs. 1,000/- each, (iii) 9,500 (Nine Thousand Five Hundred) Preference Shares of Rs. 1,00,000 each and (iv) 39,000 (Thirty Nine Thousand) Preference Shares of Rs. 10,00,000 each. Accordingly, the Company shall have sufficient Authorised Share Capital to accommodate the proposed issuance of Equity Shares as recommended above.

A copy of the Memorandum of Association and all other documents mentioned in the Explanatory Statement and Resolution, will be available for inspection at the Registered Office of the Company between 11.00 a.m. to 3.00 p.m. on any working day except Sunday and National holidays upto the date of AGM.

None of the Directors or Key Managerial Personnel including their relatives is concerned or interested, financially or otherwise in the Resolution except to the extent of their shareholding in the Company.

The Board commends the Resolution as set out in the Notice for approval of the members as a **Special Resolution**.

Item No. 16

As the members are aware, the Company had issued Foreign Currency Convertible Bonds during the Financial Year 2009-10 for US \$ 200 Million. The Company has partially redeemed FCCBs along with premium due thereon upto 13th February, 2015 and also paid interest upto 13th February, 2016. As on date, the principal amount of outstanding FCCBs is US\$ 101.42 million. The Company entered into a Standstill Agreement on 11th February, 2016, wherein the standstill period was extended until 31st March, 2016. Pursuant to discussions with the Bondholders, the Company and certain Bondholders holding 75.76% of the principal amount of the FCCBs, had further entered into a Standstill Agreement pursuant to which, participating Bondholders had agreed to 'standstill' upto 15th May, 2017, subject to certain conditions. The Reserve Bank of India vide its letter dated 26th April, 2017 approved the proposal subject to the consent of the Bondholders and Joint Lenders' Forum (JLF). The Members of the Company had passed a Special Resolution through Postal Ballot on 10th February, 2017 approving the amendment of the existing Terms and Conditions of the US\$ 200,000,000 5% Foreign Currency Convertible Bonds (FCCBs) issued by the Company. Since as per the Provisions of Section 62 of the Companies Act, 2013 read with Rules thereon, the fresh approval of the Shareholders through Special Resolution is required for amending the terms and conditions of the FCCBs.

In view of conditions surrounding the power sector in India and as a consequence of the downturn in and highly volatile nature of the global and local capital market, the trading price of the Equity Shares has fallen significantly. The closing share price of the Equity Shares of the Company on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") on 16th August, 2018 were Rs. 2.87 and Rs. 2.90 respectively, which was substantially below the conversion price of the FCCBs as stated above.

As a result of the disparity between the current market price of the Equity Shares of the Company at Stock Exchanges and the conversion price of the FCCBs, the Bondholders have not exercised their conversion option, there being no economic incentive to convert their FCCBs into Equity Shares of the Company.

In the aforementioned context, and with a view to:

- (i) Effectively implement the Reserve Bank of India circular dated 12th February, 2018 on Resolution of Stressed Assets- revised framework;
- (ii) Avoid any significant debt burden which would arise in the event that all or a significant amount of the FCCBs have to be redeemed, which may place considerable strain on the Company's financial position; and
- (iii) Improve the image of the Company in the international markets and among major foreign investors;

and subject to approvals and clearance of regulatory agencies including RBI and the approval of the Bondholder, it is proposed that:

- (a) conversion price of the FCCBs be reset downwards from INR 85.8139 to INR 12
- (b) to amend the terms of the FCCBs to give effect to the reset (including without limitation, the conversion price, the FX rate or such other terms as may be mutually agreed) as may be agreed between the Company and the Bondholders.

The proposed downward reset of conversion price of the FCCBs merely envisages an amendment to the terms of the FCCBs to reflect contemporary market realities, and to maximize the possibility of the conversion of the FCCBs into Equity Shares of the Company. Due to the proposed reduction in the conversion price, the number of

Equity Shares to be issued to the holders of the FCCBs exercising their right to convert the FCCBs into Equity Shares of the Company would be significantly higher than the number of Equity Shares which would have been issued, had the FCCBs been converted into Equity Shares at the original conversion price of INR 85.8139 per equity share.

Pursuant to the provisions of Section 62 of the Companies Act, 2013, as amended, issue of Equity Shares to any person other than the existing shareholders of the Company requires the consent of the Company by way of a Special Resolution.

The issue of the Equity Shares pursuant of the conversion of the FCCBs to be issued by the Company has already been approved at the earlier meeting of the shareholders held on 18th August, 2009. Subject to receipt of relevant approval(s), the Company now proposes to reset the conversion price of the FCCBs downward from the original conversion price of INR 85.8139 per equity share to INR 12.00 per Equity Share. Furthermore, the number of Equity Shares to be issued on the conversion of the FCCBs pursuant to the proposed downward reset of conversion price may be higher than if the FCCBs were converted at the original conversion price of INR 85.8139 per equity share. Accordingly, the approval of the shareholders of the Company is being sought in this regard for such proposed downward reset of the conversion price and the issuance of additional Equity Shares upon conversion of the FCCBs after such proposed downward reset of the conversion price.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed Resolution except to the extent of their shareholding in the Company.

The Board recommends the Resolution for the approval of the members as a **Special Resolution**.

By Order of the Board
For **JAIPRAKASH POWER VENTURES LIMITED**

A. K. RASTOGI

Place: New Delhi
Date : 31st August, 2018

Jt. President & Company Secretary
(Membership No. FCS -1748)

DIRECTORS' REPORT

To,

The Members

The Directors of your Company are pleased to present the Twenty Third Annual Report on the business and operations of the Company together with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended 31st March, 2018.

1. FINANCIAL HIGHLIGHTS

The Financial Performance of the Company (Standalone) for the year ended 31st March, 2018, is summarized below:-

(Rs. in Crore)

Particulars	Current Year ended 31.03.2018	Previous Year ended 31.03.2017
Net Revenue	3355.80	2778.81
Add: Other operating income	25.51	13.00
Add: Other Income	348.75	87.62
Total Income	3730.06	2879.43
Profit before Interest, Depreciation, Exceptional items & Taxation	1359.94	1064.95
Less : Finance Cost	1491.78	1802.28
Less : Depreciation	486.86	486.84
Less: Exceptional items (Net)	0.00	0.00
Profit before Tax/(Loss)	(618.70)	(1224.17)
Add: Tax expenses	91.39	463.56
Profit after Tax/(Loss)	(527.31)	(760.61)
Add : Other Comprehensive Income	(0.04)	0.43
Total Comprehensive Income	(527.35)	(760.18)

2. COMPANY'S PLANTS AND OPERATIONS

The Company is engaged in the business of thermal and hydro power generation, coal mining and cement grinding. The company presently owns and operates three Power plants with an aggregate capacity of 2220 MW as per details given below:

1. 400 MW Vishnuprayag Hydro-Electric Plant in the State of Uttarakhand, which is in operation since October 2006.
2. 500 MW Jaypee Bina Thermal Power Plant in Distt. Sagar (M.P.) consisting of two units of 250 MW each, First unit has been in operation since August 2012 and second unit since April 2013.
3. 1320 MW Jaypee Nigrie Super Thermal Power Project in Distt. Singrauli (M.P.) consisting of two units of 660 MW each, First unit has been in operation since September 2014 and second unit since February 2015.

Further, the Company has Amelia (North) Coal Mine in Distt. Singrauli, Madhya Pradesh, which was allotted in e-auction. Entire coal produced by the said coal mine is being utilized for Power Generation at 1320 MW Jaypee Nigrie Super Thermal Power Project in Distt. Singrauli (M.P.).

Besides the above, the Company also has a Cement Grinding facility called Jaypee Nigrie Cement Grinding Unit with a capacity of 2 MTPA.

The company had also implemented 1980 MW Bara Thermal Power Plant of which, all the three units of 660 MW each are operational through its erstwhile subsidiary i.e. Prayagraj Power Generation Company Limited (PPGCL), which had ceased to be subsidiary of the Company, consequent upon invocation of entire pledged shares held by the Company in PPGCL, by SBICAP Trustee Company Limited on behalf of banks/financial institutions on 18th December, 2017.

The Plant availability, Plant load factor and net saleable energy generation of Hydro and Thermal Power Plants for the Financial Year 2017-18 were as under:

Plant	Plant Availability (%)	Plant Load Factor (%)	Net Saleable Energy Generation (M U)
Jaypee Vishnuprayag Hydro Power Plant (400 MW)	99.07	61.55	1871.32
Jaypee Bina Thermal Power Plant [500 MW - Phase I (of 1200 MW)]	83.42	56.29	2265.48
Jaypee Nigrie Supercritical Thermal Power Plant (1320 MW)	84.66	66.49	7272.25

The saleable energy generation for the year has been 11,409.05 MUs as compared to 9,344.69 MUs during previous year i.e. higher by 2,064.36 MUs. The performance of various projects/plants in operation is given as under:-

2.1 400 MW Jaypee Vishnuprayag Hydro Power Plant

400 MW Jaypee Vishnuprayag Hydro Power Plant is located at District Chamoli, Uttarakhand. The main equipment for the project was supplied by Alstom (France). The Company has executed a PPA with Uttar Pradesh Power Corporation Limited to supply 88% of net power generated and the remaining 12% is supplied free of cost to Uttarakhand Power Corporation Limited for delivery to the Government of Uttarakhand. The plant had always generated units higher than Design Energy of 1,774.42 MUs, except for the year 2013-14 wherein it was under shutdown from 16th June, 2013 to 12th April, 2014 due to floods in Alaknanda river basin.

The performance of Vishnuprayag Hydro Power Plant during the Financial Year 2017-18 has been very good. Actual energy generated during the year was more than the Design Energy. The total generation of energy during the Financial Year 2017-18 was 2,156.85 MUs and net saleable energy was 1,871.32 MUs as against the generation of 2,042.03 MUs and net saleable energy of 1,770.20 MUs, during the previous year, respectively.

2.2 500 MW (Phase I of 1200 MW) Jaypee Bina Thermal Power Plant

Jaypee Bina Thermal Power Plant (JBTPP) located at Village Sirchopi, District Sagar, Madhya Pradesh, is a coal based thermal power plant having an installed capacity of 500 MW (2x250 MW).

The Company has executed a Power Purchase Agreement (PPA) with Madhya Pradesh Power Management Company Ltd. (MPPMCL) to supply 65% of installed capacity at tariff determined by MPPERC guidelines and 5% of actual generation at variable cost. Thus the Plant supplies 70% of the installed capacity on long-term basis to MPPMCL in terms of the Power Purchase Agreements executed with them and balance of installed capacity is to be sold as merchant power.

MPPMCL had restricted offtake to 70%/60% of the contracted capacity due to the low demand of power in the State, from most of the power producer(s) in Madhya Pradesh since last 2 years. However, more recently MPPMCL is not adhering to the above restriction of 70%/60% of the contracted capacity and is giving despatch schedules erratically, which is technically not feasible, requiring Company to sell balance power to power exchanges at the market/prevailing prices. During the year 2017-18, 1,126.38 MUs power were sold through exchange.

The gross energy generation of JBTPP was 2,465.31 MUs during the year 2017-18 as compared to 812.83 MUs during the previous year, thus was higher by 1,652.48 MUs. In the previous year, generation was lower due to lower scheduling by SLDC.

2.3 1320 MW Jaypee Nigrie Supercritical Thermal Power Plant

1320 MW (2x660 MW) Coal based Jaypee Nigrie Supercritical Thermal Power Plant is located in Nigrie village, Tehsil Sarai in Singrauli district of Madhya Pradesh. Steam Generator and Steam Turbine Generator have been procured from L&T-MHI and Larsen & Toubro Limited.

The gross energy generation of the Plant was 7,688.93 MUs during the year 2017-18 as compared to 7,266.96 MUs in the previous year, which was higher by 421.97 MUs.

The Company achieved a PLF of 66.49% as compared to 62.85% in the previous year. The Plant has long term PPAs for 37.5% (Including 7.5% on variable cost) with MPPMCL. Energy was also sold on merchant power basis through bilateral arrangements and through Indian Energy Exchange & Power Exchange of India Limited. The operations have been adversely affected due to non-availability of long term PPA(s) and non-availability of coal for the entire capacity of the plant.

2.4 Amelia (North) Coal Mine Block

The Company has a captive coal mine, Amelia (North), with an annual drawing capacity of 2.8 MTPA as per the Coal Mine Development and Production Agreement.

The Coal production from the mine started on 26th May 2015. The coal production during the financial year 2017-18 was 2.80 Million Tonne as against the Peak rated capacity of the plant at 2.8 MTPA.

2.5 Jaypee Nigrie Cement Grinding Unit at Nigrie

2 MTPA Jaypee Nigrie Cement Grinding Unit at Nigrie, Distt. Singrauli in Madhya Pradesh, started commercial operations w.e.f. 3rd June, 2015. An expenditure of Rs 300 crore (approx.) has been incurred on the Project. Total production of Cement in the Plant during FY 2017-18 was 1,17,786 T as against 2,422 T in FY 2016-17.

The Plant could achieve production of Cement only 6% of the installed capacity in the year under reference because of non-availability of Clinker.

The Company had signed a Business Transfer Agreement with Orient Cement Limited (OCL) for sale of this Grinding Unit

as a going concern on 31st May, 2017, which on expiry of date of one year i.e. 31st May, 2018 has been terminated by OCL.

3. OPERATIONS

The total income from operations for the year ended 31st March, 2018 was Rs. 3381.31 crore as compared to Rs. 2791.81 crore last year resulting in increase of Rs. 589.50 crore.

Further, Other Income of Rs. 348.75 crore (including Ind AS adjustments of Rs. 81.62 crore) as against income of Rs. 87.62 crore (including Ind AS adjustments of Rs.45.09 crore) in the previous year is mainly on account of (i) an amount of Rs. 228.48 crore received from JSW Energy Limited during current Year as deferred consideration on transfer of shares of Himachal Baspa Power Company Limited. (ii) Interest on Income Tax refund Rs. 6.20 crore (Previous Year Nil).

The operation resulted in a net loss for the year under review of Rs. 527.35 crore as compared to net loss of Rs. 760.18 crore in the previous year.

Though income from the operations on consolidated basis for the year ended 31st March, 2018 had increased to Rs. 5231.06 crore as compared to Rs. 4744.72 crore in the previous year, however, total loss on the consolidated basis for the year ended 31st March, 2018 was at Rs.1690.35 crore as compared to total loss on the consolidated basis of Rs. 1293.86 crore of last year. The main reason for higher loss was due to loss of Rs. 982.08 crore (Previous year Rs. 546.06 crore) incurred by Prayagraj Power Generation Company Limited an erstwhile subsidiary company (till 17.12.2017).

4. DIVIDEND

Due to losses suffered by the Company in the current year, no dividend was recommended by the Board.

5. TRANSFER TO RESERVES

No amount is proposed to be transferred to reserves.

6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2018, was Rs.5,996 crore divided into 599.60 crore Equity Shares of Rs.10/- each, as on 30th June, 2018, 49.85% of the paid-up Equity Share Capital of the Company, is held by Banks and Financial Institutions.

Your Company has not issued any :

- shares with differential rights
- sweat equity shares
- equity shares under Employees Stock Option Scheme

7. STRATEGIC DEBT RESTRUCTURING (SDR) SCHEME

Due to unsatisfactory operations, the Company had not been able to service the lenders dues regularly. In order to overcome the financial stress, the Company/ Lenders are in process of formulating a revival plan. Accordingly, in the Joint Lender Forum (JLF) meeting dated 25 July 2016, the Lenders invoked SDR. Consequent to that the Company has allotted 30,580 lakh equity shares valued Rs. 3,05,800 lakh on 18.02.2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest towards implementation of SDR Scheme as per RBI guidelines, after getting requisite approval of Shareholders, etc. Accordingly the equity share capital of the Company was increased to Rs. 5,99,600 lakh from Rs. 2,93,800 lakh and as on 30th June, 2018 the lenders shareholding stood at 49.85% of paid up capital.

The lenders, who are holding equity share capital of the Company, have to offload the shareholding as per RBI guidelines. The lenders had invited bids for divestment of part of their equity in the Company. The bids received by Lenders were not found acceptable by the Lenders. Therefore, lender(s) decided to close the process and intimate the bidders/ advisors suitably. Thereafter, resolution/ revival plan is under consideration of Lender(s) as per revised RBI guidelines dated 12.02.2018 for the Stressed Assets.

Meanwhile in the meeting of the lenders held on 19th March, 2018, the Company submitted the proposal for deep restructuring of the loan facilities, which is under consideration of Banks.

8. US\$ 200 MILLION FCCBs

The Company had issued Foreign Currency Convertible Bonds during the Financial Year 2009-10 for US \$ 200 Million. The Company has partially redeemed FCCBs along with premium due thereon upto 13th February, 2015 and also paid interest upto 13th February, 2016. As on date, the principal amount of outstanding FCCBs is US\$ 101.42 million. The Company entered into a Standstill Agreement on 11th February, 2016, wherein the standstill period was extended until 31st March, 2016. Pursuant to discussions with the Bondholders, the Company and certain Bondholders holding 75.76% of the principal amount of the FCCBs, had further entered into a Standstill Agreement pursuant to which, participating Bondholders had agreed to 'standstill' upto 15th May, 2017, subject to certain conditions.

The Reserve Bank of India vide its letter dated 26th April, 2017 approved the proposal subject to the consent of the Bondholders and Joint Lenders' Forum (JLF). However, the Company is in further discussions with the bondholder(s) for restructuring of outstanding amount of FCCBs and with the lenders for their consent on the proposal.

9. HOLDING & SUBSIDIARIES

Consequent upon conversion of loan into equity under Strategic Debt Restructuring Scheme and holding of 49.85% shares by Banks and Financial Institutions, Jaiprakash Associates Limited (JAL), the Promoter of the company, ceased to be holding Company of your Company w.e.f. 18th February, 2017. However, since 29.74 % shares of the company are held by JAL as such, your Company is an Associate company of JAL.

As on 31st March, 2018, the Company had following subsidiaries:

- i) Jaypee Powergrid Limited;
- ii) Prayagraj Power Generation Company Limited;*
- iii) Jaypee Arunachal Power Limited;
- iv) Sangam Power Generation Company Limited;
- v) Jaypee Meghalaya Power Limited;
- vi) Bina Power Supply Limited (Formerly known as Himachal Karcham Power Company Limited).

Note:

* Till 17th December, 2017 (Details given in para 9.2 below)

The status of the projects implemented/being implemented through aforesaid subsidiaries is as under:-

9.1 Jaypee Powergrid Limited (JPL)

JPL is a Joint Venture Company with Power Grid Corporation of India Limited and has set up Transmission System comprising of 400 kV Quad Bundle Conductor Double Circuit Line from Karcham Wangtoo HEP Pothead yard at Wangtoo to Abdullapur (219.80 KM), which has been in commercial operation w.e.f. 1st April, 2012 and another LILO of Baspa-Nathpa-Jhakri Transmission Line (4 KM) has been in commercial operation w.e.f. 1st June, 2011. The total capital expenditure on the project has been Rs. 1004.28 crore as on 31.03.2018. The System is operating satisfactorily with cumulative availability of transmission system for F.Y. 2017-18 at 99.84%. Total revenue of Rs.168.74 crore was earned from the system during F.Y. 2017-18. Interim dividend @ 6% was declared & paid during F.Y. 2017-18 and final dividend @ 9% has been recommended by the Board of Directors for approval of the shareholders of the Company.

9.2 Prayagraj Power Generation Company Limited

Prayagraj Power Generation Company Limited (PPGCL), acquired from Uttar Pradesh Power Corporation Limited through competitive bidding process, has implemented 1980 MW (3x660 MW) Thermal Power Project (with permission to add two additional generation units of 660MW each) in Tehsil Bara of district Allahabad, Uttar Pradesh. Unit-I, Unit-II and Unit III were commissioned on 29th February, 2016, 10th September, 2016 and 26th May, 2017, respectively.

Power Purchase Agreement has been executed with U.P. Power Corporation Limited for 25 years for sale of Power to the extent of 90%, balance 10% to be sold on merchant basis. Fuel Supply Agreement has been entered into between PPGCL & Northern Coalfields Limited, for Coal linkages for Phase-I of 1980 MW.

The operations of PPGCL had been unsatisfactory due to paucity of working capital/ limited resource of the Company, as such the Company has not been able to operate all the three Units; thus resulting in losses. Therefore, PPGCL has not been able to pay interest regularly from February, 2017 onwards to lenders.

The lenders in the JLF meeting held on 20th November, 2017 decided to invoke the entire pledge of shares of JPVL's holding in PPGCL pledged as collateral security for financing of PPGCL. On 18.12.2017 SBICAP Trustee Company Ltd. transferred the entire shareholding of the Company in PPGCL (equivalent to 89.47% of total capital of the PPGCL) in its name on behalf of the Lender(s).

Consequent to invocation of pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f. 18th December 2017. Lenders have since commenced the process for sale of shares/change of Management of PPGCL by inviting Expression of Interest/definitive Bids from the prospective bidder(s). Reportedly, the lender(s) have received two bids, which are under examination. In the meantime, PPGCL has also submitted its proposal for deep restructuring vide its letter dated 16th March, 2018 for the consideration of lender(s).

9.3 Jaypee Arunachal Power Limited

Jaypee Arunachal Power Limited (JAPL) was incorporated by your Company as a wholly owned subsidiary of the Company, to set up 2700 MW Lower Siang and 500 MW Hiron H.E. Projects in the State of Arunachal Pradesh. Your Company alongwith its Associates will ultimately hold 89% of the Equity of JAPL and the balance 11% will be held by the Government of Arunachal Pradesh.

For the 2700 MW Lower Siang Hydro Electric Project, Central Electricity Authority (CEA) concurrence for Detailed Project Report (DPR) was obtained in February, 2010 and the concurrence has been extended by CEA up to February, 2019. The matter regarding land acquisition, extension of validity of Terms of Reference for EIA/ EMP reports, are being pursued with State Government. Based on the recommendations of State Government, Regional unit of MOEF, GOI is processing the forest clearance. More field surveys have been carried out.

For 500 MW Hirong Hydro Electric Project, CEA concurrence for the DPR has been obtained. The Company has requested CEA for further extension of validity of concurrence for the DPR. Public hearing had been conducted and the final EIA & EMP report has been submitted. MoEF has asked for additional Cumulative Impact studies of Siang Basin. The same have been carried out and submitted. After its review by MoEF, extension of validity of concurrence for the DPR will be accorded. Based on the recommendations of State Government, Regional unit of MoEF, GOI is processing the forest clearance.

An amount of approx. Rs. 228.30 crore has been incurred in respect of the aforesaid projects upto 31st March, 2018.

9.4 Sangam Power Generation Company Limited

Sangam Power Generation Company Limited (SPGCL) was acquired by the Company from Uttar Pradesh Power Corporation Limited through competitive bidding process, for the implementation of 1320 MW (2 x 660 MW) Thermal Power Project (with permission to add one additional unit at 660 MW) in Tehsil Karchana of District Allahabad, Uttar Pradesh.

All major statutory approvals for Phase-1, are in place and Coal linkage for 4.68 MTPA by Northern Coalfield Limited has been issued for Phase-1 of the Project.

SPGCL executed Deed of Conveyance with Uttar Pradesh Power Corporation Limited but the District Administration could not hand over physical possession of land to SPGCL due to local villagers' agitation. As such, no physical activity could be started on the ground. SPGCL has written to UPPCL and all procurers that the Power Purchase Agreement is rendered void and cannot be enforced. As such, it was, inter-alia, requested that SPGCL's claims be settled amicably for closing the agreement(s). UPPCL had requested the SPGCL to submit supporting documents regarding claim, which have been furnished to UPPCL and are under their review.

An amount of Rs. 546.37 crore has been spent on the Project up to 31st March, 2018.

9.5 Jaypee Meghalaya Power Limited

Jaypee Meghalaya Power Limited (JMPL) was incorporated by your company as its wholly owned subsidiary to implement 270 MW Umngot HE Project in the Umngot River Basin of Meghalaya and 450 MW Kynshi-II HE Project in the Kynshi River Basin on BOOT (Build, Own, Operate and Transfer) basis. Your company alongwith its associates will ultimately hold 74% of the equity of JMPL and the balance 26% will be held by the Government of Meghalaya.

With respect to these projects, the State Government has advised that these projects will not be operationalized as per MoA till further orders. The matter was taken up with state government and the works of Kynshi-II HEP was resumed after signing the amendments to MOA. The matter is still under examination by the State Government for Umngot HE Project.

The field work of Survey & Investigation and EIA studies have already been completed. Drilling and drafting in Power House area have been completed. The revised proposal for Kynshi-II HEP with involvement of lesser forest area has been submitted to State Government and Ministry of Environment and Forest (MOEF) GOI. In reply to the observation of the MOEF, Uranium Corporation of India has issued 'No Objection Certificate' with respect to uranium deposit in the vicinity of the Project. Accordingly revised proposal for issuance of Term of Reference for EIA studies was submitted. The control levels i.e. Full Reservoir Level & Tail Water Level for Kynshi-II Project has been approved by State Government. Approval of Central Electricity Authority has been accorded in respect of water availability potential of Power Generation.

An aggregate amount of approx. Rs. 8.50 crore has been spent on the above said two projects upto March, 2018.

9.6 Bina Power Supply Limited (Formerly known as Himachal Karcham Power Company Limited)

A subsidiary company as Himachal Karcham Power Company Limited was incorporated on 14th March, 2014. The name of the Company was subsequently changed from Himachal Karcham Power Company Limited to Bina Power Supply Limited w.e.f. 28th September, 2015.

The long stop date in respect of Securities Purchase Agreement (SPA) between the Company and JSW Energy Limited, for purchase of 100% shareholding of Bina Power Supply Limited, which was extended upto 31st December, 2017 had since expired and with the elapsing of the long stop date, the SPA entered between the Company and JSW Energy Limited stood terminated. With the termination of SPA, the Scheme of Arrangement for transfer of 500 MW Bina Project from the Company to its subsidiary BPSL shall also not be implemented.

10. REPORT ON PERFORMANCE OF SUBSIDIARIES

The performance and financial position of each of the subsidiaries of the Company for the year ended 31st March, 2018 is attached in the prescribed format AOC-1 as set out in "Annexure-A" and forms part of this Report.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and Audited Accounts of each of its subsidiaries, are available on the website www.jppowerventures.com. These documents will also be available for inspection during business hours at the Registered Office of your Company.

The Policy on Material Subsidiaries, as approved by the Board of Directors, may be accessed on the Company's website at the link: <http://jppowerventures.com/wp-content/uploads/2015/05/Policy-on-Material-Subsidiaries-.pdf>

11. DIRECTORATE AND KEY MANAGERIAL PERSONNEL

11.1 Changes in the Board

- (a) Shri Atanu Sen, Independent Director, due to his pre-occupation and other engagements has resigned from the Board of the Company, as such has ceased to be director of the Company w.e.f. 13th September, 2017. The Board records its deep appreciation for his valuable contribution during his association as Independent Director of the Company.
- (b) Shri G. P. Gaur, Non Executive Non Independent Director, due to his pre-occupation and other engagements

has resigned from the Board of the Company, w.e.f. 11th December, 2017. The Board records its deep appreciation for his valuable contribution during his association as Director of the Company.

- (c) In accordance with the provisions of the Companies Act, 2013, Shri Suren Jain – Managing Director and Chief Financial Officer and Shri Praveen Kumar Singh – Whole Time Director, shall retire by rotation and are eligible for re-appointment.
- (d) The Securities and Exchange Board of India vide notification dated 9th May, 2018, amended the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, by inserting to the sub-regulation (1A) to the Regulation 17, of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018, which inter-alia, provides that w.e.f. 1st April, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless approval of shareholders is obtained by way of a Special Resolution to that effect. Accordingly, it is proposed to pass a Special Resolution for each director in the ensuing Annual General meeting in respect of continuation of following Directors beyond the age of 75 years:-
 - (i) Shri B. B. Tandon as an Independent Director.
 - (ii) Shri A. K. Goswami as an Independent Director
 - (iii) Shri S. S. Gupta as an Independent Director
 - (iv) Dr. J. N. Gupta as an Independent Director
 - (v) Shri K. N. Bhandari as an Independent Director
 - (vi) Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha as a Non-Executive & Non-Independent Director

11.2 As already reported, pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 and 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons have been designated as Key Managerial Personnel of the Company by the Board:-

- (i) Shri Sunil Kumar Sharma, Vice-Chairman & CEO
- (ii) Shri Suren Jain, Managing Director & CFO
- (iii) Shri Praveen Kumar Singh, Whole-time Director
- (iv) Shri M. K. V. Rama Rao, Whole time Director
- (v) Shri A. K. Rastogi, Joint President and Company Secretary

11.3 Nomination & Remuneration Policy

The Board has, on the recommendations of the Nomination & Remuneration Committee adopted a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. During the year, there has been no change to the Policy. Hence, the same is not annexed to this Report, but is available on our website at www.jppowerventures.com.

12. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year 2017-18, four meetings of the Board of Directors were held. The maximum time gap between two Board Meetings was not more than one hundred and twenty

(120) days. The details of date and attendance of the Directors at the Board Meeting are given in Report on Corporate Governance.

13. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and 25(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. ANNUAL EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Account) Rules, 2014 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its performance, of the Directors individually as well as the evaluation of the Committees constituted by it. The manner in which the formal annual evaluation has been carried out has been explained in the Report on Corporate Governance.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions that were entered into during the financial year were done on an arm's length basis and in the ordinary course of business. During the year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transaction.

The policy on Related Party Transactions, as approved by the Board, may be accessed on the Company's website at the link: <http://jppowerventures.com/wp-content/uploads/2015/05/Policy-on-Related-Party-Transactions.pdf>.

The details of Related Party Transactions, as required under Indian Accounting Standard-24 (Ind AS-24), are provided in the accompanying Financial Statements forming part of this Annual Report. Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure-B" to this Report.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, no significant and material orders impacting the going concern status and Company's operations in future have been passed by the Regulators or Courts or Tribunals.

17. AUDITORS

17.1 Statutory Auditors

M/s. Lodha & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company, for a period of five consecutive years at the 22nd Annual General Meeting held on 15th September, 2017 subject to ratification of their appointment in the AGM every year pursuant to the provisions of Companies Act, 2013. However, requirement of ratification of appointment of Auditors at every Annual General Meeting has been done away vide Companies (Amendment) Act 2017, hence, resolution for ratification of appointment of Auditors is

not included in the Notice calling Annual General Meeting for the F.Y. 2017-18

17.2 Cost Auditors

For the Financial Year 2017-18, the Board of Directors of the Company had re-appointed, on the recommendations of the Audit Committee, M/s. Kabra & Associates, Cost Accountants (Firm Registration No. 0075) as Cost Auditors for auditing the Cost Records in respect of Power Generation and Cement Grinding Unit of the Company. The Cost Audit Report for the Financial Year ended 31st March, 2017 has been filed in Form CRA-4, with the Cost Audit Branch of the Ministry of Corporate Affairs. The Cost Audit Report for the Financial Year 2017-18 will be filed within the due date.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors of the Company have, on the recommendation of Audit Committee, appointed M/s. Kabra & Associates, Cost Accountants as Cost Auditors of the Company for auditing the Cost Records relating to "Power Generation" of various plants of the Company and also for Cement Grinding Unit for the Financial Year 2018-19 and a Resolution for ratification of their remuneration has been included in the Notice for ensuing Annual General Meeting.

17.3 Secretarial Audit

In pursuance of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, on the recommendations of the Audit Committee, has re-appointed M/s. SGS Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for the Financial Year ended 31st March, 2019.

Secretarial Audit Report for the Financial Year ended on 31st March, 2018, issued by M/s. SGS Associates, Company Secretaries, in Form MR-3 forms part of this report and marked as "Annexure-C".

The said report does not contain any qualification or observation requiring explanation or comments from Board under section 134(3)(f)(ii) of the Companies Act, 2013.

18. AUDITORS' REPORT

The Directors wish to state that the Statutory Auditors of the Company has given modified opinion on the Standalone Financial Statements of the Company for the year ended 31st March, 2018. The qualification in the Standalone Financial Statement and management response to the aforesaid qualification is given as under:-

	Auditors' Qualification	Management's Reply
(a)	Note no 55 (b) of standalone financial statements regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), a subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 289,038 lakh (Including Investment and loan components of compound financial instrument- Optionally Convertible Preference Shares). Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable.	Pending disposal/ transfer of pledged shares of Prayagraj Power Generation Company Limited by the Lenders, no provision has been considered necessary in these financial statement, as impact, if any is currently unascertainable. Keeping in view of the facts stated above, the entire amount of investment in PPGCL of Rs. 2,89,038 lakh (Including Investment and loan component of compound financial instrument- Optionally Convertible Preference Shares) is shown as Current Investments and Current Financial Assets-Loans. Presently Impact can not be quantified.

	Auditors' Qualification	Management's Reply																								
(b)	As stated in note no. 45 (e) of the standalone financial statements, the Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84,557.33 lakh and Rs. 110,000 lakh respectively for which fair valuation has not been done as per the applicable IND-AS as of 31st March 2018. In the absence of fair valuation of the said corporate guarantees, we are not able to ascertain the impact of the same on the loss for the year and the state of affairs of the Company.	In the opinion of the Management there will be no material impact of the fair valuation of the following guarantees on the financial result/ statement of affairs. Accordingly considering the above facts this has not being considered and recorded in this financial statement. (i) Corporate Guarantee of US\$ 1,500 lakh in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited (Party to whom the company is Associate). The principal amount of loan outstanding of US\$ 1,300 Lakh (equivalent to Rs. 84557.33 lakh) has been converted to rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016. (ii) Corporate Guarantee of Rs. 50,000 lakh in favour of State Bank of India, for Optionally Convertible Sub Debt underwritten/ granted by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company).The principal amount of loan outstanding as on 31st March, 2018 was Rs. 50,000 Lakh (Previous Year-Rs. 50,000 Lakh). (iii) Corporate Guarantee of Rs.60,000 Lakh in favour of State Bank of India, for Optionally Convertible Short Term Loan granted by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company).The principal amount of loan outstanding as on 31st March, 2018 was Rs. 60,000 Lakh (Previous Year-Rs. 60,000 Lakh). Presently Impact can not be quantified.																								
(c)	As stated in note no. 55 (a) and 47 of the standalone financial statements, No provision for diminution in value against certain long term investments of amounting to Rs. 277,486 lakh (Book Value) ("Including investment in trust which in turn holding investment in the Company") has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims. Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage.	No provision for diminution in value against following long term investments of amounting to Rs. 2,77,486 lakh (Book Value) ("Including investment in trust which in turn holding investment in the Company") has been made as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims and management is confident that no provision for the same at this stage is considered necessary. <table border="1" data-bbox="793 1079 1373 1358"> <thead> <tr> <th>Sl. No.</th><th>Particulars</th><th>Rs. in lakh</th></tr> </thead> <tbody> <tr> <td>(i)</td><td>Investment in Sangam Power Generation Company Limited</td><td>55,206</td></tr> <tr> <td>(ii)</td><td>Investment in Jaypee Arunachal Power Ltd</td><td>22,842</td></tr> <tr> <td>(iii)</td><td>Investment in Jaypee Meghalaya Power Ltd</td><td>838</td></tr> <tr> <td>(iv)</td><td>Investment in JPVL Trust</td><td>198,595</td></tr> <tr> <td>(v)</td><td>Investment in Bina Power Supply Ltd.</td><td>5</td></tr> <tr> <td></td><td>Total</td><td>277,486</td></tr> <tr> <td></td><td colspan="2">Presently Impact of the above cannot be quantified.</td></tr> </tbody> </table>	Sl. No.	Particulars	Rs. in lakh	(i)	Investment in Sangam Power Generation Company Limited	55,206	(ii)	Investment in Jaypee Arunachal Power Ltd	22,842	(iii)	Investment in Jaypee Meghalaya Power Ltd	838	(iv)	Investment in JPVL Trust	198,595	(v)	Investment in Bina Power Supply Ltd.	5		Total	277,486		Presently Impact of the above cannot be quantified.	
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(d)	Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) and penal interest on certain loans of amounting to Rs. 4,618 lakh and Rs. 3,040.94 lakh as stated in Note no. 59 (a) and no. 59 (b) respectively of the standalone financial statements. Had the interest provision been made the loss for the year of the Company would have increased by the said amount	The Company is under discussion with the Bond Holders for settlement/ conversion and they are in principle agreeable to convert their entire principal outstanding of US\$ 101 million into equity at a conversion price of INR 12/- share and waive off the entire accrued interest without any further changes to terms & conditions of the bonds. Therefore Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) of amounting to Rs 4618 lakh in the financial statements. Company has not provided penal interest on loans of amounting to Rs. 3040.94 lakh (approx) as majority of the lenders / banks did not confirm balances / charged penal interest in view of the facility granted to the Company by them has been classified as NPA (31st March 2018).																								

The Auditors have drawn emphasis on the certain matters in their Report on Standalone Financial Statements. The same alongwith management's reply thereon is given below:-

	Auditors emphasis on matters	Management's Reply
(a)	As Stated in Note no. 49 of the standalone financial statements, no provision against Entry Tax in respect of Bina unit and Nigrie Power & Cement unit amounting to Rs.11,533 lakh & Rs. 9,074 lakh respectively and interest thereon (impact unascertainable) as stated in said note has been made by the company. The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled & in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lakh and Rs.2,580 lakh has been deposited (and shown as part of other non-current assets) in respect of Bina unit and Nigrie Power & Cement unit respectively which is in the opinion of the management good and recoverable	The Company has not made provision against Entry Tax in respect of Bina unit & Nigrie Power and Cement Grinding unit amounting to Rs.11,533 lakh & Rs. 9,074 lakh respectively and interest thereon (impact unascertainable). The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled & in respect of Nigrie Power and Cement Grinding unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lakh and Rs. 2,580 lakh has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement Grinding unit respectively which is in the opinion of the management are good and recoverable. Presently Impact can not be quantified.
(b)	Pending confirmations/ reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/ payables from/ to related parties) and loans & advances. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in Note no. 61 of the standalone financial statements.	Management is in the process to reconcile /confirmation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties) and loans & advances and management expected that there will be no material impact on the financial statement. Presently Impact cannot be quantified.
(c)	For deferred tax assets on unabsorbed depreciation and business losses recognised and MAT credit entitlement of amounting to Rs. 90,544 lakh and Rs. 31,631 lakh respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 68 (c) of the standalone financial statements.	Though the company has been incurring losses in last few years, it expects turnaround of the sector and accordingly Deferred tax assets in respect of unabsorbed depreciation and business losses and MAT credit entitlement have been recognized amounting to Rs. 90,544 lakh and Rs. 31,631 lakh respectively, owing to reasonable certainty of availability of future taxable income to realize such assets. Accordingly, these have been considered good and no provision there against at this stage is considered necessary in the financial statements. Presently Impact cannot be quantified.
(d)	As stated in Note no. 64 of the standalone financial statements, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of remuneration/excess remuneration amounting to Rs. 1067.33 lakh to the directors in the financial years 2013-14 and 2015-16 onwards (including for as stated in said note against rejection of the Company's application).	The company had filed requisite applications for obtaining the approvals of the Central Government i.e Ministry of Corporate Affairs (MCA) for the approval of remuneration to Shri Praveen Kumar Singh, Whole Time Director (WTD) for a period of three years from 12th August 2016 to 11th August, 2019 which was rejected vide letter dated 11th September 2017 and the company was asked to recover excess amount paid to him as well as the Shri Suren Jain, Managing Director & CFO (MD & CFO) due to the inadequacy of profit for the financial year 2013-14 & further 2015-16 onwards due to the default in repayment of loan & interest to banks/ financial institutions. Remuneration paid to W.T.D and M.D. & CFO was within the limit of Schedule V of the Companies Act except for the year 2013-14. Though the company has made the representation vide letter dated 14th November, 2017 but response from MCA is awaited. Company is in the process of to obtain the approval of the Central Government for excess remuneration amounting to Rs.249.13 lakh, Rs. 306.61 lakh and 309.85 lakh paid during the financial years 2013-14, 2015-16 & 2016-17 respectively. For Rs. 201.74 lakh of the Financial Year 2017-18 is subject to the approval of the Shareholders in ensuring General Meeting/ Central Government. Presently Impact cannot be quantified.

	Auditors emphasis on matters	Management's Reply
(e)	(i) As stated in the Note no. 58 of the standalone financial statements, the Company has signed an agreement for sale of its JaypeeNigrie Cement grinding unit (JNGGU) (2 million MT capacity) and as stated in the said note, the Company is currently in process of compliance of certain terms and conditions of agreement dated 31st May 2017. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.	(i) The Company has signed an agreement dated 31st May, 2017 with Orient Cement Limited (OCL) for sale of aforesaid unit as a going concern basis at an estimated enterprise value of Rs. 500 crore subject to compliance of certain terms and conditions stated in the agreement. Currently, the Company is in the process of compliance of certain terms and conditions of the agreement. As assessed by an Expert and by the Management, carrying value is lower than fair value, therefore, the management feel that there is no need to make provision on account of impairment at the stage. Presently Impact cannot be quantified.
	(ii) As stated in the Note no. 57 of the standalone financial statements, fair value of fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being in excess as compared to the carrying value, as estimated by a technical valuer and for the reasons explained in the said note, management is of the view that no impairment provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.	(ii) In view of fair value for all fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being excess as compared to the carrying value, as estimated by a technical valuer and an Experts, management does not anticipate any impairment amount which is to be provided at this stage in the financial statement for in the value of property, plant and equipment(including capital work-in-progress) based on the condition of plant, market demand and supply, economic and regulatory environment and other factors. Presently Impact cannot be quantified.
(f)	During the financial year ended 31st March, 2018, the Company has incurred cash loss, and its current liabilities exceed its current assets as at 31st March, 2018. However, for the reasons stated in the Note no. 60 of the standalone financial statements, these standalone financial statements are prepared on going concern basis.	The Company expects to meet its financial obligations based on the resolution/ revival plan under consideration by Lender(s) and expected revenue generation from sale of energy under long term PPAs/ Merchant sales etc as may be required to sustain its operations on a going concern basis. Hence these standalone financial statement are prepared on going concerned basis.

The Auditors have stated that their opinion is not modified in respect of above stated matters.

The Directors wish to state that the Statutory Auditors of the Company has given modified opinion on the Consolidated Financial Statements of the Company for the year ended 31st March, 2018. The qualification in the Consolidated Financial Statement and management response to the aforesaid qualification is given as under:-

	Auditors' Qualification	Management's Reply
(a)	Note no 52 (b) of the consolidated financial statements, regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), a subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 289,038 lakh (Including Investment and loan components of compound financial instrument- Optionally Convertible Preference Shares). Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017 and profit/(loss) post this date not been recorded in these consolidated financial statements. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable. However pending final decision, in consolidated financial statements no impact has been carried out in this regard and total assets and liabilities of Rs.15,99,311 lakh & Rs.14,39,365 lakh respectively been considered and carried over.	Pending disposal/ transfer of pledged shares of Prayagraj Power Generation Company Limited (PPGCL) by the Lenders, no provision has been considered necessary in these financial statement, as impact, if any is currently unascertainable. Keeping in view of the facts stated above, the entire amount of investment in PPGCL of Rs.2,89,038 lakh (Including Investment and loan component of compound financial instrument- Optionally Convertible Preference Shares) is shown as Current Investments and Current Financial Assets-Loans. Presently Impact cannot be quantified.
(b)	As stated in note no. 43 (h) of the consolidated financial statements, the Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84,557.33 lakh and Rs. 1,10,000 lakh respectively for which fair valuation has not been done as per the applicable IND-AS as of 31st March 2018. In the absence of fair valuation of the said corporate guarantees, we are not able to ascertain the impact of the same on the statement of affairs.	In the opinion of the Management there will be no material impact for the year and in the stage of approval, on the fair valuation of the following guarantees on the financial result/ statement of affairs. Accordingly, considering the above this has not being considered and recorded in this financial statement. (i) Corporate Guarantee of US\$ 1,500 lakh in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited (Party to whom the company is associate).The principal amount of loan outstanding of US\$ 1,300 lakh (equivalent to Rs. 84557.33 lakh) has been converted to rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016.

	Auditors' Qualification	Management's Reply
		(ii) Corporate Guarantee of Rs.50,000 lakh in favour of State Bank of India, for Optionally Convertible Sub Debt underwritten/ granted by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company). The principal amount of loan outstanding as on 31st March, 2018 was Rs.50,000 lakh (Previous Year-Rs.50,000 lakh).
		(iii) Corporate Guarantee of Rs.60,000 lakh in favour of State Bank of India, for Optionally Convertible Short Term Loan granted by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company). The principal amount of loan outstanding as on 31st March, 2018 was Rs.60,000 lakh (Previous Year-Rs.60,000 lakh). Presently Impact cannot be quantified.
(c)	As stated in note no 52 (a) of the consolidated financial statements, No provision for diminution in value of investment in beneficiary trust (Equity), JPVL Trust amounting to Rs. 198,594 lakh, ("which in turn holding investment in the Company") has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects. Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage.	No provision for diminution in value against following long term investments of amounting to Rs.1,98,594 lakh (Book Value) in JPVL TRUST which in turn holding investment in the Company) has been made as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets and future prospects. Management is confident that no provision for the same at this stage is considered necessary. Presently Impact cannot be quantified.
(d)	Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) and penal interest on certain loans of amounting to Rs. 4618 lakh and Rs. 3040.94 lakh as stated in Note no 56 (a) & (b) respectively of the consolidated financial statements. Had the interest provision been made the loss for the year of the Company would have increased by the said amount.	The Company is under discussion with the Bond Holders for settlement / conversion and they are in principle agreeable to convert their entire principal outstanding of US\$ 101 million into equity at a conversion price of INR 12/- share and waive off the entire accrued interest without any further changes to terms & conditions of the bonds. Therefore Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) of amounting to Rs 4618 lakh in the financial statements. Company has not provided penal interest of amounting to Rs. 3040.94 lakh (approx) as majority of the lenders/ banks did not confirm balances/ charge penal interest in view of the facility granted to the Company by them has classified as NPA (31st March 2018).
(e)	Expenditure incurred during the construction and incidental to setting up of the project, Capital advances and other financial assets in respect of project (project assets) have been carried forward as 'Capital Work-in-Process', Capital advances and other financial assets, as explained in note no 52(c) by a subsidiary company Sangam Power Generation Company Limited (SPGCL). In view of abnormal delay in handing over the possession of land, the promoter of the company had requested Uttar Pradesh Power Corporation Limited (UPPCL) to take over the project / company and refund of investment made by it. Pending such settlement, no adjustment in the carrying value of project assets under non current assets, for impairment has been made. Further the ultimate outcome of the settlement is as present not ascertainable. This indicates the existence of a material uncertainty that cast significance doubt on the Company's (SPGCL) ability to continue as Going concern and accordingly we are unable to comment on the consequential impact, if any, on the carrying value of such project assets under non current assets in consolidated financial statement as stated in Note no. 52 (c) of the consolidated financial statements. This Matter was also qualified in the report of the predecessor auditor in the consolidated financial statements for the year ended 31st March 2017.	Sangam Power Generation Company Limited (SPGCL) was acquired by the Company from Uttar Pradesh Power Corporation Limited (UPPCL) in earlier years, for the implementation of 1320 MW (2 x 660 MW) Thermal Power Project (with provision to add one additional unit of 660 MW) in Tehsil Karchana of District Allahabad, Uttar Pradesh. All major statutory approvals for Phase-1, are in place and Coal linkage for 4.68 MTPA by Northern Coalfield Limited has been issued for Phase-1 of the Project. SPGCL executed Deed of Conveyance with Uttar Pradesh Power Corporation Limited (UPPCL) but the District Administration could not hand over physical possession of land to SPGCL and hence, no physical activity could be started for the implementation of Project. SPGCL has written to UPPCL and all procurers that the Power Purchase Agreement is rendered void and cannot be enforced. There is abnormal delay in resolving the matter by UPPCL, SPGCL has withdrawn all its undertakings given to UPPCL and lodged a claim of Rs. 1,15,722 Lakh on UPPCL. JAL has also furnished Performance Guarantee aggregating to Rs. 99.00 crores valid up to 31.12.2018. The Company has made investment of Rs.55,207 lakh in SPGCL up to 31st March, 2018. Where no provision is considered necessary by the management, keeping in view the above stated facts and considering value of assets/ claims.

The Auditors have drawn attention on the certain matters in their Report on consolidated Financial Statements under the head Emphasis of matter as given below:-

	Auditors emphasis on matters	Management's Reply
(a)	As Stated in Note no. 47 of the consolidated financial statements, no provision against Entry Tax in respect of Bina unit and Nigrie Power & Cement unit amounting to Rs.11,533 lakh & Rs. 9,074 lakh respectively and interest thereon (Interest impact unascertainable) as stated in said note has been made by the company. The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled & in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lakh and Rs.2,580 lakh has been deposited (and shown as part of other non-current assets) in respect of Bina unit and Nigrie Power & Cement unit respectively which is in the opinion of the management good and recoverable.	The Company has not made provision against Entry Tax in respect of Bina unit & Nigrie Power and Cement Grinding unit amounting to Rs.11,533 lakh & Rs. 9,074 lakh respectively and interest thereon (impact unascertainable). The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax, later on cancelled & in respect of Nigrie Power and Cement Grinding unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 Lakh and Rs.2,580 lakh has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement Grinding unit respectively which is in the opinion of the management are good and recoverable. Presently Impact cannot be quantified.
(b)	Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties), deferred tax and loans & advances. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in Note no. 58 of the consolidated financial statements.	Management is in the process to reconcile /confirmation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties) and loans & advances and management expected that there is no material impact on the financial statement. Presently Impact cannot be quantified.
(c)	For deferred tax assets on unabsorbed depreciation and business losses recognised and MAT credit entitlement of amounting to Rs. 90,544 lakh and Rs. 31,631 lakh respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 67 of the consolidated financial statements.	Though the company has been incurring losses in last few years, it expects turnaround of the sector and accordingly Deferred tax assets in respect of unabsorbed depreciation and business losses and MAT credit entitlement have been recognized amounting to Rs. 90,544 lakh and Rs.31,631 lakh respectively, owing to reasonable certainty of availability of future taxable income to realize such assets. Accordingly, these have been considered good and no provision there against at this stage is considered necessary in the financial statements. Presently Impact cannot be quantified.
(d)	As stated in Note no. 61 of the consolidated financial statements, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of remuneration/excess payment of remuneration amounting to Rs.1067.33 lakh to the directors in the financial years 2013-14 and 2015-16 onwards (including for as stated in said note against rejection of the Company's application).	The company had filed requisite applications for obtaining the approvals of the Central Government i.e Ministry of Corporate Affairs (MCA) for the approval of remuneration to Shri Praveen Kumar Singh, Whole Time Director (WTD) for a period of three years from 12th August 2016 to 11th August, 2019 which was rejected vide letter dated 11th September 2017 and the company was asked to recover excess amount paid to him as well as to Shri Suren Jain, Managing Director & CFO due to the inadequacy of profit for the financial year 2013 -14 & further 2015-16 onwards due to the default in repayment of loan & interest to banks/financial institutions. Though the company has made the representation vide letter dated 14th November, 2017 but response from MCA is awaited. Company is in the process of to obtain the approval of the Central Government for excess remuneration amounting to Rs. 249.13 lakh, Rs. 306.61 lakh and Rs. 309.85 lakh paid during the financial years 2013-14, 2015-16 & 2016-17 respectively. For Rs. 201.74 lakh of the Financial Year 2017-18 is subject to the approval of the Shareholders in ensuring General Meeting and Central Government. Presently Impact cannot be quantified.
(e)	(i) As stated in the Note no.55 of the consolidated financial statements, the Company has signed an agreement for sale of its JaypeeNigrie Cement grinding unit (JNCGU) (2 million MT capacity) and as stated in the said note, the Company is currently in process of compliance of certain terms and conditions of agreement dated 31st May 2017. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.	(i) The Company has signed an agreement dated 31st May, 2017 with Orient Cement Limited (OCL) for sale of aforesaid unit as a going concern basis at an estimated enterprise value of Rs. 500 crore subject to compliance of certain terms and conditions stated in the agreement. Currently, the Company is in the process of compliance of certain terms and conditions of the agreement dated 31.03.2017. As assessed by an Expert and by the Management, carrying value is lower than fair value, therefore, the management feel that there is no need to make provision on account of impairment at the stage. Presently Impact cannot be quantified.

Auditors emphasis on matters	Management's Reply
(ii) As stated in the Note no. 54 of the consolidated financial statements, fair value of fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being in excess as compared to the carrying value, as estimated by a technical valuer and for the reasons explained in the said note, management is of the view that no impairment provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.	(ii) In view of fair value for all fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being excess as compared to the carrying value, as estimated by a technical valuer and an Experts, management does not anticipate any impairment amount which is to be provided at this stage in the financial statement for in the value of property, plant and equipment(including capital work-in-progress) based on the condition of plant, market demand and supply, economic and regulatory environment and other factors. Presently Impact cannot be quantified.
(iii) During the financial year ended 31 March, 2018, the Company has incurred cash loss, and its current liabilities exceed its current assets as at 31 March, 2018. However, for the reasons stated in the Note no. 57 of the consolidated financial statements, the financial statements of the company are prepared on going concern basis.	(iii) The Company expects to meet its financial obligations based on the resolution/ revival plan under consideration by Lender(s) and expected revenue generation from sale of energy under long term PPAs/ Merchant sales etc as may be required to sustain its operations on a going concern basis. Hence these standalone financial statement are prepared on going concerned basis.
(f) Auditors of the respective companies have drawn attention in their report: (i) Sangam Power Generation Company Limited (SPGCL) a subsidiary of the company is yet to appoint key management person including company secretary as per the requirement of the Act.{note no 70(i)} (ii) Jaypee Meghalaya Power Limited a subsidiary of the company is yet to appoint Company Secretary as key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014.{note no 70(ii)} (iii) Jaypee Arunachal Power Limited a subsidiary of the company is yet to appoint key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014.{note no 70(iii)}	The Company would like to say that since Sangam Power Generation Company Limited, Jaypee Meghalaya Power Limited and Jaypee Arunachal Power Limited were lying dormant without any operation and source of income, they could not appoint necessary Key Managerial Personnel to meet the requirements of Companies Act, 2013.

The Auditors have stated that their opinion is not modified in respect of above stated matters.

The Auditors in their Report have also made the following observations as per Annexure-A to Auditors' Report on Standalone financial statements as on 31st March, 2018:-

"According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, wherever applicable, have generally been deposited though with delays with the appropriate authorities during the year in some cases which have been paid with applicable interest amount and there are no such undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2018, except interest on VAT and Electricity duty / cess of Rs. 264 lakhs and Rs. 4,157 lakhs respectively."

In reply to the Observations of the Statutory Auditors in their Report on Standalone Annual Audited Financial Statements, the Company would like to say that the Observations of the Statutory Auditors referred to above pertains to outstanding dues for a period exceeding 6 (six) months as on the Balance Sheet date and pertains to non-deposit of Interest on VAT under M.P. VAT Act 2002 and Interest on Electricity Duty / Cess in respect of Company's Nigrie Cement Grinding Unit and 1320 MW Jaypee Nigrie Super Thermal Power Plant respectively.

The Company is generally depositing undisputed statutory dues applicable to it like PF, ESI, Income-tax, GST, VAT, Electricity Duty / Cess and Custom Duty, etc. The Statutory Liability as mentioned in Audit Report pertains to interest on VAT and interest on Electricity Duty/ Cess due to delay in payment. The liability on account of interest on VAT is being paid and for interest on Electricity Duty/

Cess, the company has requested the concerned Authority for its waiver and is hopeful of getting the waiver of the same.

The Auditors have mentioned in their Report that during the year the company has defaulted in repayment of Principal and interest to Banks and Financial Institutions, wherein the period of delay ranges from 1 day to 728 Days and reported as follows:

"In our opinion, on the basis of audit procedures and according to the information and explanations given to us, there are no dues to debenture holders; however, the company has defaulted in repayment of dues (including interest) to financial institution and banks wherein the delay ranges from 1 day to 728 day as per details given in report. The default pertains to overdue outstanding interest of Rs. 1270.93 crore, overdue principal outstanding of Rs. 1500.82 crore (refer note No. 24.9(1) and note No. 61 to standalone financial statements) and default in repayment of dues during the year Rs. 174.17 crore."

The Directors wish to state that the delay in payment of outstanding dues of the appropriate authorities, banks and financial institutions was primarily because of the following reasons:-

- In respect of 500 MW Jaypee Bina Thermal Power Plant (JBTPP), the Company has executed a Power Purchase Agreement (PPA) with Madhya Pradesh Power Management Company Ltd. (MPPMCL) to supply 65% of installed capacity at tariff determined by MPPERC guidelines and 5% of actual generation at variable cost. Thus the Plant supplies 70% of the installed capacity on long-term basis to MPPMCL in terms of the Power Purchase Agreements executed with them and balance of installed capacity is to be sold as merchant power.

The MPPMCL has restricted offtake to 70%/60% of the contracted capacity from all the power producer(s) in Madhya Pradesh. However, MPPMCL is also not adhering to the above restriction of 70%/60% of the contracted capacity and is giving despatch schedules erratically, which is technically not feasible, requiring Company to sell balance power to power exchanges at the unremunerative market prices. During the year 2017-18, 1,126.38 MUs power were sold through exchange.

- ii) The Company had acquired coal mine at Amelia (North) at a negative bid of Rs. 712 PMT through e-auction conducted by Government of India for meeting part of the coal requirement of 1320 MW Jaypee Nigrie Supercritical Thermal Power Plant (JNSTPP) and the Coal mine allocation condition require that 85% of Amelia Coal shall be used for sales through long term PPA(s) to DISCOMS, the balance 15% can be used for sale on merchant basis.

The Company achieved a PLF of 66.49% as compared to 62.85% in the previous year. The Plant has long term PPAs only for 37.5% (Including 7.5% on variable cost) with MPPMCL. Energy was also sold on merchant power basis through bilateral arrangements and through Indian Energy Exchange & Power Exchange of India Limited. The merchant power rates are not very attractive and hardly cover variable cost. The operations have been adversely affected due to non-availability of long term PPA(s) and lower merchant power rates.

- iii) The Company has a captive coal mine, Amelia (North), with an annual mining capacity of 2.8 MTPA as per the Coal Mine Development and Production Agreement (CMDPA). Allocation of Amelia (North), coal block, which was already in production & supplying coal to JNSTPP, was cancelled by the Hon'ble Supreme Court in September 2014. In order to keep JNSTPP operational, the Company secured Amelia (N) coal block against stiff competition at a negative bid of INR 712 PMT, which is not passed through the tariff.

The financial performance and cash flows of the Company have been adversely impacted due to reasons explained above. In order to overcome the financial stress, the Company/ Lenders are in process of finalizing a revival plan. Accordingly, in the Joint Lender Forum (JLF) meeting dated 25 July 2016, the Lenders invoked Strategic Debt Restructuring (SDR). Consequent to that the Company has allotted 30,580 Lakhs equity shares valued Rs. 3,05,800 Lakhs on 18.02.2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest towards implementation of SDR Scheme as per RBI guidelines, after obtained requisite approval of Shareholders/ Board of Directors etc. Accordingly the equity share capital of the Company was increased to Rs. 5,99,600 Lakhs from Rs. 2,93,800 Lakhs and the lenders shareholding stood at 49.85% of paid up capital as on 30th June, 2018.

The lenders, who are holding equity share capital of the Company, have to offload the shareholding as per RBI guidelines. The lenders had invited bids for divestment of part of their equity in the Company. The bids received by Lenders and many condition precedent were not found favourable by the Lenders. Therefore lender(s) decided to close the process and intimate the bidders/ advisors suitably. Thereafter, resolution/ revival plan is under formulation as per revised RBI guidelines dated 12.02.2018.

Further the Auditors have given Qualified opinion in the Annexure-A to their report on Consolidated financial statements in respect of Internal Financial Controls as under:

"According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2018:-

- (i) Evaluation and assessment of recoverability including provision to be made there against in respect of investments made in trust were not carried out which could potentially result, in the Holding Company not recognizing sufficient provision there against. [note no. 52(a) & (b)].
- (ii) Fair valuation of corporate guarantees provided by the Holding Company for loans granted by the lenders to Jaiprakash Associates Limited (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) as per applicable IND-AS as on 31 March 2018, has not been carried out which could potentially have material impact in the financial statements. [note no. 43(h)]."

The Directors wish to state in respect of above observations as under:-

- (i) No provision for diminution in value of investment in Beneficiary Trust (JPVL Trust) amounting to Rs.1,98,594 Lakhs (which in turn holding investment in the Company) has been made by the management, as in the opinion of the management, such diminution is temporary in nature considering the intrinsic value of the assets, future prospects etc.

The Company has made investment of Rs. 2,89,038 Lakhs (Including Investment and loan component of compound financial instrument - Optionally Convertible Preference Shares) (26,192 Lakhs Equity Shares of Rs. 10/- each fully paid and 2,700 Lakhs Optionally Convertible Preference Shares of Rs.10/- each fully paid) in Prayagraj Power Generation Company Ltd. (PPGCL) (erstwhile Subsidiary Company). The entire shares were pledged with Security Trustees, SBICAP Trustee Company Ltd., as collateral security for the financial assistance granted by lenders to PPGCL. Security Trustee for lender(s) of PPGCL has invoked the entire pledge of Equity and Preference Shares of PPGCL on 18th December, 2017 held by the Company due to default in payment of interest to banks/ financial institutions because of unsatisfactory operations mainly due to paucity of working capital limits etc. Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable.

- (ii) The Company has given Corporate Guarantee of US\$ 1,500 Lakhs (Previous year US\$ 1,500 Lakhs) in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited (Party to whom the company is associate). The principal amount of loan outstanding of US\$ 1,300 Lakhs (equivalent to Rs. 84,557 Lakhs) has been converted to rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016.

The Company has also given Corporate Guarantees of Rs. 50,000 Lakhs and Rs. 60,000 Lakhs in favour of State Bank of India, for Optionally Convertible Sub Debt and Optionally Convertible Short Term Loan respectively granted by them to Prayagraj Power Generation Company Limited (PPGCL) (erstwhile subsidiary of the Company).

Fair valuation in respect of above guarantees as at 31st March, 2018, as per applicable Ind-AS 113 has not been done. However, in the opinion of the Management there will be no material impact on the fair valuation of the above mentioned guarantees on the financial statement.

19. EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013, read with notification dated 31st July, 2018, issued by Ministry of Corporate Affairs, Government of India, Form No-MGT-9, which is Extract of the Annual Return for the Financial Year ended 31st March, 2018 made under provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at http://jppowerventures.com/wp-content/uploads/2018/08/MGT-9_Extract_of_Annual_Return_31.03.2018.pdf.

20. PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES AND SECURITY

The provisions of Section 186 of the Companies Act, 2013, with respect to a loan, guarantee or security is not applicable to the Company for being engaged in providing infrastructural facilities except for making investments. Particulars of investments are given in Note No. 7, 8 and 14 to the Financial Statements. However, particulars of loans given, guarantees given and securities provided under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

21. RISK MANAGEMENT

Since the company does not fall within top 100 listed entities as per market capitalization, the provision of SEBI (LODR) Regulations, 2015, regarding constitution of Risk Management Committee are not applicable to the company. However, the Company has developed and implemented a Risk Management Policy which inter-alia:

- Establishes a framework for identification, assessment, monitoring, mitigation and reporting of risks; and
- ensures that all the current and future material risk exposures are identified, assessed, quantified, appropriately mitigated, minimized, managed and critical risks which impact the achievement of Company's objective or threatens its existence are periodically reviewed.
- ensures systematic and uniform assessment of risks related with construction and operations of power projects.
- assures business growth with financial stability.

22. MATERIAL CHANGES AND COMMITMENTS

In terms of Section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the report and there has been no change in the nature of business.

23. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Report on Corporate Governance.

The Annual Report on CSR activities as required to be given under Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as "Annexure-D".

24. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A report on Corporate Governance as stipulated by Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report along with the required Certificate from the Auditors confirming compliance with the conditions of Corporate Governance.

As required under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report on the operations and financial position of the Company has been provided in a separate section which forms part of this Annual Report.

25. BUSINESS RESPONSIBILITY REPORT

In terms of Regulation 34 of SEBI (LODR) Regulations 2015, the Company falls within top five hundred listed entities based on market capitalization as on 31st March, 2018, as such, a Business Responsibility Report (BRR), in the prescribed format, is annexed and forms part of this Annual Report describing the initiatives taken by the Company from an environmental, social and governance perspective, towards adoption of responsible business practices.

The BRR as well as the Company's Policy on Sustainable Development are accessible on the Company's website www.jppowerventures.com.

26. DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of SEBI (LODR) Regulations, 2015, since the Company falls within top five hundred listed entities based on market capitalization as on 31st March, 2018, the Company has formulated a dividend distribution policy containing the matters specified in the Regulation, which is annexed as 'Annexure E' and forms part of this Directors Report. The Dividend distribution policy is also available on the website of the Company.

27. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge and ability, confirm in respect of the Audited Annual Accounts for the year ended 31st March, 2018 that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;
- the Directors had, in consultation with the Statutory Auditors, selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended 31st March, 2018 and loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;

- e) the Directors had laid down proper internal financial controls to be followed and that such internal financial controls were adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

As already reported, the Board has, pursuant to the provisions of Company has in terms of the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, formulated Whistle Blower Policy and Vigil Mechanism for Directors and employees under which protected disclosures can be made by a whistle blower and provide for adequate safeguards against victimization of Director(s) or employees(s) or any other person who avail the mechanism.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, integrity and ethical behavior.

The Vigil Mechanism – cum – Whistle Blower Policy may be accessed on the Company's website at the link: <http://jppowerventures.com/wp-content/uploads/2016/03/Vigil-Mechanism-cum-Whistle-Blower-Policy.pdf>

29. INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls, with reference to financial statements, as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for insufficiency or inadequacy of such controls.

The details pertaining to internal financial controls and their adequacy have been disclosed in the Management Discussion & Analysis Report forming part of this Report.

30. DEPOSITS

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014.

31. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

- a) Statement showing details of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in **Annexure-F(I)** which forms part of this Report.
- b) Information pertaining to remuneration to be disclosed by listed companies in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been provided in **Annexure-F(II)** which forms part of this Report.

32. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Second Amendment Rules, 2015 (As per notification dated 4th September, 2015), is annexed to this Report as "**Annexure-G**".

33. ACKNOWLEDGEMENTS

The Board places on record its sincere appreciation and gratitude to various Departments and Undertakings of the Central Government, various State Governments, UPPCL, MPPMCL, APTEL, CERC, UPERC, MPERC, Financial Institutions, Banks, Rating Agencies, for their continued co-operation and support to the Company. The Board sincerely acknowledges the hard work, dedication and commitment of the employees and the faith & confidence reposed by the shareholders in the Company.

For and on behalf of the Board

MANOJ GAUR
Chairman
[DIN: 00008480]

Place : New Delhi
Date : 4th August, 2018

Annexures to Directors' Report
Annexure 'A'
FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Rs. in Lacs)

S.No.	Name of Subsidiary Company	Sangam Power Generation Company Limited	Prayagraj Power Generation Company Limited	Jaypee Arunachal Power Limited	Jaypee Powergrid limited	Jaypee Meghalaya Power Limited	Bina Power Supply Limited
		[A]	[B]	[C]	[D]	[E]	[F]
1.	Reporting period ended on	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
2.	Reporting currency of the Subsidiary Concerned	INR	INR	INR	INR	INR	INR
3.	Share Capital	55197.72	2,95,919	228.42	30,000	838	5
4.	Reserve & Surplus	(31652.42)	(1,40,890)	(32,8.45)	9,860	(15)	(2)
5.	Total Assets	23547.15	16,40,905	22,689.12	84,654	993	3
6.	Total Liabilities	1.86	14,85,876	175.58	10,446	170	-
7.	Investments	-	-	-	-	-	-
8.	Turnover	-	192,112	-	16,874	0	0
9.	Profit before taxation	(31449.09)	(1,45,022)	(197.28)	6,174	(4)	0
10.	Provision for taxation	(5.22)	46,814	-	1,325	-	0
11.	Profit after taxation	(31454.31)	(98,208)	(197.28)	6,720	(4)	0
12.	Proposed Dividend		-	-			
13.	% of shareholding	100	NIL*	100	74	100	99
	Notes : 1. Names of subsidiaries which are yet to commence operations	Sangam Power Generation Company Limited	-----	Jaypee Arunachal Power Limited	----	Jaypee Meghalaya Power Limited	Bina Power Supply Limited
	2. Names of subsidiaries which have been liquidated or sold during the year		Prayagraj Power Generation Company Limited				

* (SBICAP-Trustee for lenders of PPGCL on 18th December, 2017 enforced the pledge of shares and transferred all shares (261,91,89,200 Equity Shares of Rs.10/- each and 27,00,00,000 Preference Shares of Rs.10/- each) held by the Company in PPGCL. Consequent upon invocation of entire pledged shares of the Company in PPGCL held by SBICAP Trustee on behalf of banks/financial institutions and transfer of these shares, in favour of SBICAP Trustee Company Limited on 18th December, 2017, PPGCL ceased to be subsidiary of the Company.)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act 2013 related to Associate Companies and Joint Ventures

Name of the Associates / Joint Ventures	Not Applicable
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As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 301051E

N.K. LODHA
Partner
M.No. 085155

Place: New Delhi
Dated: 5th May, 2018

Suren Jain
Managing Director & CFO
DIN 00011026

Y.K. Sharma
Sr. Vice President (F & A)

For and on behalf of Board of Directors

Manoj Gaur
Chairman
DIN 00008480

Sunil Kumar Sharma
Vice Chairman & CEO
DIN 00008125

A.K. Rastogi
Joint President & Company Secretary

“Annexure-B”

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1 Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into by the Company during the Financial Year 2017-18 which were not at Arm's length basis.

2 Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	NA
c)	Duration of the contracts / arrangements/transactions	NA
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
e)	Date(s) of approval by the Board, if any	NA
f)	Amount paid as advances, if any	NA

For and on behalf of the Board of Directors of
Jaiprakash Power Ventures Limited

Manoj Gaur
Chairman

Place: New Delhi
Date: 4th August, 2018

[DIN – 00008480]

“Annexure-C”

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The members,
Jaiprakash Power Ventures Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JAIPRAKASH POWER VENTURES LIMITED** (hereinafter called the **company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2018 (“audit period”) complied with the statutory provisions listed hereunder and also that the Company

has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992;
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the Audit Period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards viz. SS-1 and SS-2 as issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis,

the Company has complied with the following laws applicable specifically to the Company:

- (a) The Electricity Act 2003
- (b) National Tariff Policy
- (c) The Railways Act
- (d) Essential Commodities Act 1955
- (e) Explosives Act, 1884
- (f) Mines Act, 1952
- (g) Mines & Mineral (Regulation and Development) Act, 1957

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were taken out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following major events having a major bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc;

- 1. As informed by the Company, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of excess remuneration to Shri Praveen Kumar Singh, Whole-time Director for the FY 2013-14, FY 2015-16, FY 2016-17 (upto 09.02.2017) and to Shri Suren Jain, Managing Director & CFO for FY 2013-14, FY 2015-16 and FY 2016-17.
- 2. M/s. Prayagraj Power Generation Company Limited ceased to be a subsidiary of the Company due to invocation of entire pledged shares of the Company in the said Company w.e.f. 18th December, 2017

For SGS ASSOCIATES
Company Secretaries

D.P. Gupta
M N FCS 2411
C P No. 1509

Date: 5th May, 2018
Place: New Delhi

Note; This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of the Report.

Annexure - A

To,
The Members
Jaiprakash Power Ventures Limited

Our report of even date is to be read along with this letter.

- 1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4. Where ever required, we have obtained the Management representation about the compliance of the laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SGS ASSOCIATES
Company Secretaries

D.P. Gupta
M N FCS 2411
C P No. 1509

Date: 5th May, 2018
Place: New Delhi

ANNUAL REPORT ON CSR ACTIVITIES PURSUANT TO COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014**Corporate Social Responsibility**

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes

In accordance with the requirements of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee had framed a Policy on Corporate Social Responsibility and the same was adopted by the Board.

Brief Features of CSR Policy

- (a) The Company would spend not less than 2% of the average Net Profits of the Company, calculated in accordance with Section 198 of the Companies Act, 2013, during the three immediately preceding financial years ;
- (b) CSR activities shall be undertaken by the Company, as projects/programs of activities (either new or ongoing) as prescribed under Schedule VII to the Companies Act, 2013 excluding the activities undertaken in pursuance of its normal course of business by the Company;
- (c) The Company will give preference to conduct CSR activities in the National Capital Region, Uttar Pradesh, Madhya Pradesh, Uttarakhand and such other State(s) in India wherein the Company/Jaypee Group has/will have its operations; and
- (d) The Board may decide to undertake the Activities either by itself or through a registered trust or a registered society or a company established by the Company, or its holding or subsidiary or associate company under Section 8 of the Act or otherwise.

The Company has been carrying out the activities at its various plants and site offices, mainly in the field of promoting education, employment oriented vocational training, healthcare, rural development, empowerment of women, environment sustainability, etc. The Board adopted the CSR Policy, which is uploaded at the Company's website, www.jppowerventures.com. The Company is promoting education and vocational training through a registered charitable trust of the Jaypee Group i.e. Jaiprakash Sewa Sansthan and education is imparting through Jay Jyoti School, Sardar Patel Uchchatar Madhyamik Vidyalaya, District Singrauli (M.P.), Sardar Patel Uchchatar Madhyamik Vidyalaya, Bina (M.P.), Sardar Patel Uchchatar Madhyamik Vidyalaya, Majhauili (M.P.), Jaypee Vidya Mandir, Vishnupuram (UK) and employment oriented vocational education imparted through the Gopala Industrial Training Institute at Bina. The Company is also making direct expenditure in promoting education, healthcare at hospitals and dispensaries located at its various sites and undertaking rural development projects and other activities at villages near its project sites, as detailed below:

Bina Thermal Power Plant: Community Development work was carried out at the project which included Contribution to Villagers for Ganesh Pooja & Durga Pooja, RCC Road work at Adiwasi Basti, Construction of Toilet at Girol, Bina for Govt. Higher School, Construction of Toilet at Sirchopi Bina, Barbed wire in govt. school of kanjia, organizing of Village Singing Competition (Saron Ke Sahansha) at Bina & Khurai, Contribution to Vshav Kalyan Mision Trust, Haridwar engaged in community welfare.

Vishnuprayag Hydro Power Plant: Ever since the inception of the Project, a number of CSR activities have been undertaken, which, inter-alia, include activities for setting up of Jaypee Vidya Mandir Nursery School and Jaypee Vidya Mandir, a 10+2 English medium School, two dispensaries at Vishnupuram and Shivpuram with requisite nursing and medical staff. A number of Community Health Awareness Program including pulse polio and other periodic vaccination program are being organized for villages around Joshimath. Civil repair work at School Play ground at Pandukeshwar and other Rural Development works were also carried out at Vishnuprayag Project.

Nigrie Super Thermal Power Plant, Singrauli: Healthcare facilities covered manpower engaged in hospital and expenditure on medicine and ambulance at dispensary set up at the site and donation to Gopad Viklang Siksha Vikas Samiti at Village Katai. The Company carried out rural development works including maintenance of borewell at Village Nigrie, furniture/building material provided to local panchayat office, promotion of cultural/sports activities in adjoining area and villages, blanket distributed to villagers, water provided to villager by tanker, contribution of disaster management.

Amelia (North) Coal Mine: Healthcare facilities covered expenses on medicines and manpower services for villagers of adjoining areas. For promoting the Education, the Company has given the donation to Sardar Patel School in Majhauili Village. The rural development expenses include borewell work for installation of hand pump in nearby villages, contribution made for Singrauli Mahotsav, expenses done for construction of Culvert on Sajahawa Nala in village, donation for cricket tournament for Village Majhauili.

The details can be accessed on the Company's website at the weblink, <http://jppowerventures.com/csr/> CSR-Report- 2017-18.pdf

2. **Composition of the CSR Committee**

The Board of Directors constituted a CSR Committee in its meeting held on 26th July, 2014, with the Chairman of the Committee being an Independent Director. The constitution of the Committee is as under:-

- i) Shri B.B. Tandon, Chairman
- ii) Shri Suren Jain, Member
- iii) Ms. Sunita Joshi, Member

3. Average net profit / Loss of the Company for last three financial years

Average Net Loss of Rs. 814.06 crore for last 3 years calculated as per provisions of CSR Rules.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

In the view of loss there was no requirement to spend any amount on CSR activities. However, with a view to continue commitment towards promoting education & vocational activities, healthcare and community development, the Board on the recommendation of CSR Committee had authorised to spend some reasonable amount on such CSR activities.

5. Details of CSR spend for the financial year

- (a) Total amount to be spent for the financial year: NIL
- (b) Amount unspent, if any: Nil; The Company incurred an amount of Rs. 137.69 lakh during FY 2017-18 on CSR activities as against the NIL requirement of CSR expenditure.
- (c) Manner in which the amount spent during the financial year is given in the Statement of CSR Expenditure:

STATEMENT OF CSR EXPENDITURE

(1) S. No.	(2) CSR Project/ activity	(3) Sector in which the project is covered	(4) Projects or programs (1) local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs-wise	(6) Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or program (2) Over heads	(7) Cumulative expenditure upto the reporting period	(8) Amount spent Direct or through implementing Agency*
1	Promoting Education	Education	Program to support the institutions engaged in education activities viz. Jay Jyoti School, Singrauli and Sardar Patel School in Majhauili Village, Distt. Singrauli, M.P.	Rs. 19.00 lakh	Amount spent on school towards running expenses (Salary & other expenses)	Rs. 19.00 lakh	Direct
			Donation to Village School "Gopad Viklang Siksha Vikas Samiti, Village Katai" by Nigrie Plant	Rs.0.36 lakh	Amount spent on assistance to Village School by Nigrie Plant.	Rs.0.36 lakh	Direct
2	Promoting Healthcare and environment sustainability	Healthcare	Providing various healthcare facilities and services in Nigrie and Amelia (All in M.P) and Vishnuprayag and environmental activity at Bina Project.	Rs. 81.37 lakh	Amount spent to promote healthcare activities in hospitals & dispensaries and amount of Rs.25 thousand spent on celebration of Environment Day.	Rs. 81.12 lakh	Direct
3	Rural / Community Development Projects	Rural / Community Area Development	Various Rural/Community Area Development works carried out near Vishnuprayag (Uttarakhand), Nigrie, Amelia & Bina (all in M.P)	Rs. 36.96 lakh	Amount spent on Rural Area Development work	Rs. 36.96 lakh	Direct
	TOTAL			Rs. 137.69 lakh		Rs. 137.69 lakh	

6. In case the Company has failed to spend the two per cent of the average net profits of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report - N.A
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objective and Policy of the company
- (a) That the Company had framed its CSR Policy in pursuance of the Companies Act, 2013 and the Rules made thereunder.
- (b) That the expenditure has been audited by the Statutory Auditors of the Company, utilized for CSR activities as per the CSR Policy and as per Schedule VII to the Companies Act, 2013.

Place: New Delhi
 Date: 5th May, 2018

Suren Jain
 Managing Director & CFO
 (DIN: 00011026)

Sunil Kumar Sharma
 Vice Chairman & CEO
 (DIN: 00008125)

B.B. Tandon
 Chairman, CSR Committee
 (DIN: 00740511)

“Annexure-E”

JAIPRAKASH POWER VENTURES LIMITED

Dividend Distribution Policy

1. PREAMBLE

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) as amended vide Notification dated 8th July, 2016, introduced a new Regulation 43A, which require that the top 500 listed companies (by market capitalisation) shall formulate a Dividend Distribution Policy, which shall be disclosed in the annual report and on the corporate website of the Company.

Accordingly, the Board of Directors (“Board”) of Jaiprakash Power Ventures Limited (“Company”) has adopted this Dividend Distribution Policy to comply with these requirements. The Company currently has two classes of shares, viz. Equity and Preference Shares. This Policy is applicable only to Equity Shares of the Company and is subject to review if and when the Company issues different classes of shares.

2. DIVIDEND DISTRIBUTION PHILOSOPHY

The Company continues to be committed to value creation for all its stakeholders. The vision of the Company is on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, based on the immediate as well as long term needs of the business simultaneously meeting the expectations of the shareholders.

3. DIVIDEND

The declaration and payment of dividend by the Company is governed by the applicable provisions of Companies Act, 2013, the Articles of Association of the Company and Secretarial Standards for dividend as and when applicable. The Board may declare interim dividend(s) and authorize its payment. The Board may recommend the payment of final dividend for approval of the same by the Shareholders at the AGM. Dividends are generally declared as a percentage of the face value of the Equity Shares. The dividend recommended by the Board and approval by the Shareholders in AGM is distributed and paid to shareholders in proportion to the amount paid-up on shares as on the Record Date so fixed. Dividend includes Interim Dividend.

4. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS CAN EXPECT DIVIDEND

The Board will assess the Company’s financial requirements, including present and future growth opportunities, attendant factors, expectations of the Shareholders and declare dividend in any financial year. The dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013 as amended from time to time. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

5. INTERIM AND FINAL DIVIDEND

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The Board may recommend special dividend as and when it deems fit.

6. FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS

The following financial parameters and other internal and external factors would be considered for declaration of Dividend:

- Distributable surplus available as per the Companies Act, 2013 as amended from time to time and Regulations
- The Company’s liquidity position and future cash flow needs
- Track record of dividends distributed by the Company
- Payout ratios of comparable companies
- Prevailing Taxation Policy or any amendments expected thereof, with respect to dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Cost and availability of alternative sources of financing
- Stipulations/ Covenants of loan agreements
- Macroeconomic and business conditions in general
- Any other relevant factors that the Board may deem fit to consider before declaring dividend

7. UTILISATION OF RETAINED EARNINGS

Subject to applicable regulations, the Company’s retained earnings shall be applied for:

- Funding growth needs including working capital, capital expenditure, repayment of debt, etc.
- Buyback of shares subject to applicable limits
- Payment of dividend in future years
- Issue of Bonus shares
- Any other permissible purpose

8. AMENDMENT/MODIFICATION OF THE POLICY

The Board reserves its right to amend or modify this policy from time and/or in line with changes in the Companies Act, 2013, the rules made thereunder, SEBI (LODR) Regulations, 2015.

I. Information as required under section 197(12) of the companies act, 2013 read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) Rules, 2014

(Rs. in Lakhs)

Description	Particulars
Median remuneration of all the employees of the Company for the Financial Year 2017-18	Rs.2.60
The percentage increase in the median remuneration of employees in the Financial year	17.38%
The number of permanent employees on the rolls of Company as on March 31, 2018	1664 nos.

(Rs. in Lakhs)

Sl. No	Name of Directors	Remuneration for the FY	Remuneration for the FY	% increase in remuneration	Ratio of remuneration to median remuneration of all employees
		2017-18	2016-17		
	Non Executive Director (Sitting Fee)				
1.	Shri Manoj Gaur, Chairman	1.20*	1.20	0.00%	0.46:1
2.	Shri G. P. Gaur, Director	1.20*	3.20	-62.50%	0.46:1
3.	Smt. Sunita Joshi, Women Director	2.40*	2.40	0.00%	0.92:1
4.	Shri D. P. Goyal, Director	1.20*	4.40	-72.73%	0.46:1
5.	Lt. Gen. (Retd.) Shri R. M. Chadha, Director	0.40*	1.20	-66.67%	0.15:1
6.	Shri S. D. Nailwal, Director	-	1.60	-100.00%	-
7.	Shri Umesh Jain, (IDBI Nominee) Director	2.00*	2.40	-16.67%	0.77:1

Executive Directors/ KMP					
1.	Shri Sunil Kumar Sharma, Vice Chairman & CEO	#	-		
2.	Shri Suren Jain, Managing Director & CFO	274.31	208.21	31.75%	105.50:1
3.	Shri Praveen Kumar Singh, Whole-time Director	217.24	162.57	33.63%	83.55:1
4.	Shri M. K. V. Rama Rao, Whole-time Director	57.00	16.96	236.08%	21.92:1
5.	Shri A. K. Rastogi, Joint President & Company Secretary	30.94\$	-	100.00%	11.90:1
6.	Shri M. M. Sibbal, Vice President & Company Secretary	6.40@	37.34	-82.86%	-
Independent Director (Sitting Fee)					
1	Shri R. N. Bhardwaj	4.00	5.60	-28.57%	1.54:1
2	Shri Brij Behari Tandon	4.80	7.20	-33.33%	1.85:1
3	Dr. Jagannath Gupta	2.00	2.80	-28.57%	0.77:1
4	Shri A. K. Goswami	3.60	4.00	-10.00%	1.38:1
5	Shri Shanti Sarup Gupta	2.40	4.00	-40.00%	0.92:1
6	Shri Arun Balakrishnan	0.40	1.60	-75.00%	0.15:1
7	Shri Atanu Sen	0.80	2.40	-66.67%	0.31:1
8	Shri Kailash Nath Bhandari	2.40	1.60	50.00%	0.92:1
9	Shri Sham Lal Mohan	2.00	3.20	-37.50%	0.77:1
10	Shri Keshav Prasad Rau	2.00	3.20	-37.50%	0.77:1
	Total	618.69	477.08		

#Shri Sunil Kumar Sharma is on the Board as Vice-Chairman and Chief Executive Officer but does not draw any remuneration from the Company as he is also the Executive Vice-Chairman of Jaiprakash Associates Limited (JAL) and draws remuneration from JAL.

*Non Executive Directors are not being paid any remuneration except sitting fee.

\$ Shri A.K.Rastogi, Joint President was designated as Joint Predisident and Company Secretary of the Company w.e.f.1st June, 2017

@ Remuneration to Shri M.M.Sibbal, Vice President and company Secretary is up to 31.05.2017 due to his resignation.

- During the year, the average percentage increase in salary of the Company's employees, excluding the Key Managerial Personnel ('KMP') was 1.80 %. The total remuneration of the KMPs for the financial year 2017-18 was Rs 618.69 Lakhs as against Rs 477.08 Lakh during the previous year.
- During the year, there has been no exceptional increase in remuneration for the KMPs except that the salary of Shri Suren Jain and Shri Praveen Kumar Singh has increased by 31.75% and 33.63% respectively during current financial year.

Shri MKV Rama Rao (KMP) has joined the company w.e.f.9th December, 2016 in previous year, therefore during current year, the increase in remuneration is by 236.08%

II. Statement of disclosure pursuant to provisions of section 197(12) of the companies act, 2013 read with rule 5(2) of the companies (appointment and remuneration of managerial personnel) rules, 2014

A. NAMES OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE FINANCIAL YEAR 2017-18:-

(Amount in Rs.)

S. No	Name	Designation	Remuneration	Qualification	Experience	Date of commencement of employment	Age (Years)	Last employment	Equity Shares held in the Company
1.	Shri Suren Jain	Managing Director and CFO	27,431,225	BE (Production)	25 Years	12.01.2010	48 Years	Jaypee Karcham Hydro Power Corporation Ltd	71,100
2.	Shri Praveen Kumar Singh	Whole time Director	21,724,200	BE (Civil)	20 Years	12.08. 2011	45 Years	Jaypee Karcham Hydro Corporation Ltd	3,50,000
3.	Shri M.K.V. Rama Rao	Whole Time Director	5,699,844	BSc.(Mech.) M.Tech. (Production Technology)	39 Years	09.12.2016	63 Years	Haryana Power Generation Co. Ltd	Nil
4.	Shri Vinod Sharma	Executive President	7,000,800	B.Sc. & LLB	38 Years	01.02.2002	62 Years	Jaiprakash Associates Ltd	1000
5.	Shri Vinod Sharma	Sr. President (O&M)	6,115,965	BE (Electronics)	38 Years	10.07.2014	62 Years	NTPC Ltd.	Nil
6.	Shri Radhe Shyam Sharma	Sr. President	6,106,848	Engg. Diploma (Mech.)	42 Years	01.01.2013	71 Years	Jaiprakash Associates Ltd.	----
7.	Shri Rajneesh Gaur	Executive Jt. President	7,019,366	BE (Mech)	20 Years	01.01.2013	47 Years	Jaiprakash Associates Ltd.	Nil
8.	Shri Shyam Das Choudhury	Sr. Joint President	3,657,983	BSc. Engg. (Civil)	38 Years	03.11.2015	62 Years	JSW Energy Ltd.	Nil
9.	Shri Ranjit Singh	Joint President	4,520,260	B.E. (Mech.)	45 Years	21.09.2006	67 Yrs	Bharat Heavy Electricals Ltd.	3,350
10.	Shri R. K. Porwal	Joint President	4,004,854	M.Com,LLB & CA	34 Years	08.06.2003	55 Years	GOYAL MG GAS LTD	2,350

B. NAMES OF EMPLOYEES WHO ARE IN RECEIPT OF AGGREGATRE REMUNERATION OF NOT LESS THAN RUPEES ONE CRORE AND TWO LAKH IF EMPLOYED THROUGHOUT THE FINANCIAL YEAR 2017-18

(Amount in Rs.)

SL. NO	NAME	Designation	Remuneration	Qualification	Experience as on 31.03.2018	Date of commencement of employment	Age(Years) as on 31.03.2018	Last Employer"s name	Equity Shares held in the Company
1	Shri Suren Jain	MD& CFO	27,431,225	BE(Production)	25 Years	12.01.2010	48 Years	Jaypee Karcham hydro power Corporation Ltd	71,100
2	Shri Praveen Kumar Singh	Whole Time Director	21,724,200	BE(Civil)	20 Years	12.08.2011	45 Years	Jaypee Karcham hydro power Corporation Ltd	3,50,000

C. NAME OF EMPLOYEE WHOSE REMUNERATION IN AGGREGATE WAS NOT LESS THAN EIGHT LAKH AND FIFTY THOUSAND PER MONTH IF EMPLOYED FOR PART OF THE FINANCIAL YEAR 2017-18:-

-- Nil --

Notes:-

- (1) Gross Remuneration includes salary, house rent and other perks like medical reimbursement, leave travel assistance, furnishing allowance, companies contribution towards provident fund etc but excludes provision for gratuity and leave encashment.
- (2) The nature of employment of employees is regular/ permanent and is governed as per service rules of the Company.
- (3) The other terms and condition of employment of each employee are as per the contract/letter of appointment/resolution and rules of the Company.
- (4) None of the employees mentioned above is a relative of any Director of the Company.

Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration paid to Managing Director/Whole-time Directors (WTD), Key Managerial Personnel and Senior Management is as per Remuneration Policy approved by the Nomination and Remuneration Committee & Board of Directors of the Company.

For and on behalf of the Board

Place : New Delhi

Date : 4th August, 2018

Manoj Gaur
Chairman
DIN: 00008480

“Annexure-G”

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

CONSERVATION OF ENERGY

(A) 400MW Jaypee Vishnuprayag Hydro Power Plant

- i) To flush out sediments from Sluice Bay No. 4, an Ejector System based on Hydro Suction principle has been developed. It enables removal of silt deposits without using power source. Hydro Suction System utilises excess water during the monsoon, hence no water is lost for generation of power. This helps in reducing flushing operations resulting in saving of approx. 6 to 8 million units per year.
- ii) Supply of Station Auxiliaries of Power House Complex is mostly taken from one of the running unit reducing dependence on grid/diesel supplies. System losses are reduced.
- iii) Use of centralised DG sets for feeding barrage and other sites has helped in reducing diesel consumption.

(B) THERMAL POWER PLANTS:

1. 500MW Jaypee Bina Thermal Power Plant

- i) Energy conservation is done in Instrument air compressor in main plant and ash handling plant by installing spare lower capacity compressor of 90 KW in each plant. Instead of running two 220 KW and 132 KW instrument air compressor for main plant and ash handling plant after various optimization and modification as a result only one 220 KW and 90 KW compressor for main plant and one 132 KW and 90 KW compressor is running for meeting the requirement. As a result, saving of 172 KW on continuous basis. Also cost of spare consumption reduced.
- ii) Operation of river water intake pumps are on need basis. Initiatives on optimization of water consumption and zero discharge from main plant, resulted in sp. water consumption of 2.12 m3/mwh against norm of 3.5 m3/mwh.
- iii) Both the units are operated with 3 mill combination instead of 4 mills operation to meet the technical minimum load of operation on reliable and stable basis.

2. 1320MW Jaypee Nigrie Supercritical Thermal Power Plant

- i) Supercritical technology has been adopted for Jaypee Nigrie Super Thermal Power Plant to get higher cycle efficiency and less fuel consumption.
- ii) Advantage of reduced cooling water temperature during winter season has been taken by stopping one cooling water pump (Capacity 4500 KW.) out of four normally in operations and maintaining the design value of condenser vacuum. This has resulted into considerable energy savings.
- iii) Specific oil consumption in FY 17-18 has been reduced to 0.477 ml/kwh from 0.655 ml/kWh in FY 16-17 by adopting prudent operation & maintenance practices.

- iv) Power cycle DM water make-up has been improved to 0.55 % in FY 17-18 from 1.02 % in FY 16-17 by adopting better operation & maintenance practices.
- v) Auxiliary power consumption has been improved to 5.42 % in FY 17-18 from 5.98 % in FY 16-17 by adopting better operation & maintenance practices.

(C) Amelia(North) Coal Mine

- i) Water sprinkling system based on electric pump has been installed for dust suppression of 2.5 km Coal Transportation Haul Road in place of Water Tankers. Thus saving in consumption of HSD.
- ii) Variable Frequency Drive has been installed in Apron Feeder, Feeder Breaker & BWSR (Bucket Wheel Stacker Reclaimer) thereby resulting in energy saving.
- iii) Using power saving luminaries and use of Timers for controlling High Mast Lights.
- iv) Increase in storage capacity of sumps for mine water, thereby reducing water pumping out requirement, thus saving electrical power.
- v) Maximum Demand Controller installed at Mines Main Sub-Station for CHP & Mines and at Base Camp to monitor and control of power supply to improve Power Factor, Maximum Demand etc. resulting in energy saving. This also results in improvement of Environment conditions.

TECHNOLOGY ABSORPTION

(A) Jaypee Vishnuprayag Hydro Electric Plant (400MW)

(a) Barrage Operation & Maintenance

- i) Based on the experience of the recent unprecedented floods, suitable Mitigative and Preventive Measures have been adopted by increasing the full opening of the Spillway Main Radial Gates appropriately, to enable the flood material to pass through them, to preclude any damage to own structures in the event of heavy floods in future too.
- ii) To further protect the Main Radial Gates from floods, the Dogging Beam Assemblies were designed and have been erected for all the three Gates.
- iii) An additional stop Log Gate has been procured, to take up the maintenance works on two Main Radial Gates simultaneously.
- iv) Downstream Barrage floor is strengthened to pass heavy floods with boulders.
- v) Three numbers, Jib Cranes have been installed to improve the efficiency of the desilting system using hydro suction principle in the Bay adjacent to the Intake. This has widened the gap between two consecutive flushing operations, there by conserving the power and reducing the operational cost. To increase the efficiency of this system, PU filled pipe floats were also purchased and put to very effective use.
- vi) O&M Manuals have continuously been updated for further enhanced Barrage Operation.

(b) Power House Electrical maintenance

A Module comprising diodes and resistors is used in the circuit of “Position Indicators” of various switchgear of 400 kV GIS, e.g., Circuit Breakers, Isolators, Earth Switch, and so on. One such card (LCC) is installed in each local control panel of the GIS. These LCCs were sourced from AREVA, France, the OEM, at the time of installation of plant. The spares supplied by the OEM with the GIS were also consumed by the year 2017, and no card was left for future use. These cards have been developed indigenously with the help of a local vendor in India and two such cards have been purchased to meet any future requirement, at just Rs. 8500/= each. Cost of such Cards, ex import would have been considerably higher, that too with the payments in hard currency.

(B) Thermal Power Plants

- (i) Hot Line maintenance practices in 400kV system are adopted to avoid the plant outage.
- (ii) Reduction in maintenance cost of coal mills by reclaiming the used/worn out grinding tyres & table liners by use of appropriate technology of material build up and hard facing.

(C) Amelia(North) Coal Mine

- i) As per norms of MOEF, Continuous Ambient Air Quality

Monitoring Station (CAAQMS - 3 Nos) have been installed to monitor the quality of air by analyzing the particle present in air at Mines, Coal Handling Plant (CHP) & Base Camp for parameters of PM 10, PM 2.5, SOX, NOX, CO at Mines.

- ii) Cross Belt Analyzer (CBA) installed in Coal Handling Plant for analyzing Ash Content, Moisture, Sulfur and GCV of Coal, to ensure required quality of coal being dispatched to Power Plant.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of Foreign Exchange expenditure and earnings for the year ended 31st March, 2018 are given below:-

Total Foreign Exchange Used /Earned (2017-18)	Amount in Rs.
1. Foreign Exchange Outgo	
- Capital Spare Parts	33,461,183
- Interest & Bank Charges	119,589,401
- Consultancy Fee	984,106
- Others	124,26,857
Total	16,64,61,547
2. Foreign Exchange Earned	
- Sale of VERs	181,830

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2017-18

CORPORATE GOVERNANCE

Corporate Governance is about adopting corporate fairness, transparency and accountability and is an integral part of operations of the Company. This includes fulfillment of long-term strategic goals, taking care of interest of employees, consideration for environment and social community, maintaining excellent relations with customers and suppliers and proper compliance with all the applicable legal and regulatory requirements.

In the fast changing business scenario, good Corporate Governance helps to achieve long term Corporate Goals of enhancing stakeholder's value.

The Companies Act 2013 (the Act) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") prescribes certain regulations which are required to be followed by a listed entity.

Our commitment for adoption of best practices of Corporate Governance makes us compliant with the Act as well as the mandatory provisions of Corporate Governance of LODR.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company, being a part of Jaypee Group, mulls Corporate Governance - a 'TOP PRIORITY'. The philosophy of Company is concerned with improved corporate performance as well as attaining higher level of transparency and accountability towards all stakeholders. The Company seeks to focus on enriching trust of stakeholders alongwith satisfying accountability and responsibility towards them. We ensure that it is our implicit responsibility to disclose timely, adequate, and accurate information regarding our financials and performance. The affairs of our Company are conducted in a fair and transparent manner.

The Company is committed to enhancing shareholders' value and preserving investors' trust and on the other hand, meeting performance goals with integrity by doing the things in ethical way complying all applicable legislations. The Company affirms the compliance of various regulations relating to Corporate Governance as contained in LODR, the details which are given below:-

2. BOARD OF DIRECTORS

"The Board of Directors is the human agency through which a company asserts its corporate personality."

The Board of our Company consists of eminent persons with considerable professional expertise and experience in technical, commercial, legal, finance, business administration and other related fields, who not only bring wide range of experience and expertise, but also impart desired level of independence to the Board. They have intellectual capability, good decision-making power, honesty and the ability to develop trust.

The Board is a think tank and acts as the 'Brain of the Company'. The Directors represents 'diversity' in all parameters including qualifications, technical expertise, regional and industry knowledge, experience, partnership, teamwork, implementation and leadership. They perform the function of assisting the management, questioning status quo and debate, providing measures to improve the financial performance and achieving higher targets.

As per Regulation 17(1) of the LODR, the Company needs to have an optimal combination of executive and non-executive Directors where the Chairman of the Board is an Executive Director or Non Executive Director related to Promoter, at least half of the Board should comprise of Independent Directors. Our Company's Board as on 31st March, 2018 consisted of 16 Directors (including one Nominee Director), out of which 8 are Independent Directors, thus, the Composition of the Board is in compliance of Regulation 17(1) of the LODR.

Details regarding the composition and category of Directors, attendance of Directors at the Board Meetings, last Annual General Meeting, number of other Directorships and Committee positions held by them in other Public Companies and number of shares held, as on 31st March, 2018, are given below:-

S. No.	Name & Designation of the Directors	Number of Shares held	Attendance at 22nd AGM held on 15th September, 2017	No. of Board Meeting attended (out of 4 meeting held during the year)	No. of Directorships in other Companies	Committee Positions held (other than in the Company)	
						As Member	As Chairman
	Non- executive/ Non Independent						
1	Shri Manoj Gaur, Chairman	41,400	No	3	7	Nil	Nil
2.	Shri G.P. Gaur (d)	50,000*	No	2	N.A.	N.A.	N.A.
3.	Shri D.P. Goyal (b)	54,000	N.A.	1	N.A.	N.A.	N.A.
4.	Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha	2,850	No	1	Nil	Nil	Nil
5.	Shri Umesh Jain (IDBI-Lender Nominee)	NIL	No	3	Nil	Nil	Nil
6.	Ms. Sunita Joshi	28,100	No	4	5	1	Nil

S. No.	Name & Designation of the Directors	Number of Shares held	Attendance at 22nd AGM held on 15th September, 2017	No. of Board Meeting attended (out of 4 meeting held during the year)	No. of Directorships in other Companies	Committee Positions held (other than in the Company)	
						As Member	As Chairman
	Executive						
7	Shri Sunil Kumar Sharma, Vice-Chairman & CEO	5,700	No	4	9	2	1
8.	Shri Suren Jain, Managing Director & CFO	71,100	Yes	4	8	1	Nil
9	Shri Praveen Kumar Singh, Whole-time Director	3,50,000	No	1	2	Nil	Nil
10	Shri M.K. V. Rama Rao, Whole time Director	NIL	No	4	Nil	Nil	Nil
	Independent Directors						
11.	Shri R. N. Bhardwaj	NIL	No	4	7	5	3
12.	Shri B. B. Tandon	NIL	Yes	4	7	5	1
13.	Shri A. K. Goswami	NIL	No	3	1	1	Nil
14.	Shri S. S. Gupta	NIL	Yes	3	1	Nil	Nil
15.	Dr. J. N. Gupta	2500	No	4	3	1	3
16.	Shri Arun Balakrishnan (a)	NIL	N.A.	1	N.A.	N.A.	N.A.
17.	Shri Atanu Sen(c)	NIL	N.A.	2	N.A.	N.A.	N.A.
18.	Shri K. N. Bhandari	NIL	No	3	9	5	4
19.	Shri S. L. Mohan	NIL	Yes	4	6	3	3
20.	Shri K.P. Rau	NIL	Yes	4	2	1	Nil

- Shri Arun Balakrishnan, Independent Director, resigned from the Board, as such, ceased to be Director of the Company w.e.f. 9th July, 2017.
 - Shri D.P. Goyal, Non Executive Non Independent Director, resigned from the Board, as such, ceased to be Director of the Company w.e.f. 24th July, 2017.
 - Shri Atanu Sen, Independent Director, resigned from the Board, as such, ceased to be director of the Company w.e.f. 13th September, 2017.
 - Shri G.P. Gaur, Non-Executive Non-Independent Director, resigned from the Board, as such, ceased to be director of the Company w.e.f. 11th December, 2017.
- * Number of shares held by Shri G.P. Gaur are jointly with Smt. Vijaya Gaur.

Notes:-

- None of the Directors is holding any convertible instrument of the Company.
- For the purpose of number of Directorship of Individual Directors, other Directorships of only Indian Public Limited Companies have been considered pursuant to Section 165 of the Companies Act, 2013 and Regulation 26 of the LODR. None of the Director exceeds the prescribed limit of total 20 Companies out of which maximum 10 are Public Companies.
- Independent Directors are in compliance of the requirement under Regulation 25 of the LODR.
- Committee positions of only two Committees, namely, Audit Committee and Stakeholders' Relationship Committee in Public Limited Companies have been considered pursuant to Regulation 26 of the LODR.
- None of the Directors of the Company is related inter-se, in terms of Section 2(77) of the Companies Act 2013.

Number of Board Meetings held and dates thereof

During the financial year 2017-18, four meetings of the Board of Directors were held. The maximum time gap between two Board Meetings was not more than one hundred and twenty (120) days.

The date and details of attendance of the Directors at the Board Meetings are as under:

Sl. No.	Date	Board Strength	Directors present
1.	29th May, 2017	20	17
2.	31st July ,2017	18	15
3.	6th November, 2017	17	14
4.	8th February, 2018	16	13

Pursuant to Schedule IV of the Companies Act, 2013, the Rules made there under, Secretarial Standards and the LODR, the Independent Directors of the Company have held their separate meeting on 30th March, 2018 in the absence of the Non-Independent Directors and Members of management. All the eight Independent Directors were present at this meeting and participated in the discussions.

Information placed before the Board

Information placed before the Board of Directors broadly covered the items specified in Regulation 17(7) along with Part A of Schedule II of LODR and such other items which are necessary to facilitate meaningful and focused deliberations on issues concerning the Company and taking decisions in an informed and efficient manner. The Directors on the Board have complete access to all the information of the Company, as and when becomes necessary.

3. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board members and Senior Management Personnel of the

Company. The Code of Conduct has also been posted on the website of the Company viz. www.jppowerventures.com.

The members of the Board and Senior Management Personnel have, on 31st March, 2018 affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the Vice-Chairman and CEO, is annexed and forms part of this Report.

4. AUDIT COMMITTEE

A key element in the Corporate Governance process of any organization is its Audit Committee. Effective Audit Committee can greatly assist the Board in discharge of their duties in respect of integrity of the Company's financial reporting. Indeed, it is essential that Board, Management, Auditors, Internal Auditors and Audit Committee all work with a common purpose to ensure that the Company obtains the benefits of the Audit Committee in terms of better financial reporting and greater effectiveness of internal controls.

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted by the Board comprising of Directors four members viz. three Independent Directors and 1 Nominee of Bank/Lender.

The constitution of the Audit Committee and its terms of reference are as per the requirements under Section 177 of the Companies Act, 2013 and Regulation 18 of the LODR. The Audit Committee, apart from such matter, as may be referred by Board, is responsible for the following:

With reference to the financial statements

- (i) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- (ii) Examination of the financial statements and the auditors' report thereon;
- (iii) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (iv) Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:-
 - a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions; and
 - g) modified opinion(s) in the draft audit report;

With reference to Auditors

- (i) The recommendation for appointment, remuneration and terms of appointment of all Auditors of the Company including filling of casual vacancy;
- (ii) Reviewing and monitoring the Auditor's independence and performance and effectiveness of the audit process;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (v) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (vi) Discussion with internal auditors of any significant findings and follow up there on;
- (vii) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board; and
- (viii) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

With reference to related party transactions

- Approval or any subsequent modification of transactions of the Company with related parties.
- According Omnibus approval relating to Related Party Transactions. The term "Related Party Transactions" shall have the same meaning as provided in Regulation 2(zc) of the LODR and also the provisions of Companies Act, 2013 read with relevant Rules thereto.

Other Matters;

- (i) Scrutiny of inter-corporate loans and investments;
- (ii) Valuation of undertakings or assets of the company, wherever it is necessary;
- (iii) Evaluation of internal financial controls and risk management systems;
- (iv) Monitoring the end use of funds raised through public offers and related matters;
- (v) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vi) To look into the reasons for substantial defaults in the payment to the Banks and Financial Institutions, Debenture Holders and Creditors;

- (vii) To review the functioning of the Whistle Blower Mechanism;
- (viii) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
- (ix) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Following information is required to be mandatorily reviewed by the Audit Committee:

- (i) Management discussion and analysis of financial condition and results of operations;
- (ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- (iii) Management letters/letters of internal control weaknesses issued by the statutory auditors;
- (iv) Internal audit reports relating to internal control weaknesses issued by the Statutory Auditors;
- (v) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- (vi) Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the LODR.
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the LODR.

Five meetings of the Committee were held during the year i.e. on 29th May, 2017, 7th July 2017, 31st July, 2017, 6th November, 2017 and 8th February, 2018.

Shri Umesh Jain, Nominee Director of IDBI was inducted in the Audit Committee of the Board w.e.f 31st July, 2017. The constitution of the Committee and attendance at the meetings are as under:

Name & Position	No. of Meetings held	No. of Meetings attended
Shri B.B. Tandon, Chairman	5	5
Shri R. N. Bhardwaj	5	5
Shri A. K. Goswami, Member	5	4
Shri Umesh Jain, Member	3	2

5. NOMINATION AND REMUNERATION COMMITTEE

The Charter of Nomination and Remuneration Committee (NRC) is in accordance with requirements of the Companies Act, 2013 and Regulation 19 of the LODR. Primary responsibility of the Committee is to identify and nominate suitable candidates for Board membership and as members of Senior Management of the Company. The Committee also formulated policies relating to the remuneration of Directors, Key Managerial Personnel and other employees of the Company.

NRC assists the Board in fulfilling the responsibilities relating to the size and composition of the Board.

The constitution of NRC, which is a mandatory requirement under Section 178 of the Companies Act, 2013 and LODR, has been constituted by the Board and it performs roles and functions as per provisions of Companies Act, 2013 and LODR.

This Committee is responsible for:

- (i) Recommending desirable changes in the Board composition, size and diversity and other aspects of the Board's functioning;
- (ii) Formulating criteria for determining qualifications, positive attributes and independence of a Director;
- (iii) Conducting search and recommending new Board members in light of resignation of some current member/s or in case of a planned expansion of the Board;
- (iv) Identifying persons who are qualified to become Directors and who may be appointed as senior management in accordance with the criteria laid down and recommend to the Board for their appointment;
- (v) Recommending to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other senior employees and while formulating such policy, to ensure that:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the desired persons;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- (vi) Formulating criteria for evaluation of performance of Independent Directors and the Board and carrying out evaluation of each Director's performance;
- (vii) Ensuring that there is an appropriate induction programme for new Directors and members of senior management and reviewing its effectiveness;
- (viii) Developing a succession plan for the Board and regularly reviewing the plan;
- (ix) Reviewing succession plans for the senior management;
- (x) Taking decision regarding extension or continuation of the term of appointment of the Independent Director on the basis of their performance evaluation; and
- (xi) Carrying out any other function as is mandated by the Board from time to time and/or is enforced by any statutory notification, amendment or modification, as may be applicable.

NRC comprised of Shri S. S. Gupta, Chairman, Shri K. N. Bhandari and Ms. Sunita Joshi as members of the Committee as on 31st March, 2018, thus the Committee comprises of three Non-Executive Directors, majority of them being Independent Directors. During the Financial Year 2017-18, NRC held two meetings on 29th May, 2017 and 31st July, 2017. The details of

attendance at the meeting are as under:

Name & Position	No. of Meetings held	No. of Meetings attended
Shri S.S. Gupta, Chairman	2	2
Shri K.N. Bhandari, Member	2	2
Shri Dharam Paul Goyal (a), Ex-Member	1	1
Shri G.P. Gaur (b), Ex-Member	1	0
Ms. Sunita Joshi (c), Member	0	0

- Shri D. P. Goyal, Non Executive, Non Independent Director, resigned from the Board of the Company, as such as ceased to be Member of the NRC of the Board w.e.f. 24th July, 2017.
- Shri G. P. Gaur, Non Executive, Non Independent Director, was nominated as member of Nomination & Remuneration Committee by resolution passed through circulation on 26th July, 2017. However, on his resignation from the Board, he ceased to be Member of the NRC of the Board w.e.f. 11th December, 2017.
- Ms. Sunita Joshi, Non Executive, Non Independent Director, was inducted in the NRC of the Board w.e.f. 8th February, 2018

Criteria for evaluation of Directors' performance

In keeping with the provisions of the Companies Act, 2013 and the LODR, NRC considers various aspects including engagement, strategic planning & risk management and consensus building, etc. while evaluating the performance of the Independent Directors and so far as evaluation of the performance of Non-Independent and Non-Executive Directors are concerned, understanding of the Company's vision and objective, skills, knowledge and experience, governance and contribution to strategy, interpersonal skills were considered as parameters of performance evaluation. NRC considered management qualities, team work abilities, result / achievement, domain knowledge, motivation / commitment / diligence, integrity / ethic / values as also receptivity performance as performance indicators for Executive Directors.

NRC while evaluating the potential candidates, considers a variety of personal attributes, including experience, intellect, foresight, judgment and transparency. Broadly, the following criteria are reckoned for selection of Independent Directors based on:

- Independence from Management.
- No substantial shareholding.
- Other significant relationship which may cause a conflict of interest.
- Capability of taking fair decisions without being influenced.
- Independent Directors are expected to balance the decision making process of the Board by constructively challenging the Company's strategy and exercise due diligence
- Independent Directors should possess the requisite business and industry expertise in the domain the Company operates in.
- Independent Directors should be competent enough to

work effectively like a team member as well as leader with the other Directors of the Board and committees.

- Independent Directors should contribute constructively in the Board's deliberations.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of Independence as provided under law. The Company has received declarations from all the Independent Directors that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the LODR.

The Nomination and Remuneration Policy for the members of the Board of Directors of the Company takes into consideration their role and responsibilities. The salient features of the policy are highlighted below:

- The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors.
- Non-Executive Directors of the Company are paid sitting fees for attending meetings of the Board and meetings of Committees of the Board, as per the Companies Act, 2013 and as prescribed in the Articles of Association of the Company.
- The Company reimburses actual expenditure incurred by the Directors in the performance of their duties as per the rules and policies of the Company.

Details of Remuneration paid to all the Directors

The details of all elements of remuneration packages such as salary, benefit, bonuses etc., of all the Directors are given below:

a) Executive Directors (Managing & Whole-time Directors)

The details of aggregate value of salary and perquisites paid to the Executive Directors for the year ended 31st March, 2018 are as under:

Name	Designation	Salary (Rs)	Perquisites (Rs.)	Total (Rs.)
Shri Sunil Kumar Sharma	Vice Chairman & Chief Executive Officer	#	#	#
Shri Suren Jain	Managing Director & Chief Financial Officer	14,040,000	13,391,225	27,431,225
Shri Praveen Kumar Singh	Whole-time Director	10,935,000	10,789,200	21,724,200
Shri M.K.V. Rama Rao	Whole-time Director	3,054,194	2,645,650	5,699,844

Shri Sunil Kumar Sharma is also Executive Vice-Chairman of Jaiprakash Associates Limited (JAL) and draws remuneration from JAL, as such, he does not draw any remuneration from the Company.

b) Non-Executive Directors

The Company has not paid any remuneration to Non-Executive Directors except the sitting fee @ Rs. 40,000/- per meeting for attending the meetings of the Board of Directors and its Committees held during the Financial Year 2017-18.

The details of the sitting fee paid to the Non-Executive Directors of the Company during the Financial Year 2017-18 are as under:

Name of Directors	Designation	Total sitting fee paid (Rs.)
Shri Manoj Gaur	Chairman	1,20,000
Shri G.P. Gaur (d)	Director	1,20,000
Shri R.N. Bhardwaj	Director	4,00,000
Shri B.B. Tandon	Director	4,80,000
Shri A.K. Goswami	Director	3,60,000
Shri S.S. Gupta	Director	2,40,000
Dr. J.N. Gupta	Director	2,00,000
Shri D.P. Goyal (b)	Director	1,20,000
Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha	Director	40,000
Ms. Sunita Joshi	Director	2,40,000
Shri Arun Balakrishnan (a)	Director	40,000
Shri Kailash Nath Bhandari	Director	2,40,000
Shri Atanu Sen (c)	Director	80,000
Shri Umesh Jain	Director (IDBI Nominee)	2,00,000
Shri Sham Lal Mohan	Director	2,00,000
Shri K.P. Rau	Director	2,00,000

- a. Shri Arun Balakrishnan, Independent Director, resigned from the Board, as such as ceased to be Director of the Company w.e.f. 9th July, 2017
- b. Shri D. P. Goyal, Non Executive Non Independent Director, resigned from the Board, as such as ceased to be Director of the Company w.e.f. 24th July, 2017
- c. Shri Atanu Sen, Independent Director, resigned from the Board, as such as ceased to be Director of the Company w.e.f. 13th September, 2017
- d. Shri G. P. Gaur, Non Executive Non Independent Director, resigned from the Board, as such as ceased to be Director of the Company w.e.f. 11th December, 2017

There was no other pecuniary relationship or transactions with the Directors vis-à-vis the Company during the year.

Notes:

- i) Sitting Fee represents payment to the Directors for attending meetings of the Board and Committees thereof.
- ii) Sitting Fee in respect of meeting attended by Nominee Directors of IDBI Bank Limited was paid directly to IDBI Bank.
- iii) As per the amendment to the Income Tax Act, 1961, Income Tax at source was deducted.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been constituted to assist the Board in safeguarding the interests of and redressing the grievances of the security holders of the Company.

The Committee, inter-alia, considers transfer and transmission of shares, rematerialisation of shares, transposition of names, consolidation of shares, issue of duplicate share certificates etc. and to look into the redressal of shareholders' complaints.

The Committee's terms of reference are in accordance with the provisions of the Companies Act, 2013, Rules made there under and Regulation 20 of the LODR. Accordingly, the committee performs the roles assigned to it.

The Stakeholders' Relationship Committee as on 31st March, 2018 comprises of Shri B.B. Tandon, Chairman, Shri Suren Jain and Ms. Sunita Joshi as members. During the year, two meetings of the Committee were held on 19th June, 2017 and 31st July, 2017 and the record of attendance of the members during the Financial Year 2017-18 is given below:

Name & Position	No. of Meetings held	No. of Meetings attended
Shri B. B. Tandon, Chairman (a)	0	0
Shri D. P. Goyal (b): Ex- Member	1	1
Shri Suren Jain, Member	2	2
Shri G. P. Gaur (c), Ex- Member	2	1
Ms. Sunita Joshi (d), Member	1	1

- a. Shri B. B. Tandon, Non Executive, Independent Director, was inducted in Stakeholder's Relationship Committee of the Board w.e.f. 8th February, 2018
- b. Shri D. P. Goyal, Non Executive, Non Independent Director, resigned from the Board of the Company, as such as ceased to be Member of the Stakeholders' Relationship Committee of the Board w.e.f. 24th July, 2017
- c. Shri G. P. Gaur, Non Executive, Non Independent Director, resigned from the Board of the Company, as such as ceased to be Member of the Stakeholders' Relationship Committee of the Board w.e.f. 11th December, 2017
- d. Ms. Sunita Joshi, Non Executive, Non Independent Director, was inducted in the Stakeholders' Relationship Committee of the Board w.e.f. 31st July, 2017

7. COMPLIANCE OFFICER

The Board had designated Shri A. K. Rastogi, Joint President & Company Secretary as Compliance Officer.

Address : 'JA House', 63 Basant Lok, Vasant Vihar, New Delhi-110057

E-mail : ak.rastogi@jalindia.co.in

Phone : 011-49828618 / 26141358

Fax : 011-26145389

The Company received 5 Investors' references during the Financial Year 2017-18 and all the 5 Investors' references were addressed/resolved by 31st March, 2018. There were no pending investors' references as on 31st March, 2018.

8. SUBSIDIARY COMPANIES

The names of subsidiary companies and the extent of shareholding of the Company in the respective subsidiaries as on 31st March, 2018 are as under:

Sl. No.	Name of the Company	Percentage Holding
1	Jaypee Powergrid Limited	74%
2	Jaypee Arunachal Power Limited	100%
3	Sangam Power Generation Company Limited	100%

Sl. No.	Name of the Company	Percentage Holding
4	Prayagraj Power Generation Company Limited *	NIL *
5	Jaypee Meghalaya Power Limited	100%
6	Bina Power Supply Limited (Formerly known as Himachal Karcham Power Company Limited)	99%

* Consequent upon invocation of entire pledged shares (2,61,91,89,200 Equity Share of Rs. 10/- each and 27,00,00,000 Preference Shares of Rs. 10/- each) of the Company in Prayagraj Power Generation Company Limited (PPGCL), held by SBICAP Trustee Company Limited on behalf of banks/financial institutions and transferring of these shares, in favour of SBICAP Trustee Company Limited on 18th December, 2017, PPGCL has ceased to be subsidiary company of the Company.

Prior to that PPGCL was a material non-listed subsidiary company in terms of Regulation 16(1)(c) and 24 of the LODR. Therefore, the Board has nominated Dr. J.N. Gupta, Independent Director of the Company on the Board of PPGCL as per the requirement of LODR.

The Audit Committee of the Company reviews the financial statements, in particular, the investments made by the above subsidiary companies. The minutes of the Board Meeting and statement of all significant transactions and arrangements entered into by these subsidiaries are also placed at the Board Meeting of the Company.

9. RISK MANAGEMENT

As the company does not fall within top 100 listed entities, determined on the basis of market capitalization as such the company has not constituted a Risk Management Committee. However, the Company has Risk Management Policy in place and manages risks as an integral part of its decision making process.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As per the Companies Act, 2013, all companies having net worth of Rs. 500 crore or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board.

CSR Committee comprised of comprises of three Directors viz. Shri B. B. Tandon, Chairman, Shri Suren Jain and Ms. Sunita Joshi as members of the Committee, out of which Shri B.B. Tandon, Chairman, is an Independent Director.

Terms of Reference/Charter of the CSR Committee

The purpose of the Committee is to assist the Board in setting Company's CSR policies and programs and assessing Company's CSR performance.

The responsibilities of the CSR Committee are:

1. To formulate and recommend to the Board, a CSR policy for undertaking permissible CSR activities;
2. To recommend the amount of expenditure to be incurred on CSR activities;
3. To monitor and review the operation and effectiveness of Company's Corporate Social Responsibility policies and programs;
4. To make any amendments or modifications in CSR Policy as required by law or otherwise; and

5. To perform such functions as the Board may from time to time assign to it.

The CSR Policy of the Company, as approved by the Board, is available on the Company's website www.jppowerventures.com

During the Financial Year 2017-18, the CSR Committee held one meeting on 29th May, 2017 in which it approved the budget outlay of CSR activities for Financial Year 2017-18 and also Projects/CSR activities on which the amount was proposed to be spent. Details of the CSR activities and the amount spent during Financial Year 2017-18 are given in the Annexure-D to the Directors Report.

11. BOARD EVALUATION

FORMAL ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

1. Nomination and Remuneration Committee of the Board carried out the evaluation of the Board of Directors and their performance on the basis of the provisions contained in the Nomination and Remuneration Policy of the Company as well as the criteria formulated for evaluating the performance of Independent Directors, Non-Independent & Non-Executive Directors and Executive Directors.
2. The Board subsequently evaluated the performance of Board as a whole, performance of the Committees and also the performance of Independent Non-Executive Directors on the following parameters:
 - (i) The size and composition (Executive, Non-Executive, Independent members and their background in terms of knowledge, diversity of skills and experience of the Board) is appropriate;
 - (ii) The Board conducts itself in such a manner that it is seen to be sensitive to the interest of all stakeholders and it has adequate mechanism to communicate with them;
 - (iii) The Board is active in addressing matters of strategic concerns in its review of the Board Agenda with the executive management;
 - (iv) The Board makes well informed high quality decisions on the basis of full information and clear insight into Company's business;
 - (v) The Board meets frequently enough and for sufficient duration to enhance its effectiveness;
 - (vi) The Board's meeting time is appropriately allocated between management presentation and Board discussion;
 - (vii) The Board has clearly defined the mandates of its various Committees and effectively oversees their functioning;
 - (viii) The Board is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities;
 - (ix) The Board regularly follows up on its decision to ensure that action is taken on all its decisions;
 - (x) The Board gives effective advice and assistance for achieving the Company's mission and vision;
 - (xi) The Board plays both supporting and advisory role efficiently; and

- (xii) The Board is monitoring the policies of the Company effectively.

Evaluation of performance of Committees

- The Board also conducted the performance evaluation of the Committees and constitution of the Committees. The Board found that the constitution of the Committees was in order and the Committees performance met the expectation of the Board and the Committees discharged its duties within the mandate of the Board.

Evaluation of performance of Independent Directors

- The performance of Independent Directors was reviewed on the basis of various parameters/criteria like identifying their effective participation in the Board Meetings, their knowledge about the Company's vision and performance, bringing their vast experience in respective fields of enhancing the decision making powers, extent of their contribution at the Board Meetings, besides help rendered by them in the development of strategy and risk management.

A meeting of Independent Directors of the Company was held on 30th March, 2018, without the attendance of Non-Independent Directors or any member of the Management, for evaluation of performance of Non-Independent Directors & Board as a whole and the Chairperson as well as to assess the quality, quantity & timeliness of information between company management & Board that was necessary for Board to effectively & reasonably perform their duties.

12. FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company's Board consisted of Independent Directors with persons of eminence with vast experience and professional expertise in their respective fields. Their presence on the Board is considered quite beneficial and assist in taking right decisions at right time. They are well versed with their role, rights and responsibilities in the Company, the nature of industry in which the Company operates, business model of the Company and systems in place. All the Board members has complete access to the necessary documents, Annual Reports and internal policies available at our website www.jppowerventures.com in order to familiarizing them with the Company's procedures and practices. However, presentations are made by senior management, Internal and Statutory Auditors at the Board/Committee meetings.

The Company has in place the familiarisation program for Independent Directors. The main aim of such program is to provide insights into the Company to enable them to understand the Company's functioning in depth, familiarise them with the Company's processes and to help them in performing their role as Independent Directors.

The details of familiarization programme imparted to the Independent Directors during the year are available on the website of the Company at the weblink - <http://jppowerventures.com/wp-content/uploads/2015/05/Familiarisation-Programme-for-Independent-Directors-JPVL.pdf>.

13. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As already reported, the Company has in place an Anti

Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redresses complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy.

It is reported that no complaint was received by the Company during the year under report.

14. CEO/CFO CERTIFICATION

In terms of the requirements of Regulation 17(8) of the LODR, the Vice-Chairman & CEO and Managing Director & CFO have submitted necessary Certificate to the Board of Directors stating the particulars specified under the said Regulation.

This Certificate has been reviewed and taken on record by the Board of Directors at its meeting held on 5th May, 2018.

15. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are mentioned below:

Financial Year	Date	Time	Venue
2016-17	15 th September, 2017	10.00 A. M.	Complex of Jaypee Nigrie Super Thermal power Plant, Nigrie, Tehsil Sarai, District Singrauli 486669 M.P.
2015-16	24 th September, 2016	9.30 A. M.	Complex of Jaypee Nigrie Super Thermal power Plant, Nigrie, Tehsil Sarai, District Singrauli 486669 M.P.
2014-15	12 th September, 2015	10.00 A.M.	JUIT Complex, Wagnaghat, P.O. Dumehar Bani, Kandaghat, Distt. Solan (H.P.)

16. DETAILS OF SPECIAL RESOLUTION(S) PASSED IN PREVIOUS THREE ANNUAL GENERAL MEETINGS

Financial Year	Special Resolution passed
2016-17	Re-appointment of Shri R. N. Bhardwaj as an Independent Director
	Re-appointment of Shri Shri B.B. Tandon as an Independent Director
	Re-appointment of Shri A. K. Goswami as an Independent Director
	Re-appointment of Shri S. S. Gupta as an Independent Director
	Re-appointment of Dr J. N. Gupta as an Independent Director
	Re-appointment of Shri K. N. Bhandari as an Independent Director
	Re-appointment of Shri S. L. Mohan as an Independent Director
	Re-appointment of Shri K. P. Rau as an Independent Director
	Fixation of remuneration of Shri Suren Jain, MD & CFO
2015-16	Conversion of debt into Equity
	Investment in Special purpose Vehicle/Subsidiaries
	Re- Appointment of Shri Praveen Kumar Singh
2014-15	Raising of funds through Equity/ Equity related instruments with various domestic/ international options, including QIP/ ECBs with right of conversion into Equity Shares/ FCCBs etc.
	Alteration of Articles of Association of the Company.

17. DETAILS OF RESOLUTIONS PASSED THROUGH POSTAL BALLOT

No Resolution was passed through Postal Ballot during the year ended 31st March, 2018

18. RECONCILIATION OF SHARE CAPITAL AUDIT

A qualified Practising Company Secretary carried out quarterly Audit for reconciliation of Share Capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and physical shares with the total issued and listed capital. The audit confirmed that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

19. MEANS OF COMMUNICATION

i) Financial Results:

The quarterly, half-yearly and annual results are published in daily English Newspapers which included Business Standard, and Regional language Newspapers (Hindi) in Dainik Bhaskar in the prescribed Performa within 48 hours of the conclusion of the meeting of the Board. The same were sent to the Stock Exchanges and were also displayed on the website of the Company www.jppowerventures.com.

ii) Website:

The Company's website www.jppowerventures.com contains a separate dedicated section 'Investor Information' where Shareholders information is available. Annual Report of the Company and its subsidiaries, Notices of Postal Ballot, Board Meeting etc. are regularly updated on the website.

iii) NSE Electronic Application Processing System (NEAPS):

NEAPS is a web based application designed by NSE where Corporates are required to upload the prescribed information on the websites for viewing by the investors. All periodical compliances, filings like financial results, shareholding patterns, corporate governance reports, media releases, corporate announcements among others are filed electronically on NEAPS.

iv) BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like financial results, shareholding pattern, corporate governance report, media releases, corporate announcements among others are also filed electronically by the Company on the Listing Centre.

v) SEBI Complaints Redress System (SCORES):

SEBI has designed a centralized web-based system, www.scores.gov.in wherein the Investors can lodge their complaints and can view the status of their complaints being replied to by the respective Company. In compliance thereof, the Company's Registrar and Transfer Agents is regularly uploading the 'Action taken Report' on the said website in respect of the Investors' references received, if any.

20. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report forms part of the Annual Report.

21. GENERAL SHAREHOLDERS' INFORMATION

Day	Friday
Date	28 th September, 2018
Time	10:00 A.M.
Venue	Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli-486 669 (Madhya Pradesh)
Dates of Book Closure	21 st September, 2018 to 28 th September, 2018 (both days inclusive)

22. FINANCIAL CALENDAR

Details of announcement of Financial Results for different periods during the financial year 2017-18 are as under:

Financial Results	Announced on
First Quarter Results	31 st July, 2017
Second Quarter and Half-year Results	6 th November, 2017
Third Quarterly Results	8 th February, 2018
Fourth Quarter and Annual Results	5 th May, 2018

The financial results were reviewed by the Audit Committee and thereafter approved by the Board. Annual Audited Financial Results for the Financial Year ended 31st March, 2018 were announced on 5th May, 2018.

23. DIVIDEND DISTRIBUTION POLICY

As the company falls within top 500 listed entities based on market capitalization, as per Securities and Exchange Board of India (SEBI) vide Notification No. SEBI/LAD-NRO/GN/2016-17/008 dated 8th July 2016, has inserted Regulation 43A in respect of formulation of Dividend Distribution Policy which is disclosed in the Annual Report as **Annexure 'E'** and has also been hosted on the website of the company at www.jppowerventure.com.

For the current Financial Year 2017-18, the Board has not recommended any dividend.

24. LISTING ON STOCK EXCHANGES

Equity Shares

The Equity shares of the Company are listed on the National Stock Exchange of India Limited and BSE Limited.

Stock Code

The stock code of the Equity shares listed on the Stock Exchanges, are as under:

Name of Stock Exchange	Code
BSE Ltd.	532627
National Stock Exchange of India Limited (NSE)	JPOWER
ISIN No.	INE351F01018

The Company has paid Annual Listing Fees for the Financial Year 2017-18 to the above Stock Exchanges.

25. MARKET PRICE DATA

Month-wise high and low Sensex and the share price of the Company at BSE and NSE during the Financial Year 2017-18 were as under:

Month	Share Price at BSE (in Rs.)		Share Price at NSE (in Rs.)		BSE Sensex	
	High	Low	High	Low	High	Low
2017						
April	5.24	4.5	5.25	4.5	30184.22	29241.48
May	5.02	3.9	5.0	3.95	31255.28	29804.12
June	5.89	4.1	5.9	4.1	31522.87	30680.66
July	8.8	4.85	8.8	4.35	32672.66	31017.11
August	8.02	5.16	8.1	5.2	32686.48	31128.02
September	8.21	5.85	8.15	5.85	32524.11	31081.83
October	9.19	7.0	9.15	7.1	33340.17	31440.48
November	8.2	6.86	8.2	6.9	33865.95	32683.59
December	9.52	6.42	9.45	6.45	34137.97	32565.16
2018						
January	10.2	6.86	10.2	6.85	36443.98	33703.37
February	7.15	5.51	7.15	5.25	36256.83	33482.81
March	7.19	4.71	7.25	4.7	34278.63	32483.84

26. REGISTRAR AND TRANSFER AGENT

The details of the Registrar & Transfer Agent appointed by the Company are as under:

Name	Alankit Assignments Limited
Address	Alankit House, 2E/21, Jhandewalan Extension, New Delhi - 110055
Phone	+91-11-42541234, 23541234
Fax	+91-11-23552001
Website	www.alankit.com
E-mail Address	info@alankit.com

E-mail address of the Company for redressal of Investors' complaints: jpv.investor@jalindia.co.in.

27. SHARE TRANSFER SYSTEM

The Board of Directors have delegated the power of re-materialisation of shares, transfers and transmission, splitting/consolidation of share certificates and issue of duplicate share certificates etc. to Stakeholders' Relationship Committee. The meetings of the Committee are periodically held to consider the requests of the Shareholders.

28. DISTRIBUTION OF SHAREHOLDING

- (i) **The distribution of shareholding according to the number of shares as on 31st March, 2018, was as follows:**

Share holding	Shareholders		Shares	
	Number	% to total	Number	% to Equity
1 and 10000	290,398	98.201%	199,979,520	3.335%
10001 and 50000	4,319	1.461%	91,709,394	1.53%
50001 and 100000	538	0.182%	39,745,664	0.663%
100001 and 200000	231	0.078%	31,896,442	0.532%
200001 and 300000	79	0.027%	19,274,435	0.321%
300001 and 400000	25	0.008%	8,838,656	0.147%
400001 and 500000	22	0.007%	10,194,320	0.17%
>= 500001	105	0.036%	5,594,364,653	93.302%
Total	295,717	100.00%	5,996,003,084	100.00%

(ii) Categories of Shareholders as on 31st March, 2018:

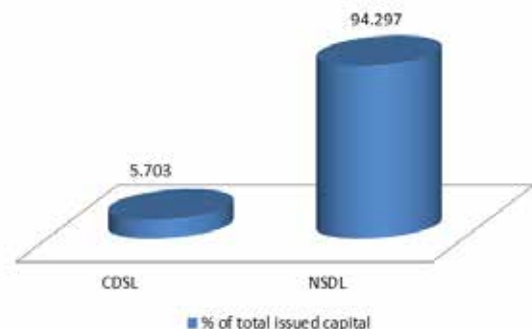
Category	% of holding
Promoters and Promoter Group	31.16
Foreign Portfolio Investors (FPIs)	0.92
Mutual Funds	1.58
Banks/FIs/Insurance Companies	50.92
General Public	15.42
Total	100.00

29. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Equity Shares of the Company are in compulsory dematerialized segment and are available in the Depository System of both NSDL and CDSL. Number of shares held in dematerialized and physical mode as on 31st March, 2018:

Particulars of Shares	No. of Shares	% of total issued capital
Held in Dematerialized form in CDSL	341939989	5.7029
Held in Dematerialized form in NSDL	5654047107	94.2969
Sub-total	5995987096	99.9997
Physical*	15988	0.0002
Total	5996003084	100.000

*Shares in physical form constitute minute percentage of total shares.



The Company's Equity Shares are liquid and actively traded.

30. i) UNCLAIMED DIVIDEND/ APPLICATION MONEY

No unpaid/unclaimed amounts is pending for transfer to the Investor Education and Protection Fund of the Central Government in terms of Section 124(5) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as on 31st March, 2018.

ii) TRANSFER OF SHARES TO IEPF:

In terms of Section 124 (6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer all Equity Shares in respect of which, dividend has not been claimed in 7 (seven) consecutive years or more, to the Demat account of IEPF Authority.

The Company had transferred 2,16,59,610 number of shares to IEPF Account in respect of which dividend declared for the financial year 2008-09 or earlier financial years has not been paid or claimed by the members for seven consecutive years or more.

The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the company and also the details shares transfer in the name of IEPF Authority the aforesaid details are put on the Company's website and can be accessed at <http://jppowerventures.com/wp-content/uploads/2013/10/List-of-Shareholders-Transfer-to-IEPF.pdf>.

The Company has also uploaded details of shares transferred in the name of IEPF Authority on the website of the Ministry of Corporate Affairs (www.mca.gov.in)

31. OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company issued Foreign Currency Convertible Bonds (FCCBs) during the Financial Year 2009-10 for US \$ 200 Million which was partially redeemed alongwith premium due thereon upto 13th February, 2015 as also interest up to 13th February, 2016. As on date, the principal amount of outstanding FCCBs is US\$ 101.42 million. The Company entered into a standstill agreement dated 11th February, 2016 with certain holders of the Bonds that collectively hold in excess of 90 per cent of the aggregate principal amount of the Bonds outstanding. Pursuant to which, the standstill period was extended until 31st March, 2016, subject to certain conditions.

The Company and certain Bondholders holding 75.76% of the principal amount of the FCCBs, had further entered into a Standstill Agreement whereby the participating Bondholders had agreed to 'standstill' upto 15th May, 2017.

As Reserve Bank of India vide its letter dated 26th April, 2017 had approved the proposal subject to the consent of the Bondholders and Joint Lenders' Forum (JLF), the Company had approached JLF for its approval and the Company was in further discussions with the bondholder(s) for restructuring of FCCBs on mutually agreed terms and conditions.

32. PROJECT/PLANT LOCATIONS

The Company is primarily engaged in the business of development, owning and operating following Power generation plants including Hydro-Power and Thermal Power. The Company operates a cement grinding unit at Nigrie and also has one Coal Mine at Amelia (M.P.) which was acquired through e-auction conducted by the government.

Sector	Project Name	State
Thermal Power	500MW Phase I (of 1200 MW) Jaypee Bina Thermal Power Plant	Madhya Pradesh
	1320MW Jaypee Nigrie Super Thermal Power Project	
Hydro Power	400MW Jaypee Vishnuprayag Hydro Power Plant	Uttarakhand
Cement Grinding Unit	2 MTPA Jaypee Nigrie Cement Grinding Plant	Madhya Pradesh
Coal Mine	Amelia (North) Coal Mine	Madhya Pradesh

33. ADDRESS FOR INVESTOR CORRESPONDENCE

A. Registered Office:

Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli – 486 669 (Madhya Pradesh)

B. Corporate Office:

'JA House', 63, Basant Lok, Vasant Vihar, New Delhi-110 057

C. Registrar & Transfer Agent

Alankit Assignments Limited

Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110055

Tel.:91-11-42541234, Fax: 91-11-23552001

Website: www.alankit.com

E-mail: info@alankit.com

34. ELECTRONIC CLEARING SERVICE (ECS)

ECS facility ensures timely remittance of dividend without possible delay to its shareholders who have opted for payment of dividend through ECS, in Metropolitan Cities. Shareholders holding shares in electronic form may register their ECS details with their respective Depository Participants and Shareholders holding shares in physical form may register their ECS details with the Company's Registrars and Share Transfer Agent.

35. DISCRETIONARY REQUIREMENTS

The Company has appointed Shri Manoj Gaur as Chairperson and Shri Sunil Kumar Sharma as Vice Chairman & CEO.

36. DISCLOSURES

- There were no materially significant Related Party Transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their relatives, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are duly disclosed in the Notes to the Financial Statements.
- No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- No treatment different from the Indian Accounting Standards, (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended has been followed in the preparation of Financial Statements except as stated in Note No.45(e) of Standalone Financial Statements.
- All mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations have been complied with by the Company.

**DECLARATION BY THE VICE CHAIRMAN & CEO AS PER REGULATION 34 OF THE SECURITIES
AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015**

I hereby confirm that the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management, as approved by the Board, for the year ended 31st March, 2018.

Place : New Delhi

Date : 4th May, 2018.

(Sunil Kumar Sharma)

Vice-Chairman & CEO

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Jaiprakash Power Ventures Limited

1. We have examined the compliance of the conditions of corporate governance by Jaiprakash Power Ventures Limited ("the Company") for the year ended 31st March, 2018 as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Management's Responsibility for the Statement

2. The compliance of conditions of corporate governance is the responsibility of the management of the Company. This responsibility includes the designing, implementing and operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Report or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2018.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company

Restriction on Use

9. This certificate is issued solely for the purpose of complying with the aforesaid regulations. Our Certificate should not be used for any other purpose or by any person other than the addressees of this Certificate. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

For Lodha & Co.

Chartered Accountants
Firm Registration No. 301015E

N.K. Lodha
Partner

Membership No.: 085155

Place: New Delhi

Date: 5th May 2018

Management Discussion and Analysis Report

(Forming part of Directors' Report for the year ended 31st March, 2018)

Economic Review

Global Economy

The global economy is witnessing a faster pace of growth since last few years. As per latest International Monetary Fund (IMF) estimates, World GDP grew by 3.8% in 2017 and is expected to grow by 4% during the year 2018. Advanced Economies grew by 2.3% in 2017 (1.7% in 2016) including US, which witnessed growth of 2.3 % while Emerging Markets and Developing Economies grew by 4.8% (4.4% in 2016) led mainly by positive growth in Brazil and Russia which witnessed decline in previous two years. Chinese economy grew by 6.7%.

It is expected that the consistent growth momentum in Advanced and Emerging Economies is likely to sustain economic growth of 3.9% in 2018 and in 2019. The US economy is projected to grow at 2.9% in 2018 aided by an expansionary fiscal policy, positive investment and private consumption outlook and 'near full employment' of its workforce. The Emerging Markets & Developing Economies are likely to maintain their growth momentum at 4.9% in 2018, mainly due to robust performance of commodity exporting countries such as Brazil, South Africa, Saudi Arabia and an anticipated pick-up in growth in India. Growth in China, however, is projected to slow down to 6.6% in 2018, reflecting the ongoing rebalancing of the economy towards a more sustainable and broad-based consumption and services led growth.

As an increasing risk to growth, trend of protectionist policies in the developed world, faster pace of increase in US interest rates and progressive tapering of quantitative easing in the EU could impact capital flows and weigh on the nascent recovery in commodity-exporting emerging economies.

Indian Economy

The Indian economy continued to grow strongly, as the economy recovered after Goods and Services Tax, which was implemented from July, 2017 as the nation moved to 'one nation-one tax'. The reform measure has helped India move into the Top 100 Club in World Bank's 'Global Ease of Doing Business' rankings. Though Gross Domestic Product growth rate in FY 2017-18 was 6.7%, but the growth was slower on account of lower growth in Agriculture, Forestry & Fishing and Industry sectors which is partially offset by higher growth in the Service sector. The deceleration in industrial growth was mainly due to slowdown in credit growth with banks becoming more cautious in lending considering their Non-Performing Assets coupled with high real interest rates and overvalued currency.

Industry Structure and Developments

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

India ranks third among 40 countries in EY's Renewable Energy Country Attractiveness Index, on back of strong focus by the government on promoting renewable energy and implementation of projects in a time bound manner.

India has moved up 73 spots to rank 26th in the World Bank's list of electricity accessibility in 2017.

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

Electricity consumption is one of the important parameters which indicates the development of a nation. The per capita capital consumption in India during FY 2017 was 1122 kWh units as compared to 6200 kWh in countries of European Union and average 2600 kWh units in other countries across the globe. However, in India, about one fifth of the population is estimated to have no access to power and keeping this in mind the government introduced "Saubhagya" - the Rs.16,320 crore Pradhan Mantri Sahaj Bijli Har Ghar Yojana to ensure electricity in all households. Besides this, the ongoing initiatives of Government including the Power for All programme, Deendayal Upadhyaya Gram Jyoti Yojana, Integrated Power Development Scheme and Ujwal Bharat aim to provide 24x7 power for all. On the other hand, the Government is also working on Energy Conservation through the National LED programme and Street lighting National Programme. India's power sector is rapidly transforming with renewable energy assuming a greater emphasis in the overall energy mix of India. However, the power sector is facing worsening asset quality and rising NPA(s).

POWER SECTOR SCENARIO

A. DEMAND & SUPPLY

The energy deficit for the year remained at a level similar to last year of 0.7% while the peak power deficit marginally increased to 2% as against 1.6% in FY 2016-17. The low power deficits being witnessed are due to a combination of weak power demand in the commercial and industrial sector and the financial health of Distribution Companies.

B. GENERATION

The country continued to add generation capacities in FY 2017-18 and thus reached ~344 GW as on 31st March, 2018 from ~143 GW as on 31st March, 2008. The source wise breakup of installed capacity shows a major shift in renewable capacity as on 31st March, 2018 as compared to 31st March, 2008. The breakup of installed capacity reflects that there is a major shift of investment by private sector from 13.99% as on 31st March, 2008 to 45.21% as on 31st March, 2018.

Coal-powered thermal power plants account for ~73% of total electricity generated in the country and represents ~58% of the installed power capacity. According to International Energy Agency, India's power generation from coal sources will rise ~4% every year upto 2022. With the increasing adoption of renewable power and growing preference for competitively bid merchant contracts, the conventional power industry is facing difficulties in signing long term Power Purchase Agreements (PPAs). India has an ambitious plan to double its coal production to 1.5 billion tonnes a year by 2020, as part of government's push to bring power to 300 million people who lack proper access to electricity. Under the new policy 'Scheme to Harness and Allocate Koyla (coal) Transparently in India (SHAKTI)', Coal India Limited (CIL) will have to increase coal supply to meet 90% of plants' requirement. In the biggest coal sector reform in over four decades, the

government allowed the private sector to mine coal and sell it for commercial use, ending state-owned CIL's monopoly in a bid to cut imports by raising domestic output. Participation of private miners would foster the much-needed competition and enhance productivity by facilitating use of latest equipment, technology and services. Coal imports for the FY 2017-18 grew by 8.1% to ~213 MT on account of increased demand from Steel, Power and Cement sectors. This trend is likely to continue with limitations on domestic coal evacuation due to shortage of railway rakes. Despite having stranded and under-utilised gas based capacity of ~25,000 MW, India's commitment on emission reductions under the Paris climate agreement has added a new urgency to promote usage of natural gas. Government plans to increase share of gas in the energy basket from 6.5% in 2015 to 20% by 2025. Increasing focus on expansion of gas pipeline infrastructure in the country, rising demand for natural gas from power and industrial sectors and favourable government policies would make LNG a commercially viable and suitable fuel for various end users in India. Gas-based power projects are second only to renewables and hydro power in generating clean energy. Hence, ensuring fuel supplies for such projects will go a long way in meeting India's obligations under the climate change commitments and reduce greenhouse emissions substantially.

C. TRANSMISSION

Indian grid is currently the fifth largest in the world. As on 31st March, 2018, the total length of transmission lines and transformer capacity of the country stood at 3,90,970 ckm and 8,26,958 MVA respectively. India is witnessing the world's largest renewable energy expansion program. Integration of large amount of fluctuating power from such renewable energy plants and ensuring smooth operations of such a large grid is a technical challenge for grid managers. The government plans to invest large amount of funds into smart grid development over the next ten years as part of its ambitious plans to achieve low carbon economic growth. Hon'ble Central Electricity Regulatory Commission (CERC) has come up with Draft CERC (Connectivity, General Network Access to the inter-state transmission system and other related matters) Regulations, 2017 which introduces the concept of General Network Access (GNA). This will put the onus on generators and discoms to apply for GNA on timely basis and help in planning the transmission capacity addition. It would also help in partially addressing the issue of under-utilised & stranded generation and transmission assets.

D. DISTRIBUTION

India's distribution sector is beset with legacy problems such as ageing transmission & distribution infrastructure, higher Aggregate Technical & Commercial (AT&C) losses, poor financial health of discoms, etc. All India current Transmission and Distribution (T&D) loss of 21.81% is far higher than the world average of 8.6%. Improvement in T&D loss is one of the vital parameters required to improve the financial health of the discoms. Keeping this in mind, the government has initiated different schemes to improve the operational and financial efficiencies of power distribution companies like Ujwal Discom Assurance Yojna (UDAY) - the financial restructuring package, National Electricity Fund, Deendayal Upadhyaya Gram Jyoti Yojna and Integrated Power Development Scheme. Further, as per the Power Ministry's strategy to rollout 'advanced metering infrastructure', smart meters are to be installed in phased manner with all consumers getting smart meters by 2027, which will facilitate in reducing the overall AT&C losses and debt burden of discoms. The financial health of state electricity distribution companies has improved since the introduction of

UDAY in November 2015. UDAY has reduced the interest cost of Discoms and hence the Power Purchase cost. Timely tariff hikes in recent times and reduced power purchase cost have led to reduced gap between the average cost of supply and average revenue realised, which is further expected to reduce in the coming years. However, the discoms are not pursuing long term power purchase contracts due to sharp reduction in renewable energy tariffs and rise in industrial open access consumption leading to utilisation mismatch in generation and transmission capacities.

As consumers become more mobile, connected via social media and more conscious of their energy needs, they are beginning to expect more from their energy experience than just keeping the lights on. Increasingly, consumers expect reliable supply, clean energy, responsive service, new facilities and cost efficiency from their utilities. Giving due weightage to such consumer mindset, it is important for discoms to shift from traditional models to smart models.

E. RENEWABLE ENERGY

With a view to provide sustainable and affordable power to all consumers, the development of renewable energy sector has remained one of the top priorities for the Government. Government's intention to achieve 40% of power capacity from renewable energy sources by the year 2030 is slowly taking the renewable energy to a central role in the overall energy mix. Marching ahead towards its ambitious target of 175 GW of renewable capacity by 2022, India has already achieved 69 GW as on 31st March 2018. Moreover, India plans to complete the competitive bidding process by the end of FY 2019-20 to add a further 115 GW of renewable capacity by 2022. Also, attainment of second spot from third in Renewable energy country attractiveness index and extension of inter-state transmission charges waiver are expected to give a great fillip to the planned capacity additions in the renewable space.

Wind Power:

The wind power development in the country started in 1990s and with the conducive policy environment provided at Central and State level, this segment, having installed capacity of 34 GW as on 31st March, 2018, accounts for nearly 50% of the total installed renewable capacity. FY 2017-18 proved to be a challenging year for wind power segment, with the sector adding one of the lowest annual capacities at 1.76 GW as against a target of 4 GW. The dip was mainly due to change in tariff regime from FIT (Feed-in Tariff) to competitively bid tariff. This together with technological advancements and decline in domestic interest rates resulted in historic low wind power tariff at INR 2.43 per unit. Needless to state, plans for auctioning of 20 GW in FY 2018-19 and FY 2019-20 would revive the wind power sector.

Solar Power:

In terms of solar power installed capacity, India has become the third largest country in the world. Even though capacity addition in the sector during FY 2017-18 was 9.4 GW as against target of 10 GW, India achieved milestone of 20 GW installed capacity and completed the National Solar Mission four years ahead. However, the increased prices of imported solar power modules, threat of safeguard / anti-dumping duty had an impact on auction participation leading to postponement of few solar auctions. Plans for auctioning of 60 GW in FY 2018-19 & FY 2019-20, clarification regarding NIL customs duty on imported solar equipment, allowing pass thru of safeguard/ antidumping duty and laying the foundation stone of the International Solar Alliance depict the continued conviction of the government in promoting solar power. Renewables

being intermittent energy source, grid stability is one major area requiring close attention. Moreover, actual installation of auctioned capacity is also an area of concern.

F. REPORT OF THE COMMITTEE SET UP BY GOVT. OF INDIA

The Government of India has set up a Committee on the optimal energy mix in power generation on medium and long term basis under the Chairmanship of Chairperson, Central Electricity Authority. The Committee in its Report dated 1st January, 2018 has stated that in order to reduce dependence on import of fuel for power generation, following needs to done:

- Coordination between Railways and coal companies to be improved further for making optimum utilization of resources. This may be done through a transparent web portal indicating information about the coal at each mines, transportation by railways and stock at power plants.
- The production and availability of domestic coal to power sector needs to be augmented. For this, CIL has prepared a roadmap to substantially enhance production of coal by 2019-20 to 1 Billion Tonnes.
- Environment clearances / Forest clearances / Land acquisition needs to be expedited.
- Gas pipeline infrastructure also needs to be augmented for transportation of natural gas so that gas available at a remote field may be transported to power plants.
- MOPNG may be impressed upon to allocate additional Natural gas to power sector for better utilization of gas based power plants in view of high RE integration.
- Introduction of new technologies like ultra-supercritical technology can improve efficiency of coal based power generation by 1.5% over supercritical units. Battery storage and Electric vehicles technologies are under Research and Development. With reduction in cost, these technologies can play an important role in providing Grid Stability, reduction in Environment emissions and also can shift generation or load as necessary to fill the gap between RE generation and demand.

Snap Shot FY 2017-18

- Annual generation of energy from conventional sources was 1205.921 BUs as compared to 1160.141 BUs in the previous year, a growth of 3.95 % in the country.
- Generation capacity of 9505 MW was added during the year as against 14209.80 MW in the previous year.
- 23119 Ckms of transmission lines were added during the year as compared to 23,583 Ckms in the previous year.
- 86,193 MVA of transformation capacity was added during the year as against 81,816 MVA in the previous year.
- All India (Coal and Lignite based) PLF during the financial year 2017-18 was 60.67% as compared to 59.88% in the financial year 2016-17.
- Peak power deficit and energy deficit was -2% and -0.7% during 2017-18 respectively as against Peak power deficit and energy deficit of -1.6% and -0.7% during financial year 2016-17.

(Source: Ministry of Power)

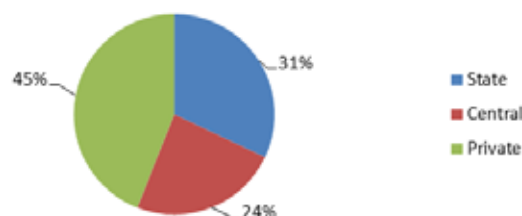
Installed Power Generation Capacity in India

The total Installed Capacity as on 31st March, 2018 stood at 3,44,002.39 MW and the break-up of fuel wise and ownership wise installed capacity is given below:-

Sector		Central	State	Private	All India
Thermal	Coal	56955.00	64670.50	75546.00	197171.50
	Gas	7237.91	7078.95	10580.60	24897.46
	Diesel	0.00	363.93	473.70	837.63
Nuclear		6780.00	0.00	0.00	6780.00
Hydro		12041.42	29858.00	3394.00	45293.42
Renewable Energy Resource		1502.30	2003.37	65516.72	69022.39
Grand Total		84516.63	103974.75	155511.02	344002.39

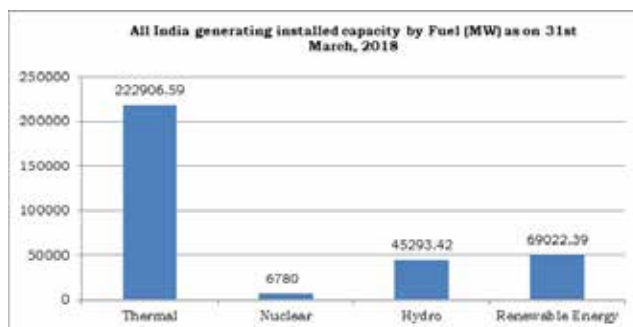
All India installed capacity (MW) as on 31st March, 2018 in percentage is as under:

All India installed capacity (MW) as on 31st March, 2018 in percent



(Source: Central Electricity Authority)

All India generating installed capacity by fuel (MW) as on 31st March, 2018 is as under:



(Source: Central Electricity Authority)

The electricity generation target of conventional sources for the year 2018-19 has been fixed by the Government of India as 1265 BU i.e. growth of around 4.87% over actual conventional generation of 1206.306 BU for the year 2017-18.

The overall generation (including generation from grid connected renewable sources) in the country has been increased from 1241.689 BUs during 2016-17 to 1306.614 BUs during 2017-18. The overall growth in generation was 5.35% and thermal power generation increased by 4.27%, hydro reduced by 3.07%, nuclear increased by 0.87%, Bhutan import decreased by 13.55% and Renewable energy increased by 5.35%

The annual growth in power generation during past three years is as under:

YEAR	GROWTH IN CONVENTIONAL GENERATION (%)	GROWTH IN RENEWABLE GENERATION (%)	GROWTH IN TOTAL GENERATION (%)
2015-16	5.64	6.47	5.69
2016-17	4.72	23.97	5.80
2017-18	3.95	23.48	5.23

POWER SUPPLY POSITION DURING 2017-18

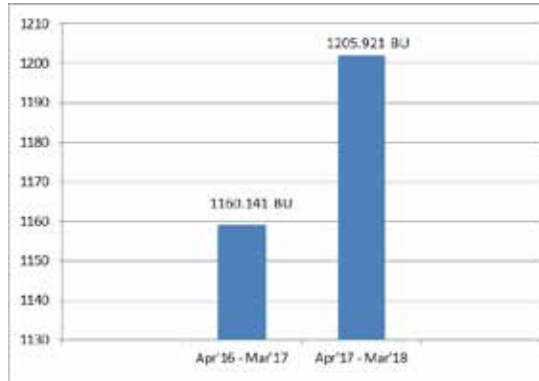
The power supply position in the country during last three years 2015-16 to 2017-18 was as under:

Year	Energy				Peak			
	Requirement	Availability	Surplus(+) / Deficits(-)		Peak Demand	Peak Met	Surplus(+) / Deficits(-)	
	(MU)	(MU)	(MU)	(%)	(MW)	(MW)	(MW)	(%)
2015-16	11,14,408	10,90,850	-23,558	-2.1	1,53,366	1,48,463	-4,903	-3.2
2016-17	11,42,929	11,35,334	-7,595	-0.7	1,59,542	1,56,934	-2,608	-1.6
2017-18	12,12,134	12,03,567	-8567	-0.7	1,64,066	1,60,752	-3314	-2.0

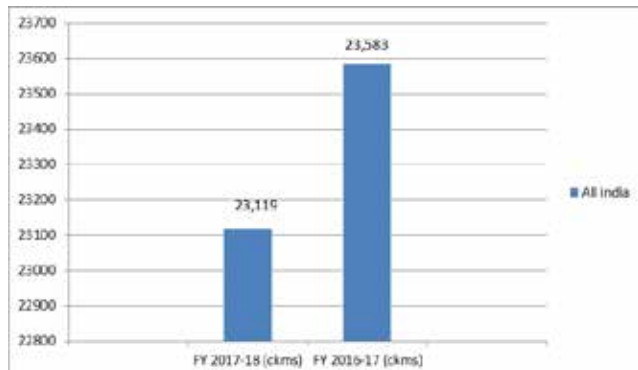
[Source: Central Electricity Authority (CEA)]

Electricity Generation during Financial Year 2016-17 and Financial year 2017-18 in (BU) was as under:-

Type	FY- 2016-17	FY- 2017-18	% Change
Thermal	994.215	1036.680	4.27
Hydro	122.312	126.130	3.07
Nuclear	37.664	38.247	0.88
Bhutan Import	5.644	0.486	-13.48
All India	1159.835	1201.543	4.02



[Source: Central Electricity Authority (CEA)]



[Source: Central Electricity Authority (CEA)]

Government Initiatives

Government of India has identified major reasons for stress in the Power Sector, as follows:

- Non-availability of regular fuel supply arrangements.
- Lack of long term Power Purchase Agreements (PPA).
- Inability of the Promoters to infuse the equity and service debt.
- Limitation in availability of long-term loans from Banks/ Financial Institutions.
- Regulatory and Contractual issues
- Inadequate Railway infrastructure for transport of Coal

In this regard the Government of India has taken a number of steps to ease stress in the sector, which inter alia include as under:-

- For grant of regular coal linkages, Govt. of India has approved New Coal Allocation Policy, 2017, for Power sector, on 17.05.2017 viz. SHAKTI (Scheme for Harnessing and Allocating Koyala Transparently in India) under which coal is made available to Public Sector Undertakings of Central and State Government, and Independent Power Producers (IPPs) against already concluded long-term Power Purchase Agreements (PPAs) and long-term & medium-term PPAs, to be concluded in future.
- Ministry of Environment, Forest and Climate Change (MOEFCC) has notified the Environment (Protection) Amendment Rules, 2015 on 7th December, 2015 thereby introducing revised emission standards for Thermal Power Plants (TPPs). The revised emission standards are applicable to existing as well as upcoming TPPs. To meet the revised emission standards, the TPPs would have to install or upgrade various emission control systems like Flue-Gas Desulfurization (FGD) system, Electro-Static Precipitators (ESP) system, etc. In view of the cost involved in implementation revised standards of emission, Ministry of Power, Government of India, vide letter dated 30.05.2018 has decided that such costs shall be considered for being made pass through in tariff by Regulatory Commission in accordance with the law.
- To encourage increased purchase of Power, following measures have been taken:
- Ujwal DISCOM Assurance Yojana (UDAY) scheme for Financial and Operational Turnaround of power distribution utilities (DISCOMs) of the country.
- Power For All (PFA) initiative with States and UTs for bringing uninterrupted supply of quality power to each household, industry, commercial business, small & medium enterprises, etc.
- Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) for Rural Electrification; strengthening of sub-transmission and distribution networks in the rural areas; separation of agriculture and non-agriculture feeders and metering of distribution transformers/ feeders/consumers in the rural areas.
- Integrated Power Development Scheme (IPDS) for strengthening of sub-transmission and distribution networks in the urban areas; Metering of distribution transformers / feeders / consumers in the urban areas and IT enablement of distribution sector.

- Augmenting Transmission capacity to remove transmission constraints.
- Flexibility in utilization of domestic coal for reducing the cost of power generation.
- Strategic Debt Restructuring Scheme (SDR) for the revival of stressed assets. Due diligence and financial restructuring by Banks, to make projects viable, would attract new promoters or States to bring in fresh equity investments. The issue of setting up of a fund has been discussed among other options with stakeholders.

However, RBI has earlier notified Scheme for Sustainable Structuring of Stressed Assets (S4A) but in supersession of earlier Scheme, RBI vide circular dated 12th February, 2018 has issued Revised Framework on Resolution of Stressed Assets which, inter-alia, provides that in case of default in repayment of loan, lenders shall file Insolvency Application singly or jointly, under the Insolvency and Bankruptcy Code, 2016 (IBC) within 180 days from the expiry of the said time line from a reference date i.e. 1st March, 2018. However, in a Petition filed before Allahabad High Court, the Hon'ble Court ruled that a power company cannot be taken to bankruptcy code for not repaying loans unless it has been declared a wilful defaulter. It also directed the Finance Secretary to meet power producers to discuss their financial woes.

Opportunities

1. The power landscape in India could be transformed by introducing competition across value chain and market driven pricing of bulk power. A unique opportunity exists across generation, transmission and distribution to bring a significant change through involvement of both public and private sectors and provide "Power for all". To support execution of projects across the Power value chain, we need to provide favorable legal policy and regulatory framework. Private participation in power generation could exponentially increase in the years to come. Higher capacity transmission corridors could be developed for the IPPs. This would facilitate development of conducive environment for the DISCOMs and consumers to access power at competitive prices in open electricity market. Thus, an opportunity exists to bring down the cost of procurement of bulk power by introducing competition and market driven price discovery mechanism across the value chain.
2. Distribution infrastructure could be improved through Central Schemes. The Power Ministry could use Central Schemes to assist states in improving infrastructure within the state. Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) and Restructured Accelerated Power Development and Reforms Programme (R-APDRP) are examples of such schemes in the Distribution sector. While RGGVY focuses on rural electrification under "Power to All" pillar, R-APDRP assists states in reducing AT&C losses through the support of IT enablement and infrastructure upgrading the projects. It also provides for capacity development at state level and financial incentives for the employees of state utilities.
3. Latest technology needs to be developed. India, with limited legacy infrastructure, has the opportunity for technology leapfrogging e.g. ultra supercritical generation technology, power generation using renewable energy sources, smart grids and smart metering. India could pursue low carbon and energy efficient technologies for both demand and supply management.
4. Improved energy efficiency measures could be deployed to reduce demand. Energy efficiency measures can reduce the demand for new capacity at a fraction of the cost of adding

power plants. Energy efficiency measures do not have harmful effects on the local and global environment.

5. As per Section 80-IA of Income Tax Act, 1961, power generation companies are eligible for tax exemption for 10 consecutive years during the first 15 years of operations. This is a major advantage to project developers, as it will substantially reduce their tax burden and thus needs to be continued.

Threats

1. Deterioration of financial health of DISCOMs

Strengthening of Distribution sector is one of the most critical challenges for the progress of Power sector in India. Electricity Distribution Companies (DISCOMs) at present are in poor financial health and have low economical viability. This alarming situation poses a serious risk not only to the future of the power sector as a whole, but also to the overall growth of the Indian economy. It is apprehended that financial health of the power sector will be severely impacted and discourage private participation in generation and transmission as well.

2. Lack of fuel security

There is a need to ensure fuel security for power generation, both at the macro level and at the plant level in order to ensure that the capacity is fully utilized. Thus, the concerns about availability and price of fuel would require to be addressed. To ensure availability, we need to ensure adequate supply of both gas and coal. Price and quality of imported coal could be a threat to fuel security. The price volatility of imported coal coupled with the foreign exchange uncertainty creates a threat to the overall pricing of coal, especially given the high price of imported coal compared to domestic. The uncertainty of gas pricing poses threat to the gas based power plants.

3. Risk of delayed projects

Delay and cancellation of projects could lead to large power infrastructure deficits that can potentially deter the growth across all sectors in the economy. Potential delays in land acquisition, environment/forest clearances, right of way issues, shortage of talent, fuel linkage issues and limited availability of low-cost finance and equipment are the major factors leading to the delay of generation and transmission projects. While steps have been taken to overcome these challenges, more needs to be done.

4. Lack of Railway infrastructure for transport of Coal

Because of non-availability of railway wagon and traffic at railway line, many a time, it is not possible to get coal from the pit-head, as such, Railway Infrastructure needs to be improved.

Segment-wise or product-wise performance

The Company is primarily engaged in generation of power and thus has only one segment. The turnover from Cement Grinding Unit is very small compared to the total turnover.

Risks and Concerns

The key risks facing the power sector in India are as follows:-

- The Company's project in hydro power sector carry hydrological risks.
- Pace of economic growth can slow down leading to lower growth in demand for power in India.
- Shortage of fuel affects the financial viability of power plants.
- Non-availability of Long-term PPAs.

Internal Control Systems and their adequacy

The Company has an adequate internal control system which is commensurate with the nature and size of its operations and is manned by qualified and experienced personnel.

The system involves adopted policies and procedures regarding financial and operating functions for ensuring the orderly and efficient conduct of its business including adherence to Company's assets, prevention & detection of frauds and errors and timely preparation of reliable financial information.

The internal control systems are further supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by the management and Statutory Auditors. The Internal Audit reports are reviewed by the Audit Committee.

The internal control systems are implemented:-

- To safeguard the Company's assets from loss or damage.
- To keep constant check on cost structure.
- To provide adequate financial and accounting controls and implement accounting standards.

The senior management regularly reviews the findings and recommendations of the Internal Auditors so as to continuously monitor and improve internal controls to match the organization's pace of growth and increasing complexity of operations as well as to meet the changes in statutory and accounting requirements.

Financial Discussion & Analysis

After adoption of Indian Accounting Standards (Ind AS) from 1st April, 2016, the financial statements for the Financial Year 2017-18 have been prepared in accordance with Ind AS.

Standalone Financial Performance

The revenue from operations for the Financial Year ended 31st March, 2018 has increased to Rs.3355.80 crore as compared to Rs. 2778.81 crore in the previous year.

Further, Other Income of Rs. 348.75 crore (including Ind AS adjustments of Rs. 81.62 crore) as compared to income of Rs. 87.62 crore (including Ind AS adjustments of Rs.45.09 crore) in the previous year was mainly on account of (i) an amount of Rs. 228.48 crore received from JSW during current Year as deferred consideration on transfer of shares of HBPL. (ii) Interest on Income Tax refund Rs.6.20 crore (Previous Year Nil).

However, there was a net loss for the year under review of Rs. 527.35 crore as compared to net loss of Rs.760.18 crore in the previous year.

Finance Cost

Finance cost has decreased from Rs. 1802.28 crore in the Financial Year 2016-17 to Rs. 1491.78 crore as the lenders had converted part of outstanding loan/interest aggregating to Rs. 3058 crore into 305.80 crore fully paid-up Equity Shares of Rs.10/- each under the SDR Scheme of RBI.

Consolidated Financial Review

Though income from the operations and other income on consolidated basis for the year ended 31st March, 2018 had increased to Rs. 5231.06 crore as compared to Rs.4744.72 crore in the previous year, however, total loss on the consolidated basis for the year ended 31st March, 2018 was at Rs.1690.35 crore as compared to total loss on the consolidated basis of Rs. 1293.86 crore of last year. The main reason for higher loss was due to loss of Rs. 982.08 crore upto 17.12.2017 (Previous year 546.06 crore), in respect of an erstwhile subsidiary company viz. Prayagraj Power Generation Company Limited.

The Operational Performance of the company was as under:

Parameter	Name of Project					
	Vishnuprayag		Nigrie		Bina	
	FY 16-17	FY 17-18	FY 16-17	FY 17-18	FY 16-17	FY 17-18
Unit Produced (Saleable)	1770.20	1871.32	6833.18	7272.25	741.31	2265.48
Plant Availability	99.02	99.07	88.11	84.66	87.75	83.42
PLF	58.28	61.55	62.85	66.49	18.56	56.29

The saleable energy generation for the year under review has been 11,409.05 MUs as compared to 9,344.69 MUs in the corresponding previous year i.e. higher by 2,064.36 MUs as detailed below:-

Energy in MUs

S.No	Name of Plant	FY 2016-17	FY 2017-18	Variation
1	Vishnuprayag HEP	1770.20	1871.32	101.12
2	Bina TPP	741.31	2265.48	1524.17
3	Nigrie STPP	6833.18	7272.25	439.07
	Total	9344.69	11409.05	2064.36

Discussion on financial performance with respect to operational performance

The company's financial performance has been adversely affected on account of reasons beyond the control of Management. However, the Management is taking all possible steps to improve the operational performance to protect/ enhance the value for all the stakeholders.

Material developments in Human Resources/Industrial relations

Human Resources are considered as one of the most critical resources in the business, which need to be continuously nurtured to maximize the effectiveness of the Organisation. The Company recognizes its human resources as the most valuable assets. The Company has appointed specialized professionals in the fields of engineering, finance, administration and technical and non-technical staff to take care of its operations and allied activities.

Total manpower of the Company at the end of the financial year was 1664 which includes engineers, chartered accountants, managers and other skilled and unskilled employees. Teams are put in place both at Corporate Office and in all the project locations.

Various initiatives have been taken up for developing employees at all levels and to make them future ready for higher roles and responsibility. Necessary training was imparted to the staff for operations and maintenance of power stations by specialist from related fields including the equipment suppliers from time to time.

Industrial relations remained cordial throughout the year.

Cautionary Statement

Statements in the Management Discussion & Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning applicable under the securities laws and regulations. As 'forward looking statements' are based on certain assumptions and expectations of future events over which the Company exercises no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. Actual results could differ materially from those expressed or implied. Significant factors that could make a difference to the Company's operations include domestic economic conditions affecting domestic demand, supply and price conditions in the electricity industry, finished goods prices, changes in Government Regulations, Financial Sector, Tax Regime and other statutes.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) L40101MP1994PLC042920
- Name of the Company Jaiprakash Power Ventures Limited
- Registered Office Address Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, Dist. Singrauli, Madhya Pradesh 486669
- Website www.jppowerventures.com
- E-mail id sectl.dept@jalindia.co.in
- Financial Year reported 2017 – 18
- Sectors that the Company is engaged in (industrial activity code-wise)¹:**

Activity	National Industrial Classification			
	Division (Group)	Class	Sub-Class	Description
Hydro Power Generation (400 MW)	35 (351)	3510	35101	Hydro Electric Power Plants.
Thermal Power Generation i) 500 MW ii) 1320 MW (Super Critical)	35 (351)	3510	35102	Coal based thermal power plants.
Captive Coal Mining	05	051	0510	Mining of coal for captive use.
Cement Grinding	-	-	-	-

¹As per National Industrial Classification (2008), Ministry of Statistics and Program Implementation, GoI

8. Key Products & Services:

- Hydro and Thermal Power Generation
- Captive Coal Mining
- Cement Grinding

9. Total number of locations where business activity is undertaken by the Company

- Number of International Location: NIL
- Number of National Location: 5

10. Markets served by the Company

Local / State / National / International: National

The major part of electricity generated is sold to beneficiaries in the following major states / Units

- Madhya Pradesh
- Uttar Pradesh

Based on the demand and supply, part of power generated is sold to PTC India Ltd for onward sale to various Discoms. in India. Some part of untied capacity is also being sold on merchant basis on Indian Energy Exchange for profitability and to maintain technical minimum usage of plants

SECTION B: FINANCIAL DETAILS OF THE COMPANY (FY 2017-18)

Sr. No.	Particulars	In Crores (Rs.)
1.	Paid up Capital	Rs. 5,996.00
2.	Total Turnover	Rs. 3,730.06
3.	Total profit / (Loss) after taxes (PAT)	(Rs. 527.35)
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax	Rs. 1.38 Crores
5.	Activities in which expenditure above has been incurred	1. Promoting Education 2. Promoting Healthcare and Environment Sustainability 3. Rural/Community Development Projects

SECTION C: OTHER DETAILS

Subsidiaries: The Company has the following Subsidiary Companies as on 31.03.2018:

- Jaypee Powergrid Limited
- Prayagraj Power Generation Company Limited (upto 17th December, 2017)*
- Jaypee Arunachal Power Limited
- Sangam Power Generation Company Limited
- Jaypee Meghalaya Power Limited
- Bina Power Supply Limited (Formerly known as Himachal Karcham Power Company Limited)

* Consequent upon invocation of entire pledged shares held by the Company in PPGCL by SBICAP Trustee Company Limited on behalf of banks/financial institutions and transfer of these shares in its names on 18th December, 2017, PPGCL ceased to be subsidiary of the Company

The Business Responsibility Initiatives of the parent Company are not applicable to the subsidiary companies. The Business activities of the Company are wider part of the Parent Company having no competition among each other.

SECTION D:

BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director responsible for Business Responsibility

- Details of the Director responsible for implementation of the Business Responsibility policy

DIN Number	00011026
Name	Shri Suren Jain
Designation	Managing Director & CFO

- Details of the Business Responsibility head

DIN Number	00011026
Name	Shri Suren Jain
Designation	Managing Director & CFO
Telephone number	0120-4609000
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2. Principle-wise (as per National Voluntary Guidelines) Business Responsibility Policy/policies

Principle No	Description
Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect, and make efforts to restore the environment.
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	Principles								
		1	2	3	4	5	6	7	8	9
1	Do you have a policy for Business Responsibility	Y	Y	Y	Y	Y	Y	Y	Y	N
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	N
3	Does the policy conform to any national / international standards? If yes, specify.	Y (Ref A)	Y (Ref B)	Y (Ref C)	Y (Ref D)	Y (Ref E)	Y (Ref F)	Y (Ref G)	Y (Ref H)	-
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	-
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	-
6	Indicate the link for the policy to be viewed online	The policies are available on the following web-site: http://jppowerventures.com/index.php/policies/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to the Company key internal stakeholders. The Business Responsibility policies are communicated through this report. Besides, the Company continues to explore other formal channels to communicate more with relevant stakeholders.								
8	Does the Company have an in-house structure to implement the policy/policies?	Yes, the CSR Committee of the Board of Directors is responsible for the implementation of Company policies.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, any grievance or feedback related to the policies can be sent to jpv.investor@jalindia.co.in . CSR Committee of the Board of Directors is responsible for addressing stakeholder concerns related to BR policies.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The BR Policy is being reviewed periodically.								

* The policy has been formulated taking into account the needs of the Company's various stakeholders

- A. Code of Conduct for Board Members and Senior Management Personnel, Whistle Blower Policy, Internal Code of Conduct for prevention of Insider Trading, Code of Corporate Fair Disclosure Practices for prevention of insider trading, Related Party Transaction Policy, Policy for determination of materiality of events or information for disclosure, Policy on maintenance & preservation of documents and Policy for Determining Material Subsidiaries.
- B. Long term PPAs, based on Regulated tariffs or through competitive bidding for all of power plants.
- C. Human Resource Policy
- D. Sexual Harassment Policy.
- E. Human Resource Policy including PF, ESI, Medical & small promotion on merits.
- F. Environment Policy including green power generation (Hydro), emission of NOX / SOX within the prescribed norms etc.
- G. Insider Trading Policy and Code of Conduct
- H. Corporate Social Responsibility Policy / HR policy for regular promotions / re-organization deserving employee, etc.

If answer against any Principle is 'No', please explain why:

Principle 9: All the sub-principles identified under principle -9 are duly followed by Company through its commercial systems and procedures. However, Company feels that a separate Policy on Principle -9 is not required because

- The Company supplies power to the Bulk Customers (State Electricity Distribution companies) majority of which are owned by the respective State Governments.
- The Company & its bulk customers i.e. DISCOMS works under Regulated Environment.
- Needs of the customers is taken into account and accordingly PPA are signed and Allocation of Power is made by State Government as per existing guidelines & Policy to meet the requirement of customers. Unallocated quota of power is sold as per demand and requirement of different States hence always keep customer first.
- Power Supply regularity, Performance and all other Commercial parameters are governed by State Electricity Regulatory Commission and the Company always excels in satisfying customers by disclosing all relevant information.

The Company interacts with customers and provides value to the customers in a responsible manner.

3. Governance related to Business Responsibility

The CSR Committee endeavours to meet from time to time, at least once or more in a year, in order to assess the Business Responsibility (BR) performance of the Company. Which are reported to Board for its perusal and advise, if any.

Since as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2015 which has come into effect w.e.f. 1st April, 2016 every Top 500 companies listed entities are required to prepare BR. This is the second year that the Company is publishing its Business Responsibility Report, and plans to continue to publish the same every year.

The Business Responsibility Report is available on the website of the Company can be viewed online at www.jppowerventures.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs / Others?
 - i. Code of Conduct for Board Members & Senior Management Personnel covers all the Directors and Senior Management Personnel of the Company.
 - ii. Fraud Prevention Policy applies to any fraud, or suspected fraud involving employees of the Company as well as representatives of vendors, suppliers, contractors, consultants, service providers or any outside agency (ies) doing of business with the Company.
 - iii. Insider Trading Code is applicable to designated employee of the Company.
 - iv. Related Party Transaction Policy is framed intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties at arms length.

- v. The objective of Whistle Blower Policy is to build and strengthen a culture of transparency and trust in the organization and to provide employees with a framework / procedure for responsible and secure reporting of improper activities (whistle blowing) within the Company and to protect employees wishing to raise a concern about improper activity irregularities within the Company.
- vi. The Policy for determination of materiality of events or information for disclosure was framed in terms of Regulation 30 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 SEBI (LODR).
- vii. The Policy on maintenance & preservation of documents was framed in pursuance to Regulation 9 of the SEBI (LODR).
- viii. The Policy for Determining Material Subsidiaries was framed in accordance with the requirement stated under the Listing Agreement.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company is extremely responsive to any complaints received from stakeholders; All the complaints received regarding issues such as transfer/non-receipt of shares, dividend warrants not received, loss of shares, demat complaints, etc., have since be resolved, there are Nil complaints pending.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:
 1. Generation of Electricity: The Company generates Electricity through Hydro Power Projects which are eco friendly and Thermal Power Projects. The Coal based Thermal Power Projects uses latest technology with NOX & Sox of commission within the norms and ash disposable is make so as not to cause any pollution
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
 - a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
 - b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Hydroelectric projects generate electricity by non-consumptive use of water so there is no reduction of resources. Hydropower is a renewable source of energy. Thermal Power Projects use Coal and Petroleum products. Water also used for generation of steam which after cooling is re-cycled.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details there

For Nigrie Thermal Power Project of the Company the major requirement of coal is met through captive Amelia (North) Coal Mine Project which is located quite close to the Thermal Power Project and for Bina Thermal Power Plant, Full Supply Agreement (FSA) has been signed with CCL and SECL Which are transporting through railways.

- Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Power Projects are located at the remote places i.e. quite away from cities. Therefore, small township are developed including small Vendor (s), Schools, Hospitals Facility etc.

- Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

(i) In Thermal Power Plant the by product is Ash which is used for filling, in Cement Grinding Unit(s) and also sold to other Cement manufactures for production of Cement. So fully utilised.

(ii) In thermal Power Plant water is recycled and small quantity is evaporated balanced is re-used.

Principle 3: Businesses should promote the wellbeing of all employees

- Number of Employees:

Category	2015-16	2016-17	2017-18
Executive	468	472	630
Non-executive	1057	1008	1034

- Number of Employees hired on Temporary / Contractual / Casual basis: 66
- Number of permanent Women Employees: 9
- Number of permanent Employees with Disabilities : 3
- Do you have an employee association that is recognized by management:

While the Company respects the right of employees to join organizations of their choice and engage in constructive negotiations, the Company's management have always maintained a harmonious working relationship with the employees characterized by trust and open dialogue; none of the employees of the Company have formed or become members of any employee associations or unions while they are employed at the Company.

- What percentage of your permanent employees is members of this recognized employee association? NIL
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of previous year pending complaints	No. of complaints as on 31.03.2018
1	Child labour / forced labour /involuntary labour	NIL	NIL
2	Sexual Harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

- What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (Excluding joint venture companies)

Category of employee	Training for safety (% covered)	Training for skill up - gradation (% covered)
Permanent Employees	53.06%	24.10%
Permanent Women Employees	66.67%	55.56%
Casual / Temporary / Contractual Employees	61.19%	22.39%
Employees with Disabilities	75%	75%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

- Has the company mapped its internal and external stakeholders? : Yes

Stakeholder mapping and engagement

The Company has identified its stakeholders and takes steps to engage with them through various formal and informal processes.

The major stakeholders have been identified and classified as:

- Employees
- Customers
- Shareholders/Investors / Depositors
- Communities
- Business Partners/Contractors/Vendors
- Government Bodies
- Lender (s)
- Insurance Companies
- FCCBs
- Supplier
- Contract workers



- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders: Yes

Engaging with the Disadvantaged, Vulnerable and Marginalized Stakeholders

The Company's relationship with its employees, customers, business partners and suppliers are governed by well established processes. The Company ensures that all stakeholder concerns, including those of the most disadvantaged and vulnerable, are well explained into the Company's strategic thinking and decision-making.

The Company takes all practical steps to ensure that all communication with stakeholders is clear, transparent, timely and complete, and respects their right to be informed, so that everyone can make decisions and act with full knowledge. Dialogue, review and feedback are also encouraged wherever possible. While the management has the accountability for stakeholder, the Company believes that every employee in the Company also has a responsibility towards ensuring satisfactory stakeholder relationships.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Some of the initiatives and channels used in the process of engaging with stakeholders include one-o-one meetings, both individual and group (including the shareholders' meetings); media and stock exchange announcements; presentations; Investor(s) meeting (he have separate call for this) conference calls; formal grievance mechanisms; financial reports; newsletters, circulars and e-mail updates; regular customer, business partner and supplier meetings; formal consultations and audit processes; and updates on the **Company website** – www.jppowerventures.com

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company has always been committed to developing an organizational culture that supports internationally recognized human rights, as well as the human rights enumerated in the Constitution.

The Company takes steps to ensure that human rights principles are upheld within its workplaces. The Jaypee Group as a whole is committed to its cherished value 'Growth with a Humane Face' while dealing with people, whether internal or external to the organization.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

There have been no complaints regarding violation of human rights from stakeholders in the past financial year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others

The environment policy of the Company and implementation thereof covers the core business activity of producing power.

However, the Joint ventures / Suppliers/ Contractors/ Other stake holders are free to adopt voluntarily

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc.

Recognizing its responsibility to protect and preserve the environment, the Company has undertaken afforestation drives at all its work places / plants; this has resulted in significant resource conservation, water conservation, air quality improvement and noise pollution control, and created a "green oasis" amidst the limestone belt at Group's cement complex in Rewa. Similar initiatives have been taken in other regions where the Group has manufacturing units, such as Uttar Pradesh, Himachal Pradesh, Andhra Pradesh and Karnataka.

Company's vision about environment has following objectives:

- Efficient & optimum utilization of available resources
- Minimization of waste
- Maximization of waste materials' Re-utilization
- Providing and maintaining of green belts all around the work size/plants/offices.
- To comprehensively merge with the local society to support & care for their socio-economic development.

3. Does the company identify and assess potential environmental risks?

Environmental Risk Assessment

Institutionalizing this Green Initiative, the Company has constituted Project Groups at the project site, regional and corporate level to carry out specific environmental related functions. These groups initiate and sustain measures to mitigate, monitor and control the impact of project implementation on the environment.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Corporate Environment & Energy Policy:

The Company follows the following Corporate Environment & Energy Policy:

- Our Hydro Power Plant, earn VER's, CER's under CDM, which have been / are sold in the open market.
- Setup and operate industrial plans and infrastructure Projects adopting modern technology, keeping in view efficiency of operations, prevention of pollution, conservation of energy which shall have impact on carbon emissions, on continual basis.
- Adopt and comprehensively adhere to meet rules and norms set by Ministry of Environment & Forests, Government of India, Central Pollution Control Board and State Pollution Control Board or any other statutory body.
- Develop Green Belts in its Plants/Units and Mines with local species having long life, nurture them to make a

lively environment besides creating buffer to habitat around the area.

- Make use of renewable energy to the extent it is possible and make tailor-made schemes to adopt such features suitable to respective projects.
 - Work on philosophy of 'Zero Discharge' from the Units.
 - Use waste materials to utilize available heat value and as additives in manufacture of cement to support Federal Government to make environment cleaner.
 - Conserve precious water, adopt Rain Water harvesting for ground water recharging and develop water reservoirs, reducing its dependency on ground water and other natural resources for water supply to the units.
 - Conserve Biodiversity with least amount of impact on the environment.
 - Compliance to various conditions stipulated in Environmental Clearance accorded by Ministry of Environment & Forests and other conditions as imposed by State Pollution Control Boards in Consents granted for Establishing the unit and operations.
 - Contribute effectively in Socio-economic development of habitat around the project sites, through its CSR activities, giving significant emphasis to Education, Health, Vocational training for jobs creation within and outside the Projects.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page or write up.

The Company as well as Jaypee Group continually looks for innovative and cost-effective solutions to reduce wastes and preserve natural resources. Some of these measures include reduction in new land acquisition by optimal utilization of existing ones; capacity addition to existing resources including land, machinery, infrastructure and human resource; reduction in water and fuel consumption by recycling and endorsing of more efficient combustion methods and state of the art technology.

ENERGY CONSERVATION

The Company ensures that all possible measures are taken to conserve energy including identification of potential areas of saving energy, installation of energy efficient equipment such as capacitor control panels to improve power factor, and use of energy efficient lamps and Liquid Crystal Display (LED) wherever possible.

The Company's Power Projects have installed high efficiency pollution control & monitoring equipment such as Electrostatic Precipitator which reduces the pollution.

Switching off the light(s) / Fan(s) etc in the lower / working area, wherever not in use.

Some of Information on conservation of energy, technology absorption and foreign exchange earning and outgo is separately mentioned as annexure to Directors Report.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Company fully supports the Ministry of Corporate Affairs' initiative to minimize the use of paper for 'all official communication'. In line with this, the Company sends all notices and documents, including the Annual Report, to

shareholders who have registered for the same, by e-mail. This has led to a significant reduction in paper consumption annually.

6. Are the Emissions / Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

All the legal parameters including emission norms and effluent (wastes) norms are being adhered to by the Company power plants stations. Change of Law in certain cases, has necessitated up-gradation of pollution control equipments which are being addressed through R&M Schemes for which actions plans have been submitted to the Regulators.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

The Company complies with all applicable environmental norms regarding wastes, effluents or emissions, as prescribed by the Central and State Pollution Control Boards for the sectors in which the Company operates. All the complaints / notices are addressed timely.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

A Group is a member of various industry and trade chambers and associations. The Company is proud to be associated with these groups because they represent the construction sector in various forums, and help the industry reach consensus on relevant issues.

The following are the major trade chambers and associations that the Company is a member of:

- Confederation of Indian Industry (CII)
 - Federation of Indian Chambers of Commerce and Industry (FICCI)
 - Associated Chambers of Commerce and Industry of India (ASSOCHAM)
 - PHD Chamber of Commerce and Industry (PHDCCI)
 - Cement Manufacturers Association (CMA)
 - Indian Power producers of Association of India (IPPAI)
2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

In 2017-18, the top issues for which the Company lobbied at the national level were:

- Economic reforms
- Inclusive development policies
- Energy security
- Sustainable Business principles
- Environmental policy
- Policies in Power Sector including Regulatory Frame Work.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, Jaypee Group is committed to strategic business development in infrastructure with the determination of transforming every challenge into an opportunity. The Group strives for optimal utilization of resources, while growing with a humane face.

We are committed to continuously contribute to the economic development, improving the quality of life of our entire workforce and their families as also the community at large. Throughout the years we have focused on our values, reducing the impact on the environment and staying engaged with our communities. Our Mission stays focused on sustainable development, fulfilling our obligations towards building a better India.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The Company is promoting education and vocational training through a registered charitable trust of the Jaypee Group i.e. Jaiprakash Sewa Sansthan and education is imparting through Jay Jyoti School, Sardar Patel Uchcharat Madhyamik Vidyalaya, District Singrauli (M.P.), Sardar Patel Uchcharat Madhyamik Vidyalaya, Bina (M.P.), Sardar Patel Uchcharat Madhyamik Vidyalaya, Majhauri (M.P.), Jaypee Vidya Mandir, Vishnupuram (UK) and employment oriented vocational education imparted through the Gopala Industrial Training Institute at Bina.

3. Have you done any impact assessment of your initiative?

Stakeholder consultation is an ongoing process to understand local issues and address the same holistically. Periodic assessments are conducted to ensure that the implementation standards are being met. Regular feedback from the beneficiaries is collated to ensure that the initiatives are sustainable. Community consultation is central to these initiatives which enhance the quality of delivery. The aim remains to ensure that there is a tangible and measurable improvement in the project participants' lives, over time. Besides, assessing the impact of the projects ensures a balance between social, economic and environmental benefits.

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The Company is also making direct expenditure in promoting healthcare at hospitals and dispensaries located at its various sites and undertaking rural

development projects and other activities at villages near its project sites, as detailed below:

- At the Company's Bina Thermal Power Plant: Healthcare covered a population of over 13,000 in eight villages. On an average around 1300 patients received treatment per month.

- At the Company's Vishnuprayag Plant: The medical facilities covered a population of over 20,000 spread across 36 villages. Medical treatment and dental care facilities were provided to approx. 1900 patients per month.
- At the Nigrie Super Thermal Power Plant, Singrauli: Healthcare facilities covered a population of over 20,000 in 4 villages. On an average around 2200 patients per month received treatment in the hospital and dispensary set up at the site.
- At the Company's Amelia (North) Coal Mine: Healthcare facilities covered a population of 18,000 in 12 Villages. On an average, around 3,000 patients received treatment every month.

Villagers received free treatment and consultations at the hospitals, free pathological investigations, X-ray facilities, free indoor treatment and provision of ambulances for medical emergencies and advanced cardiac life support system. Besides, pulse polio, eye and camps for TB detection and cure were held on a regular basis.

The Company aims to enhance the quality of life in the community through focus on:

- 1) Education
- 2) Employment oriented vocational training
- 3) Healthcare
- 4) Rural development
- 5) Empowerment of women
- 6) Environment sustainability
- 7) Disaster relief work

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so

Community Development initiatives in the company are taken in a planned way. The community is engaged in all steps of activities from planning to completion.

Bottom up approach is adopted for taking up these activities. CSR activities are identified after consultations with relevant stakeholders like community, village panchayats, local/ district administration & Village Development Advisory Committee based on Need Assessment Surveys.

Stakeholders participate at each stage of the activity and State Government also supervises the execution. People's involvement is also ensured during implementation and monitoring.

The company's flexible & open approach in this regard coupled with community participation along with local administration & village Panchayats leads to successful adoption & acceptability of initiatives by community.

Social audit is done from time to time to evaluate whether all activities have been completed satisfactorily that gives recommendation for necessary modification/ corrective measures, if any, for the future projects.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. Customer complaints / consumer cases are pending as on the end of financial year:

The company has long term power purchase agreement with Discoms of UP /UPPCL and MP/MPPCL. Disputes under the PPAs are an ongoing business practice under which petitions are pending with State Electricity Regulatory Commission and APTEL .

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

We are engaged in Power Generation which does need label etc. However, the Group does labeling on their products mainly Cement being a commodity item all abides the applicable laws.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

4. Did your company carry out any consumer survey/ consumer satisfaction trends:

As part of the Customer Relationship Management programme, the company conducts a Customer Satisfaction Survey to assess the satisfaction level of the customers, captured through an Index and to get feedback from the customers.

INDEPENDENT AUDITOR'S REPORT

To The Members of

Jaiprakash Power Ventures Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of JAIPRAKASH POWER VENTURES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Basis of Qualified opinion

Attention is drawn to:

- (a) Note no 55 (b) of standalone financial statements regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), a subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 289,038 lacs (Including Investment and loan components of compound financial instrument- Optionally Convertible Preference Shares). Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable.
- (b) As stated in note no. 45 (e) of the standalone financial statements, The Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84,557.33 lacs and Rs. 110,000 lacs respectively for which fair valuation has not been done as per the applicable IND-AS as of 31 March 2018. In the absence of fair valuation of the said corporate guarantees, we are not able to ascertain the impact of the same on the loss for the year and the state of affairs of the Company.
- (c) As stated in note no. 55 (a) and 47 of the standalone financial statements, no provision for diminution in value against certain long term investments of amounting to Rs. 277,486 lacs (Book Value) ("Including investment in trust which in turn holding investment in the Company") has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims.

Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage.
- (d) Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) and penal interest on certain loans of amounting to Rs. 4,618 lacs and Rs. 3,040.94 lacs as stated in Note no. 59 (a) and no. 59 (b) respectively of the standalone financial statements. Had the interest provision been made, the loss for the year of the Company would have increased by the said amount

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, Except for the effects/ possible effects of our observation stated in "Basis of Qualified Opinion paragraph" above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including Ind AS specified, of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of matter:

We draw attention to the following matters:

- (a) As Stated in Note no. 49 of the standalone financial statements, no provision against Entry Tax in respect of Bina unit and Nigrie Power & Cement unit amounting to Rs.11,533 lacs & Rs. 9,074 lacs respectively and interest thereon (impact unascertainable) as stated in said note has been made by the company. The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled & in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lacs and Rs. 2,580 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit and Nigrie Power & Cement unit respectively which is in the opinion of the management good and recoverable
- (b) Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (including receivables/payables from/to related parties) and loans & advances. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in Note no. 61 of the standalone financial statements.
- (c) For deferred tax assets on unabsorbed depreciation and business losses recognised and MAT credit entitlement of amounting to Rs. 90,544 lacs and Rs. 31,631 lacs respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 68 (c) of the standalone financial statements.
- (d) As stated in Note no. 64 of the standalone financial statements, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of remuneration/excess remuneration amounting to Rs. 1067.33 lacs to the directors in the financial years 2013-14 and 2015-16 onwards (including for as stated in said note against rejection of the Company's application).
- (e)
 - i. As stated in the Note no. 58 of the standalone financial statements, the Company has signed an agreement for sale of its Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) and as stated in the said note, the Company is currently in process of compliance of certain terms and conditions of agreement dated 31st May 2017. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.
 - ii. As stated in the Note no. 57 of the standalone financial statements, fair value of fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being in excess as compared to the carrying value, as estimated by a technical valuer and for the reasons explained in the

said note, management is of the view that no impairment provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.

- (f) During the financial year ended 31st March, 2018, the Company has incurred cash loss, and its current liabilities exceed its current assets as at 31st March, 2018. However, for the reasons stated in the Note no.60 of the standalone financial statements, these standalone financial statements are prepared on going concern basis.

Our opinion is not modified in respect of above stated matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order
2. As required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, except for the effect / possible effect of the matters described in 'Basis of Qualified Opinion' paragraph above, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
 - e) The Matters described in 'Basis of Qualified opinion' paragraph above in our opinion, may have an adverse effect on the functioning of the Company.
 - f) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - g) As required by section 143(3)(i) of the Companies Act, 2013, and based on the checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, our separate report with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is as per Annexure 'B'.
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer note no. 45 to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Other Matter

The Comparative financial statements for year ended 31st March 2017 prepared in accordance with Ind AS have been audited by the predecessor auditor, on which they had expressed an unmodified opinion vide their report dated 29 May 2017. Our audit report is not qualified in respect of this matter.

For **LODHA & CO.**

Chartered Accountants

Firm's Registration No. 301051E

N. K. Lodha

Partner

Membership No. 085155

Place: New Delhi

Dated: 5th May, 2018

Annexure "A" referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date on the standalone financial statements of Jaiprakash Power Ventures Limited for the year ended 31st March 2018

I.

- As informed to us, the Company is in the process of compiling proper records showing full particulars, including quantitative details and situation of fixed assets.
- Some of the fixed assets have been physically verified by the management according to the programme of periodical verification in phased manner (to cover over the period of three years) which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
- As per the records and information made available, the title deeds of immovable properties are held in the name of the company, except the parcel of land of Rs. 686.35 Lakhs at Bina power plant which is in the name of the erstwhile company which has since merged with the company vide Court Order dated 25th July 2011.

II. The inventory of the Company (except stock lying with the third parties and in transit) has been physically verified by the management/outside agencies at reasonable intervals and in respect of inventory of stores & spares there is perpetual inventory system and a substantial portion of the stocks have been verified during the year. In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. As informed to us, material discrepancies noted on verification carried during the year, between the physical stocks and the book records have been properly adjusted in the books of accounts.

III. The Company has not granted any loans, secured or unsecured to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189

of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) (a), (b) & (c) of the Order are not applicable.

IV. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security, the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.

V. In our opinion and according to the information and explanations given to us, the Company has complied with the directive issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable). Based on the records and information and explanations provided to us, the company has not accepted any deposit from the public during the year. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.

VI. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

VII.

- According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, wherever applicable, have generally been deposited though with delays with the appropriate authorities during the year in some cases which have been paid with applicable interest amount and there are no such undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2018 except interest on VAT and Electricity duty/cess of Rs. 264 lacs and Rs. 4,157 lacs respectively.
- According to the records and information & explanations given to us, there are no material dues in respect of service tax, duty of customs and duty of excise that have not been deposited with the appropriate authorities on account of any dispute and the dues in respect of Income Tax, Sales tax/Value added tax, Cess and Entry Tax that have not been deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below: -

Name of Statute	Nature of dues	Period to which amount relates	Forum where dispute is pending	Amount in Rs. Lacs
Income Tax Act, 1961	Income Tax	FY 2004-05	Commissioner of Income Tax (Appeals), Mumbai	172
Income Tax Act, 1961	Income Tax	FY 2011-12	Appellate Tribunal, Jabalpur (Appeal yet to be filed)	436

Name of Statute	Nature of dues	Period to which amount relates	Forum where dispute is pending	Amount in Rs. Lacs
Diversion Tax and Land Cess	Diversion Tax and Land Cess	Since FY 1998-99	Commissioner, Sagar	44
Diversion Tax and Land Cess	Diversion Tax and Land Cess	Since FY 1998-99	Board of Revenue, Gwalior	8
Entry Tax under the M.P. VAT Act, 2002	Entry Tax	FY 2012-13, 2013-14 and 2014-15	Additional Commissioner of Commercial Tax, Bhopal	6,399
Entry Tax under the M.P. VAT Act, 2002	Entry Tax	FY 2014-15, and 2015-16	Appellate Authority and Additional Commissioner of Commercial Tax, Jabalpur	3,747
M.P. VAT Act, 2002	VAT	FY 2015-16	App. Authority, Additional Commissioner of Commercial Tax, Jabalpur	108
The Uttarakhand Water Tax on Electricity Generation Act, 2012	Water Tax	FY 2015-16, 2016-17, & 2017-18	Hon'ble High Court, Nainital	1676
The Uttarakhand Green Energy Cess Tax Act, 2014	Green Energy Cess	FY 2015-16, 2016-17, & 2017-18	Hon'ble High Court, Nainital	4246
Building and Other Construction Workers Welfare Cess	Building and Other Construction Workers Welfare Cess	Upto FY 16-17	Hon'ble High Court, Jabalpur, Madhya Pradesh	7185

(read with note no. 61)

VIII. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, there are no dues to debenture holders; however the company has defaulted in repayment of dues (including interest) to financial institutions and banks wherein the delay ranges from 1 day to 728 days. The lender wise detail of amount of default at year-end is as follows:

Overdue Outstanding Interest

Name of Banks / Financial Institutions	Amount in Rs. Lacs	Range period
Allahabad Bank	98	1-90 Days
Bank of Baroda	3,336	1-394 Days
Bank of Maharashtra	1,354	1-394 Days
Canara Bank	4,111	1-454 Days
Central Bank of India	15,221	1-728 Days
Corporation Bank	2,512	1-364 Days
Foreign Currency Loans/Bonds	5,268	319 Days
ICICI Bank	26,110	1-454 Days

Name of Banks / Financial Institutions	Amount in Rs. Lacs	Range period
IDBI Bank	9,265	1-728 Days
Infrastructure Development Finance Company Limited	3,300	1-394 Days
Indian Overseas Bank	3,928	1-634 Days
Jammu & Kashmir Bank	127	1-90 Days
LIC of India	5,433	1-634 Days
Oriental Bank of Commerce	5,475	1-728 Days
Punjab National Bank	9,496	1-424 Days
State Bank of India	8,393	1-454 Days
SREI Equipment Finance Limited	63	1-454 Days
Syndicate Bank	5,844	1-634 Days
UCO Bank	6,544	1-424 Days
United Bank of India	11,215	1-634 Days
Total	1,27,093	

Overdue Outstanding dues As on 31.03.2018

Name of Banks/Financial Institution/Government	Amount in Rs. Lacs	Range Period
Allahabad Bank	720	61-364 Days
Bank of Baroda	54	1-638 Days
Canara Bank	1,595	1-453 Days
Central Bank of India	2,760	61-364 Days
Foreign Currency Bonds	66,269	181-364 Days
ICICI Bank	29,774	1-384 Days
IDBI Bank	9,266	61-608 Days
Jammu & Kashmir Bank	780	61-364 Days
Oriental Bank of Commerce	945	1-664 Days
Punjab National Bank	1,700	61-364 Days
State Bank Of India	5,732	1-638 Days
SREI Equipment Finance limited	429	1-90 Days
United Bank Of India	380	61 - 90 Days
State Govt. of UP*	1,000	6-7 years
Cash Credit facility/working capital from Banks	28,678	1 to > 364 days
Total	150,082	

*read with note no. 24.9 (i) and note no 61 to the standalone financial statements

Default in repayment of dues during the Year

Name of Banks/Financial Institution	Amount in Rs. Lacs	Range Period
Allahabad Bank	1,224	1-30 Days
Andhra Bank	506	1-90 Days
Bank of Baroda	831	61-90 Days
Canara Bank	240	61-90 Days
Central Bank of India	920	31-60 Days
Dena Bank	984	1-90 Days
ICICI Bank	600	1-90 Days
IDBI Bank	3,461	1-180 Days
Jammu & Kashmir Bank	260	31-60 Days
Oriental Bank of Commerce	1,238	1-90 Days
Punjab National Bank	1,700	61-364 Days
State Bank Of India	2,727	1-90 Days
SREI Equipment Finance limited	1,586	61-364 Days
United Bank Of India	1,140	31-90 Days
Total	17,417	

- IX. On the basis of information and explanations given to us, term loan were applied for the purpose for which the loans were obtained. No moneys have been raised during the year by way of initial public offer or further public offer (including debt instruments).
- X. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of the audit.
- XI. According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration has been paid/provided [pending Central Government's & other necessary approvals and read with note no 64] in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013
- XII. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations and records made available by the management of the Company and audit procedure performed, for transactions with the related parties during the year, the Company has complied with the provisions of Section 177 and 188 of the Act. As explained and as per records, details of related party transactions have been disclosed in the Ind AS financial statements as per the applicable Indian Accounting Standards.
- XIV. According to the information and explanations given to us, the company has not made any preferential allotment of shares or fully / partly convertible debentures during the year in terms of provisions of Section 42 of the Act.
- XV. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934, as the provision of section is not applicable to the Company.

For LODHA & CO.

Chartered Accountants

Firm's Registration No. 301051E

N. K. Lodha

Partner

Membership No. 085155

Place: New Delhi

Dated: 5th May, 2018

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF
EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS
OF JAIPRAKASH POWER VENTURES LIMITED**

**Report on the Internal Financial Controls Over Financial
Reporting under Clause (i) of Sub- section 3 of Section 143 of
the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **JAIPRAKASH POWER VENTURES LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2018:

(i) Evaluation and assessment of recoverability including provision to be made there against in respect of certain investments made ("Including investment in trust which in turn holding investment in the Company") were not carried out which could potentially result in, the Company not recognizing sufficient provision there against. [note no. 55 (a), (b) & 47].

(ii) Fair valuation of corporate guarantees provided by the Company against loans granted by the lenders to Jaiprakash Associates Limited (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) as per applicable IND-AS as on 31 March 2018, has not been carried out which could potentially material impact in the financial statements. [note 45(e)].

A 'Material weakness' is a deficiency, or a combination of deficiencies in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, 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 of March 31, 2018, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 standalone financial statements of the Company, and these material weaknesses affect our opinion on the standalone financial statements of the Company for the year ended 31st March 2018.

Emphasis of matter:

Attention is drawn to:

Internal control system for financial reporting w.r.t. balance confirmation/reconciliations of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (including receivables/payables from/to related parties) and loans & advances (read with note no. 61) and further this to be read with other matters stated under heading "Emphasis of Matters" in our report, may potentially have material impact in the financial statements.

For LODHA & CO.

Chartered Accountants

Firm's Registration No. 301051E

N.K. Lodha

Partner

Membership No. 085155

Place : New Delhi

Dated : 5th May, 2018

STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

		(₹ in Lakhs)	
Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
1 Non Current assets			
(a) Property, plant and equipment	3	1,518,244	1,560,736
(b) Capital work in progress	4	15,877	15,763
(c) Investment Property		-	-
(d) Goodwill	5	14	14
(e) Other Intangible assets	6	22,961	24,530
(f) Intangible assets under development		-	-
(g) Investment in Subsidiaries	7	101,092	353,093
(h) Financial Assets			
(i) Investments	8	198,594	198,594
(ii) Trade receivable		-	-
(iii) Loans	9	316	33,060
(iv) Other financial assets	10	371	140
(i) Deferred tax assets (Net)	11	90,544	72,781
(j) Other non current assets	12	42,247	57,250
		1,990,260	2,315,961
2 Current assets			
(a) Inventories	13	16,852	23,455
(b) Financial Assets			
(i) Investments	14	273,877	-
(ii) Trade receivables	15	29,639	45,414
(iii) Cash and cash equivalents	16	4,508	4,299
(iv) Bank balance other than (iii) above	17	480	340
(v) Loans	18	15,713	-
(vi) other financial assets	19	44	36
(c) Current Tax assets (Net)	20	183	44
(d) Other Current assets	21	45,944	31,951
		387,240	105,539
Total Assets		2,377,500	2,421,500
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	22	599,600	599,600
(b) Other Equity	23	336,946	389,681
		936,546	989,281
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	793,149	898,138
(ii) Trade payables		-	-
(iii) Other financial liabilities	25	499	1,055
(b) Provisions	26	5,047	5,304
(c) Deferred tax liabilities		-	-
(d) Other non current liabilities	27	46,621	53,722
		845,316	958,219
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	28	133,672	62,732
(ii) Trade payables	29	31,516	26,875
(iii) Other financial liabilities	30	420,017	367,151
(b) Other current liabilities	31	10,182	16,914
(c) Provisions	32	251	328
(d) Current tax liabilities (Net)		-	-
		595,638	474,000
Total Equity and Liabilities		2,377,500	2,421,500

Summary of significant accounting policies

The note nos. 1 to 74 are integral part of the financial statements

As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS
 Firm Registration No. 301051E

N.K. LODHA
 Partner
 M.No. 085155

Place: New Delhi
 Dated: 5th May, 2018

Suren Jain
 Managing Director & CFO
 DIN 00011026

Y.K. Sharma
 Sr. Vice President (F & A)

For and on behalf of Board of Directors

Manoj Gaur
 Chairman
 DIN 00008480

Sunil Kumar Sharma
 Vice Chairman & CEO
 DIN 00008125

A.K. Rastogi
 Joint President & Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

		(₹ in Lakhs)	
Particulars	Note No	Year ended March 31, 2018	Year ended March 31, 2017
I Revenue from operations	33	338,131	279,181
II Other income	34	34,875	8,762
III Total income (I+II)		373,006	287,943
IV Expenses:			
Cost of operation and maintenance	35	208,509	165,854
Changes in inventories of finished goods work-in-progress and stock-in-trade	36	(183)	97
Employee benefits expense	37	9,335	7,676
Finance costs	38	149,178	180,228
Depreciation and amortization expense	39	48,686	48,684
Other expenses	40	19,351	7,821
Total expenses		434,876	410,360
V Profit/(Loss) before exceptional items and tax (III-IV)		(61,870)	(122,417)
VI Exceptional items (Net)		-	-
VII Profit/ (Loss) before tax (V-VI)		(61,870)	(122,417)
VIII Tax expense:	41		
(1) Current tax		-	-
(2) Income tax of earlier years		99	-
(3) Reversal of MAT credit entitlement of earlier years		8,522	-
(4) Deferred tax (net)		(17,760)	(46,356)
Total tax expenses		(9,139)	(46,356)
IX Profit/(Loss) for the period (VII-VIII)		(52,731)	(76,061)
X Other comprehensive income			
(a)(i) Items that will not be reclassified to profit or loss		(7)	57
(ii)Income tax relating to items that will not be reclassified to profit or loss		3	(14)
(b) (i) Items that will be reclassified to profit or loss		-	-
(ii)Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the period		(4)	43
XI Total comprehensive income (IX+X)(Comprising Profit / (Loss) and Other Comprehensive Income for the period)		(52,735)	(76,018)
XII Earnings per equity share			
(1) Basic		(0.88)	(2.31)
(2) Diluted		(0.88)	(2.31)

Summary of significant accounting policies

2

The note nos. 1 to 74 are integral part of the financial statements

As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 301051E

N.K. LODHA
Partner
M.No. 085155

Place: New Delhi
Dated: 5th May, 2018

Suren Jain
Managing Director & CFO
DIN 00011026

Y.K. Sharma
Sr. Vice President (F & A)

For and on behalf of Board of Directors
Manoj Gaur
Chairman
DIN 00008480

Sunil Kumar Sharma
Vice Chairman & CEO
DIN 00008125

A.K. Rastogi
Joint President & Company Secretary

Statement of changes in Equity as on 31st March, 2018

(A) Equity Share Capital

(₹ in Lakhs)

Particulars	As on 31 March, 2018	As on 31 March, 2017
Balance at the beginning of the year	599,600	293,800
Addition during the year	-	305,800
Balance at the end of the year	599,600	599,600

B) Other equity

Particulars	Securities Premium Account	General Reserve	Capital Reserve Amalgamation/ Demerger	Surplus	Other Comprehensive Income	Total
Balance at 1st April, 2016	11,969	3,380	285,310	166,880	161	467,700
Add : Profit/(loss) for the year	-	-	-	(76,061)	-	(76,061)
Other Comprehensive Income during the year (net of tax)					43	43
Less : Other adjustments	-	-	-	2,001	-	2,001
Balance at 31st March, 2017	11,969	3,380	285,310	88,818	204	389,681
Balance at 1st April, 2017	11,969	3,380	285,310	88,818	204	389,681
Add : Profit/(loss) for the year	-	-	-	(52,731)	-	(52,731)
Other Comprehensive Income during the year (net of tax)	-	-	-	-	(4)	(4)
Balance at 31st March, 2018	11,969	3,380	285,310	36,087	200	336,946

Summary of significant accounting policies

2

The note nos. 1 to 74 are integral part of the financial statements

As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 301051E

N.K. LODHA
Partner
M.No. 085155

Place: New Delhi
Dated: 5th May, 2018

Suren Jain
Managing Director & CFO
DIN 00011026

Y.K. Sharma
Sr. Vice President (F & A)

For and on behalf of Board of Directors

Manoj Gaur
Chairman
DIN 00008480

Sunil Kumar Sharma
Vice Chairman & CEO
DIN 00008125

A.K. Rastogi
Joint President & Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

		(₹ in Lakhs)	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	
A. NET CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	(61,870)	(122,417)	
Adjustments for :			
Depreciation and Amortisation expense	48,686	48,684	
Deferred Revenue on account of advance against depreciation	-	5,053	
Provision for doubtful advance	7,100	-	
Finance costs	149,178	180,228	
(Profit) / Loss on sale of Property, plant and equipment	(188)	149	
Interest Income	(721)	(144)	
Dividend Income	(1,887)	(3,774)	
Unrelieved Foreign Exchange (gain)/loss	4	-	
Excess provision written back	(96)	-	
Other Income	-	(336)	
Amortisation/Remeasurement of financial asset and non-financial Asset/Liabilities	(8,407)	(3,701)	226,159
Operating profit before working capital changes	131,799		103,742
Working capital adjustments			
(Increase)/Decrease in Trade receivables	15,769	(5,492)	
(Increase)/Decrease in Inventories	6,603	10,402	
(Increase)/Decrease in Financial Assets and other Current and Non-Current Assets	(22,431)	(937)	
Increase (Decrease) in Financial Liabilities & Other Current and Non-Current Liabilities	(4,295)	36,081	
Increase (Decrease) in Short Term and Long Term Provisions	(59)	45	40,099
	127,386		143,841
Income tax (paid)/Refund (net)	8,469	-	
Net cash inflow from (used in) operating activities----'A'	135,855		143,841
B. Cash flow from Investing activities			
Purchase of Property, plant and equipment including capital work in progress and capital advances and capital creditors	(22,450)	(4,355)	
Investment in Subsidiary	(10)	(3,600)	
Proceeds from Sale of Property, plant and equipment	976	455	
Interest and Dividend Income	2,600	3,918	
Other Income	-	336	
Investment in bank deposits having original maturity of more than three months	(371)	1,739	
Net cash used in investing activities-----' B'	(19,255)		(1,507)
C. Cash flow from Financing activities			
Proceeds from Long term borrowings and short term borrowings	168,205	-	
Interest & financial charges paid	(60,814)	(118,556)	
Repayment of Long Term Borrowings and short term borrowings (Previous year Net of repayment and issuance of Equity shares for consideration other than cash)	(225,061)	(27,646)	
Net cash used in financing activities---' C'	(117,670)		(146,202)
Net increase/(Decrease) in cash or cash equivalent (A+B+C)	(1,070)		(3,868)
Cash & cash equivalent at the commencement of the period	4,299		8,167
Effects of exchange rate changes on cash and cash equivalents	2		-
Cash & cash equivalent at the end of the period	3,231		4,299
Reconciliation of cash and cash equivalents as per the cash flow statement			
Cash and cash equivalents (Note 16)	4,508	4,299	
Bank Overdraft (Note 28)	(1,277)	-	
Balances as per statement of cash flows	3,231		4,299

Note:

- The above cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (IND AS-7). The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact upon on the financial statements of the Company.
- Previous year figures have been re-grouped/re-arranged wherever considered necessary.

As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 301051E

N.K. LODHA
Partner
M.No. 085155

Place: New Delhi
Dated: 5th May, 2018

Suren Jain
Managing Director & CFO
DIN 00011026

Y.K. Sharma
Sr. Vice President (F & A)

For and on behalf of Board of Directors

Manoj Gaur
Chairman
DIN 00008480

Sunil Kumar Sharma
Vice Chairman & CEO
DIN 00008125

A.K. Rastogi
Joint President & Company Secretary

Notes to the financial statements for the period ended 31st March, 2018

Note 1-General Information of the Company

The Company was incorporated on 21st December, 1994 as Jaiprakash Hydro Power Limited (JHPL). Pursuant to Scheme of Amalgamation approved by Hon'ble High Court of Himachal Pradesh, erstwhile Jaiprakash Power Ventures Limited (JPVL) was amalgamated into JHPL. Subsequent to the merger the name of JHPL was changed to Jaiprakash Power Ventures Limited w.e.f. 23rd December, 2009. The Company is engaged in the business of generation of Thermal and Hydro Power, cement grinding and Captive Coal Mining. The Company owns and operates 400 MW Jaypee Vishnuprayag Hydro Electric Plant at District Chamoli, Uttarakhand, 1320 MW Jaypee Nigrie Super Thermal Power Plant at Nigrie, Distt. Singrauli, M.P., 500 MW Jaypee Bina Thermal Power Plant at Village. Sirchopi, Distt. Sagar, M.P. The Company is operating Cement Grinding Unit (2 MTPA) at Nigrie, Distt. Singrauli (M.P) and is also engaged in Captive coal mining operations at Amelia Coal Block allotted by Government of India for supply of Coal to Jaypee Nigrie Super Thermal Power Plant.

The Company had operated 1980MW Thermal Power Plant through Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company up to 17.12.2017) at Bara, District Allahabad.

The Company through its subsidiary Jaypee Powergrid Limited has set up 219.80 Km long power transmission line to evacuate power from 1991 MW Karcham Wangtoo Hydro electric Plant up to Abdullapur, Haryana.

The Company envisages to set up the following Power Plants through its subsidiaries:

- (a) 2700 MW Lower Siang and 500 MW Hirong Hydro Electric Plants through Jaypee Arunachal Power Limited in Arunachal Pradesh.
- (b) 450 MW Kynshi and 270 MW Umngot Hydro Electric Plants through Jaypee Meghalaya Power Limited in Meghalaya.

The financial statements for the financial year ended March 31, 2018 were approved by the Board of Directors and authorized for issue on 5th May, 2018.

Note 2 - Significant Accounting Policies followed by the Company

a) Basis of preparation of financial statements

The Company has adopted accounting policies that comply with Indian Accounting standards (Ind AS) notified by Ministry of Corporate Affairs vide notification dated 16 February 2015 under section 133 of the Companies Act 2013, as required by the relevant applicability provisions prescribed in the same notification. 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 to the Companies Act 2013, amended from time to time applicable to companies to whom Ind AS applies.

The Company's financial statements have been prepared in accordance with the Ind AS prescribed. The preparation of the Company's financial statements in conformity with Indian Accounting Standard requires the Company to exercise its judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that effect the reported amounts of assets

and liabilities at the date of the financial statements. These estimates and assumptions are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances and presented under the historical cost convention on accrual basis of accounting.

b) Basis of Measurement

These financial statements have been prepared under the historical cost convention on the accrual basis, except for the following assets and liabilities which have been measured at fair value:

- Defined benefit plans- plan assets measured at fair value,
- Derivative financial instruments,
- Certain investments

c) Use of Estimates

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of the revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

d) Critical accounting estimates, assumptions and judgments

Property, plant and equipment

External advisor and/or internal technical team assesses the remaining useful life and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual values are reasonable.

Intangibles

Internal technical and user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable. All Intangibles are carried at net book value on transition.

Mine restoration obligation

In determining the cost of the mine restoration obligation the Company uses technical estimates to determine the expected cost to restore the mines and the expected timing of these costs.

Liquidated damages

Liquidated damages payable or receivable are estimated and recorded as per contractual terms/management assertion; estimate may vary from actuals as levy by customer/vendor.

Other estimates

The Company estimates the un-collectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances/ provision may be required. Similarly, the Company provides for inventory obsolescence, excess inventory and inventories with carrying values in excess of net realizable value based on assessment of the future demand, market conditions and specific inventory management initiatives. In all cases inventory is carried at the lower of historical cost and net realizable value.

e) Revenue

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

400 MW Jaypee Vishnuprayag HEP : Revenue from sale of electrical energy is accounted for on the basis of sale to Uttar Pradesh Power Corporation Limited (UPPCL) as per Tariff approved by Uttar Pradesh Electricity Regulatory Commission (UPERC) in accordance with the provisions of Power Purchase Agreement dated 16.01.2007, executed between the Company and UPPCL. Income on Generation based incentive is accounted on accrual basis considering eligibility for project for availing the incentive.

500 MW Jaypee Bina Thermal Power Plant: Revenue from sale of electrical energy is accounted for on the basis of sale to Madhya Pradesh Power Management Company Limited (MPPMCL) as per Tariff approved by Madhya Pradesh Electricity Regulatory Commission in accordance with the provisions of Power Purchase Agreement dated 05.01.2011, executed between the Company and MPPMCL to the extent of 65% of installed capacity on regulated tariff basis for 25 years and 5% of net power generation on variable charge basis for life of Project and balance on merchant basis.

1320 MW Jaypee Nigrie Super Thermal Power Plant: Revenue from sale of electrical energy is accounted for on the basis of sale to Madhya Pradesh Power Management Company Limited (MPPMCL) as per Tariff approved by Madhya Pradesh Electricity Regulatory Commission in accordance with the provisions of Power Purchase Agreement dated 05.01.2011 executed between the Company and MPPMCL to the extent of 30% of installed capacity on regulated tariff basis for 20 years, 7.50% of the total net power generation on variable charge basis for the life of Project and balance on merchant basis.

Further, any adjustment that may arise on account of true-up by respective State Regulatory Commissions under the aforesaid Tariff Regulations/Tariff Orders is made after the completion of such true-up.

Revenue is recognized only when the significant risk and reward of the ownership is transferred to the buyer usually on delivery of the goods. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company, revenue can be reliably measured and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Gross Revenue from operations comprises of sale of power and cement and other operating income. Sale of cement and transfer of coal includes excise duty (till June 30, 2017) and excludes sales tax/value added tax (VAT)/Goods and Service Tax (GST) which is received by the Company on behalf of the government.

Revenue from sale of Verified Emission Reductions (VERs) is accounted for on receipt basis.

Sales of Fly Ash is net of VAT/GST and exclusive of self consumption.

Insurance claims are accounted for on receipt basis or as acknowledged by the insurance Company.

Advance against depreciation claimed/ to be claimed as part of

tariff in terms of PPA (in respect of Vishnuprayag HEP) during the currency of loans to facilitate repayment installments is treated as 'Deferred Revenue'. Such Deferred Revenue to be included in Sales in subsequent years.

Fuel price adjustment for coal purchases has been included in purchases/ cost of goods consumed. Similarly effect on sales due to fuel price adjustment in respect of PPA's has been considered in sales.

Interest Income is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash flows over the expected life of financial instrument, to the gross carrying amount of the financial assets or to the amortised cost of the financial liability.

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Inter Divisional Transfer/ Captive sales: Captive sales in regard to Coal produced from Captive Mine to be utilized for generation of power are transferred at cost as per Cost Accounting Standard-4.

The value of inter-divisional transfer and captive sales is netted off from sales and corresponding cost under cost of materials consumed and total expenses respectively. The same is shown as a contra item in the statement of profit and loss.

f) Property, Plant and Equipment (PPE)

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of PPE is cost of acquisition or construction inclusive of freight, erection & commissioning charges and any directly attributable costs of bringing an asset to working condition and location for its intended use, including borrowing costs relating to the qualified asset over the period upto the date the asset is ready to commence commercial production. The Company has availed the exemption available in Ind AS 101, to continue capitalisation of foreign currency fluctuation on long term foreign currency monetary liabilities outstanding on transition date.

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

Depreciation on property, plant and equipment is provided on straight line method based on estimated useful life of assets as prescribed in part C of schedule II to the Companies Act, 2013.

Assets	Useful Life
Building	5 - 60 Years
Plant and Machinery	15 - 40 years
Furniture and fittings	10 years
Office equipments	5 - 10 years
Vehicles	8 - 10 years
Computers	3 years

The property, plant and equipment acquired under finance leases, if any, is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Freehold land is not depreciated.

g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Cost of acquisition of coal mine & other mine related expenditure are amortised on the basis of the balance life of the Project. The cost of intangible assets are amortized on a straight line basis over their estimated useful life as per the schedule II of Companies Act 2013 and in case the estimated useful life is more than the mining period the same is depreciated over the lease period of mine.

Assets	Useful Life
Mining Lease	18 Years
Mining Development	18 Years
Software	3 Years

The amortisation 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 amortisation period is changed accordingly.

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

Mine closure expenses are capitalized in Mining cost and are amortised on the basis of the lease period of mine.

Provision of Mine closure expenses is made as per guidelines from Ministry of Coal, Government of India and are amortised on the basis of the lease period of mine.

h) Impairment

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

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

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

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

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

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

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 recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or Loss.

i) Expenditure during construction period

Assets in the course of construction are capitalized in the assets and treated as capital work in progress and upon commissioning of project the assets are capitalised and transferred to appropriate category of PPE. At the point when an asset is operating at management's intended use, the cost of construction is transferred to appropriate category of PPE.

j) Inventories:-

Inventories are valued at the lower of cost or net realizable value. Cost of Inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on the following basis:-

- Raw material, construction materials, stores & spares, packing materials, operating stores and supplies is determined on weighted average basis.
- Material-in-transit is valued at cost.
- Finished goods and work in progress - cost includes cost of direct materials and labour and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods.

Overburden Removal (OBR) Expenses

In coal mining, cost of OBR is charged on technically evaluated average ratio (COAL: OB) with due adjustment for advance stripping and ratio-variance account after the mine become operational. Net of balances of advance stripping and ratio variance at the Balance Sheet date is shown as cost of removal of OB under the head for Work in Progress in inventories.

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

k) Foreign Exchange Transactions

These financial statements are presented in Indian rupees (INR), which is the Company's functional currency.

Transactions in foreign currency are recorded on initial recognition at the spot rate prevailing at the time of the transaction.

At the end of each reporting period

- Monetary items (Assets and Liabilities) denominated in foreign currencies are retranslated at the rates prevailing at that date.
- 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.
- Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- i. Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings in respect of Rate regulated assets.
- ii. The exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded in so far as they relate to the acquisition of depreciable capital assets are shown by addition to/deduction from the cost of the assets as per exemption provided under IND AS 21 read along with Ind AS 101 appendix 'D' clause-D13AA.

l) Borrowing Cost

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are charged to statement of profit & loss account in the period in which it is incurred except loan processing fees which is recognized as per Effective Interest Rate method. Borrowing costs consist of interest and other costs that Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m) Employee Benefits

The undiscounted amount of short-term employee benefits i.e. wages and salaries, bonus, incentive and annual leave etc. expected to be paid in exchange for the service rendered by

employees are recognized as an expense except in so far as employment costs may be included within the cost of an asset during the period when the employee renders the services.

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

Gratuity and leave encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is done as per Projected Unit Credit method.

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

n) Tax Expenses

Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

Current Tax-Current Income tax relating to items recognized outside the profit and loss is recognized outside the profit and loss (either in other comprehensive income or in other component of equity)

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

Deferred Tax:-Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date i.e. timing difference between taxable income and accounting income. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed as at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will not be available against which deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are recognized for the unused tax credit to the extent that it is probable that taxable profits will be available against which the losses will be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

o) Leases:-

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

Company as a lessee

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

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

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

- (a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Company as a lessor

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

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

- (a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased

asset is diminished, even if the payments to the lessors are not on that basis; or

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

Lease hold land is considered as operating lease and amortised over the lease term.

p) Fair Value Measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

q) 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.

a) Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument

b) Measurement

i) Financial assets

A financial asset is measured at

- amortised cost or
- fair value either through other comprehensive income or through profit or loss

ii) Financial liability

A financial liabilities is measured at

- amortised cost using the effective interest method or
- fair value through profit or loss.

iii) Initial recognition and measurement:-

All financial assets and liabilities are recognized at fair value at initial recognition, plus or minus, any transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss.

iv) Subsequent measurement

Financial assets as subsequent measured at amortised cost or fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) as the case may be.

Financial liabilities as subsequent measured at amortised cost or fair value through profit or loss.

c) Financial assets

i) Trade Receivables:-

Trade receivables are the contractual right to receive cash or other financial assets and recognized initially at fair value. Subsequently measured at amortised cost (Initial fair value less expected credit loss). Expected credit loss is the difference between all contractual cash flows that are due to the Company and all that the Company expects to receive (i.e. all cash shortfall), discounted at the effective interest rate.

ii) Equity investments

Investment in Subsidiary, associates & Joint venture

Investment in Subsidiary, associates & Joint venture is carried at cost as per IndAS 27

Other equity

All other equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which

are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at Fair value to other comprehensive income (FVTOCI), then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

d) Cash and cash Equivalents:-

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

e) Impairment of Financial Assets:-

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

f) Financial liabilities

i) Trade payables :-

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year and 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 recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

ii) Borrowings:-

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

the establishment of loan facilities are recognised 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.

iii) 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 recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

g) Derecognition of financial instrument:-

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

h) Offsetting of financial instruments:-

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

i) Financial guarantee

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

j) 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.

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 recognised as a liability on an amortised 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 directly 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 recognised in equity will be transferred to retained earnings. No gain or loss is recognised 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 recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

k) Derivative Financial Instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on nature of the hedging relationship and the nature of the hedged item.

l) Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

r) Provision and Contingent Liability

i. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed

by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that 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.

Contingent liabilities, if material, are disclosed by way of notes and contingent assets, if any, is disclosed in the notes to financial statements.

- ii. A **provision** is recognized, when Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement.

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

- iii. A **contingent asset** is not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

s) Earnings Per Share

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t) Segment Reporting

Revenue, operating results, assets and liabilities have been identified to represent separate segments on the basis of their relationship to the operating activities of the segment. Assets, liabilities, revenue and expenses which are not allocable to separate segment on a reasonable basis, are included under "Unallocated".

u) 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.

v) Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the requirement of the amendment and the impact on its financial statements.

Ind AS 115- Revenue from Contract with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize 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.

Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- **Retrospective approach** - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- **Retrospectively with cumulative effect of initially applying the standard** recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company is evaluating the requirement of the amendment and the impact on its financial statements.

Note 3 - Property, plant and equipment

(₹ in Lakhs)

Particulars	Free Hold Land	Buildings	Plant & Machinery	Furniture & Fittings	Office Equipments	Vehicles	Total
Gross Carrying value							
As at April 1, 2016	3,123	163,683	1,552,036	629	1,138	1,069	1,721,678
Additions	12	1,120	19,112	3	29	25	20,301
Disposals	-	-	(331)	(1)	(29)	(2)	(363)
Other adjustments	-	-	(359)	-	-	-	(359)
Exchange translation adjustments	-	-	(1,577)	-	-	-	(1,577)
As at March 31, 2017	3,135	164,803	1,568,881	631	1,138	1,092	1,739,680
Additions	155	924	2,302	12	39	-	3,432
Disposals	-	-	(1,255)	-	(37)	-	(1,292)
Other adjustments	1,163	-	-	29	(29)	-	1,163
Exchange translation adjustments	-	-	817	-	-	-	817
As at March 31, 2018	4,453	165,727	1,570,745	672	1,111	1,092	1,743,800
Accumulated Depreciation							
As at April 1, 2016	-	13,489	116,729	324	803	557	131,902
Charge for the year	-	5,212	41,647	77	117	117	47,170
Disposals	-	-	(99)	(1)	(27)	(1)	(128)
As at April 1, 2017	-	18,701	158,277	400	893	673	178,944
Charge for the year	-	6,130	40,738	56	78	115	47,117
Disposals	-	-	(471)	-	(34)	-	(505)
Other adjustments	-	-	-	13	(13)	-	-
As at March 31, 2018	-	24,831	198,544	469	924	788	225,556
Net carrying value (As at March 31, 2017)	3,135	146,102	1,410,605	231	245	419	1,560,736
Net carrying value (As at March 31, 2018)	4,453	140,896	1,372,201	203	187	304	1,518,244

Note: Refer note no. 24.1 to 24.6 for information on property, plant and equipment pledged as security by the Company.

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 4		
Capital work in progress		
Capital work in progress	15,877	15,763
Total	15,877	15,763

Note 5		
Goodwill		
Gross carrying value		
Opening balance	16	16
Additions	-	-
Deletions	-	-
Closing balance	16	16
Amortisation		
Opening balance	2	1
Charge for the year	-	1
Deletions	-	-
Closing balance	2	2
Net carrying value	14	14

Note 6 - Other intangible assets

(₹ in Lakhs)

Particulars	Computer software	Mining lease	Mining development	Total
Gross carrying value				
As at April 1, 2016	13	17,523	9,833	27,369
Additions	-	-	-	-
Deletions	-	-	-	-
As at April 1, 2017	13	17,523	9,833	27,369
Additions	-	-	-	-
Deletions	-	-	-	-
As at March 31, 2018	13	17,523	9,833	27,369
Amortisation				
As at April 1, 2016	-	853	473	1,326
Charge for the year	4	954	555	1,513
Deletions	-	-	-	-
As at April 1, 2017	4	1,807	1,028	2,839
Charge for the year	4	984	581	1,569
Deletions	-	-	-	-
As at March 31, 2018	8	2,791	1,609	4,408
Net carrying value				
As at March 31, 2017	9	15,716	8,805	24,530
As at March 31, 2018	5	14,732	8,224	22,961

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 7		
Investments		
Investments in Equity Instruments		
Investments in subsidiary Companies- At cost		
Un-Quoted		
Investment in equity instruments		
i) 22,20,00,000 equity shares of Rs.10/- each fully paid up of Jaypee Powergrid Limited (Previous year 22,20,00,000 shares)	22,200	22,200
ii) 22,84,20,000 equity shares of Rs.10/- each fully paid up of Jaypee Arunachal Power Limited (Previous year 20,00,00,000 shares)	22,842	20,000
iii) 261,91,89,800 equity shares of Rs.10/- each fully paid up of Prayagraj Power Generation Company Limited (refer note no. 14 & 55 (b)) (Previous year 226,91,89,800 shares) (including 600 equity shares of Rs. 10/- each amounting to Rs. 6,000 held by nominees of the Company as at 31.03.2018 and as at 31.03.2017)	-	226,929
iv) 55,19,77,200 equity shares of Rs.10/- each fully paid up of Sangam Power Generation Company Limited (Previous year 55,19,77,200 shares)	55,207	55,207
v) 83,80,000 equity shares of Rs.10/- each fully paid up of Jaypee Meghalaya Power Limited (Previous year 83,80,000 shares)	838	838
vi) 49,500 equity shares of Rs.10/- each fully paid up of Bina Power Supply Limited (Previous year 49,500 shares)	5	5
Investment in Subsidiary (Corporate guarantee) (refer note no. 14) -At FVTPL	-	552
Others - At FVTPL		
Investment component of Compound Financial Instrument:		
Jaypee Arunachal Power Limited	-	1,194
Prayagraj Power Generation Company Limited (refer note no. 14 & 55 (b))	-	26,168
Total	101,092	353,093

Aggregate amount of quoted Investment and market value thereof	-	-
Aggregate amount of unquoted investment	101,092	353,093
Aggregate amount of impairment in value of investments	-	-

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 8		
Investment in beneficiary trust (Equity)-At cost		
JPVL Trust	198,594	198,594
Total	198,594	198,594
Aggregate amount of quoted Investment and market value thereof	-	-
Aggregate amount of unquoted investment	198,594	198,594
Aggregate amount of impairment in value of investments	-	-

Note 9		
Loan		
Secured, considered good		
Unsecured, considered good		
Security Deposits with government departments and others	316	255
Other loans	-	-
	316	255
Unsecured, considered good		
Loan portion of component of financial instrument (Preference shares)		
i) 11% Non Cumulative Optionally Convertible Redeemable Preference shares of Rs.10/- each fully paid up of Jaypee Arunachal Power Limited (converted into equity shares during the year) (Previous year 2,82,90,000 shares)	-	1,523
ii) 11% Non Cumulative Optionally Convertible Redeemable Preference shares of Rs.10/- each fully paid up of Prayagraj Power Generation Company Limited (converted into equity shares during the year) (Previous year 35,00,00,000 shares)	-	16,782
iii) 27,00,00,000 11% Non Cumulative Optionally Convertible Redeemable Preference shares of Rs.10/- each fully paid up of Prayagraj Power Generation Company Limited (refer note no. 18 & 55 (b)) (Previous year 27,00,00,000 shares)	-	14,500
	-	32,805
Total	316	33,060

Note 10		
Other financial assets		
Other Bank Balance	371	140
	371	140

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 11		
Deferred tax assets (net)		
Deferred tax assets on account of		
Unabsorbed depreciation and loss carried forward	216,863	161,715
Employee benefits	176	226
Others	2,929	11,413
	219,968	173,354
Deferred tax liabilities on account of		
Depreciation	129,424	100,573
	129,424	100,573
Total	90,544	72,781

Significant components of net deferred tax assets and liabilities are as under:
2017-18

(₹ in Lakhs)

Particulars	Opening balance	Recognised in Profit or loss	Recognised in other comprehensive income	Others	Closing Balance
Deferred tax (liabilities)/ assets in relation to:					
Unabsorbed depreciation and loss carried forward	161,715	55,148	-	-	216,863
Property, plant and equipment and Intangible assets	(100,573)	(28,851)	-	-	(129,424)
Corporate Guarantee	318	(194)	-	-	124
Financial liabilities at amortised cost	(16)	(387)	-	-	(403)
Fair value of investment	11,113	(7,903)	-	-	3,210
Defined benefit obligation	226	(53)	3	-	176
Goodwill amortisation	(2)	-	-	-	(2)
Total	72,781	17,760	3	-	90,544

2016-17

Particulars	Opening balance	Recognised in Profit or loss	Recognised in other comprehensive income	Others	Closing Balance
Deferred tax (liabilities)/ assets in relation to:					
Unabsorbed depreciation and loss carried forward	88,184	73,531	-	-	161,715
Property, plant and equipment and Intangible assets	(73,872)	(26,701)	-	-	(100,573)
Corporate Guarantee	470	(152)	-	-	318
Financial liabilities at amortised cost	(853)	837	-	-	(16)
Fair value of investment	12,079	(1,195)	-	229	11,113
Defined benefit obligation	189	37	(14)	14	226
Goodwill amortisation	(1)	(1)	-	-	(2)
Total	26,196	46,356	(14)	243	72,781

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 12		
Other non-current assets		
Capital advances	570	1,242
Prepaid expenses	4,497	4,421
Balances with Government Authorities	4,643	1,821
Advance Income Tax & TDS	906	9,613
Mat credit entitlement	31,631	40,153
Total	42,247	57,250

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 13		
Inventories		
Raw materials / fuels	4,100	11,663
Stores and spares	12,561	11,762
Work in progress	5	-
Cement stock	186	-
Material in transit	-	30
Total	16,852	23,455

Note 14		
Current investments		
Unquoted		
Investment in equity instrument-At cost		
261,91,89,200 equity shares of Rs.10/- each fully paid up of Prayagraj Power Generation Company Limited (erstwhile subsidiary, refer note no. 55 (b))	261,929	-
Investment in Subsidiary (Corporate guarantee)-At FVTPL		
Prayagraj Power Generation Company Limited (erstwhile subsidiary, refer note no. 45 (e) (ii) (iii))	552	-
Others-At FVTPL		
Investment component of Compound Financial Instrument		
Prayagraj Power Generation Company Limited (erstwhile subsidiary, refer note no. 55 (b))	11,396	-
Total	273,877	-

Aggregate amount of quoted Investment and market thereof	-	-
Aggregate amount of unquoted Investment	273,877	-
Aggregate amount of impairment in value of investments	-	-

Note 15		
Trade receivables		
Secured Considered Good		
Others	-	-
	-	-
Unsecured Considered Good		
Related parties -(refer note no. 63)	-	75
Others*	29,639	45,339
	29,639	45,414
Total	29,639	45,414

*Includes Rs. 12,500 lakhs (previous year Rs. 15,055 lakhs) against letter of credit.

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 16		
Cash and cash equivalents		
Balance with banks current accounts	2,236	2,014
Balance with banks foreign currency account	125	127
Balance with banks trust & retention account	2,071	2,094
Fixed deposit with maturity upto 3 months	11	17
Cheques, drafts on hand	1	-
Cash on hand	64	47
Total	4,508	4,299

Note 17		
Bank balances		
Fixed Deposits with maturity from three to twelve months (Deposits pledged with banks and others)	480	340
Total	480	340

Note 18		
Loans		
Unsecured, Considered Good		
Loan portion of component of financial instrument (Preference share)		
27,00,00,000 11% Non Cumulative Optionally Convertible Redeemable Preference shares of Rs.10/- each fully paid up of Prayagraj Power Generation Company Limited (erstwhile subsidiary, refer note no. 55 (b))	15,713	-
Total	15,713	-

Note 19		
Other financial assets		
Other receivables		
Interest accrued on fixed deposit with banks	44	36
Total	44	36

Note 20		
Current tax assets		
TDS & Advance income tax	183	44
Total	183	44

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 21		
Other current assets		
Prepaid expenses	687	1,480
Staff imprest & advances	295	480
Claims & refund receivable	-	176
Balances with Government Authorities	663	842
Other amounts recoverable - Related Parties -(refer note no. 63)	3,923	813
Advance to suppliers, contractors, etc.	40,376	28,160
Advance to supplier considered doubtful	7,100	-
Less : Provision for doubtful advance	7,100	-
Total	45,944	31,951

Note 22 - Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
Authorised				
Equity shares of Rs. 10/- each	7,050,000,000	705,000	7,050,000,000	705,000
Preference shares of Rs. 100/- each	300,000,000	300,000	300,000,000	300,000
Total		1,005,000		1,005,000
Equity share capital				
<u>Issued, Subscribed & Paid up</u>				
Equity shares of Rs. 10/- each	5,996,003,084	599,600	5,996,003,084	599,600
Total	5,996,003,084	599,600	5,996,003,084	599,600

Note 22.1 - Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(₹ in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,996,003,084	599,600	2,938,003,084	293,800
Shares issued during the year (on conversion of loans into equity)	-	-	3,058,000,000	305,800
Shares brought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,996,003,084	599,600	5,996,003,084	599,600

Note 22.2 - The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has issued only one class of equity shares having a par value of Rs. 10/- per share which rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation, each share carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferential payments.

The Authorised Share Capital provides for Preference Shares at a par value of Rs. 100/- each. The Company has so far not issued any Preference Shares.

Note 22.3 - Equity Shares in respect of each class in the Company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

1,78,30,00,600 Equity shares are held by Jaiprakash Associates Limited, which has ceased to be holding company w.e.f. 18.02.2017 consequent upon conversion of debt into equity under the scheme of SDR.

85,647,637 Equity shares are held by Jaypee Infra Ventures (A Private Company with unlimited liability), associate company of Jaiprakash Associates Limited.

Note 22.4 - Equity Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of equity shares held	% of holding	No. of equity shares held	% of holding
Jaiprakash Associates Limited	1,783,000,600	29.74	1,783,000,600	29.74
JPVL Trust	344,076,923	5.74	344,076,923	5.74
ICICI Bank Limited	822,422,639	13.72	822,451,535	13.72
State Bank of India	470,660,000	7.85	-	-
IDBI Bank Limited	323,000,000	5.39	323,000,000	5.39

Note 22.5 - Equity shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments, including terms and amounts

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCBs) of US\$ 1 Lakhs each aggregating to US\$ 2,000 Lakhs at par on 12.02.2010. These Bonds were convertible at the option of the bond-holders into equity shares of Rs. 10/- each fully paid up at the conversion price of Rs. 85.8139 per share, subject to the terms of issue with a fixed exchange rate of Rs. 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

The bonds were redeemable at maturity on 13.02.2015 at a YTM of 7% p.a inclusive of coupon rate of 5% p.a. No conversion has taken place up to 31.03.2018. The status of FCCBs has been mentioned at note 24.9(ii).

No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestments other than above.

Note 22.6 - Aggregate number and class of equity shares allotted as fully paid up pursuant to contract without payment being received in cash, allotment by way of bonus shares or shares bought back

Particulars	Financial Year				
	During 2017-18	During 2016-17	During 2015-16	During 2014-15	During 2013-14
Equity Shares	-	3,058,000,000	-	-	-
Company has allotted 30,580 Lakhs equity shares valued Rs.3,05,800 Lakhs on 18.02.2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest towards implementation of SDR Scheme as per Reserve Bank of India guidelines after getting requisite approval of Shareholders/ Board of Directors etc.	-	3,058,000,000	-	-	-

Note 22.7 - Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

(₹ in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Equity Shares (in Number)	Amount	Equity Shares (in Number)	Amount
5% Foreign Currency Convertible Bonds (FCCB): (Number of Equity shares and Share Capital amount, which could be allotted to Foreign Currency Bond Holders assuming Bond holders exercise the conversion option of Bonds into Equity Shares.)	54,531,659	5,453	54,531,659	5,453

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCBs) of US\$ 1 Lakhs each aggregating to US\$ 2,000 Lakhs at par on 12.02.2010. These Bonds were convertible at the option of the bond-holders into equity shares of Rs. 10/- each fully paid up at the conversion price of Rs. 85.8139 per share, subject to the terms of issue with a fixed exchange rate of Rs. 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

The bonds were redeemable at maturity on 13.02.2015 at a YTM of 7% p.a inclusive of coupon rate of 5% p.a. No conversion has taken place up to 31.03.2018. The status of FCCBs has been mentioned at note 24.9(ii).

Note 22.8 - Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

There are no calls unpaid including by directors and officers of the Company.

Note 22.9 - Forfeited shares (amount originally paid up)

The Company has not forfeited shares.

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 23		
Other Equity		
i) Reserves and Surplus		
a) Securities premium account		
Opening balance	11,969	11,969
Addition/(deduction)	-	-
Closing balance	11,969	11,969
b) General reserve		
Opening balance	3,380	3,380
Addition/(deduction)	-	-
Closing balance	3,380	3,380
c) Capital reserve on Amalgamation / Demerger		
Opening balance	285,310	285,310
Addition/(deduction)	-	-
Closing balance	285,310	285,310
d) Surplus		
Opening balance	88,818	166,880
Profit/(Loss) for the year	(52,731)	(76,061)
Retained Earnings	-	(2,001)
Net surplus in the statement of profit and loss	36,087	88,818
Total (i)	336,746	389,477
ii) Other comprehensive Income		
Acturial gain / (loss)		
Opening balance	204	161
Addition/Deduction during the year	(4)	43
Total (ii)	200	204
Total (i + ii)	336,946	389,681

Nature and purpose of reserves

a) Securities premium account

The amount received in excess of face value of the equity shares issued is recognised in Securities premium account.

b) General reserve

The Company had transferred a portion of net profit before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956

c) Capital reserve on amalgamation / demerger

During amalgamation/demerger, the excess of net assets taken/ transferred over the cost of consideration paid/received are treated as capital reserve

d) Surplus

Surplus are the profit/(loss) that the Company has earned till date less amount transferred to reserves, dividend or other distributions paid to shareholders

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 24		
Borrowings		
Secured		
Term loans (Indian currency)		
From banks	768,031	811,538
From financial institutions	25,118	29,744
Term loans (foreign currency)		
From financial institution	-	6
External Commercial Borrowing	-	56,350
	793,149	897,638
Unsecured		
Govt. of uttrakhand	-	500
	-	500
Total	793,149	898,138

Security and Repayments for Term Loans and Working Capital limits

24.1 400 MW Jaypee Vishnuprayag HEP :

Rupee Term Loans and Foreign Currency Loans (after conversion of Debt into Equity under SDR scheme in previous year) aggregating to Rs.77,668 Lakhs (including foreign currency loan Rs. nil) (Previous Year-Rs.91,293 Lakhs including foreign currency loan of Rs. 503 lakhs) outstanding out of sanctioned amount of Rs.2,15,000 Lakhs, from Financial Institutions and Banks, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari passu among all the participating Institutions and Banks viz. State Bank of India, Andhra Bank, Bank of India, Oriental Bank of Commerce, Allahabad Bank, Dena Bank and IDBI Bank Ltd. by way of :

- First charge on 400 MW Vishnuprayag HEP's present and future book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature ; and
- First charge on 400 MW Vishnuprayag HEP's all the bank accounts including the Trust & Retention Account, Escrow Account of Uttar Pradesh Power Corporation Limited and Debt Service Reserve Account and each of the other accounts required to be created by the Company under any 400 MW Vishnuprayag HEP financing document or any contract.

The loans are inter-alia also secured by way of:

- First charge on 400 MW Vishnuprayag HEP's all intangible assets, hypothecation of all the movable assets, assignment of Project Agreements and Escrow Agreement, all present and future rights, titles, interests, benefits, claims and demands whatsoever with respect to the Insurance Policies, claims and benefits to all monies receivable there under and all other claims there under in respect of all the insured assets of the Plant ;
- First ranking equitable mortgage on all rights, titles, interests and benefits in respect of immovable properties and assets of the 400 MW Vishnuprayag HEP ;
- Pledge of 6,291 Lakhs (Previous Year - 6,291 Lakhs) equity shares of the Company held by Jaiprakash Associates Ltd. (JAL) the party to whom the company is associate, on pari-passu basis with lenders of Nigrie Super Thermal Power Plant (except for term loan of Rs. 50,000 Lakhs (Previous Year - Rs.50,000 Lakhs) disbursed by State Bank of India); and

- (iv) Corporate Guarantee furnished by JAL, the party to whom the company is associate, for outstanding financial assistance of Power Finance Corporation Ltd., as on 31.03.2018 - Nil (Previous Year US\$ 7.70 Lakhs).

Repayments :

- (i) Rupee term loan outstanding Rs. 28,171 Lakhs (Previous year Rs. 41,293 Lakhs) are repayable in 15 structured quarterly installments payable in May, August, November and February every year, commenced from Novemembr, 2009.
- (ii) Rupee term loan outstanding of Rs. 49,497 Lakhs (Previous year Rs. 50,000 Lakhs) sanctioned by State Bank of India against securitisation of future receivables of Vishnuprayag HEP is repayable in 30 structured quarterly installments payable in June, September, December and March every year, commenced from June, 2017.

24.2 500 MW Jaypee Bina Thermal Power Plant:

24.2(a) Rupee Term Loans outstanding (after conversion of Debt into Equity under SDR scheme in previous year) of Rs.1,46,589 Lakhs (Previous Year Rs.1,55,047 Lakhs) outstanding out of sanctioned amount of Rs. 2,25,800 Lakhs (original Rs.1,92,800 Lakhs and additional Rs.33,000 Lakhs) from consortium of Banks, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari-passu among all the participating Institutions and Banks viz. Punjab National Bank, Union Bank of India, Allahabad Bank, Canara Bank, Central Bank of India, State Bank of India, IDBI Bank Ltd., ICICI Bank Ltd. and The Jammu and Kashmir Bank Ltd., are secured by:

- (i) First ranking pari-passu mortgage and hypothecation of all immovable and movables assets both present and future, all intangible assets, and all revenues and receivables pertaining to Jaypee Bina Thermal Power Plant and
- (ii) First ranking pari-passu charge on, assignment of Project Agreements, Trust & Retention account. Debt & Service Reserve Account and Escrow Agreement, all present and future rights, titles, interests, benefits, claims and demands whatsoever with respect to the Insurance Contracts/ loss proceeds, claims and benefits to all monies receivable there under and all other claims there under in respect of all the insured assets of the Plant ;
- (iii) Pledge of 648 Lakhs equity shares (Previous Year 648 Lakhs equity shares) of the Company held by JAL, the party to whom the company is associate , on pari passu basis among the lenders.

Repayments :

- (i) Rupee term loan outstanding Rs. 56,345 Lakhs (Previous year Rs.57,965 Lakhs) are repayable in 24 quarterly instalments, commenced from 1st January, 2014.
- (ii) Rupee term loan outstanding Rs.35,011 Lakhs (Previous year Rs.36,971 Lakhs) are repayable in 23 quarterly instalments, commenced from 1st January, 2014.
- (iii) Rupee term loan outstanding Rs.44,133 Lakhs (Previous year Rs.48,171 Lakhs) are repayable in 22 quarterly instalments, commenced from 1st January, 2014.
- (iv) Rupee term loan outstanding Rs. 6,200 Lakhs (Previous year Rs.6,800Lakhs) are repayable in 22 quarterly instalments, commenced from 1st March, 2013.
- (v) Rupee term loan outstanding Rs. 4,900 Lakhs (Previous year Rs.5,140Lakhs) are repayable in 21 quarterly instalments, commenced from 1st January, 2014.

24.2(b)

The aforesaid security ranks pari-passu with working capital lenders (i.e. IDBI Bank Limited, State Bank of India and Jammu & Kashmir Bank Ltd.) for working capital limits of Rs. 29,700 Lakhs (Previous Year - Rs.39,100 Lakhs). Fund based limit outstanding Rs.17,748 Lakhs (Previous Year - Rs.22,729 Lakhs) and Bank Guarantees/ LCs outstanding of Rs.2,576 Lakhs (Previous Year - Rs.1,734 Lakhs) (including additional margin of Rs.120 Lakhs against Bank Guarantees/ LCs-Previous Year - Nil).

24.3

1320 MW Jaypee Nigrie Super Thermal Power Plant:

24.3(a)

Rupee Term Loans (after conversion of Debt into Equity under SDR scheme in previous year) and External commercial borrowing (ECB) outstanding of Rs.5,98,554 Lakhs (including ECB Rs. Nil) (Previous Year - Rs.6,00,217 Lakhs including ECB Rs. 67,427 Lakhs) out of sanctioned amount of Rs. 7,31,500 Lakhs and short term financial assistance outstanding of Rs.4,000 Lakhs (Previous Year Rs. 4,000 Lakhs) out of sanctioned amount of Rs. 4,600 Lakhs from consortium Banks and of Financial Institutions, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari-passu among all the participating Banks and financial Institutions viz. Punjab National Bank, Canara Bank, Central Bank of India, Oriental Bank of Commerce, Bank of Baroda, Bank of Maharashtra, Indian Overseas Bank, Syndicate Bank, UCO Bank, United Bank of India, State Bank of India, Corporation Bank, IDBI Bank Ltd., ICICI Bank Ltd., IDFC Bank Ltd. and LIC of India, are secured by way of :

- (i) First ranking pari-passu mortgage and hypothecation of all immovable and movables assets both present and future, all intangible assets, and all revenues and receivables pertaining to the Jaypee Nigrie Super Thermal Power Plant ;
- (ii) First ranking pari-passu charge on, assignment of Project Agreements, Trust & Retention account., all present and future rights, titles, interests, benefits, claims and demands whatsoever with respect to the Insurance Contracts, claims and benefits to all monies receivable there under and all other claims there under in respect of all the insured assets of the Plant ;
- (iii) Pledge of 6,291 Lakhs equity shares (Previous Year - 6,291 Lakhs equity shares) of the Company held by JAL, the party to whom the company is associate, on pari-passu basis with lenders of Jaypee Vishnuprayag HEP and
- (iv) Letter of Comfort from Jaiprakash Associates Limited, the party to whom the company is associate, for the additional loan of Rs.1,64,500 Lakhs (Previous Year- Rs.1,64,500 Lakhs) Outstanding of Rs.98,705 Lakhs (Previous Year Outstanding of Rs.98,705 Lakhs) in addition to above securities.

Repayments :

- (i) 32.05% of Original Rupee Term Loan outstanding Rs.4,31,644 Lakhs (Previous Year Rs. 4,34,085 Lakhs) are repayable in 28 structured quarterly installments commencing from 15th September , 2018 and balance 67.95 % of the loan shall be a bullet repayment alongwith 28th instalment falling due on 15th June 2025 with an option to refinance of the same .
- (ii) 32.05% of Additional Rupee Term Loan outstanding Rs.98,705 Lakhs (Previous Year Rs. 98,705 Lakhs) are repayable in 28 structured quarterly installments commencing from 15th September , 2018 and balance 67.95 % of the loan shall be a bullet repayment alongwith 28th instalment falling due on 15th June 2025 with an option to refinance of the same.

- (iii) Short term rupee loan outstanding Rs. 4,000 Lakhs (Previous year Rs. 4,000 Lakhs) are repayable in six equal quarterly installments commenced from 1st April, 2017.
- (iv) Rupee Term Loan outstanding Rs 68,205 Lakhs (Previous year Rs. NIL) (as a sub Limit of External Commercial Borrowings (ECB)) are repayable in 15 half yearly installments commenced from 7th May, 2017. The entire amount of outstanding ECB has been converted to Indian Rupee during the year.

24.3(b) The working Capital facilities of Rs.60,000 Lakhs (Previous Year- Rs.60,000 Lakhs) sanctioned by ICICI Bank Ltd, Punjab National bank Ltd and IDBI Bank Ltd. are secured by pari-passu charge on the assets as per note 24.3 (a)(i)(ii) & 24.5 (i) . Fund based limit outstanding of Rs.39,470 Lakhs (Previous Year-Rs. 39,268 Lakhs), Bank Guarantees outstanding of Rs. 10,804 Lakhs (margin money paid against above Bank Guarantees is of Rs.212 Lakhs) (Previous Year-Rs.13,207 Lakhs) and Letter of Credit of Rs.165 Lakhs (including Letter of Credit of Rs.117 Lakhs against 100% margin) (Previous Year-Rs.173 Lakhs - including Letter of Credit of Rs.95 Lakhs against 100% margin).

24.4 Jaypee Nigrie Cement Grinding Unit:

Rupee Term Loan outstanding of Rs. 4,725 Lakhs (Previous Year Rs.4,725 Lakhs) out of sanctioned/disbursed amount of Rs.5,000 Lakhs by Canara Bank are secured by way of; first ranking pari-passu mortgage and hypothecation of all immovable and movables assets both present and future, all intangible assets, and all revenues, receivables and assignment of clinker supply and cement off take agreement pertaining to the Jaypee Nigrie Cement Grinding Unit.

Repayments :

Rupee term loan outstanding Rs.4,725 Lakhs (Previous year Rs. 4,725 Lakhs) are repayable in 27 structured quarterly instalments, commenced from June, 2016.

24.5 Amelia (North) coal mine:

- (i) Financial assistance (after conversion of Debt into Equity under SDR scheme in previous year) of Rs. 12,229 Lakhs (Previous Year - Rs.12,229 Lakhs) availed from consortium of Banks viz Bank of Baroda, ICICI Bank Limited, Oriental Bank of Commerce and State Bank of India , out of sanctioned amount of Rs.15,700 Lakhs are secured by way of :

First charge on the assets of Amelia (North) Coal Mine ranking pari passu with the term and working capital Lenders of Jaypee Nigrie Super Thermal Power Plant as per Note 24.3 (b) above (except assets which are specifically financed under equipment finance facility by SREI Equipment Finance Company Ltd. having charge on assets financed, which shall be excluded from security package for lenders) on reciprocal basis.

- (ii) Financial assistance outstanding of Rs.3,103 Lakhs (Previous Year - Rs.4,689 Lakhs) availed from SREI Equipment Finance Company Ltd. out of sanctioned amount of Rs.6,298 Lakhs are secured by way of exclusive charge on assets offered under equipment finance facilities.

Repayments :

- (i) 50% of Rupee term loan outstanding Rs. 12,229 Lakhs (Previous year Rs. 12,229 Lakhs) are repayable in 37 structured quarterly instalments, commenced from 12 months from the mining commencement date/plan i.e., June, 2016. Balance 50% of the loan shall be paid as bullet repayment along with the 37th instalment with the option to refinance.
- (ii) Equipment finance facility outstanding of Rs.3,103 Lakhs (Previous year Rs. 4,689 Lakhs) sanctioned by SREI Equipment

Finance Ltd. are repayable in 20 structured monthly instalments, commenced from 22 October, 2015.

24.6 Rupee Term Loan/Corporate Loan:

- (i) Rupee Term Loan of Rs. 3,600 Lakhs (Previous Year - Rs. 4,000 Lakhs) (after conversion of Debt into Equity under SDR scheme in previous year) outstanding out of sanctioned amount of Rs. 1,00,000 Lakhs by State Bank of India, is secured by way of residual charge on all movable and immovable assets of the Company on pari-passu basis with, Corporate Loan of Rs.1,20,000 Lakhs & Rs. 15,000 Lakhs by ICICI bank & IDBI Bank respectively and also secured by way of pledge of 1,500 Lakhs equity shares of the Company held by JPVL Trust (Previous Year-1,500 Lakhs equity shares) and residual charge on the assets of Prayagraj Power Generation Company Ltd (erstwhile subsidiary company).
- (ii) Rupee Term Loan of Rs.73,839 Lakhs (Previous Year - 73,839 Lakhs) (after conversion of Debt into Equity under SDR scheme in previous year) outstanding out of sanctioned amount of Rs. 1,20,000 Lakhs by ICICI Bank, is secured by way of residual charge on all movable and immovable assets of the Company on pari-passu basis with Corporate Loan of Rs.1,00,000 Lakhs by State Bank of India, Corporate Loan of Rs.15,000 Lakhs by IDBI Bank and also secured by way of pledge of 3,860 Lakhs equity shares of the Company held by JAL (Previous Year- 3,860 Lakhs equity shares) and pledge of 192.11 Lakhs equity shares of the Company held by JPVL Trust (Previous Year-192.11 Lakhs) and Non Disposal Undertaking for 1,021.89 Lakhs equity shares of the Company held by JAL (Previous Year-1021.89 Lakhs).
- (iii) Rupee Term Loan of Rs.10,321 Lakhs (Previous year - Rs. 10,321 Lakhs) outstanding out of sanctioned amount of Rs. 15,000 Lakhs by IDBI Bank , is secured by residual charge on all movable and immovable assets of the Company on pari-passu basis with Corporate Loan of Rs.1,00,000 Lakhs by State Bank of India, Corporate Loan of Rs.1,20,000 Lakhs by ICICI bank and also secured by way of pledge of 315 Lakhs equity shares (Previous Year 315 Lakhs) of the Company held by JPVL Trust and personal guarantee of Shri Manoj Gaur, Chairman of the Company.
- (iv) Rupee Term Loan outstanding of Rs.Nil (Previous year -Rs. 1,00,000 Lakhs) sanctioned by Axis Bank was secured by corporate guarantee from JSW Energy Limited.
- (v) Corporate loan of Rs.40,000 Lakhs availed from ICICI Bank Limited has been repaid in financial year 2015-16. However, pledge of 783 Lakhs equity shares (Previous year - 783 Lakhs equity shares) of the Company held by JAL and residual charge ranking pari-passu with other lenders viz State Bank of India and IDBI Bank Ltd on assets of the Company are yet to be released by ICICI Bank Limited.
- (vi) Corporate loan of Rs.50,000 Lakhs availed from ICICI Bank Limited has been repaid in financial year 2016-17. However, pledge of 1755 Lakhs equity shares (Previous Year-1,755 equity shares) of the Company held by JAL, 1433 Lakhs equity shares (Previous year - 1,433 Lakhs equity shares) of the Company held by JPVL Trust and Residual Charge on all movable and immovable assets of the Company ranking pari-passu with other lenders viz State Bank of India and IDBI Bank Ltd on assets of the Company and residual charge on the assets of Prayagraj Power Generation Company Ltd (erstwhile Subsidiary company) are yet to be released by ICICI Bank Limited.
- (vii) 1,206 Lakhs (Previous Year - 1,206 Lakhs) equity shares of the Company held by JAL pledged in favour of lenders of Karcham Wangtoo H.E.P which was divested during the year 2015-16 are yet to be released by IDBI Bank Ltd. as the entire loan/ financial assistance has been repaid.

Repayments :

- (i) Corporate loan State Bank of India - Rupee Term Loan outstanding of Rs.3,600 Lakhs (Previous year Rs. 4,000 Lakhs) is repayable in 1 installment, commenced from 30th September, 2014.
- (ii) Corporate loan ICICI Bank - Rupee Term Loan outstanding of Rs.73,839 Lakhs (Previous year Rs. 73,839 Lakhs) is repayable in 19 structured quarterly installments, commenced from September, 2015.
- (iii) Corporate loan IDBI Bank - Rupee Term Loan outstanding of Rs.10,321 Lakhs (Previous year Rs. 10,321 Lakhs) is repayable in 10 quarterly equal installments, commenced from July, 2015.

24.7 Resolution/ Revival plan as per guidelines of Reserve Bank of India (RBI)

- (i) The financial performance and cash flows of the Company have been adversely impacted by the overall stress in the power sector and also due to specific challenges faced by the Company in the previous year(s) in its Thermal Power Plants, viz. Nigrie Super Thermal Power Plant (Nigrie STPP) and Bina Thermal Power Plant (Bina TPP), prominent of which are de-allocation of coal mines by the Hon'ble Supreme Court of India in September 2014, delay in new PPAs in Nigrie STPP, abnormally low merchant tariffs, lower PLF in Bina TPP due to dispatch schedule of very low off take by State loan Dispatch Centre (SLDC), which is technically not feasible to run the plant optimally and forcing Company to sell balance power at power exchanges at unremunerative prices etc. These factors have put significant strain on the Company's ability to service the dues of lenders.
- (ii) In order to overcome the financial stress, the Company/ Lenders has formulated a revival plan in previous year. Accordingly, in the Joint Lender Forum (JLF) meeting dated 25 July 2016, the Lenders invoked Strategic Debt Restructuring (SDR) . Consequent to that the Company has allotted 30,580 Lakhs equity shares valued Rs.3,05,800 Lakhs on 18.02.2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest towards implementation of SDR Scheme as per RBI guidelines, after obtained requisite approval of Shareholders/ Board of Directors etc. Accordingly the equity share capital of the Company was increased to Rs.5,99,600 Lakhs from Rs.2,93,800 Lakhs and the lenders shareholding stood at 51% of paid up capital.
- (iii) The lenders who are holding equity share capital of the Company, have to offload the shareholding as per RBI guidelines. The lenders had invited bids for divestment of part of their equity in the Company. The bids received by Lenders and many condition precedent were not found favourable by the Lenders. Therefore lender(s) decided to close the process and intimate the bidders/ advisors suitably. Thereafter, resolution/ revival plan is under consideration of Lender(s) as per revised RBI guidelines dated 12.02.2018.

24.8 Overdue instalments and interest to Banks and Financial Institutions :

- (i) Outstanding amount of loans from banks and financial institutions as mentioned in 'Other financial liabilities' (Current maturities of long term debts) as at 31.03.2018, includes repayment of principal amount of loans overdue of Rs. 541,35 Lakhs (Previous Year- Rs.3,743 Lakhs), of which maximum overdue period is 664 days. Further the interest amount of Rs.1,21,825 Lakhs (Previous Year- Rs.42,432 Lakhs) on various loans is overdue for payment as on 31.03.2018 with maximum overdue period is 728 days .
- (ii) Further, overdue cash credit facility/working capital from banks is amounting to Rs.28,678 Lakhs with maximum overdue period of 364 days as on 31.03.2018.

24.9 Unsecured Loans

- (i) Unsecured loan outstanding of Rs.1,000 Lakhs (Previous Year - 1000 Lakhs) is repayable to Government of Uttarakhand/ Uttar Pradesh against sanctioned amount of Rs.2,500 Lakhs, which would be paid after having decision arrived between Government of Uttar Pradesh and Government of Uttarakhand for receipt of said payment.
- (ii) The Company had issued Foreign Currency Convertible Bonds (FCCBs) of US\$ 2,000 Lakhs in February, 2010, which has been partially redeemed to the extent of principal amount of US\$ 986 Lakhs, premium amount of US\$ 235 Lakhs and also paid applicable interest upto 12th February, 2016. As on 31st March, 2018 the total outstanding amount in relation to FCCBs was US\$ 1,014 Lakhs (Previous Year-US\$ 1,014 Lakhs) and Interest outstanding of Rs. 5,268 Lakhs as on 31st March, 2018 (Previous year Rs. 5,268 Lakhs) (excluding interest due from 1st April, 2017 to 31st March, 2018 amounting to Rs 4,618 Lakhs which has not been provided in books of accounts. (Read with note no.59 (a)).

The Company entered into a Standstill Agreement on 11th February, 2016, wherein the standstill period was extended till 31st March, 2016. Pursuant to discussions with the Bondholders, the Company and certain Bondholders holding 75.56% of the principal amount of FCCBs, had further entered into a Standstill Agreement, pursuant to which, the participating Bondholders had agreed to Standstill their repayment of the principal and interest amount up till 15th May, 2017, subject to certain conditions, which also included remittance to them an amount equivalent to Rs.15,000 Lakhs from the part proceeds of liquidity events of sale of 2 MTPA Nigrie Cement Grinding Unit and /or sale of entire shareholding of Sangam Power Generation Company Limited. to UPPCL/ UPRVUNL. The Reserve Bank of India vide its letter dated 26th April, 2017 had approved the proposal subject to the consent of the Bondholders and Joint Lender(s) Forum (JLF). The Company had approached JLF for its approval, which is under process and the Company is in further discussions with Bondholder(s) for restructuring of outstanding amount of FCCBs.

No conversion of the FCCBs has taken place up to 31.03.2018.

- (iii) Rupee Term Loan outstanding of Rs.75,177 Lakhs (Previous year - Nil) from JSW Energy Ltd who has paid the Rupee Term loan of Rs. 1,00,000 Lakhs to Axis bank who had disbursed the loan to the Company on the basis of Corporate guarantee given by JSW Energy Limited. However, as per agreement security for the loan to be created in favour of JSW Energy Limited. (Read with note no.24.6 (iv). Loan of Rs. 75,177 Lakhs and Interest of Rs. 2,622 Lakhs is to be paid as on 31.03.2018 to JSW Energy Limited.

24.10 Interest rates (excluding penal interest) on above loans are as follows:

- (i) Vishnuprayag HEP Loans: Interest rates varies from 11.45% to 12.60% p.a.
- (ii) Bina TPP Loans: Interest rates varies from 11.80% to 12.25% p.a.
- (iii) Nigrie STPP Loans: Interest rates varies from 11.65% to 13.75 % p.a.
- (iv) Amelia Coal Mine Loans: Interest rates varies from 12.40% to 13.15% p.a.
- (v) Nigrie Cement Grinding Unit Loans: Interest rates at 12.95% .
- (vi) Corporate Loans: Interest rates varies from 12.00% to 13.05% p.a.
- (vii) Foreign Currency Convertible Bonds : Interest rates at 7% p.a.

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 25		
Other financial liabilities		
Financial Liability Guarantee	499	1,055
Total	499	1,055

Note 26		
Provisions		
Provision for employee benefit		
Compensated absences	253	226
Mining provision	4,794	5,078
Total	5,047	5,304

Note 27		
Other non-current liabilities		
Deferred revenue		
Advance against depreciation		
Opening Balance	50,024	44,972
Add : Addition during the year	-	5,052
Less : shown under current liabilities (Note no. 31)	4,331	-
	45,693	50,024
Deferred liabilities	928	3,698
Total	46,621	53,722

Note 28		
Borrowings (current)		
Secured		
Working capital from banks	57,218	62,732
Unsecured		
Rupee Loan - from others	75,177	-
Bank Overdraft	1,277	-
Total	133,672	62,732

Note: For Security, other terms and conditions and details of default, refer note no. 24.2 (b), 24.3 (b), 24.9 (iii) and 24.8 (ii).

Note 29		
Trade payables (refer note no. 52)		
Due to Micro and small enterprises	-	-
Related parties -(refer note no. 63)	4,192	1,646
Others	27,324	25,229
Total	31,516	26,875

Particulars	As at March 31, 2018	As at March 31, 2017
Note 30		
Other financial liabilities		
Current maturities of long-term debt;		
Secured		
Term loans		
From banks	133,802	145,571
From financial institutions	3,137	-
Term loans (foreign currency)		
From banks (ECB)	-	8,990
From financial institution	-	503

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
Government of uttarakhand	1,000	500
Foreign currency convertible bond	66,269	66,228
Interest accrued & due on borrowings	129,715	42,432
Interest accrued but not due on borrowings	10,592	11,224
Book Overdraft	2	-
Capital creditors	67,451	85,683
Other expenses payables	6,624	4,153
Due to staff	869	1,311
Financial Liability Guarantee	556	556
Total	420,017	367,151

Note 31		
Other current liabilities		
TDS payable	171	263
Excise , sales tax, GST, etc., payable	1,796	2,690
Energy development cess & duty payable	3,821	13,905
PF payable	63	56
Advance against depreciation	4,331	-
Total	10,182	16,914

Note 32		
Provisions		
Provision for employee benefit		
Compensated absences	18	9
Gratuity	233	319
Total	251	328

Particulars	Year ended as at March 31, 2018	Year ended as at March 31, 2017
Note 33		
Revenue from operation		
Sale of products		
Electrical energy	334,000	277,907
Cement	2,943	98
Coal	30,474	31,136
	367,417	309,141
Other operating revenues		
Sale of verified emission reduction (VERs)	2	7
Sale of fly ash / bags	2,549	1,293
	2,551	1,300
Less : Captive transfer/consumption		
Electrical energy	211	90
Cement	-	29
Sale of fly ash	1,152	-
Coal	30,474	31,141
	31,837	31,260
Total	338,131	279,181

(₹ in Lakhs)

Particulars	Year ended as at March 31, 2018	Year ended as at March 31, 2017
Note 34		
Other income		
Exchange rate fluctuation(net)	-	5
Interest on bank deposits	101	144
Interest on Income tax refund	620	-
Dividend received	1,887	3,774
Other non-operating income		
Insurance claim receipts	241	28
Excess provision written back	96	12
Profit on sale of fixed assets	188	-
Other Income	7,606	4,059
Financial Guarantee Income	556	449
Miscellaneous income	23,580	291
Total	34,875	8,762

Note 35		
Cost of operation and maintenance		
Cost of fuel	183,658	152,196
Transmission charges	17,382	11,445
Operation & maintenance expenses	14,094	17,864
Repair & maintenance- plant & machinery	3,569	2,249
Repair & maintenance- buildings	346	377
Raw material consumed	15,457	8,419
Packing & forwarding	204	1
Insurance (plant & machinery)	1,874	1,679
Stores and spares consumed	3,762	2,884
Less : Cost of self/consumption/ transfer	31,837	31,260
Total	208,509	165,854

Note 36		
Change in inventory		
Opening stock		
Work-in-progress	-	-
Finished goods	8	117
	8	117
Closing stock		
Work-in-progress	5	-
Finished goods	186	8
	191	8
Add/(Less): Impact of excise duty on finished goods	-	(12)
Total	(183)	97

Note 37		
Employee benefit expense		
Salaries and wages	8,210	6,727
Contribution to provident and other funds	478	407
Gratuity	107	88
Staff welfare	492	429
Compensated absence expenses	48	25
Total	9,335	7,676

(₹ in Lakhs)

Particulars	Year ended as at March 31, 2018	Year ended as at March 31, 2017
Note 38		
Finance cost		
Interest		
Foreign currency convertible bonds	-	4,636
Foreign currency loan	1,197	2,622
Term loan	135,998	160,389
Working capital	7,706	7,098
Other interest	2,469	2,328
Financial charges		
Front end fee & other charges	1,808	3,155
Total	149,178	180,228

Note 39		
Depreciation and amortization expense		
Depreciation on tangible assets	47,117	47,170
Amortization of intangible assets	1,569	1,514
Total	48,686	48,684

Note 40		
Other expenses		
Advertisement	24	15
Bank Charges	544	366
Consultancy, legal & professional fee	1,083	1,551
Cost audit fees	2	1
Courier & postage	4	2
Director's sitting fee including GST & service tax	37	60
Freight and octroi	141	151
Power, water and electricity charges	476	615
Internal auditor fee	24	23
Listing & custodial fee	171	133
Miscellaneous expenses	744	596
Unwinding cost (Mark to market)	4,300	-
Printing & stationery	93	134
Rent	168	150
Exchange rate fluctuation(net)	7	-
Rural / site development expenses	890	1,162
Security expenses	1,369	1,329
Secreterial audit fee	1	2
Excise Duty	-	18
Taxes & fees	422	128
Telephone and telex	56	54
Testing Fee	81	6
Travelling & Conveyance	1,156	765
Vehicle Running & Maintenance	264	353
Corporate Social Responsibility	138	157
Financial Gurantee Expenses	-	3
Provision for Doubtful advance	7,100	-
Auditor's Remuneration *		
For Audit	48	40
For Tax Audit	4	4
For Certification	-	3
Re-imbursement of Expenses	4	-
Total	19,351	7,821

* includes amount paid to erstwhile auditor.

Note 41 - Income Tax

The major components of income tax expenses for the year ended 31st March, 2018 and 31st March, 2017 are :

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income Tax Expense :		
Current Tax :		
Current Income Tax Charge	-	-
Income tax of earlier years	99	-
MAT credit entitlement of earlier years	8,522	-
Total (a)	8,621	-
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(17,760)	(46,356)
Total (b)	(17,760)	(46,356)
Total (a + b)	(9,139)	(46,356)

The income tax expense for the year can be reconcile to the accounting profit/(loss) as follows :

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit / (Loss) before tax as per Statement of Profit and Loss	(61,870)	(122,417)
Enacted tax rate [%]	34.944	34.608
Income tax using the Company's domestic tax rate	(21,620)	(42,366)
Tax effect of :		
i) Incremental depreciation / allowance allowable on assets	(431)	(1,792)
ii) Tax effect due to exempted income	(659)	(1,306)
iii) Deferred tax impact due to Conversion of Compound Financial Instrument	6,253	-
iv) Non-deductible expenses	55	60
v) Others	(1,357)	(952)
vi) Income tax of earlier years	99	-
vii) MAT credit entitlement of earlier years	8,522	-
Total income tax expense recognised in Statement of Profit and Loss	(9,139)	(46,356)
Effective tax rate	14.77%	37.87%

Note 42

Generation details & parameters :

Particulars	Vishnuprayag HEP	Bina TPP	Nigrie STPP	Total
Financial Year 2017-18				
Net Saleable Energy (MU)	1,871.32	2,265.48	7,272.25	11,409.05
Plant Availability %	99.07	83.42	84.66	

Financial Year 2016-17				
Net Saleable Energy(MU)	1,770.20	741.31	6,833.18	9,344.69
Plant Availability %	99.02	87.75	88.11	-

Note 43

Expenditure incurred on Corporate Social Activities (CSR)

No amount was required to be spent by the Company on the activities of CSR , as per schedule VII and as per provisions of Companies Act, 2013, whereas the Company has spent Rs.138 Lakhs (Previous year-Rs.157 Lakhs).

Amount spent during the year:

(₹ in Lakhs)			
Particulars	Amount Spent	Amount yet to be spent	Total
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	138	-	138

Note 44

During current year, ICICI Bank Ltd. had converted its entire outstanding ECB facilities extended to the company into rupee term loan and subsequently hedging contracts have been unwound. Bank has charged unwinding cost of Rs.4,300 lacs which has been charged to other expense during current year.

Note 45

Contingent Liabilities and Claims against the Company (to the extent not provided for)

(₹ in Lakhs)			
	Particulars	As at March 31, 2018	As at March 31, 2017
(a)	Outstanding amount of Bank Guarantee	13,111	14,644
	Margin Money against above	327	44
	Outstanding amount of Letter of Credit	434	470
	Margin Money against above	122	95
(b)	Claims against the Company not acknowledged as debts.	12,060	12,091
(c)	Disputed Entry Tax and Excise Duty:		
(i)	Disputed Entry Tax in the State of Madhya Pradesh. (Amount of Rs.4,526 Lakhs (Previous year-Rs.40 Lakhs) deposited with Govt. of Madhya Pradesh under protest) in respect of Bina TPP, Nigrie STPP & Nigrie Cement Grinding Unit (Note 49)	20,607	5,921
(ii)	Disputed amount of Green Energy Cess & Water tax amounting to Rs. 5,923 Lakhs (Note 50)		
(iii)	Disputed amount of MP VAT/ Excise duty at Nigrie Cement Grinding Unit (Amount of Rs.36 Lakhs (Previous year-Rs.Nil) deposited with Govt. of Madhya Pradesh under protest)	144	72
(d)	Income Tax Matters under Appeal	625	190
	Refund adjusted/Income Tax deposited against above	18	18

(e)	Corporate Guarantees: (i) The Company has given Corporate Guarantee of US\$ 1,500 Lakhs (Previous year US\$ 1,500 Lakhs) in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited (Party to whom the company is associate). The principal amount of loan outstanding of US\$ 1,300 Lakhs (equivalent to Rs.84,557 Lakhs) has been converted to rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016. (ii) The Company has given Corporate Guarantee of Rs.50,000 Lakhs (Previous year Rs. 50,000 Lakhs) in favour of State Bank of India, for Optionally Convertible Sub Debt underwritten/ granted by them to Prayagraj Power Generation Company Limited (PPGCL) (erstwhile subsidiary of the Company). The principal amount of loan outstanding as on 31st March, 2018 was Rs.50,000 Lakhs (Previous Year-Rs.50,000 Lakhs). (iii) The Company has given Corporate Guarantee of Rs.60,000 Lakhs (Previous year Rs. 60,000 Lakhs) in favour of State Bank of India, for Optionally Convertible Short Term Loan granted by them to Prayagraj Power Generation Company Limited (PPGCL) (erstwhile subsidiary of the Company). The principal amount of loan outstanding as on 31st March, 2018 was Rs.60,000 Lakhs (Previous Year-Rs.60,000 Lakhs). (iv) Fair valuation in respect of above guarantees as at 31st March, 2018, as per applicable Ind-AS 113 has not been done. However, in the opinion of the Management there will be no material impact on the fair valuation of the above mentioned guarantees on the financial statement.
(f)	During the year, the Company has given Sponsor Undertaking in favour of Deutsche Bank AG for Working Capital Facility of Rs.60,000 Lakhs (Initial Working Capital facility of Rs.33,500 Lakhs with green shoe option of additional facility of Rs.26,500 Lakhs) sanctioned by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company). Deutsche Bank AG has yet to disburse Working Capital Facility as on 31.03.2018.

Note 46
Commitments:

(₹ in Lakhs)

	Particulars		Financial Year 2017-18	Financial Year 2016-17
(a)	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	INR	2,203	2,918

Note 47
Financial Commitments for Subsidiaries:

The Company along with its associates is to infuse equity in Jaypee Arunachal Power Ltd. (JAPL) and Jaypee Meghalaya Power Ltd. (JMPL) JV subsidiary & subsidiary company respectively to the extent of 89% and 74% respectively. JAPL is in process of implementing 2700 MW Lower Siang HEP & 500 MW Hironag HEP in the state of Arunachal Pradesh and JMPL is implementing 450 MW Kynshi II HEP and 270 MW Umngot HEP in the state of Meghalaya. The balance equity amount to be contributed by respective State Governments. State Government of Meghalaya has advised that the 270 MW Umngot HEP will not be operationalised till further Orders. Till 31st March, 2018 the company has made total Investment of amounting to Rs.22,842 Lakhs (Previous Year Rs.22,717 Lakhs) in JAPL and of Rs.838 Lakhs (Previous Year Rs.838 Lakhs) in JMPL.

Note 48

During the year, based on the report of a consultant the Chief Engineer (PPAD), Uttar Pradesh Power Corporation Ltd. (UPPCL) have advised that no further payment will be released to Company as excess payment towards income tax amounting to Rs. 22,091 Lakhs and secondary energy charges amounting to Rs. 3,554 Lakhs has been made to the Company in earlier years. Based on the legal opinion obtained by the Company that action of UPPCL is not as per the terms of the power purchase agreement (PPA) and the Company has requested to UPPCL to withdraw its letter issued in December 2017 and resume regular monthly payments and subsequently on the request of the Company UPPCL is releasing 70% of bill amount for servicing the Debt of Lender(s) and to meet Operation and Maintenance Expenses and for the balance outstanding amount of Rs.1,819 Lakhs the management is confident for recovery from UPPCL.

Note 49
Entry Tax

The Company has not made provision against Entry Tax in respect of Bina TPP and Nigrie STPP (including Nigrie Cement Grinding Unit) amounting to Rs.11,533 lakhs and Rs.9,074 Lakhs respectively and interest thereon (Interest impact unascertainable). The concerned authority once issued the exemption certificate in respect of Bina TPP for exemption of entry tax later on cancelled and in respect of Nigrie STPP & Nigrie Cement Grinding Unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry Tax is pending, for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand, till date Rs.1,946 Lacs and Rs.2,580 lakhs has been deposited (and shown as part of other non-current assets) in respect of Bina TPP & Nigrie STPP (including Cement grinding unit) respectively which is in the opinion of the management good and recoverable.

Note 50
Green Energy Cess & Water Tax (Vishnuprayag HEP)

Company has not made the provision amounting to Rs. 4,246 lakhs and Rs. 1,677 lakhs of Green Energy Cess and Water Tax respectively against the demand and an appeal filed before The Hon'ble High Court of Uttarakhand at Nainital which has granted stay in January, 2017. Currently matter is pending in the Hon'ble High Court of Uttarakhand at Nainital. The Management is confident that no demand will be crystalized due to the amended implementation agreement dated 22nd March, 2003 in which it has mentioned that Vishnuprayag HEP, being a run of the river scheme, shall utilize the flowing water of the river to generate electricity. Such right to utilize water available upstream of the project are granted by Government of Uttaranchal for non-consumptive use only without charging any royalty, duty, cess or levy of any kind.

Note 51

Other expenses for the year ended 31st March, 2018 includes provision against doubtful advance amounting to Rs. 7100 Lakhs given towards arrangement for supply of coal from a Coal Block (prior to deallocation of Coal Block) for Coal Supply to the Bina TPP. The said Coal Block has since been cancelled by the Hon'ble Supreme Court vide its order dated 24th September, 2014. Accordingly, during the year management has made necessary provision there against.

Note 52

Disclosure as required under Notification No. G.S.R.(E) dated 4th September, 2015 issued by the Ministry of Corporate Affairs (As certified by the Management):

Particulars	Financial Year 2017-18	Financial Year 2016-17
(a) The principal amount and interest due thereon remaining unpaid to any supplier- MSME.		
-Principal Amount	Nil	Nil
-Interest Amount	Nil	Nil

Particulars		Financial Year 2017-18	Financial Year 2016-17
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the suppliers beyond the appointed day.	Nil	Nil
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid	Nil	Nil
(e)	The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil

Note 53

900 Lakhs Equity Shares of Rs. 10/- each fully paid (Previous Year 900 Lakhs) held by the Company of Jaypee Powergrid Limited (JV Subsidiary Company) are pledged with Security Trustees, IDBI Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Jaypee Powergrid Limited (JPL).

Note 54

- The Company has outstanding liability of USD 1,014.21 Lakhs (Previous Year-USD 1,014.21 Lakhs) (unhedged) as on 31.03.2018 against principal amount of Foreign Currency Convertible Bonds (FCCBs).
- The Company has unhedged trade receivables of USD 16 Lakhs (Previous year USD 30 Lakhs) and interest payable on FCCBs of USD 81 Lakhs (Previous Year-USD 81 Lakhs) as on 31.03.2018.
- In the previous year, the External Commercial Borrowings (ECBs) JPY 1,14,750 Lakhs were fully hedged (JPY to USD) in respect of coupon as well as repayment. USD to INR portion was hedged for 50% of outstanding i.e. JPY 57,375 Lakhs (equivalent to USD 523.97 Lakhs) and balance 50% was unhedged.

Note 55

- No provision for diminution in value against certain long term investments of amounting to Rs.2,77,486 lakhs (Book Value) (including investment in trust amounting to Rs.1,98,594 Lakhs, which in turn holding investment in the Company) has been made by the management, as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims etc.
- Investment in Prayagraj Power Generation Company Limited:**

The Company has made investment of Rs.2,89,038 Lakhs (Including Investment and loan component of compound financial instrument-

Optionally Convertible Preference Shares) (26,192 Lakhs Equity Shares of Rs. 10/- each fully paid and 2,700 Lakhs Optionally Convertible Preference Shares of Rs.10/- each fully paid) in Prayagraj Power Generation Co. Ltd. (PPGCL) (erstwhile Subsidiary Company). The entire shares were pledged with Security Trustees, SBI Cap Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to PPGCL. Security Trustee for lender(s) of PPGCL has invoked the entire pledge of Equity and Preference Shares of PPGCL on 18th December, 2017 held by the Company due to default in payment of interest to banks/ financial institutions because of unsatisfactory operations mainly due to paucity of working capital limits etc. Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statement by the management, as impact, if any is currently unascertainable. The entire amount of investment in PPGCL of Rs.2,89,038 Lakhs (Including Investment and loan component of compound financial instrument- Optionally Convertible Preference Shares) is shown as Current Investments and Current Financial Assets-Loans.

(c) Investment in Sangam Power Generation Company Limited (SPGCL)

Sangam Power Generation Company Limited was acquired by JPVL (the Company) from Uttar Pradesh Power Corporation Limited (UPPCL) in earlier years, for the implementation of 1320 MW (2 x 660 MW) Thermal Power Project (with provision to add one additional unit of 660 MW) in Tehsil Karchana of District Allahabad, Uttar Pradesh. All major statutory approvals for Phase-1, are in place and Coal linkage for 4.68 MTPA by Northern Coalfield Limited has been issued for Phase-1 of the Project. SPGCL executed Deed of Conveyance with Uttar Pradesh Power Corporation Limited (UPPCL) but the District Administration could not hand over physical possession of land to SPGCL and hence, no physical activity could be started for the implementation of Project. SPGCL has written to UPPCL and all procurers that the Power Purchase Agreement is rendered void and cannot be enforced.

There is abnormal delay in resolving the matter by UPPCL, SPGCL has withdrawn all its undertakings given to UPPCL and lodged a claim of Rs. 1,15,722 Lakhs (inclusive of Rs. 31,324 Lakhs paid to L & T towards BTG advance) on UPPCL.

The Company has made investment of Rs.55,207 Lakhs in SPGCL up to 31st March, 2018. Where no provision is considered necessary by the management, keeping in view the above stated facts and considering value of assets/ claims.

Note 56 Capacity linked consideration from JSW Energy Ltd. on receipt of enhanced capacity approval for Karcham Wangtoo Hydro Electric Plant (KWHEP) from 1,000 MW to 1091 MW.

- In earlier years, Karcham Wangtoo Hydro Electric Plant (KWHEP) and Baspa Hydro Electric Plant were transferred to Himachal Baspa Power Company Limited (HBPCL) as per Scheme of Arrangement sanctioned by Hon'ble High Court of Himachal Pradesh at Shimla, which is effective from dated 01st September, 2015. Pursuant to this as per security purchase agreement (SPA) dated 16th November, 2014, the entire Securities (Shares and Debentures) issued by HBPCL to the Company were transferred/ sold to JSW Energy Ltd. (buyer/ JSW Energy). The buyer shall pay to the Company Rs. 30,000 Lakhs on receipts of approval of CEA / MOEF for installed capacity of KWHEP at 1091 MW or such other higher capacity within the 5 years after closing date i.e. 01st September, 2015 as per amended SPA dated 29th December, 2017.
- As per amendment to SPA dated 29th December, 2017 signed with JSW Energy the amount receivable (the buyer) on enhancement of capacity shall be set off against the amount of loan payable back by the Company, which has received from buyer during the year.

Note 57

In view of fair value for all fixed assets of power plants (Jaypee Nigrie Super Thermal Power Plant and Jaypee Bina Thermal Power Plant) (including Land, Building, Plant & Machinery capitalized or under CWIP) being excess as compared to the carrying value, as estimated by a technical valuer, management does not anticipate any impairment amount which is to be provided at this stage in the financial statement for in the value of property, plant and equipment (including capital work-in-progress) based on the condition of plant, market demand and supply, economic and regulatory environment and other factors.

Note 58**Jaypee Nigrie Cement Grinding Unit**

2.0 MTPA cement grinding unit of the Company namely Jaypee Nigrie Cement Grinding Unit which commenced commercial operation in June, 2015 and is presently not operating in full capacity and incurring operational losses.

The Company has signed an agreement dated 31st May, 2017 with Orient Cement Limited (OCL) for sale of aforesaid unit as a going concern basis at an estimated enterprise value of Rs. 50,000 Lakhs subject to compliance of certain terms and conditions stated in the agreement. Currently, discussion are underway and terms are being negotiated. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.

Note 59

- (a) Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) of amounting to Rs 4,618 lakhs in the financial statements, as the company is in process to negotiate with the bond holders for settlement/conversion of the loan in equity and waiver of interest.
- (b) Company has not provided penal interest of amounting to Rs. 3,040.94 Lakhs in these financial statements as majority of the lenders / banks did not confirm balances / charge penal interest in view of the facility granted to the Company by them has classified as NPA (31st March 2018).

Note 60

For the financial year ended 31st March, 2018, the Company has incurred cash loss and as at the year end current liabilities exceed current assets. The Company expects to meet its financial obligations based on the resolution/ revival plan under consideration by Lender(s) and expected revenue generation from sale of energy under long term PPAs/ Merchant sales etc. as may be required to sustain its operations on a going concern basis.

Note 61

Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties) and loans & advances and management is in the process of reconciliation /confirmation of the same and is confident that there will not be any material impact on the loss for the year and the state of affairs of the Company on such reconciliation /confirmation.

Note 62**Tariff/ Billing/ True up:****Jaypee Bina Thermal, Power Plant (JBTPP):**

Capacity charges of JBTPP for FY 2016-17, 2017-18 & FY 2018-19 is determined by MPERC vide MYT Order dated 08-08-2016. Accordingly, JBTPP raised invoice on Madhya Pradesh Power Management Co. Limited (MPPMCL) during FY 2016-17 and FY 2017-18. Capacity charges so determined being subject to true up on the basis of audited accounts. JBTPP has filed a True up Petition for FY 2016-17 before Hon'ble MPERC and proceedings for the same are in progress.

Jaypee Nigrie Super Thermal Power Plant (JNSTPP):

Jaypee Nigrie Super Thermal Power Plant (JNSTPP) raised invoices during FY 2016-17 for capacity charges on the basis of provisional tariff order dated 31-03-2015 for the FY 2015-16. Subsequently, Capacity Charges for FY 2015-16 were approved by MPERC vide Order dated 24.05.2017 on the basis of Capital Cost as on 31-03-2015 which is also subject to be true up on the basis of Audited accounts of FY 2015-16. Difference of capacity charges relating to FY 2015-16 and 2016-17 along with interest thereon amounting to Rs.855 Lakhs (including interest Rs 150 Lakhs) & Rs 777 Lakhs (including interest Rs.54 Lakhs) respectively have been recovered by JNSTPP from MPPMCL on the basis of MPERC Order dated 24.05.2017. Company has accounted for revenue for the year ended 31st March, 2018 on the basis of final tariff order for the financial year 2014-15 and 2015-16 for JNSTPP as per the orders of Madhya Pradesh Electricity Regulatory Commission (MPERC) which are subject to true up/final assessment.

True up Petition for FY 2015-16 has been filed before MPERC and the proceedings are in progress.

Meanwhile, MYT Petition for FY 2016-17, 2017-18 & 2018-19 on the basis of Audited accounts of FY 2016-17 has also been filed for JNSTPP. The Capacity Charges determined against this Petition shall be final for FY 2016-17 and Capacity Charges for FY 2017-18 & 2018-19 shall be subject to be True up on the basis of audited accounts of respective years. However, this Petition is yet to be admitted for hearing.

JBTPP True Up (FY-2014-15):

As per Tariff Review Order dated 08.05.2015, annual Capacity Charges of Jaypee Bina Thermal Power Plant (JBTPP) were provisionally determined at Rs 536.96 Crores for FY 2014-15. Pursuant to True up Order dated 03.06.2016 for FY 2014-15 and subsequent review thereof vide Order dated 25-09-2017, same were determined at Rs 528.86 Crores at 85% Normative Plant Availability Factor (PAF) for the year. During FY 2014-15, by virtue of having achieved PAF at 97.30%, JBTPP had billed Rs 575.81 Crores of Capacity Charges as against provisionally determined amount of Rs. 536.96 Crs. After revision in the Capacity Charges of Rs 528.86 Crores on true up the billing entitlement amount was reduced to Rs 567.12 Crores (at 97.30% PAF) from Rs.575.81 Crores. Notable highlights of this Order were:-

- i. Disallowance of O&M on Transmission Line.
- ii. MPERC allowed recovery of only 65% of the Annual Fixed Charges (AFC) against 68.42% of AFC as claimed by JPVL.

The Company has filed an Appeal with APTEL on dated 17.11.2017 for disallowance of O&M on Transmission Line.

JBTPP True Up (FY-2015-16):

Annual capacity charges of JBTPP for FY 2015-16 were provisionally determined at Rs 527.85 Crores vide Tariff Review Order dated 08.05.2015. Pursuant to True up Order dated 21.06.2017 for FY 2015-16 the same were determined at Rs 494.00 Crores at 85% Normative Plant Availability Factor (PAF) for the year. During FY 2015-16, by virtue of having achieved 99.81% PAF, JBTPP had billed Rs 573.08 Crores of capacity charges as against provisionally determined amount of Rs 527.85 Crores. After revision in the capacity charges of Rs 494 Crores on true up the billing entitlement amount was reduced to Rs 537.04 Crores (at 99.81% PAF) from Rs.573.08 Crores. Major highlights of this Order were:-

- i. Disallowance of Grossing up of MAT with ROE.
- ii. Disallowance of O&M on Transmission Line.
- iii. MPERC allowed recovery of only 65% of the Annual Fixed Charges (AFC) against 68.42% of AFC as claimed by JPVL.

JPVL has filed Appeal with APTEL on dated 04.08.2017 challenging issues appearing at Sl.No.ii & iii above and the proceedings for the same are in progress. Difference of capacity charges relating to FY 2015-16 along with

interest thereon amounting to Rs.40.54 Crs (Excess Capacity Charges of Rs 36.04 Crs along with interest of Rs 4.49 Crs) have been recovered by MPPMCL on the basis of MPERC Order dated 21.06.2017.

JBTPP - Determination of Capital Cost – Appeal filed before APTEL:

MPERC had determined capital cost of JBTPP at Rs.3471.73 Crores as on 31.03.2014 vide Order dated 26.11.2014. While determining the same MPERC disallowed Rs.13.24 Crores from Capital Cost and this disallowed cost was not considered for the purpose of tariff determination. The disallowance of Capital cost was challenged before APTEL and this issue was remanded back to MPERC. Company again filed the Remand Petition before MPERC where Rs 4.01 Crores was added to the Capital Cost vide MPERC Order dated 04-12-2017.

However, the Company has again filed appeal before APTEL for balance Rs 9.23 Crores against the said Order the proceedings of which are underway.

Vishnuprayag Hydro Electric power plant (VHEP)

In respect of Vishnuprayag HEP Company has accounted for revenue for the year ended 31st March, 2018 based on final tariff computed in accordance with Power Purchase Agreement (PPA) and various orders of UPERC.

Note 63

Related Party Disclosures, as required in terms of Indian Accounting Standard [Ind AS] 24' are given below:

(1) Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

(a) Holding Company:

Jaiprakash Associates Limited (JAL) (till 17.02.2017)

(b) Subsidiary Companies (direct or indirect through investment in subsidiaries)

- (1) Jaypee Powergrid Limited (JV Subsidiary)
- (2) Jaypee Arunachal Power Limited (JV Subsidiary)
- (3) Sangam Power Generation Company Limited
- (4) Jaypee Meghalaya Power Limited
- (5) Bina Power Supply Limited
- (6) Prayagraj Power Generation Company Limited (PPGCL) (till 17.12.2017) *

(* The Company has made investment of 261,91,89,200 Equity Shares of Rs.10/- each and 27,00,00,000 Preference Shares of Rs.10/- each in PPGCL. The entire shares were pledged with SBICAP Trustee Company Ltd (SBI Cap) for financial assistance granted by lenders to PPGCL. SBI Cap has invoked entire pledge of shares on 18th December, 2017. Consequent upon invocation of entire pledged shares of JPVL by SBI Cap, PPGCL ceased to be subsidiary of JPVL w.e.f 18.12.2017.)

(c) Fellow Subsidiary Companies:

- (1) Jaypee Infratech Limited (JIL) (subsidiary of JAL) (till 17.02.2017)
- (2) Bhilai Jaypee Cement Limited (JV subsidiary of JAL) (BJCL) (till 17.02.2017)
- (3) Himalyan Expressway Limited (subsidiary of JAL) (till 17.02.2017)
- (4) Gujarat Jaypee Cement & Infrastructure Limited (JV subsidiary of JAL) (till 17.02.2017)

- (5) Jaypee Ganga Infrastructure Corporation Limited (subsidiary of JAL) (till 17.02.2017)
- (6) Jaypee Agra Vikas Limited (subsidiary of JAL) (till 17.02.2017)
- (7) Jaypee Fertilizers & Industries Limited (JFIL) (subsidiary of JAL) (till 17.02.2017)
- (8) Jaypee Cement Corporation Limited (JCCL) (subsidiary of JAL) (till 17.02.2017)
- (9) Himalyaputra Aviation Limited (HAL) (subsidiary of JAL) (till 17.02.2017)
- (10) Jaypee Assam Cement Limited (subsidiary of JAL) (till 17.02.2017)
- (11) Jaypee Infrastructure Development Limited (new name of Jaypee Cement Cricket (India) Limited) (subsidiary of JAL) (till 17.02.2017)
- (12) Jaypee Healthcare Limited (subsidiary of JIL) (till 17.02.2017)
- (13) Jaypee Cement Hockey (India) Limited (subsidiary of JAL) (till 17.02.2017)
- (14) Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL) (till 17.02.2017)

Note: The Company and its subsidiary companies (as per b above) ceased to be subsidiaries of JAL as the Company allotted 51% of its share capital to its various lenders on 18.02.2017 and consequently, JAL's holding in JPVL reduced to 29.74%. Accordingly, fourteen subsidiaries of JAL also ceased to be fellow subsidiaries of the Company from that date.

(d) Entity to whom the Company is an Associate Company:

Jaiprakash Associates Limited (JAL) (w.e.f. 18.02.2017).

(e) Other Related parties:

- (1) Companies at S.No. c (1 to 14) above were Fellow Subsidiary companies till 17.02.2017 and thereafter become other related parties.
- (2) Yamuna Expressway Tolling Limited (formerly known as Jaypee Mining Ventures Private Limited/Yamuna Expressway Tolling Private Limited) (subsidiary of JAL w.e.f. 25.03.2017 & wholly owned subsidiary of JAL w.e.f. 20.04.2017)
- (3) Jaypee Uttar Bharat Vikas Private Limited (JUBVPL) (JV Associate Co. till 25.07.17. It became subsidiary of JFIL [hence of JAL also] w.e.f. 26.07.17)
- (4) Kanpur Fertilizers & Cement Limited (JV Associate Co. till 25.07.17. It became subsidiary of JUBVPL [hence of JFIL & JAL also] w.e.f. 26.07.17)

(f) Associate Companies/Enterprise over which Key Management Personnel and their relatives exercise significant influence

- (1) MP Jaypee Coal Limited (JV Associate of JAL) (till 17.02.2017)
- (2) MP Jaypee Coal Fields Limited (JV Associate of JAL) (till 17.02.2017)
- (3) Madhya Pradesh Jaypee Minerals Limited (JV Associate of JAL) (till 17.02.2017)
- (4) Jaypee Uttar Bharat Vikas Private Limited (JV Associate of JAL) (till 17.02.2017)

- (5) Kanpur Fertilizers & Cement Limited (JV Associate of JAL) (till 17.02.2017)
- (6) Jaypee Infra Ventures (A Private Company With Unlimited Liability) (JIV) (Associate of JAL) (till 17.02.2017)
- (7) Jaypee Development Corporation Limited (JDCL) (Subsidiary of JIV) (till 17.02.2017)
- (8) Andhra Cements Limited (subsidiary of JDCL) (till 17.02.2017)
- (9) JIL Information Technology Limited (JILIT) (Subsidiary of JIV) (till 17.02.2017)
- (10) Gaur & Nagi Limited (Subsidiary of JILIT) (till 17.02.2017)
- (11) Jaypee International Logistics Company Private Limited (subsidiary of JIV) (till 17.02.2017)
- (12) Tiger Hills Holiday Resort Private Limited (subsidiary of JDCL) (till 17.02.2017)
- (13) Indesign Enterprises Private Limited (IEPL) (subsidiary of JIV) (till 17.02.2017)
- (14) Ibonshourne Limited (subsidiary of IEPL w.e.f. 11.01.16) (till 17.02.2017)
- (15) RPJ Minerals Private Limited (RPJMPL) (Associate of JAL) (till 17.02.2017)
- (16) Sarveshwari Stone Products Private Limited (subsidiary of RPJMPL) (till 17.02.2017)
- (17) Rock Solid Cement Limited (subsidiary of RPJMPL) (till 17.02.2017)
- (18) Sonebhadra Minerals Private Limited (Associate of JAL) (till 17.02.2017)

Enterprise over which Key Management Personnel and their relatives exercise significant influence

- (19) Jaiprakash Kashmir Energy Limited
- (20) Yamuna Expressway Tolling Limited (formerly known as Yamuna Expressway Tolling Private Limited/Jaypee Mining Ventures Private Limited (till 24.03.2017)
- (21) Ceekay Estates Private Limited
- (22) Jaiprakash Exports Private Limited
- (23) Bhumi Estate Developers Private Limited
- (24) Jaypee Jan Sewa Sansthan ('Not For Profit' Private Limited Company)
- (25) Think Different Enterprises Private Limited
- (26) JC World Hospitality Private Limited
- (27) JC Wealth & Investments Private Limited
- (28) CK World Hospitality Private Limited
- (29) Akasva Associates Private Limited

- (30) Renaissance Lifestyle Private Limited
- (31) Lucky Strike Financers Private Limited
- (32) First Light Estates Private Limited
- (33) Gandharv Buildcon Private Limited
- (34) Viaan Technologies (P) Limited
- (35) Samvridhi Advisors LLP
- (36) Sandhar Hospitality (a Partnership Firm)
- (37) Kram Infracon Private Limited (KIPL) (subsidiary of Bhumi Estate Developers Private Limited) (Bhumi Estate holds 67% in Kram Infracon.)
- (38) Librans Ventures Private Limited (upto 27.04.2017)
- (39) Librans Real Estate Private Limited (upto 27.04.2017)
- (40) Saindhar Infosystems Private Limited
- (41) Akasva infrastructure Private Limited

(g) Key Management Personnel:

- (1) Shri Manoj Gaur, Chairman
- (2) Shri Sunil Kumar Sharma, Vice Chairman and CEO
- (3) Shri Suren Jain, Managing Director and CFO
- (4) Shri Parveen Kumar Singh, Whole-time Director
- (5) Dr. Jagannath Gupta
- (6) Shri R. N. Bhardwaj
- (7) Shri B. B. Tandon
- (8) Shri A. K. Goswami
- (9) Shri S. S. Gupta
- (10) Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha
- (11) Shri K. N. Bhandari
- (12) Shri S. L. Mohan
- (13) Shri Umesh Jain
- (14) Ms. Sunita Joshi
- (15) Shri K. P. Rau
- (16) Shri M. K. V. Rama Rao, Whole Time Director
- (17) Shri Arun Balakrishnan (Till 08.07.2017)
- (18) Shri D. P. Goyal (Till 23.07.2017)
- (19) Shri Atanu Sen (Till 12.09.2017)
- (20) Shri G.P.Gaur (Till 10.12.2017)

(2) Transactions carried out with related parties referred to above for the current reporting period, March 31, 2018

(₹ in Lakhs)							
Particulars	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above	Referred in 1(e) above	Referred in 1(f) above	Referred in 1(g) above
Expenses							
Hiring Charges (Previous Year)	- (29)	- (-)	- (328)	- (-)	968 (173)	- (-)	- (-)
Coal Handling Charges (Previous Year)	- (844)	- (-)	- (-)	2,496 (529)	- (-)	- (-)	- (-)
Purchase of Cement and Cement Bags (Previous Year)	- (192)	- (-)	- (-)	180 (33)	- (-)	- (-)	- (-)
Purchase of Clinker and Gypsum (Previous Year)	- (41)	- (-)	- (-)	2,645 (-)	530 (-)	- (-)	- (-)
Purchase of Spares etc (Previous Year)	- (-)	- (-)	- (-)	71 (-)	4 (-)	- (-)	- (-)
Repair of Runners & Others (Previous Year)	- (575)	- (-)	- (-)	641 (135)	- (-)	- (-)	- (-)
Transmission Charges (Previous Year)	- (2066)	- (-)	- (-)	2,663 (144)	- (-)	- (-)	- (-)
Energy Sale Charges (Previous Year)	- (77)	- (-)	- (-)	102 (7)	- (-)	- (-)	- (-)
Other Expenses (Previous Year)	- (8)	- (-)	- (-)	15 (7)	- (-)	- (-)	- (-)
Services Availed (Previous Year)	- (-)	- (-)	- (-)	- (-)	- (-)	(1101)	- (-)
Salary & Perquisites (Key Management Personnel) (Previous Year)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	549 (388)
Directors Sitting Fee (Previous Year)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	33 (52)
Income							
Sale of Cement (Previous Year)	- (112)	- (-)	- (-)	2,943 (-)	- (-)	- (-)	- (-)
Sale of Fly ash (Previous Year)	- (551)	- (-)	- (-)	530 (70)	- (-)	- (-)	- (-)
Sale of Material (Previous Year)	- (281)	- (-)	- (-)	173 (53)	- (-)	- (-)	- (-)
Others							
Capital items purchase/ fabrication (Previous Year)	- (115)	- (-)	- (-)	348 (15)	- (-)	- (-)	- (-)
Sale of Capital Items (Previous Year)	- (-)	- (-)	- (-)	23 (80)	- (-)	- (-)	- (-)
Loans / advances paid (Previous Year)	- (-)	300 (-)	- (-)	4,145 (-)	- (-)	- (-)	- (-)
Loans/ advances received back/ adjusted (read with foot note no.1 below) (Previous Year)	- (-)	300 (-)	- (-)	4,137 (-)	- (-)	- (-)	- (-)
Loans / advances received (Previous Year)	- (-)	3,050 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Loans and advances repaid (Previous Year)	- (-)	3,050 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Investment during the year in Subsidiaries							
Share Capital/ Share Application Money (Previous Year)	- (-)	10 (3603)	- (-)	- (-)	- (-)	- (-)	- (-)
Outstandings							
- Amount Payables : (Previous Year)	- (-)	- (-)	- (-)	3,131 (786)	1,061 (549)	- (11)	53 (35)
Outstandings							
- Amount Receivables (Previous Year)	- (-)	- (1155)	- (-)	3,907 (-)	16 (-)	- (2)	- (-)

Note:

- Amount of loans/ advances paid Rs.4,145 Lakhs as mentioned at column 1 (d) above includes amount of Rs.4,137 Lakhs paid to Jaiprakash Associates Ltd. for payment of statutory dues of the Company.
- Guarantees given and shares pledged by JAL on behalf of the Company and guarantee given by the Company on behalf of the JAL/erstwhile subsidiary company have been mentioned elsewhere in the Notes to Financial Statements.(Refer note no.24.1(iii)(iv), 24.2(a)(iii),24.3(a)(iii)(iv), 24.6(ii)(v)(vi)(vii) and 45 (e).
- During the year, settlement agreement has been entered among Company, Larsen & Turbo Limited (L&T), L&T- MHPS Boilers Private Limited (L&T-MHPS) and Jaiprakash Associates Limited(JAL) relating to outstanding amount due and payable to L&T and L&T-MHPS with respect to work done by them at Nigire Power Project. In terms of agreement, in case of non payment of dues by L&T to JAL for development rights on land of JAL been assigned to L&T on agreed consideration within period of three years, the receivables of L&T from Company, to the extent due at the relevant time, shall stand assigned and transferred to JAL.
- For Investments in subsidiary companies refer note no. 7.

Note 64

The company had filed requisite applications for obtaining the approvals of the Central Government i.e Ministry of Corporate Affairs (MCA) for the approval of remuneration to Shri Praveen Kumar Singh, Whole Time Director (WTD) for a period of three years from 12th August 2016 to 11th August, 2019 which was rejected vide letter dated 11th September 2017 and the company was asked to recover excess amount paid to him as well as from the Managing Director & CFO due to the inadequacy of profit for the financial year 2013 -14 & further 2015-16 onwards due to the default in repayment of loan & interest to banks/financial institutions. Though the company has made the representation vide letter dated 14th November, 2017 but response from MCA is awaited.

Company is in the process to obtain the approval of the Central Government for waiver of excess remuneration amounting to Rs.249.13 Lakhs, 306.61 Lakhs, 309.85 Lakhs paid during the financial years 2013-14, 2015-16 and 2016-17 respectively. For Rs.201.74 Lakhs for the financial year 2017-18, it is subject to the approval of the Shareholders in ensuing General Meeting/ Central Government.

Note 65

Earnings Per Share is computed in accordance with Ind AS - 33

		(₹ in Lakhs)	
	Particulars	Financial Year 2017-18	Financial Year 2016-17
(a)	Net profit (Loss) for Basic Earnings Per Share as per statement of profit and loss	(52,731)	(76,061)
	Adjustments for the purpose of Diluted Earnings Per Share	-	-
	Net profit (Loss) for Diluted Earnings Per Share	(52,731)	(76,061)
(b)	Profit/ (loss) for the year	(52,731)	(76,061)
(c)	Weighted average number of equity shares for calculating Basic Earnings Per Share:		
(i)	Number of Equity Shares at the beginning of the year	5,996,003,084	2,938,003,084
(ii)	Number of Shares allotted on conversion of loans in to equity *	-	351,879,452
(iii)	Number of potential Equity Shares	54,531,659	54,531,659
(iv)	Weighted average No. of Shares for calculating:		
	a) Basic Earnings Per Share	5,996,003,084	3,289,882,536
	b) Diluted Earnings Per Share	6,050,534,743	3,344,414,195
(d)	Earnings Per Share :		
(i)	Basic (Rs.)	(0.88)	(2.31)
(ii)	Diluted (Rs.)	(0.88)	(2.31)
(e)	Face value per share (Rs.)	10.00	10.00

Note: * 305,80,00,000 nos. equity shares were allotted on conversion of loans into equity on 18.02.2017, therefore in the year 2016-17 the number of shares allotted were mentioned on weighted average basis.

Note 66

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

Employees are entitled to Provident Fund benefits. Amount debited to Profit and Loss account including Administrative and Employees Deposit Linked Insurance charges Rs.478 Lakhs during the period (Previous Year - Rs.407 Lakhs).

(b) **Gratuity - The liability for Gratuity is provided on the basis of Actuarial Valuation made at the end of each financial year. The Actuarial Valuation is made on Projected Unit Credit method as per Ind AS 19. Jaiprakash Associates Limited (JAL) (the Company's associate company) has constituted a Gratuity Fund Trust under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March, 2009 for JAL and its subsidiaries/ associates and appointed SBI Life Insurance Co. Ltd. for the management of the Trust Funds for the benefits of employees. As an associate of JAL, the Company is participating in the Trust Fund by contributing its liability accrued up to the close of each financial year to the Trust Fund.**

(c) **Leave Encashment - Defined Benefit Plans - Provision has been made as per Actuarial Valuation certificate as per Ind AS.**

Details of Gratuity and Leave encashment as per Ind AS-19:

		(₹ in Lakhs)			
Sl. No	Particulars	Gratuity (Funded)		Compensated absences (Non Funded)	
		FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17
I	Change in Obligation during the Year				
	1. Present value of Defined Benefit obligation at the beginning of the year	436	374	235	227
	2. Acquisition/ transfer adjustments	-	-	-	-
	3. Current Service Cost.	83	71	55	51
	4. Interest Cost	33	30	17	18
	5. Remeasurements of defined benefit liability (refer IV below)	12	(3)	(24)	(45)
	6. Benefit Payments	(31)	(36)	(12)	(16)
	7. Present Value of Defined Benefit Obligation at the end of the year	533	436	271	235

(₹ in Lakhs)

Sl. No	Particulars	Gratuity (Funded)		Compensated absences (Non Funded)	
		FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17
II	Change in Assets during the Year				
	1. Plan Assets at the beginning of the year.	117	143	-	-
	2. Settlements	-	-	-	-
	3. Return on Plan Assets	14	10	-	-
	4. Contribution by Employer	200	-	-	-
	5. Actual Benefit Paid	(31)	(36)	-	-
	6. Plan Assets at the end of the year.	300	117	-	-
III	Remeasurements of defined benefit liability				
	1. Actuarial (Gains)/Losses arising from changes in demographic assumptions	-	-	-	-
	2. Actuarial (Gains)/Losses arising from changes in financial assumptions	(4)	-	(3)	3
	3. Actuarial (Gains)/Losses arising from changes in experience adjustments	16	(3)	(21)	(48)
	Total	12	(3)	(24)	(45)
IV	Actuarial (Gain)/Loss on Plan assets:				
	1. Expected Interest Income	9	11	-	-
	2. Actual income on Plan Assets	14	10	-	-
	3. Actuarial /(Gain)/Loss arising on Plan Assets	(5)	1	-	-
V	Net periodic gratuity/ compensated absences cost included in employee cost consists of the following components:				
(i)	Amount recognised in statement of Profit and Loss				
	1. Total Service Cost	83	71	55	51
	2. Net interest cost	24	19	17	18
	3. Net actuarial (gain)/ loss recognised in income statement	-	-	(24)	(45)
	4. Expense recognised in income statement	107	90	48	24
(ii)	Other Comprehensive Income				
	1. Actuarial gain/ (loss) for the year on benefit obligation	(12)	3	-	55
	2. Actuarial gain/ (loss) for the year on Plan Assets	5	(1)	-	-
	3. Net Actuarial gain/ (loss) for the year	(7)	2	-	55
VI	Funded Status (Gratuity)		As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
	Deficit of plan assets over obligations		233	319	231
VII	Assumptions used in accounting for the defined benefit obligation/ plan are set out below:				
	Discount rate		7.60%	7.50%	8.00%
	Rate of increase in remuneration of covered employees		5.00%	5.00%	5.50%
	Rate of return on plan assets		8.25%	8.10%	8.75%
	The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase.				
VII	The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.				
	1. Sensitivity analysis of defined benefit analysis:				
	(i) If the discount rate increases/ decreases by 0.50%, the defined benefit obligation (Gratuity) would decrease by Rs.0.20 Lakhs/ increase by Rs.0.21 Lakhs respectively as at 31.03.2018.				
	(ii) If the discount rate increases/ decreases by 0.50%, the defined benefit obligation (Leave encashment) would decrease by Rs.10 Lakhs/ increase by Rs.0.10 Lakhs respectively as at 31.03.2018.				
	(iii) If the expected salary growth increases/ decreases by 0.50%, the defined benefit obligation (Gratuity) would increase by Rs.0.21 Lakhs/ decrease by Rs.0.20 Lakhs respectively as at 31.03.2018.				
	(iv) If the expected salary growth increases/ decreases by 0.50%, the defined benefit obligation (Leave encashment) would increase by Rs.0.11 Lakhs/ decrease by Rs.11 Lakhs respectively as at 31.03.2018.				
VIII	The present value of defined benefit obligations has been calculated by using the Projected Unit Credit (PUC) method.				

IX	The defined benefit obligation shall mature after year ended 31.03.2018 are as follows:		
		(₹ in Lakhs)	
	Financial year	Defined benefit obligation	
		Gratuity	Leave Encashment
	2018-19	98	18
	2019-20	51	11
	2020-21	24	10
	2021-22	28	10
	2022-23	23	11
	2023-24	23	11
	2024-25 & onwards	286	201

Note 67(1) : Fair Value Measurement
(i) Categories of financial instruments

(₹ in Lakhs)

Financial assets	As at March 31, 2018	As at March 31, 2017
Measured at amortised cost		
(i) Trade receivables	29,639	45,414
(ii) Cash and Bank balance	4,988	4,639
(iii) Loans	16,029	33,060
(iv) other financial assets	415	176
Total	51,071	83,289
Measured at Fair value		
Investment (read with note no. 55(b))	11,948	27,914
Measured at Cost		
Investment in subsidiary and others (read with note no. 55(a) & (b))	561,615	523,773
Financial liabilities	As at March 31, 2018	As at March 31, 2017
Measured at amortised cost		
(i) Borrowings	1,131,029	1,182,662
(ii) Other financial liabilities	216,308	146,414
(iii) Trade and other payables	31,516	26,875
Total	1,378,853	1,355,951

(ii) Fair value measurements

(₹ in Lakhs)

Particulars	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2018	As at March 31, 2017		
Financial assets				
a) Compound financial instruments:-				
(i) Investment Portion	11,396	27,362	Level 3	Discounted cash flow at a discount rate that reflects the company's current borrowings rate at the end of reporting period
(ii) Loans portion	15,713	32,805	Level 3	Discounted cash flow at a discount rate that reflects the company's current borrowings rate at the end of reporting period
b) Corporate Guarantee	552	552	Level 3	Fair value of corporate guarantee based on" Put Option".
Financial Liabilities				
a) Borrowings	1,131,029	1,182,662	Level 3	Discounted estimated cash flow through the expected life of the borrowings
b) Financial Liability Guarantee	1,055	1,611	Level 3	Fair value of corporate guarantee based on" Put Option".

The fair values of current debtors, cash & bank balances, loan to related party, security deposit to government department, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities. (read with note no 55(a).

(iii) 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.

Note 67 (2): FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's activities are exposed to market risk, credit risk and liquidity risk.

i Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

(i) The exposure of Company's borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at	
	March 31, 2018	March 31, 2017
Variable rate borrowings	1,063,760	1,115,434
Fixed rate borrowings	66,269	66,228
Interest free borrowings (Government of Uttarakhand)	1,000	1,000
Total borrowings	1,131,029	1,182,662

(ii) As at the end of reporting period, the company had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Balance	% of total loans	Balance	% of total loans
Borrowings	1,063,760	94.05%	1,115,434	94.31%

(iii) Sensitivity

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

Particulars	Increase/ (Decrease) in Basis Points		Effect on Profit/ (loss) before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
INR	+ 50	+ 50	(5,319)	(5,577)
INR	- 50	- 50	5,319	5,577

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has obtained foreign currency convertible bond and has foreign currency receivables and is therefore, exposed to foreign exchange risk.

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	(₹ in Lakhs)	Foreign Currency in Lakhs	(₹ in Lakhs)	Foreign Currency in Lakhs
Financial liabilities				
Borrowings	-	-	67,427	JPY 1,14,750
	66,229	USD 1,041.21	66,228	USD 1,041.21
Interest	-	-	1,962	JPY 3340
	5,268	USD 81	5,268	USD 81
Financial Assets				
Trade Receivables	1,000.59	USD 15.52	1,948	USD 30

The following table details the company's sensitivity to 2% increase and decrease in the Rupees against the USD. 2% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

(₹ in Lakhs)

Particulars	Increase/ (Decrease) in Basis Points		Effect on Profit/ (loss) before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
USD Currency Impact	+ 200	+ 200	(1,410)	(1,391)
	- 200	- 200	1,410	1,391
JP YEN Currency Impact	+ 200	+ 200	-	(1,388)
	- 200	- 200	-	1,388

(c) Commodity Risk

Commodity Price Risk of the Company will fluctuate on account of changes in market price of key raw materials. The Company is exposed to the movement in price of key raw materials in domestic market. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations.

ii Credit risk:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the company uses other publicly available financial information and its own trading records to rate its major customers. The company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee.

The average credit period on sales of energy (PPAs) is 21 to 30 days

No interest is charged on trade receivables (PPAs) for the first 30 days from the date of the invoice. Thereafter, Company is having the option to charge interest at 15% to 18% per annum on the outstanding balance.

Trade receivables may be analysed as follows:

(₹ in Lakhs)

Age of receivables	As at March 31, 2018	As at March 31, 2017
Within the credit period	21,912	30,258
1-30 days past due	900	1,678
31-60 days past due	468	753
61-90 days past due	431	266
More than 90 days past due	5,928	12,459
Total	29,639	45,414

iii Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement. In addition, processes the policies related to such risks. Senior management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	Within 1 year	2-3 years	More than 3 years	Total
As at March 31, 2018				
Borrowings	337,880	146,589	646,560	1,131,029
Trade payables	31,516	-	-	31,516
Other financial liabilities	215,809	499	-	216,308
Total	585,205	147,088	646,560	1,378,853

Particulars	Within 1 year	2-3 years	More than 3 years	Total
As at March 31, 2017				
Borrowings	284,524	205,411	692,727	1,182,662
Trade payables	26,875	-	-	26,875
Other financial liabilities	145,359	1,055	-	146,414
Total	456,758	206,466	692,727	1,355,951

Note 67(3)

i Capital Management

The Company manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimization of the debt and equity balance.

The Company's Audit Committee reviews the capital structure of the Company. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

ii Gearing ratio

The gearing ratio at end of the reporting period was as follows.

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Debt *	1,131,029	1,182,662
Less: Cash and bank balances (including cash and bank balances in a disposal group held for sale)	4,988	4,639
Net debt	1,126,041	1,178,023
Total Equity #	936,546	989,281
Total Capital Employed (Net debt and total equity)	2,062,586	2,167,304
Net Gearing ratio	0.55	0.54
*Debt is defined as long-term and short-term borrowings including current maturities of long term debts and bank overdraft.		
# Total equity includes issued share capital and other equity (all reserves as disclosed in statement of change in equity).		

Note 68

- As there is no taxable profit/ book profit for the period up to 31st March, 2018, no income tax amount/ MAT has been provided for the year ended 31st March, 2018.
- The Company has provided deferred tax assets (net) of Rs.17,763 Lakhs (Previous year Rs. - 46,356 Lakhs) for the year ended 31st March, 2018.
- Deferred tax assets in respect of unabsorbed depreciation and business losses and MAT credit entitlement have been recognized amounting to Rs.90,544 lakhs and Rs.31,631 lakhs respectively, owing to reasonable certainty of availability of future taxable income to realize such assets. Though the company has been incurring losses in last few years, it expects turnaround of the sector. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management in the financial statements.

In the opinion of management, assets have a realizable value, in the ordinary course of business at least equal to the amount at which they are stated.

Note 69
Segment information - Business Segments

(₹ in Lakhs)

Particulars	Year Ended	
	31.03.2018	31.03.2017
Segment Revenue		
i) Power & Transmission	335,446	277,933
ii) Coal	30,474	31,136
iii) Other	4,048	1,372
Sub Total A	369,968	310,441
Inter Segment Eliminations		
i) Power & Transmission	211	90
ii) Coal	30,474	31,141
iii) Other	1,152	29
Sub Total B	31,837	31,260
Add : Other Income		
i) Power & Transmission	1,215	417
ii) Coal	35	16
iii) Other	33,625	8,329
Sub Total C	34,875	8,762
Total Segment Revenue (A-B+C)	373,006	287,943
Segment Results before finance charges, exceptional items and taxes		
i) Power & Transmission	65,565	52,244
ii) Coal	4	19
iii) Other	21,739	5,548
Total	87,308	57,811
Less :		
[a] Interest Expenses	149,178	180,228
[b] Exceptional items	-	-
Profit / (loss) before taxes	(61,870)	(122,417)
Tax expenses (net)	(9,139)	(46,356)
Profit / (loss) after tax	(52,731)	(76,061)
Depreciation & amortisation expenses		
i) Power & Transmission	42,438	42,339
ii) Coal	4,907	5,002
iii) Other	1,341	1,343
Total	48,686	48,684
Non-cash expenditure other than depreciation		
i) Power & Transmission	-	-
ii) Coal	-	-
iii) Other	7,100	-
Total	7,100	-
Segment Assets		
i) Power & Transmission	1,575,812	1,610,525
ii) Coal	46,795	52,415
iii) Other	754,893	758,560
Total	2,377,500	2,421,500
Segment Liabilities		
i) Power	329,199	280,368
ii) Coal	7,661	7,330
iii) Other	106,736	24,591
Total Liabilities	443,596	312,289

(₹ in Lakhs)

Particulars	Year Ended	
	31.03.2018	31.03.2017
Additions to property, plant & equipment and intangibles (Including additions to CWIP)		
i) Power & Transmission	3,057	19,154
ii) Coal	383	1,147
iii) Other	106	-
Total	3,546	20,301

Note:

- Segments have been identified in accordance with Indian Accounting Standard on Segment Reporting (Ind AS 108) taking into account the organisational structure as well as differential risk and returns of these segments.
- Business segment has been disclosed as the primary segment.
- Type of Products and Services in each Business Segment:
 - Power & Transmission - Generation, Sale and Transmission of Power.
 - Coal - Coal Mining for captive use in energy generation
 - Others - Cement Grinding etc.
- Segment Revenues, Operating Results, Assets and Liabilities include the amounts identifiable to each segment and amounts allocated on a reasonable basis and excluding long term borrowings.
- Revenue from two major customers under 'Power and Transmission' is Rs. 186,861 Lakhs (previous year Rs. 175,876 Lakhs) which is more than 10% of the Company's total revenue.

Note 70
Statutory Auditors' Remuneration:

Details of remuneration (including GST/ Service Tax) paid to Statutory Auditors :

(₹ in Lakhs)

Particulars		Financial Year 2017-18 *	Financial Year 2016-17
i	For Audit Fee	48	40
ii	For Tax Audit	4	4
iii	For Other Services	-	3
iv	For Reimbursement of Expenses	4	-
Total		56	47

* includes payment made to erstwhile auditors.

Note 71

Other income of Rs.34,875 lacs for year ended 31st March, 2018 includes Rs.22,848 lacs (Previous Year-Nil) being amount received/ realised by the JSW Energy Ltd. Pending settlement/realisation earlier amount treated as deferred consideration against sale of Securities of the Company's erstwhile subsidiary Himachal Baspa Power Company Limited (HBPL) in the financial year 2015-16, in terms of the agreement.

Note 72

M/s Tecpro Systems Ltd. (Tecpro), was awarded the contracts for supply, erection, testing, commissioning and performance of the coal and ash handling system, ACFA system, coal crusher system by Bina Power Supply Company Ltd. which was merged with JPVL(Company) for its 500 MW Thermal Power Plant located at Bina Distt. Sagar, M.P. However, Tecpro did not complete the

entire work as per the terms & conditions of contracts, and left the awarded contract work in incomplete conditions. Company has completed the balance work itself by procuring the balance materials from other suppliers and made the systems operational. An amount of Rs. 535.40 lakhs is recoverable on account of mobilization advance paid to Tecpro. As Tecpro had left the work incomplete, the company has encashed the Bank Guarantee amounting to Rs. 2,013.20 Lakhs provided by them and adjusted against advance and loss incurred by the company for leaving the work without completing / testing etc. The Company had to incur an expenditure of Rs.6,093 lakhs towards procurement of remaining plant and machinery for completing the plant. The Company had claimed liquidated damages of Rs.2,235 Lakhs and amount of Rs.6,093 Lakhs incurred on additional expenditure on procurement of various materials to complete the Plant. Therefore, as on date total recoverable amount from Tecpro

is Rs.8,863.40 Lakhs including advances paid and amount claimed on account of liquidated damages and additional expenditure incurred to complete the plant.

Note 73

Sales/Income from operations for the current year is not comparable with previous year since the same is net of Goods and Services Tax (GST) (w.e.f 01.07.2017), whereas excise duty formed part of expenses in previous year and till June 30, 2017 in current year.

Note 74

Previous Year's figures have been regrouped/ re-arranged, wherever considered necessary to make them conform to the figures for the current year.

FOR LODHA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 301051E

N.K. LODHA
Partner
M.No. 085155

Place: New Delhi
Dated: 5th May, 2018

Suren Jain
Managing Director & CFO
DIN 00011026

Y.K. Sharma
Sr. Vice President (F & A)

For and on behalf of Board of Directors

Manoj Gaur
Chairman
DIN 00008480

Sunil Kumar Sharma
Vice Chairman & CEO
DIN 00008125

A.K. Rastogi
Joint President & Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JAIPRAKASH POWER VENTURES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Jaiprakash Power Ventures Limited (hereinafter referred to as "the Holding Company/Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements

that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis of Qualified Opinion:

- (a) Note no 52 (b) of the consolidated financial statements, regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), a subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 289,038 lacs (Including Investment and loan components of compound financial instrument- Optionally Convertible Preference Shares). Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017 and profit/(loss) post this date not been recorded in these consolidated financial statements. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable. However pending final decision, in consolidated financial statements no impact has been carried out in this regard and total assets and liabilities of Rs.15,99,311 lacs & Rs. 14,39,365 lacs respectively been considered and carried over.
- (b) As stated in note no. 43 (h) of the consolidated financial statements, The Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84,557.33 lacs and Rs. 1,10,000 lacs respectively for which fair valuation has not been done as per the applicable IND-AS as of 31 March 2018. In the absence of fair valuation of the said corporate guarantees, we are not able to ascertain the impact of the same on the statement of affairs.
- (c) As stated in note no 52 (a) of the consolidated financial statements, no provision for diminution in value of investment in beneficiary trust (Equity), JPVL Trust amounting to Rs. 198,594 lacs, ("which in turn holding investment in the Company") has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects.

Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage.
- (d) Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) and penal interest on certain loans of amounting to Rs. 4618 lacs and Rs. 3040.94 lacs as stated in Note no 56 (a) & (b) respectively of the consolidated financial statements. Had the interest provision been made the loss for the year of the Company would have increased by the said amount.
- (e) Expenditure incurred during the construction and incidental to setting up of the project, Capital advances and other financial assets in respect of project (project assets) have been carried forward as 'Capital Work-in-Process', Capital advances and

other financial assets, as explained in note no 52(c) by a subsidiary company Sangam Power Generation Company Limited (SPGCL). In view of abnormal delay in handing over the possession of land, the promoter of the company had requested Uttar Pradesh Power Corporation Limited (UPPCL) to take over the project /company and refund of investment made by it. Pending such settlement, no adjustment in the carrying value of project assets under non current assets, for impairment has been made. Further the ultimate outcome of the settlement is as present not ascertainable. This indicates the existence of a material uncertainty that cast significant doubt on the Company's (SPGCL) ability to continue as Going concern and accordingly we are unable to comment on the consequential impact, if any, on the carrying value of such project assets under non current assets in consolidated financial statement as stated in Note no. 52 (c) of the consolidated financial statements. This Matter was also qualified in the report of the predecessor auditor in the consolidated financial statements for the year ended 31st March 2017.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of our observations stated in "Basis of Qualified Opinion paragraph", and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at 31st March, 2018, and their consolidated loss (financial performance including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter:

We draw attention to the following matters:

- (a) As Stated in Note no. 47 of the consolidated financial statements, no provision against Entry Tax in respect of Bina unit and Nigrie Power & Cement unit amounting to Rs.11,533 lacs & Rs. 9,074 lacs respectively and interest thereon (Interest impact unascertainable) as stated in said note has been made by the company. The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled & in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lacs and Rs.2,580 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit and Nigrie Power & Cement unit respectively which is in the opinion of the management good and recoverable.
- (b) Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties), deferred tax and loans & advances. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in Note no. 58 of the consolidated financial statements.

- (c) For deferred tax assets on unabsorbed depreciation and business losses recognised and MAT credit entitlement of amounting to Rs. 90,544 lacs and Rs. 31,631 lacs respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 67 of the consolidated financial statements.
- (d) As stated in Note no. 61 of the consolidated financial statements, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of remuneration/excess remuneration amounting to Rs.1067.33 lacs to the directors in the financial years 2013-14 and 2015-16 onwards (including for as stated in said note against rejection of the Company's application).
- (e)
 - (i) As stated in the Note no.55 of the consolidated financial statements, the Company has signed an agreement for sale of its Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) and as stated in the said note, the Company is currently in process of compliance of certain terms and conditions of agreement dated 31st May 2017. As assessed by an expert and by the management, carrying value is lower than the fair value of Cement unit hence, no provision for impairment at this stage is considered necessary.
 - (ii) As stated in the Note no. 54 of the consolidated financial statements, fair value of fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being in excess as compared to the carrying value, as estimated by a technical valuer and for the reasons explained in the said note, management is of the view that no impairment provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.
 - (iii) During the financial year ended 31 March, 2018, the Company has incurred cash loss, and its current liabilities exceed its current assets as at 31 March, 2018. However, for the reasons stated in the Note no. 57 of the consolidated financial statements, the financial statements of the company are prepared on going concern basis.
- (f) Auditors of the respective companies have drawn attention in their report:
 - (i) Sangam Power Generation Company Limited (SPGCL) a subsidiary of the company is yet to appoint key management person including company secretary as per the requirement of the Act. {note no 70(i)}
 - (ii) Jaypee Meghalaya Power Limited a subsidiary of the company is yet to appoint Company Secretary as key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014. {note no 70(ii)}
 - (iii) Jaypee Arunachal Power Limited a subsidiary of the company is yet to appoint key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014. {note no 70(iii)}

Our opinion is not modified in respect of above stated matters.

Other Matters

- (a) We did not audit the financial statements of six subsidiaries whose financial statements reflect total assets of Rs.17,31,198 Lacs, net assets of Rs. 2,46,690.57 Lacs and net cash inflows of Rs.1,964.45 Lacs as at 31 March 2018, total revenues of Rs.1,57,045.72 Lacs, total profit/(loss) after tax of Rs.(1,22,391.59) Lacs and other comprehensive Income of Rs.4.05 Lacs for year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- (b) The Comparative financial statements for the year ended 31 March 2017 prepared in accordance with Ind AS included in these consolidated financial statements have been audited by predecessor auditor, on which they had expressed a modified opinion vide their report dated 29 May, 2017. Comparative figures in Segment Reporting are considered as certified by the management.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in sub-paragraph (a) of the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement, and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, except for the effect/possible effect of the matters described in 'Basis of Qualified Opinion' paragraph above, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) The matters described in 'Basis of Qualified Opinion' paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary Companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure - A.
- (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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in sub-paragraph (a) of the Other Matters paragraph above:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 43 to the consolidated financial statements.
 - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended 31st March 2018.

For **LODHA & CO.**

Chartered Accountants

Firm's Registration No. 301051E

N.K. Lodha

Partner

Membership No. 085155

Place: New Delhi

Dated: 5th May, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAIPRAKASH POWER VENTURES LIMITED

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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of JAIPRAKASH POWER VENTURES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is

a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2018:

- (i) Evaluation and assessment of recoverability including provision to be made there against in respect of investments made in trust were not carried out which could potentially result, in the Holding Company not recognizing sufficient provision there against. [note no. 52(a) & (b)].
- (ii) Fair valuation of corporate guarantees provided by the Holding Company for loans granted by the lenders to Jaiprakash Associates Limited (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) as per applicable IND-AS as on 31st March 2018, has not been carried out which could potentially material impact in the financial statements. [note no. 43(h)].

A 'Material Weakness' is a deficiency, or a combination of deficiencies in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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, 2018, based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matters:

Our aforesaid report u/s 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding company in so far as it relates to 6 numbers subsidiary companies, which are incorporated in India, is based solely on the corresponding reports of respective auditors of such subsidiaries incorporated in India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 consolidated financial statements of the Company, and these material weaknesses affect our opinion on the consolidated financial statements of the Company for the year ended 31st March 2018.

Emphasis of matter:**Attention is drawn to:**

Internal control system for financial reporting w.r.t. balance confirmation/reconciliations of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (including receivables/payables from/to related parties), deferred tax and loans & advances (read with note no. 58) and further this to be read with other matters stated under heading "Emphasis of Matters" in our Report, may potentially have material impact in the financial statements.

For LODHA & CO.

Chartered Accountants

Firm's Registration No. 301051E

N.K. Lodha

Partner

Membership No. 085155

Place: New Delhi

Dated: 5th May, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

		(₹ In Lakhs)	
Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
Assets			
1 Non Current assets			
(a) Property, plant and equipment	3	30,86,367	27,19,117
(b) Capital work in progress	4	56,149	4,84,805
(c) Investment Property		-	-
(d) Goodwill	5	18	18
(e) Other Intangible assets	6	22,961	24,530
(f) Intangible assets under development		-	-
(g) Biological assets other than bearer plants		-	-
(h) Financial Assets			
(i) Investments	7	1,98,594	1,98,594
(ii) Trade receivable		-	-
(iii) Loans	8	3,335	3,276
(iv) Other financial assets	9	1,217	1,015
(i) Deferred tax assets (Net)	10	83,381	54,265
(j) Other non current assets	11	55,302	97,439
		35,07,324	35,83,059
2 Current assets			
(a) Inventories	12	22,836	31,461
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	13	98,021	1,02,657
(iii) Cash and cash equivalents	14	9,313	7,138
(iv) Bank balance other than (iii) above	15	2,841	1,161
(v) Loans	16	11	68
(vi) Other financial assets	17	6,023	1,585
(c) Current Tax assets (Net)	18	2,398	784
(d) Other Current assets	19	61,465	55,667
		2,02,908	2,00,521
Total Assets		37,10,232	37,83,580
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	20	5,99,600	5,99,600
(b) Other Equity	21	1,78,331	3,39,101
(c) Non controlling interest	21	27,332	36,782
		8,05,263	9,75,483
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	18,43,863	20,10,307
(ii) Trade payables		-	-
(iii) Other financial liabilities	23	59,551	53,182
(b) Provisions	24	5,087	5,345
(c) Deferred tax liabilities (Net)		-	-
(d) Other non current liabilities	25	60,145	71,316
		19,68,646	21,40,150
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	1,70,439	99,495
(ii) Trade payables	27	31,873	30,240
(iii) Other financial liabilities	28	7,23,373	5,19,996
(b) Other current liabilities	29	10,307	17,759
(c) Provisions	30	300	378
(d) Current tax liabilities (Net)	31	31	79
		9,36,323	6,67,947
Total Equity and Liabilities		37,10,232	37,83,580

Summary of significant accounting policies
The note nos. 1 to 74 are integral part of the financial statements
As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 301051E

N.K. LODHA
Partner

M. No. 085155

Place : New Delhi
Dated : 5th May, 2018

2 For and on behalf of Board of Directors

Suren Jain
Managing Director & CFO
DIN 00011026

Manoj Gaur
Chairman
DIN 00008480

Sunil Kumar Sharma
Vice Chairman & CEO
DIN 00008125

Y.K. Sharma
Sr. Vice President (F & A)

A.K. Rastogi
Joint President & Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

		(₹ In Lakhs)	
Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
I Revenue from operations	32	4,87,687	4,65,765
II Other income	33	35,419	8,707
III Total income (I+II)		5,23,106	4,74,472
IV Expenses:			
Cost of operation and maintenance	34	2,98,406	2,73,388
Changes in inventories of finished goods work-in-progress and stock-in-trade	35	(183)	97
Employee benefits expense	36	13,563	12,167
Finance costs	37	2,61,375	2,77,292
Depreciation and amortization expense	38	81,889	77,121
Other expenses	39	23,413	9,158
Total expenses		6,78,463	6,49,223
V Profit / (loss) before exceptional items and tax (III-IV)		(1,55,357)	(1,74,751)
VI Exceptional items	68	(31,325)	-
VII Profit before tax (V+VI)		(1,86,682)	(1,74,751)
VIII Tax expense:	40		
(1) Current tax		1,325	1,074
(2) Mat credit entitlement		(1,239)	-
(3) Income tax of earlier years		(526)	-
(4) Mat credit entitlement of earlier years		8,522	-
(5) Deferred tax		(25,730)	(46,356)
		(17,648)	(45,282)
IX Profit/(loss) for the period (VII-VIII)		(1,69,034)	(1,29,469)
X Other comprehensive income			
(a) (i) Items that will not be reclassified to profit or loss		(2)	99
(ii) Income tax relating to items that will not be reclassified to profit or loss		1	(16)
(b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the period		(1)	83
XI Total Comprehensive income for the period (Comprising profit / (loss) and Other Comprehensive Income for the year) (IX+X)		(1,69,035)	(1,29,386)
Profit / (loss) for the year attributable to :			
Owners of the parent		(1,59,583)	(1,23,289)
Non-controlling interest		(9,451)	(6,180)
		(1,69,034)	(1,29,469)
Other Comprehensive Income attributable to :			
Owners of the parent		(2)	78
Non-controlling interest		1	5
		(1)	83
Total Comprehensive income attributable to :			
Owners of the parent		(1,59,585)	(1,23,211)
Non-controlling interest		(9,450)	(6,175)
		(1,69,035)	(1,29,386)
Earnings per equity share			
XII Earnings per equity share			
(1) Basic		(2.66)	(3.75)
(2) Diluted		(2.66)	(3.75)

Summary of significant accounting policies
The note nos. 1 to 74 are integral part of the financial statements
As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 301051E

N.K. LODHA
Partner

M. No. 085155

Place : New Delhi
Dated : 5th May, 2018

2 For and on behalf of Board of Directors

Suren Jain
Managing Director & CFO
DIN 00011026

Y.K. Sharma
Sr. Vice President (F & A)

Manoj Gaur
Chairman
DIN 00008480

Sunil Kumar Sharma
Vice Chairman & CEO
DIN 00008125

A.K. Rastogi
Joint President & Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS ON 31ST MARCH, 2018

A) Equity Share Capital

(₹ in Lakhs)

Particulars	As on 31 March 2018	As on 31 March 2017
Balance at the beginning of the year	5,99,600	2,93,800
Addition during the year	-	3,05,800
Balance at the end of the year	5,99,600	5,99,600

B) Other equity

Particulars	Reserve and surplus					Other Comprehensive Income		Equity attributable to the owners of the parent	Non controlling interest	Total
	Securities Premium Account	Debenture Redemption Reserve	General Reserve	Capital Reserve Amalgamation / Demerger	Surplus	Equity components of other financial instruments	Acturial gain/(loss)			
Balance at 1st April, 2016	11,969	-	4,970	2,85,310	1,65,177	-	208	4,67,634	42,415	5,10,049
Profit/(loss) for the year	-	-	-	-	(1,23,289)	-	-	(1,23,289)	(6,180)	(1,29,469)
Other comprehensive income during the year (net of income tax)	-	-	-	-	-	3	78	81	5	86
Add : Retained earnings	-	-	-	-	(2,418)	-	-	(2,418)	-	(2,418)
Minority interest adjustment (IND-AS)	-	-	-	-	(543)	-	-	(543)	542	(1)
Less : Final dividend	-	-	-	-	507	-	-	507	-	507
Less : Dividend distribution tax	-	-	-	-	397	-	-	397	-	397
Less : Interim dividend	-	-	-	-	819	-	-	819	-	819
Less : Dividend distribution tax	-	-	-	-	641	-	-	641	-	641
Balance at 1st April, 2017	11,969	-	4,970	2,85,310	36,563	3	286	3,39,101	36,782	3,75,883
Profit/(loss) for the year	-	-	-	-	(1,59,583)	-	-	(1,59,583)	(9,451)	(1,69,034)
Other comprehensive income during the year (net of income tax)	-	-	-	-	-	-	(2)	(2)	1	(1)
Movement during the year	-	-	-	-	-	(3)	-	(3)	-	(3)
Add : Minority interest adjustment	-	-	-	-	-	-	-	-	-	-
Add / (Less) : Transfer to general reserve	-	-	1,239	-	(1,239)	-	-	-	-	-
Less : Final dividend	-	-	-	-	195	-	-	195	-	195
Less : Dividend distribution tax	-	-	-	-	153	-	-	153	-	153
Less : Interim dividend	-	-	-	-	468	-	-	468	-	468
Less : Dividend distribution tax	-	-	-	-	366	-	-	366	-	366
Balance at 31st March, 2018	11,969	-	6,209	2,85,310	(1,25,441)	-	284	1,78,331	27,332	2,05,663

Summary of significant accounting policies

The note nos. 1 to 74 are integral part of the financial statements

As per our report of even date

FOR LODHA & CO.

CHARTERED ACCOUNTANTS

Firm Registration No. 301051E

N.K. LODHA
Partner

M. No. 085155

Place : New Delhi
Dated : 5th May, 2018

2

For and on behalf of Board of Directors

Suren Jain
Managing Director & CFO
DIN 00011026

Sunil Kumar Sharma
Vice Chairman & CEO
DIN 00008125

Y.K. Sharma
Sr. Vice President (F & A)

A.K. Rastogi
Joint President & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

		(₹ in Lakhs)	
Particulars		Year ended March 31, 2018	Year ended March 31, 2017
A.	NET CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before exceptional items and tax	(1,55,357)	(1,74,751)
	Adjustments for :		
	Depreciation and Amortisation expense	81,889	77,121
	Deferred Revenue on account of advance against depreciation	-	5,053
	Allowance for bad & doubtful debt	2,545	-
	Provision for doubtful advance	7,100	-
	Finance costs	2,61,375	2,77,292
	Interest Income	(1,039)	(462)
	(Profit)/Loss on sale of Property, plant and equipments	(188)	150
	Unrelied Foreign Exchange (gain)/loss	4	-
	Excess provision written back	(96)	-
	Other Income	-	(8,245)
	Amortisation/Remeasurement of financial asset and non-financial Asset/Liabilities	(8,327)	(2,043)
		3,43,263	3,48,866
	Operating profit before working capital changes	1,87,906	1,74,115
	Working capital adjustments		
	(Increase)/Decrease in Trade receivables	2,085	(48,208)
	(Increase)/Decrease in Inventories	8,625	5,332
	(Increase)/Decrease in Financial Assets and other Current and Non-Current Assets	(23,918)	(3,076)
	Increase (Decrease) in Financial Liabilities & Other Current and Non-Current Liabilities	(2,821)	13,319
	Increase (Decrease) in Short Term and Long Term Provisions	(54)	(152)
		(16,083)	(32,785)
		1,71,823	1,41,330
	Income tax (paid)/refund (net)	6,421	(47)
	Net cash inflow from operating activities----'A'	1,78,244	1,41,283
B.	Cash flow from Investing activities		
	Purchase of Property, plant and equipment including net movement in capital work in progress and capital advances and capital creditors	(22,991)	(91,159)
	Proceeds from Sale of Property, plant and equipment	976	657
	Interest Income	898	462
	Other Income		8,245
	Investment in Bank deposits having original maturity of more than Three Months	(1,911)	1,598
	Net cash used in investing activities----- 'B'	(23,028)	(80,197)
C.	Cash flow from Financing activities		
	Proceeds from Long term borrowings and short term borrowings (previous year net of repayment)	1,68,205	1,50,832
	Dividend Paid	(1,182)	(2,364)
	Interest & financial charges paid	(90,102)	(2,15,621)
	Repayment of Long Term Borrowings and short term borrowings	(2,31,241)	-
	Net cash used in financing activities--- 'C'	(1,54,320)	(67,153)
	Net increase/(Decrease) in cash or cash equivalent (A+B+C)	896	(6,067)
	Cash & cash equivalent at the commencement of the period	7,138	13,205
	Effects of exchange rate changes on cash and cash equivalents	2	-
	Cash & cash equivalent at the end of the period	8,036	7,138
	Reconciliation of cash and cash equivalents as per the cash flow statement		
	Cash and cash equivalents (Note 14)	9,313	7,138
	Bank Overdraft (Note 26)	(1,277)	-
	Balances per statement of cash flows	8,036	7,138

Note:

- The above cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (IND AS-7). The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact upon on the financial statements of the Group.
- Previous year figures have been re-grouped/re-arranged wherever considered necessary.

As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS

Firm Registration No. 301051E

N.K. LODHA

Partner

M. No. 085155

Place : New Delhi

Dated : 5th May, 2018

Suren Jain

Managing Director & CFO

DIN 00011026

Y.K. Sharma

Sr. Vice President (F & A)

Sunil Kumar Sharma

Vice Chairman & CEO

DIN 00008125

A.K. Rastogi

Joint President & Company Secretary

Notes to the Consolidated Financial Statements for the period ended 31st March, 2018

Note 1- General Information of the Company

The Company was incorporated on 21st December, 1994 as Jaiprakash Hydro Power Limited (JHPL). Pursuant to Scheme of Amalgamation approved by Hon'ble High Court of Himachal Pradesh, erstwhile Jaiprakash Power Ventures Limited (JPVL) was amalgamated into JHPL. Subsequent to the merger the name of JHPL was changed to its present name viz Jaiprakash Power Ventures Limited w.e.f. 23rd December, 2009. The Company is engaged in the business of generation of Thermal and Hydro Power, cement grinding and captive coal mining. The Company owns and operates 400 MW Jaypee Vishnuprayag Hydro Electric Plant at District Chamoli, Uttarakhand, 1320 MW Jaypee Nigrie Super Thermal Power Plant at Nigrie, Distt. Singrauli, M.P., 500 MW Jaypee Bina Thermal Power Plant at Village. Sirchopi, Distt. Sagar, M.P. The Company is operating Cement Grinding Unit (2 MTPA) at Nigrie, Distt. Singrauli (M.P.) and is also engaged in Captive coal mining operations at Amelia Coal Block allotted by Government of India for supply of Coal to Jaypee Nigrie Super Thermal Power Plant.

The Company has operated 1980 MW Thermal Power Plant through Prayagraj Power Generation Company Limited (a Subsidiary of the Company up to 17.12.2017) at Bara, District Allahabad.

The Company through its subsidiary Jaypee Powergrid Limited has set up 219.80 Km long power transmission line to evacuate power from 1091 MW Karcham Wangtoo Hydro electric Plant up to Abdullahpur, Haryana. The Company envisages to set up the following Power Plants through its subsidiaries:

- (a) 2700 MW Lower Siang and 500 MW Hirong Hydro Electric Plants through Jaypee Arunachal Power Limited in Arunachal Pradesh.
- (b) 450 MW Kynshi and 270 MW Umngot Hydro Electric Plants through Jaypee Meghalaya Power Limited in Meghalaya.

The consolidated financial statements for the financial year ended March 31, 2018 were approved by the Board of Directors and authorized for issue on 5th May, 2018.

Note 2 - Significant Accounting Policies

(a) Basis of preparation of Consolidated Financial Statements

The Group 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 consolidated financial statements.

The consolidated financial statements referred hereinafter have been prepared in accordance with the requirements and instructions of Schedule III to the Companies Act 2013, amended from time to time applicable to companies to whom Ind AS applies read with the IND AS's.

It also requires the use of accounting estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements. These estimates and assumptions are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances and presented under the historical cost convention on accrual basis of accounting.

(b) Principles of Consolidation

The Consolidated Financial Statements (CFS) relates to Jaiprakash Power Ventures Limited and its subsidiaries (Group) more fully described in details of subsidiaries in

the financial statements. In the preparation of the CFS, investments in subsidiaries, associates and joint ventures are accounted for in accordance with the requirements of Ind AS 110 (Consolidated Financial Statements) and Ind AS 28 (Investments in Associates and Joint Ventures) vide notification dated 16 February 2015 under section 133 of the Companies Act 2013.

Investment in Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances assessing whether or not the Company's voting rights in an investee are sufficient to give it power including:

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group's voting rights and potential voting rights
- (iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control subsidiary.

The CFS is prepared on the following basis:

- (i) Combining items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of its subsidiaries on a line by line basis.
- (ii) Eliminating in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group
- (iii) Offsetting (eliminating) the carrying amount of Company's investment in each subsidiary (directly or indirectly) and the Company's portion of equity of each subsidiary.
- (iv) Profit or loss and each component of other comprehensive income are attributed to the owners of Company and to the non-controlling interests. Total comprehensive income of subsidiaries attributed to the owners of the Company and to the non-controlling interests even if this results in non-controlling interests having a deficit balance.
- (v) Necessary adjustments are made to the financial statements of subsidiaries to bring accounting policies into line with the Group's accounting policies.

- (vi) The Company present's non-controlling interests in the consolidated balance sheet within equity, separately from the equity of the owners of the parent. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are considered as equity transactions (i.e. transactions with owners in their capacity as owners).
- (vii) As far as possible, the CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements, Where it is not practicable to use uniform accounting policies, adjustments are made to the financial statements of subsidiaries to bring accounting policies into line with the Group's accounting policies.
- (viii) The financial statements of the group entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company.

Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

(c) Revenue

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

400 MW Jaypee Vishnuprayag HEP : Revenue from sale of electrical energy is accounted for on the basis of sale to Uttar Pradesh Power Corporation Limited (UPPCL) as per Tariff approved by Uttar Pradesh Electricity Regulatory Commission (UPERC) in accordance with the provisions of Power Purchase Agreement dated 16.01.2007, executed between the Company and UPPCL. Income on Generation based incentive is accounted on accrual basis considering eligibility for project for availing the incentive.

500 MW Jaypee Bina Thermal Power Plant: Revenue from sale of electrical energy is accounted for on the basis of sale to Madhya Pradesh Power Management Company Limited (MPPMCL) as per Tariff approved by Madhya Pradesh Electricity Regulatory Commission in accordance with the provisions of Power Purchase Agreement dated 05.01.2011, executed between the Company and MPPMCL to the extent of 65% of installed capacity on regulated tariff basis for 25 years and 5% of net power generation on variable charge basis for life of Project and balance on merchant basis.

1320 MW Jaypee Nigrie Super Thermal Power Plant: Revenue from sale of electrical energy is accounted for on the basis of sale to Madhya Pradesh Power Management Company Limited (MPPMCL) as per Tariff approved by Madhya Pradesh Electricity Regulatory Commission in accordance with the provisions of Power Purchase Agreement dated 05.01.2011 executed between the Company and MPPMCL to the extent of 30% of installed capacity on regulated tariff basis for 20 years, 7.50% of the total net power generation on variable charge basis for the life of Project and balance on merchant basis.

Further, any adjustment that may arise on account of true-up by respective State Regulatory Commissions under the aforesaid Tariff Regulations/Tariff Orders is made after the completion of such true-up.

1980 MW Prayagraj Power Generation Company Ltd. (subsidiary company up to 17.12.2017): Revenue from sale of electrical energy is accounted for on the basis of sale to Uttar Pradesh Power Corporation Limited (UPPCL) as per Tariff approved by Uttar Pradesh Electricity Regulatory Commission in accordance with the provisions of Power Purchase Agreement dated 21.11.2008 executed between the Company and UPPCL to the extent of 90% of installed capacity for 25 years and balance 10% on merchant basis.

Jaypee Powergrid Limited (subsidiary company): Revenue/ Income and Cost/Expenditure are accounted for on accrual basis. Transmission income is accounted for based on tariff order notified by the CERC and difference, if any is adjusted based on issuance of final notification of tariff order by CERC. Surcharge/Rebate received/Paid from/to beneficiaries is accounted on receipt/payment basis and confirmation from Power Grid Corporation of India Ltd.

Revenue is recognized only when the significant risk and reward of the ownership is transferred to the buyer usually on delivery of the goods. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company, revenue can be reliably measured and the costs

incurred or to be incurred in respect of the transaction can be measured reliably.

Gross Revenue from operations comprises of sale of power and cement and other operating income. Sale of cement and transfer of coal includes excise duty (till June 30, 2017) and excludes sales tax/value added tax (VAT)/Goods and Service Tax (GST) which is received by the Company on behalf of the government.

Revenue from sale of Verified Emission Reductions (VERs) is accounted for on receipt basis.

Sales of Fly Ash is net of VAT/ GST and exclusive of self consumption.

Insurance claims are accounted for on receipt basis or as acknowledged by the insurance Company.

Advance against depreciation claimed/ to be claimed as part of tariff in terms of PPA (in respect of Vishnuprayag HEP) during the currency of loans to facilitate repayment installments is treated as 'Deferred Revenue'. Such Deferred Revenue shall be included in Sales in subsequent years.

Fuel price adjustment for coal purchases has been included in purchases/ cost of goods consumed. Similarly effect on sales due to fuel price adjustment in respect of PPA's has been considered in sales.

Interest Income is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash flows over the expected life of financial instrument, to the gross carrying amount of the financial assets or to the amortised cost of the financial liability.

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Inter Divisional Transfer/ Captive sales: Captive sales in regard to Coal produced from Captive Mine to be utilized for generation of power are transferred at cost as per Cost Accounting Standard-4.

The value of inter-divisional transfer and captive sales is netted off from sales and corresponding cost under cost of materials consumed and total expenses respectively. The same is shown as a contra item in the statement of profit and loss.

d) Property, Plant and Equipment (PPE)

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of PPE is cost of acquisition or construction inclusive of freight, erection & commissioning charges and any directly attributable costs of bringing an asset to working condition and location for its intended use, including borrowing costs relating to the qualified asset over the period upto the date the asset is ready to commence commercial production. The Company has availed the exemption available in Ind AS 101, to continue capitalisation of foreign currency fluctuation on long term foreign currency monetary liabilities outstanding on transition date.

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

Depreciation on property, plant and equipment is provided on straight line method based on estimated useful life of assets as prescribed in part C of schedule II to the Companies Act, 2013.

Assets	Useful Life
Building	5 - 60 Years
Plant and Machinery	15 - 40 years
Furniture and fittings	10 years
Office equipments	5 - 10 years
Vehicles	8 - 10 years
Computers	3 years

The property, plant and equipment acquired under finance leases, if any, is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Depreciation on Transmission line & its elements has been provided on Straight Line Method at the rates & methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Freehold land is not depreciated.

e) Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the requirement of the amendment and the impact on its financial statements.

Ind AS 115- Revenue from Contract with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize 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.

Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company is evaluating the requirement of the amendment and the impact on its financial statements.

f) Other Significant Accounting Policies

These are set out under 'Significant Accounting Policies' as given in the Company's standalone financial statements.

Note 3 - Property, plant and equipment

(₹ In Lakhs)

Particulars	Free Hold Land	Buildings	Plant & Machinery	Furniture & Fittings	Office Equipments	Vehicles	Total
Gross carrying value							
As at April 1, 2016	17,571	1,94,993	22,66,036	1,016	1,518	1,435	24,82,569
Additions	158	3,851	4,66,678	4	35	25	4,70,751
Disposals	-	-	(545)	(1)	(29)	(2)	(577)
Other adjustments	-	-	(359)	-	-	-	(359)
Exchange translation adjustments	-	-	(1,577)	-	-	-	(1,577)
As at April 1, 2017	17,729	1,98,844	27,30,233	1,019	1,524	1,458	29,50,807
Additions	155	2,184	4,43,976	21	41	-	4,46,377
Disposals	-	-	(1,255)	-	(37)	-	(1,292)
Other adjustments	1,163	-	4	29	(29)	-	1,167
Exchange translation adjustments	-	-	819	-	-	-	819
As at March 31, 2018	19,047	2,01,028	31,73,777	1,069	1,499	1,458	33,97,878
Accumulated Depreciation							
As at April 1, 2016	-	14,030	1,39,378	509	974	771	1,55,662
Charge for the year	-	5,935	69,827	91	155	151	76,159
Disposals	-	-	(100)	-	(31)	-	(131)
Other adjustments	-	-	-	-	-	-	-
As at April 1, 2017	-	19,965	2,09,105	600	1,098	922	2,31,690
Charge for the year	-	6,711	73,298	78	99	134	80,320
Disposals	-	-	(470)	-	(34)	-	(504)
Other adjustments	-	-	5	13	(13)	-	5
As at March 31, 2018	-	26,676	2,81,938	691	1,150	1,056	3,11,511
Net carrying value (As at March 31, 2017)	17,729	1,78,879	25,21,128	419	426	536	27,19,117
Net carrying value (As at March 31, 2018)	19,047	1,74,352	28,91,839	378	349	402	30,86,367

Note: Refer note no. 22.1 to 22.6, 22.10 and 22.11 for information on property, plant and equipment pledged as security by the Group.

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 4		
Capital work in progress	56,149	4,84,805
Total	56,149	4,84,805

Note 5		
Goodwill		
Gross carrying value		
Opening balance	35	35
Additions	-	-
Other adjustments	-	-
Closing balance	35	35
Amortisation		
Opening balance	17	14
Charge for the year	-	3
Other adjustments	-	-
Closing balance	17	17
Net carrying value	18	18

Note 6 - Other intangible assets

(₹ In Lakhs)

Particulars	Computer software	Mining lease	Mining development	Total
Gross carrying value				
As at April 1, 2016	13	17,523	9,833	27,369
Additions	-	-	-	-
Deletions	-	-	-	-
As at April 1, 2017	13	17,523	9,833	27,369
Additions	-	-	-	-
Deletions	-	-	-	-
As at March 31, 2018	13	17,523	9,833	27,369
Amortisation				
As at April 1, 2016	(1)	854	473	1,326
Charge for the year	5	953	555	1,513
Deletions	-	-	-	-
As at April 1, 2017	4	1,807	1,028	2,839
Charge for the year	4	984	581	1,569
Deletions	-	-	-	-
As at March 31, 2018	8	2,791	1,609	4,408
Net carrying value				
As at March 31, 2017	9	15,716	8,805	24,530
As at March 31, 2018	5	14,732	8,224	22,961

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 7		
Investments		
Un-Quoted		
Investment in beneficiary trust (Equity)		
JPVL Trust	1,98,594	1,98,594
Total	1,98,594	1,98,594
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	1,98,594	1,98,594

Note 8		
Loan		
Unsecured, Considered Goods		
Security Deposits		
With Govt. Deptt. & Others	3,335	3,276
Total	3,335	3,276

(₹ In Lakhs)

Note 9		
Other financial assets		
Security Deposits	845	874
Other Bank Balance	372	141
Total	1,217	1,015

Note 10		
Deferred tax assets (net)		
Deferred tax assets		
On account of loss carried forward	2,16,863	1,61,715
On account of employee benefits	176	226
	2,17,039	1,61,941
Deferred tax liabilities		
On account of depreciation	1,33,571	1,04,719
Others	87	2,957
	1,33,658	1,07,676
Total	83,381	54,265

Significant component of Deferred Tax Assets/Deferred Tax Liabilities are as under:
2017-18

(₹ In Lakhs)

Particulars	Opening balance	Recognised in Profit or loss	Recognised in other comprehensive income	Others	Closing balance
Deferred tax (liabilities)/ assets in relation to:					
Unabsorbed depreciation and loss carried forward	1,61,715	55,148	-	-	2,16,863
Property, plant and equipment and Intangible assets	(1,04,719)	(28,852)	-	-	(1,33,571)
Corporate Guarantee	37	(129)	-	-	(92)
Financial liabilities at amortised cost	(24)	(426)	-	-	(450)
Fair value of investment	(2,975)	47	-	3,385	* 457
Defined benefit obligation	233	(58)	1	-	176
Goodwill amortisation	(2)	-	-	-	(2)
Total	54,265	25,730	1	3,385	83,381

* Net of reversal of opening difference on account of financial instrument

2016-17

Particulars	Opening balance	Recognised in Profit or loss	Recognised in other comprehensive income	Others	Closing balance
Deferred tax (liabilities)/ assets in relation to:					
Unabsorbed depreciation and loss carried forward	79,822	81,893	-	-	1,61,715
Property, plant and equipment and Intangible assets	(73,873)	(36,088)	-	5,242	(1,04,719)
Corporate Guarantee	416	(152)	-	(227)	37
Financial liabilities at amortised cost	(859)	835	-	-	(24)
Fair value of investment	(2,008)	(1,196)	-	229	(2,975)
Defined benefit obligation	197	35	(15)	16	233
Goodwill amortisation	(1)	(1)	-	-	(2)
Others	-	-	-	-	-
Total	3,694	45,326	(15)	5,260	54,265

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 11		
Other non-current assets		
Capital advances	5,311	34,895
Prepaid expenses	5,307	5,226
Balances with Government Authorities	4,979	2,077
Advance Income Tax & TDS	974	9,856
Mat credit entitlement	38,731	45,385
Total	55,302	97,439

Note 12		
Inventories		
Raw materials / fuels	8,520	18,712
Stores and spares	14,125	12,719
Work in progress	5	-
Cement stock	186	-
Material in transit	-	30
Total	22,836	31,461

Note 13		
Trade receivables		
Secured Considered Good		
Others	-	-
Unsecured Considered Good		
Related parties	-	75
Others*	98,021	1,02,582
	98,021	1,02,657
Unsecured Considered doubtful - Others	2,545	-
Less : allowance for bad & doubtful debts	2,545	-
	-	-
Total	98,021	1,02,657

*Includes ₹ 12,500 lakhs (previous year ₹ 16,707 lakhs) against letter of credit.

Note 14		
Cash bank balances		
Balance with banks current accounts	3,941	4,512
Balance with banks foreign currency account	125	127
Balance with banks- trust & retention account	5,082	2,183
Fixed deposit with maturity upto 3 months	88	245
Cheques, drafts on hand	1	-
Cash on hand	76	71
Total	9,313	7,138

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 15		
Bank balances		
Fixed Deposits with maturity from three to twelve months (Deposits pledged with banks and others)	2,841	1,161
Total	2,841	1,161

Note 16		
Loans		
Unsecured, considered good		
Advances to suppliers, contractors, etc.	11	11
Advances to related parties	-	57
Total	11	68

Note 17		
Other financial assets		
Debt Service Reserve Account	1,331	1,308
Other receivable	4,274	-
Interest accrued on fixed deposit with banks	418	277
Total	6,023	1,585

Note 18		
Current tax assets		
TDS & Advance income tax	2,398	784
Total	2,398	784

Note 19		
Other current assets		
Prepaid expenses	1,304	2,653
Staff imprest & advances	296	482
Claims & refund receivable	-	288
Balances with Government Authorities	663	842
Advance to suppliers, contractors, etc. - Others	59,202	51,402
Advance to supplier considered doubtful	7,100	-
Less : Provision for doubtful debt	7,100	-
Total	61,465	55,667

Note 20 - Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	₹	Number	₹
Authorised Equity shares of ₹ 10/- each	7,05,00,00,000	7,05,000	7,05,00,00,000	7,05,000
Preference shares of ₹ 100/- each	30,00,00,000	3,00,000	30,00,00,000	3,00,000
Total		10,05,000		10,05,000
Equity share capital Issued, Subscribed & Paid up Equity shares of ₹ 10/- each	5,99,60,03,084	5,99,600	5,99,60,03,084	5,99,600
Total	5,99,60,03,084	5,99,600	5,99,60,03,084	5,99,600

Note 20.1 - Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(₹ in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	5,99,60,03,084	5,99,600	2,93,80,03,084	2,93,800
Shares issued during the year (on conversion of loans into equity)	-	-	3,05,80,00,000	3,05,800
Shares brought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,99,60,03,084	5,99,600	5,99,60,03,084	5,99,600

Note 20.2 - The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share which rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation, each share carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferential payments.

The Authorised Share Capital provides for Preference Shares at a par value of ₹ 100/- each. The Company has so far not issued any Preference Shares.

Note 20.3 - Equity Shares in respect of each class in the Company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

1,78,30,00,600 Equity shares are held by Jaiprakash Associates Limited, which has ceased to be holding company w.e.f. 18.02.2017 consequent upon conversion of debt into equity under the scheme of SDR.

85,647,637 Equity shares are held by Jaypee Infra Ventures (A Private Company with unlimited liability), associate company of Jaiprakash Associates Limited.

Note 20.4 - Equity Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of equity shares held	% of holding	No. of equity shares held	% of holding
Jaiprakash Associates Limited	1,78,30,00,600	29.74	1,78,30,00,600	29.74
JPVL Trust	34,40,76,923	5.74	34,40,76,923	5.74
ICICI Bank Limited	82,24,22,639	13.72	82,24,51,535	13.72
State Bank of India	47,06,60,000	7.85	-	-
IDBI Bank Limited	32,30,00,000	5.39	32,30,00,000	5.39

Note 20.5 - Equity shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments, including terms and amounts

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCBs) of US\$ 1 Lakhs each aggregating to US\$ 2,000 Lakhs at par on 12.02.2010. These Bonds were convertible at the option of the bond-holders into equity shares of ₹ 10/- each fully paid up at the conversion price of ₹ 85.8139 per share, subject to the terms of issue with a fixed exchange rate of ₹ 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

The bonds were redeemable at maturity on 13.02.2015 at a YTM of 7% p.a inclusive of coupon rate of 5% p.a. No conversion has taken place up to 31.03.2018.

No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestments other than above.

Note 20.6 - Aggregate number and class of equity shares allotted as fully paid up pursuant to contract without payment being received in cash, allotment by way of bonus shares or shares bought back

Particulars	Financial Year				
	During 2017-18	During 2016-17	During 2015-16	During 2014-15	During 2013-14
Equity Shares					
Company has allotted 30,580 Lakhs equity shares valued ₹ 3,05,800 Lakhs on 18.02.2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest towards implementation of SDR Scheme as per Reserve Bank of India guidelines after getting requisite approval of Shareholders/ Board of Directors etc.	-	3,05,80,00,000	-	-	-

Note 20.7 - Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

(₹ in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Equity Shares (in Number)	Amount	Equity Shares (in Number)	Amount
5% Foreign Currency Convertible Bonds (FCCB): (Number of Equity shares and Share Capital amount, which could be allotted to Foreign Currency Bond Holders assuming Bond holders exercise the conversion option of Bonds into Equity Shares.)	5,45,31,659	5,453	5,45,31,659	5,453

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCBs) of US\$ 1 Lakhs each aggregating to US\$ 2,000 Lakhs at par on 12.02.2010. These Bonds were convertible at the option of the bond-holders into equity shares of ₹ 10/- each fully paid up at the conversion price of ₹ 85.8139 per share, subject to the terms of issue with a fixed exchange rate of ₹ 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

The bonds were redeemable at maturity on 13.02.2015 at a YTM of 7% p.a inclusive of coupon rate of 5% p.a. No conversion has taken place up to 31.03.2018.

The status of FCCBs has been mentioned in note no. 22.9(ii).

Note 20.8 - Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

There are no calls unpaid including by directors and officers of the Company.

Note 20.9 - Forfeited shares (amount originally paid up)

The Company has not forfeited shares.

Note 21

Other Equity

(₹ in Lakhs)

Particulars	Reserve and surplus					Other Comprehensive Income		Equity attributable to the owners of the parent	Non controlling interest	Total
	Securities Premium Account	Debt Redemption Reserve	General Reserve	Capital Reserve Amalgamation / Demerger	Surplus	Equity components of other financial instruments	Actuarial gain/(loss)			
Balance at 1st April, 2016	11,969	-	4,970	2,85,310	1,65,177	-	208	4,67,634	42,415	5,10,049
Profit/(loss) for the year	-	-	-	-	(1,23,289)	-	-	(1,23,289)	(6,180)	(1,29,469)
Other comprehensive income during the year (net of income tax)	-	-	-	-	-	3	78	81	5	86
Add : Retained earnings	-	-	-	-	(2,418)	-	-	(2,418)	-	(2,418)
Minority interest adjustment (IND-AS)	-	-	-	-	(543)	-	-	(543)	542	(1)
Less : Final dividend	-	-	-	-	507	-	-	507	-	507
Less : Dividend distribution tax	-	-	-	-	397	-	-	397	-	397
Less : Interim dividend	-	-	-	-	819	-	-	819	-	819
Less : Dividend distribution tax	-	-	-	-	641	-	-	641	-	641
Balance at 1st April, 2017	11,969	-	4,970	2,85,310	36,563	3	286	3,39,101	36,782	3,75,883
Profit/(loss) for the year	-	-	-	-	(1,59,583)	-	-	(1,59,583)	(9,451)	(1,69,034)
Other comprehensive income during the year (net of income tax)	-	-	-	-	-	-	(2)	(2)	1	(1)
Movement during the year	-	-	-	-	-	(3)	-	(3)	-	(3)
Add : Minority interest adjustment	-	-	-	-	-	-	-	-	-	-
Add / (Less) : Transfer to general reserve	-	-	1,239	-	(1,239)	-	-	-	-	-
Less : Final dividend	-	-	-	-	195	-	-	195	-	195
Less : Dividend distribution tax	-	-	-	-	153	-	-	153	-	153
Less : Interim dividend	-	-	-	-	468	-	-	468	-	468
Less : Dividend distribution tax	-	-	-	-	366	-	-	366	-	366
Balance at 31st March, 2018	11,969	-	6,209	2,85,310	(1,25,441)	-	284	1,78,331	27,332	2,05,663

Nature and purpose of reserves

a) Securities premium account

The amount received in excess of face value of the equity shares issued is recognised in Securities premium account.

b) Debenture redemption reserve

The Company has recognised debenture redemption Reserve [DRR] as per the provisions of Companies Act, 1956

c) General reserve

The Company had transferred a portion of net profit before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956

d) Capital reserve (on amalgamation / demerger)

During amalgamation/demerger, the excess of net assets taken/transferred over the cost of consideration paid/received are treated as capital reserve

e) Surplus

Surplus are the profit/(loss) that the Company has earned till date less amount transferred to reserves, dividend or other distributions paid to shareholders

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 22		
Borrowings		
Secured		
Term loans(Indian currency)		
From banks	16,36,998	17,33,620
From financial institutions	1,40,549	1,48,691
Term loans(foreign currency)		
From financial institution	-	6
External Commercial Borrowing	66,316	1,27,490
	18,43,863	20,09,807
Unsecured		
Govt. of uttrakhand	-	500
	-	500
Total	18,43,863	20,10,307

Security and Repayments for Term Loans and Working Capital limits

22.1 400 MW Jaypee Vishnuprayag HEP :

Rupee Term Loans and Foreign Currency Loans (after conversion of Debt into Equity under SDR scheme in previous year) aggregating to ₹ 77,668 Lakhs (including foreign currency loan ₹ nil) (Previous Year- ₹ 91,293 Lakhs including foreign currency loan of ₹ 503 lakhs) outstanding out of sanctioned amount of ₹ 2,15,000 Lakhs, from Financial Institutions and Banks, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari passu among all the participating Institutions and Banks viz. State Bank of India, Andhra Bank, Bank of India, Oriental Bank of Commerce, Allahabad Bank, Dena Bank and IDBI Bank Ltd. by way of :

- First charge on 400 MW Vishnuprayag HEP's present and future book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature ; and

- First charge on 400 MW Vishnuprayag HEP's all the bank accounts including the Trust & Retention Account, Escrow Account of Uttar Pradesh Power Corporation Limited and Debt Service Reserve Account and each of the other accounts required to be created by the Company under any 400 MW Vishnuprayag HEP financing document or any contract.

The loans are inter-alia also secured by way of:

- First charge on 400 MW Vishnuprayag HEP's all intangible assets, hypothecation of all the movable assets, assignment of Project Agreements and Escrow Agreement, all present and future rights, titles, interests, benefits, claims and demands whatsoever with respect to the Insurance Policies, claims and benefits to all monies receivable there under and all other claims there under in respect of all the insured assets of the Plant ;
- First ranking equitable mortgage on all rights, titles, interests and benefits in respect of immovable properties and assets of the 400 MW Vishnuprayag HEP ;
- Pledge of 6,291 Lakhs (Previous Year - 6,291 Lakhs) equity shares of the Company held by Jaiprakash Associates Ltd. (JAL) the party to whom the company is associate, on pari-passu basis with lenders of Nigrie Super Thermal Power Plant (except for term loan of ₹ 50,000 Lakhs (Previous Year - ₹ 50,000 Lakhs) disbursed by State Bank of India); and
- Corporate Guarantee furnished by JAL, the party to whom the company is associate, for outstanding financial assistance of Power Finance Corporation Ltd., as on 31.03.2018 - Nil (Previous Year US\$ 7.70 Lakhs).

Repayments :

- Rupee term loan outstanding ₹ 28,171 Lakhs (Previous year ₹ 41,293 Lakhs) are repayable in 15 structured quarterly installments payable in May, August, November and February every year, commenced from Novemebrr, 2009.
- Rupee term loan outstanding of ₹ 49,497 Lakhs (Previous year ₹ 50,000 Lakhs) sanctioned by State Bank of India against securitisation of future receivables of Vishnuprayag HEP is repayable in 30 structured quarterly installments payable in June, September, December and March every year, commenced from June, 2017.

22.2 500 MW Jaypee Bina Thermal Power Plant:

22.2(a) Rupee Term Loans outstanding (after conversion of Debt into Equity under SDR scheme in previous year) of ₹ 1,46,589 Lakhs (Previous Year ₹ 1,55,047 Lakhs) outstanding out of sanctioned amount of ₹ 2,25,800 Lakhs (original ₹ 1,92,800 Lakhs and additional ₹ 33,000 Lakhs) from consortium of Banks, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari-passu among all the participating Institutions and Banks viz. Punjab National Bank, Union Bank of India, Allahabad Bank, Canara Bank, Central Bank of India, State Bank of India, IDBI Bank Ltd., ICICI Bank Ltd. and The Jammu and Kashmir Bank Ltd., are secured by:

- First ranking pari-passu mortgage and hypothecation of all immovable and movables assets both present and future, all intangible

assets, and all revenues and receivables pertaining to Jaypee Bina Thermal Power Plant and

- (ii) First ranking pari-passu charge on, assignment of Project Agreements, Trust & Retention account. Debt & Service Reserve Account and Escrow Agreement, all present and future rights, titles, interests, benefits, claims and demands whatsoever with respect to the Insurance Contracts/ loss proceeds, claims and benefits to all monies receivable there under and all other claims there under in respect of all the insured assets of the Plant ;
- (iii) Pledge of 648 Lakhs equity shares (Previous Year 648 Lakhs equity shares) of the Company held by JAL, the party to whom the company is associate , on pari passu basis among the lenders.

Repayments :

- (i) Rupee term loan outstanding ₹ 56,345 Lakhs (Previous year ₹ 57,965 Lakhs) are repayable in 24 quarterly instalments, commenced from 1st January, 2014.
- (ii) Rupee term loan outstanding ₹ 35,011 Lakhs (Previous year ₹ 36,971 Lakhs) are repayable in 23 quarterly instalments, commenced from 1st January, 2014.
- (iii) Rupee term loan outstanding ₹ 44,133 Lakhs (Previous year ₹ 48,171 Lakhs) are repayable in 22 quarterly instalments, commenced from 1st January, 2014.
- (iv) Rupee term loan outstanding ₹ 6,200 Lakhs (Previous year ₹ 6,800 Lakhs) are repayable in 22 quarterly instalments, commenced from 1st March, 2013.
- (v) Rupee term loan outstanding ₹ 4,900 Lakhs (Previous year ₹ 5,140 Lakhs) are repayable in 21 quarterly instalments, commenced from 1st January, 2014.

22.2(b) The aforesaid security ranks pari-passu with working capital lenders (i.e. IDBI Bank Limited, State Bank of India and Jammu & Kashmir Bank Ltd.) for working capital limits of ₹ 29,700 Lakhs (Previous Year - ₹ 39,100 Lakhs). Fund based limit outstanding ₹ 17,748 Lakhs (Previous Year - ₹ 22,729 Lakhs) and Bank Guarantees/ LCs outstanding of ₹ 2,576 Lakhs (Previous Year - ₹ 1,734 Lakhs) (including additional margin of ₹ 120 Lakhs against Bank Guarantees/ LCs-Previous Year - Nil).

22.3 1320 MW Jaypee Nigrie Super Thermal Power Plant:

22.3(a) Rupee Term Loans (after conversion of Debt into Equity under SDR scheme in previous year) and External commercial borrowing (ECB) outstanding of ₹ 5,98,554 Lakhs (including ECB ₹ Nil) (Previous Year ₹ 6,00,217 Lakhs including ECB ₹ 67,427 Lakhs) out of sanctioned amount of ₹ 7,31,500 Lakhs and short term financial assistance outstanding of ₹ 4,000 Lakhs (Previous Year ₹ 4,000 Lakhs) out of sanctioned amount of Rs. 4,600 Lakhs from consortium Banks and of Financial Institutions, together with all interest, guarantee commission, cost, expenses and other charges are

secured ranking pari-passu among all the participating Banks and financial Institutions viz. Punjab National Bank, Canara Bank, Central Bank of India, Oriental Bank of Commerce, Bank of Baroda, Bank of Maharashtra, Indian Overseas Bank, Syndicate Bank, UCO Bank, United Bank of India, State Bank of India, Corporation Bank, IDBI Bank Ltd., ICICI Bank Ltd., IDFC Bank Ltd. and LIC of India, are secured by way of :

- (i) First ranking pari-passu mortgage and hypothecation of all immovable and movables assets both present and future, all intangible assets, and all revenues and receivables pertaining to the Jaypee Nigrie Super Thermal Power Plant ;
- (ii) First ranking pari-passu charge on, assignment of Project Agreements, Trust & Retention account., all present and future rights, titles, interests, benefits, claims and demands whatsoever with respect to the Insurance Contracts, claims and benefits to all monies receivable there under and all other claims there under in respect of all the insured assets of the Plant ;
- (iii) Pledge of 6,291 Lakhs equity shares (Previous Year - 6,291 Lakhs equity shares) of the Company held by JAL, the party to whom the company is associate, on pari-passu basis with lenders of Jaypee Vishnuprayag HEP and
- (iv) Letter of Comfort from Jaiprakash Associates Limited, the party to whom the company is associate, for the additional loan of ₹ 1,64,500 Lakhs (Previous Year- ₹ 1,64,500 Lakhs) Outstanding of ₹ 98,705 Lakhs (Previous Year Outstanding of ₹ 98,705 Lakhs) in addition to above securities.

Repayments :

- (i) 32.05% of Original Rupee Term Loan outstanding ₹ 4,31,644 Lakhs (Previous Year ₹ 4,34,085 Lakhs) are repayable in 28 structured quarterly installments commencing from 15th September , 2018 and balance 67.95 % of the loan shall be a bullet repayment alongwith 28th instalment falling due on 15th June 2025 with an option to refinance of the same .
- (ii) 32.05% of Additional Rupee Term Loan outstanding ₹ 98,705 Lakhs (Previous Year ₹ 98,705 Lakhs) are repayable in 28 structured quarterly installments commencing from 15th September, 2018 and balance 67.95 % of the loan shall be a bullet repayment alongwith 28th instalment falling due on 15th June 2025 with an option to refinance of the same.
- (iii) Short term rupee loan outstanding ₹ 4,000 Lakhs (Previous year ₹ 4,000 Lakhs) are repayable in six equal quarterly installments commenced from 1st April, 2017.
- (iv) Rupee Term Loan outstanding Rs 68,205 Lakhs (Previous year ₹ NIL) (as a sub Limit of External Commercial Borrowings (ECB)) are repayable in 15 half yearly installments commenced from 7th May, 2017. The entire amount of outstanding ECB has been converted to Indian Rupee during the year.

22.3(b) The working Capital facilities of ₹ 60,000 Lakhs (Previous Year- ₹ 60,000 Lakhs) sanctioned by ICICI Bank Ltd, Punjab National bank Ltd and IDBI Bank Ltd. are secured by pari-passu charge on the assets as per note 22.3 (a)(i)(ii) & 22.5 (i) . Fund based limit outstanding of ₹ 39,470 Lakhs (Previous Year- ₹ 39,268 Lakhs), Bank Guarantees outstanding of ₹ 10,804 Lakhs (margin money paid against above Bank Guarantees is of ₹ 212 Lakhs) (Previous Year- ₹ 13,207 Lakhs) and Letter of Credit of ₹ 165 Lakhs (including Letter of Credit of ₹ 117 Lakhs against 100% margin) (Previous Year- ₹ 173 Lakhs - including Letter of Credit of ₹ 95 Lakhs against 100% margin).

22.4 Jaypee Nigrie Cement Grinding Unit:

Rupee Term Loan outstanding of ₹ 4,725 Lakhs (Previous Year ₹ 4,725 Lakhs) out of sanctioned/disbursed amount of ₹ 5,000 Lakhs by Canara Bank are secured by way of; first ranking pari-passu mortgage and hypothecation of all immovable and movables assets both present and future, all intangible assets, and all revenues, receivables and assignment of clinker supply and cement off take agreement pertaining to the Jaypee Nigrie Cement Grinding Unit.

Repayments :

Rupee term loan outstanding ₹ 4,725 Lakhs (Previous year ₹ 4,725 Lakhs) are repayable in 27 structured quarterly instalments, commenced from June, 2016.

22.5 Amelia (North) coal mine:

(i) Financial assistance (after conversion of Debt into Equity under SDR scheme in previous year) of ₹ 12,229 Lakhs (Previous Year - ₹ 12,229 Lakhs) availed from consortium of Banks viz Bank of Baroda, ICICI Bank Limited, Oriental Bank of Commerce and State Bank of India , out of sanctioned amount of ₹ 15,700 Lakhs are secured by way of :

First charge on the assets of Amelia (North) Coal Mine ranking pari passu with the term and working capital Lenders of Jaypee Nigrie Super Thermal Power Plant as per Note 22.3 (b) above (except assets which are specifically financed under equipment finance facility by SREI Equipment Finance Company Ltd. having charge on assets financed, which shall be excluded from security package for lenders) on reciprocal basis.

(ii) Financial assistance outstanding of ₹ 3,103 Lakhs (Previous Year - ₹ 4,689 Lakhs) availed from SREI Equipment Finance Company Ltd. out of sanctioned amount of ₹ 6,298 Lakhs are secured by way of exclusive charge on assets offered under equipment finance facilities.

Repayments :

- (i) 50% of Rupee term loan outstanding ₹ 12,229 Lakhs (Previous year ₹ 12,229 Lakhs) are repayable in 37 structured quarterly instalments, commenced from 12 months from the mining commencement date/plan i.e., June, 2016. Balance 50% of the loan shall be paid as bullet repayment along with the 37th instalment with the option to refinance.
- (ii) Equipment finance facility outstanding of ₹ 3,103 Lakhs (Previous year ₹ 4,689 Lakhs) sanctioned by SREI Equipment Finance Ltd. are repayable in 20 structured monthly instalments, commenced from 22 October, 2015.

22.6 Rupee Term Loan/Corporate Loan:

- (i) Rupee Term Loan of ₹ 3,600 Lakhs (Previous Year - ₹ 4,000 Lakhs) (after conversion of Debt into Equity under SDR scheme in previous year) outstanding out of sanctioned amount of ₹ 1,00,000 Lakhs by State Bank of India, is secured by way of residual charge on all movable and immovable assets of the Company on pari-passu basis with, Corporate Loan of ₹ 1,20,000 Lakhs & ₹ 15,000 Lakhs by ICICI bank & IDBI Bank respectively and also secured by way of pledge of 1,500 Lakhs equity shares of the Company held by JPVL Trust (Previous Year-1,500 Lakhs equity shares) and residual charge on the assets of Prayagraj Power Generation Company Ltd (erstwhile subsidiary company).
- (ii) Rupee Term Loan of ₹ 73,839 Lakhs (Previous Year ₹ 73,839 Lakhs) (after conversion of Debt into Equity under SDR scheme in previous year) outstanding out of sanctioned amount of ₹ 1,20,000 Lakhs by ICICI Bank, is secured by way of residual charge on all movable and immovable assets of the Company on pari-passu basis with Corporate Loan of ₹ 1,00,000 Lakhs by State Bank of India, Corporate Loan of ₹ 15,000 Lakhs by IDBI Bank and also secured by way of pledge of 3,860 Lakhs equity shares of the Company held by JAL (Previous Year- 3,860 Lakhs equity shares) and pledge of 192.11 Lakhs equity shares of the Company held by JPVL Trust (Previous Year-192.11 Lakhs) and Non Disposal Undertaking for 1,021.89 Lakhs equity shares of the Company held by JAL (Previous Year-1021.89 Lakhs).
- (iii) Rupee Term Loan of ₹ 10,321 Lakhs (Previous year - ₹ 10,321 Lakhs) outstanding out of sanctioned amount of ₹ 15,000 Lakhs by IDBI Bank , is secured by residual charge on all movable and immovable assets of the Company on pari-passu basis with Corporate Loan of ₹ 1,00,000 Lakhs by State Bank of India, Corporate Loan of ₹ 1,20,000 Lakhs by ICICI bank and also secured by way of pledge of 315 Lakhs equity shares (Previous Year 315 Lakhs) of the Company held by JPVL Trust and personal guarantee of Shri Manoj Gaur, Chairman of the Company.
- (iv) Rupee Term Loan outstanding of ₹ Nil (Previous year- ₹ 1,00,000 Lakhs) sanctioned by Axis Bank was secured by corporate guarantee from JSW Energy Limited.
- (v) Corporate loan of ₹ 40,000 Lakhs availed from ICICI Bank Limited has been repaid in financial year 2015-16. However, pledge of 783 Lakhs equity shares (Previous year - 783 Lakhs equity shares) of the Company held by JAL and residual charge ranking pari-passu with other lenders viz State Bank of India and IDBI Bank Ltd on assets of the Company are yet to be released by ICICI Bank Limited.
- (vi) Corporate loan of ₹ 50,000 Lakhs availed from ICICI Bank Limited has been repaid in financial year 2016-17. However, pledge of 1755 Lakhs equity shares (Previous Year-1,755 equity shares) of the Company held by JAL, 1433 Lakhs equity shares (Previous year - 1,433 Lakhs equity shares) of the Company held by JPVL Trust and Residual Charge on all movable and immovable assets of the Company ranking pari-passu with other lenders viz State Bank of India and IDBI Bank Ltd on assets of the Company and residual charge on the assets of Prayagraj Power Generation Company Ltd (erstwhile Subsidiary company) are yet to be released by ICICI Bank Limited.

- (vii) 1,206 Lakhs (Previous Year - 1,206 Lakhs) equity shares of the Company held by JAL pledged in favour of lenders of Karcham Wangtoo H.E.P which was divested during the year 2015-16 are yet to be released by IDBI Bank Ltd. as the entire loan/ financial assistance has been repaid.

Repayments :

- (i) Corporate loan State Bank of India - Rupee Term Loan outstanding of ₹ 3,600 Lakhs (Previous year ₹ 4,000 Lakhs) is repayable in 1 installment, commenced from 30th September, 2014.
- (ii) Corporate loan ICICI Bank - Rupee Term Loan outstanding of ₹ 73,839 Lakhs (Previous year ₹ 73,839 Lakhs) is repayable in 19 structured quarterly installments, commenced from September, 2015.
- (iii) Corporate loan IDBI Bank - Rupee Term Loan outstanding of ₹ 10,321 Lakhs (Previous year ₹ 10,321 Lakhs) is repayable in 10 quarterly equal installments, commenced from July, 2015.

22.7 Resolution/ Revival plan as per guidelines of Reserve Bank of India (RBI)

- (i) The financial performance and cash flows of the Company have been adversely impacted by the overall stress in the power sector and also due to specific challenges faced by the Company in the previous year(s) in its Thermal Power Plants, viz. Nigrie Super Thermal Power Plant (Nigrie STPP) and Bina Thermal Power Plant (Bina TPP), prominent of which are de-allocation of coal mines by the Hon'ble Supreme Court of India in September 2014, delay in new PPAs in Nigrie STPP, abnormally low merchant tariffs, lower PLF in Bina TPP due to dispatch schedule of very low off take by State loan Dispatch Centre (SLDC), which is technically not feasible to run the plant optimally and forcing Company to sell balance power at power exchanges at unremunerative prices etc. These factors have put significant strain on the Company's ability to service the dues of lenders.
- (ii) In order to overcome the financial stress, the Company/ Lenders has formulated a revival plan in previous year. Accordingly, in the Joint Lender Forum (JLF) meeting dated 25 July 2016, the Lenders invoked Strategic Debt Restructuring (SDR) . Consequent to that the Company has allotted 30,580 Lakhs equity shares valued ₹ 3,05,800 Lakhs on 18.02.2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest towards implementation of SDR Scheme as per RBI guidelines, after obtained requisite approval of Shareholders/ Board of Directors etc. Accordingly the equity share capital of the Company was increased to ₹ 5,99,600 Lakhs from ₹ 2,93,800 Lakhs and the lenders shareholding stood at 51% of paid up capital.
- (iii) The lenders who are holding equity share capital of the Company, have to offload the shareholding as per RBI guidelines. The lenders had invited bids for divestment of part of their equity in the Company. The bids received by Lenders and many condition precedent were not found favourable by the Lenders. Therefore lender(s) decided to close the process and intimate the bidders/ advisors suitably. Thereafter, resolution/ revival plan is under consideration of Lender(s) as per revised RBI guidelines dated 12.02.2018.

22.8 Overdue instalments and interest to Banks and Financial Institutions :

- (i) Outstanding amount of loans from banks and financial institutions as mentioned in 'Other financial liabilities' (Current maturities of long term debts) as at 31.03.2018, includes repayment of principal amount of loans overdue of ₹ 54,135 Lakhs (Previous Year- ₹ 3,743 Lakhs), of which maximum overdue period is 664 days. Further the interest amount of ₹ 2,53,818 Lakhs (Previous Year- ₹ 84,994 Lakhs) on various loans is overdue for payment as on 31.03.2018 with maximum overdue period is 788 days .
- (ii) Further, overdue cash credit facility/working capital from banks is amounting to ₹ 28,678 Lakhs with maximum overdue period of 364 days or more as on 31.03.2018.

22.9 Unsecured Loans

- (i) Unsecured loan outstanding of ₹ 1,000 Lakhs (Previous Year - 1000 Lakhs) is repayable to Government of Uttarakhand/ Uttar Pradesh against sanctioned amount of ₹ 2,500 Lakhs, which would be paid after having decision arrived between Government of Uttar Pradesh and Government of Uttarakhand for receipt of said payment.
- (ii) The Company had issued Foreign Currency Convertible Bonds (FCCBs) of US\$ 2,000 Lakhs in February, 2010, which has been partially redeemed to the extent of principal amount of US\$ 986 Lakhs, premium amount of US\$ 235 Lakhs and also paid applicable interest upto 12th February, 2016. As on 31st March, 2018 the total outstanding amount in relation to FCCBs was US\$ 1,014 Lakhs (Previous Year-US\$ 1,014 Lakhs) and Interest outstanding of ₹ 5,268 Lakhs as on 31st March, 2018 (Previous year ₹ 5,268 Lakhs) (excluding interest due from 1st April, 2017 to 31st March, 2018 amounting to Rs 4,618 Lakhs which has not been provided in books of accounts. (Read with note no.56 (a)).

The Company entered into a Standstill Agreement on 11th February, 2016, wherein the standstill period was extended till 31st March, 2016. Pursuant to discussions with the Bondholders, the Company and certain Bondholders holding 75.56% of the principal amount of FCCBs, had further entered into a Standstill Agreement, pursuant to which, the participating Bondholders had agreed to Standstill their repayment of the principal and interest amount up till 15th May, 2017, subject to certain conditions, which also included remittance to them an amount equivalent to ₹ 15,000 Lakhs from the part proceeds of liquidity events of sale of 2 MTPA Nigrie Cement Grinding Unit and /or sale of entire shareholding of Sangam Power Generation Company Limited. to UPPCL/ UPRVUNL. The Reserve Bank of India vide its letter dated 26th April, 2017 had approved the proposal subject to the consent of the Bondholders and Joint Lender(s) Forum (JLF). The Company had approached JLF for its approval, which is under process and the Company is in further discussions with Bondholder(s) for restructuring of outstanding amount of FCCBs.

No conversion of the FCCBs has taken place up to 31.03.2018.

- (iii) Rupee Term Loan outstanding of ₹ 75,177 Lakhs (Previous year - Nil) from JSW Energy Ltd who has paid the Rupee Term loan of ₹ 1,00,000 Lakhs to Axis

bank who had disbursed the loan to the Company on the basis of Corporate guarantee given by JSW Energy Limited. However, as per agreement security for the loan to be created in favour of JSW Energy Limited. (Read with note no.22.6 (iv). Loan of ₹ 75,177 Lakhs and Interest of ₹ 2,622 Lakhs is to be paid as on 31.03.2018 to JSW Energy Limited.

22.10 Prayagraj Power Generation Company Limited (PPGCL) (Subsidiary up to 17.12.2017):

Security for Rupee Term Loan, ECB, Additional Term Loan-I and II and Optionally Convertible Sub Debt/ Short term loan and working capital

- (i) First charge on immovable & movable, present and future, assets of PPGCL.
- (ii) First charge on all book debts, operating cash flow, receivables, commissions, revenues of whatsoever nature and wherever arising, of the company, present and future, intangibles, goodwill and uncalled capital, present and future;
- (iii) First charge on the Trust and Retention Account, Debt Service Reserve Account, and other reserves and any other bank accounts of the company wherever maintained, present and future;
- (iv) First charge or creation of Security interest of;
 - all the rights title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents, duly acknowledged and consented by the relevant inter parties to such Project Documents;
 - all the rights, title interest, benefits, claims and demands whatsoever of PPGCL in the Clearances;
 - all the rights, title, interest, benefits, claims and demands whatsoever, of PPGCL in letter(s) of credit, guarantees, performance bonds, corporate guarantees, bank guarantees provided by any party to the Project Documents; and
 - all Insurance Contracts/ proceeds under Insurance Contracts;
- (v) Pledge of shares by the Sponsor representing 88.51% (eighty eight point fifty one percent) of the total paid up capital of PPGCL.
 As on 17.12.2017 Jaiprakash Power Ventures Ltd. had pledged 261,91,89,200 no. (previous year 253,91,89,200 no.) Equity Shares of PPGCL held by them, in favour of SBICAP Trustee Company Ltd.
- (vi) First charge on the Project Land and a pari passu charge along with Karchana Project Lenders on the right of way for the land, for the railway siding and the water pipeline, to the extent such right of way is shared with the Karchana Project.
- (vii) Additional Security for Additional Loan-I and II:
 An amount of ₹ 63,638 Lakhs part of Additional Loan-I and II is secured by personal Guarantee of Sh. Manoj Gaur Director of the Company.
- (viii) Additional Security for Optionally Convertible Short term loan:

Corporate Gaurantee of Jaiprakash Power Ventures Ltd. (Holding Company).

Personal Guarantee of Sh. Manoj Gaur Director of the Company.

- (ix) Security for Optionally Convertible Sub Debt :

Second charge on the assets secured for RTL, ECB, ATL-I & II and OCSTL as per above and Corporate Gaurantee of Jaiprakash Power Ventures Ltd. (Holding Company).

- (x) The security for Rupee term loan , ECB loan , ATL-I, ATIL-II and OSCSTL rank pari passu for working capital limit (fund based and non fund based).

Repayments :

- (i) **Rupee Term Loan and ECB**

Principal is to be repaid 75% (Seventy Five percent) of the Rupee loan in 40 equal quarterly installments will start after a Mortatorium Period of 3 months from Scheduled Commercial Operation Date and is scheduled from 31.12.2017 till Sept 30, 2027 the entire balance of 25% (twenty five percent) shall be payable by a single bullet installment.

- (ii) **Additional Term Loan - I**

Principal is to be repaid 75% (Seventy Five percent) of the Additional Term loan in 50 structured quarterly installments will start after a Mortatorium Period of 12 months from Scheduled Commercial Operation Date and is scheduled from 30.09.2018 till Dec 31, 2030 the entire balance of 25% (twenty five percent) shall be payable by a single bullet installment.

- (iii) **Additional Term Loan - II**

Principal is to be repaid 75% (Seventy Five percent) of the Additional Term loan in 50 structured quarterly installments will start after a Mortatorium Period of 12 months from Scheduled Commercial Operation Date and is scheduled from 30.09.2018 till Dec 31, 2030 the entire balance of 25% (twenty five percent) shall be payable by a single bullet installment.

- (iv) **Optionally Convertible Sub Debt**

Principal is to be repaid 24 Structured quarterly installment aggregating to 100% of the loan, Installments will start from 30.09.2019 (after a Mortatorium Period of 24 months from Scheduled Commercial Operation Date) till 30.06.2024.

- (v) **Optionally Convertible Short Term Loan**

Principal is to be repaid 8 Structured quarterly installment aggregating to 100% of the loan, Installments will start from 31.12.2017 (after a Mortatorium Period of 3 months from Scheduled Commercial Operation Date) till 30.06.2019.

22.11 Jaypee Powergrid Limited (JPL) (Subsidiary of the Company)

Security for Rupee Term Loan

The Financial assistance sanctioned and disbursed by Banks of Rupee Term Loans of ₹ 70,000 Lakhs together with payment of all interest at the agreed rates, additional interest in case of default, liquidated damages, reimbursement of all

costs, charges and expenses and any other amount due and payable to the Lenders, Facility agent, Security Trustee (IDBI Trusteeship Services Ltd.) etc. under the loan documents/ Financing documents are secured/ to be secured by:

- (i) hypothecation of JPL's movable assets (present and future), intangible assets including but not limited to the goodwill, undertaking and uncalled capital, revenues and receivables from Project or otherwise, assignment/ charge/ security interest of JPL's rights under each of the Project Documents, assignment and/or charge of all licenses, permits, approvals, construction and operating period insurance policies in respect of or in connection with the project, operating cash flows and also including without limitation, the rights, title and interest in the undertakings of the Company, stocks of raw materials, semi-finished and finished goods, consumable stores and all monies, securities, contractor guarantees, performance bonds and any letter of credit provided by any person in favour of the Lenders/Security Trustee etc. ranking pari-passu among all participating Banks and:
- (ii) secured by way of pledge of 30% of issued and paid up share capital of JPL. 900 Lakhs equity shares of ₹ 10 each fully paid up of JPL held by Jaiprakash Power Ventures Limited (holding company) have been pledged in favour of Security Trustee.

Repayments :

- (i) Punjab National Bank, Central Bank of India and The J&K Bank Ltd.:

Repayment in 46 equal quarterly instalments after a moratorium of 6 months from scheduled COD i.e. 31/12/2011 or project COD which ever is earlier. Repayment has commenced from June,2012.
- (ii) State Bank of India:

Repayment in 44 quarterly instalments after a moratorium of 12 months from COD. Repayment has commenced from March,2013.

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 23		
Other financial liabilities		
Capital creditors	59,399	52,666
Financial Liability Guarantee	152	516
Total	59,551	53,182

Note 24		
Provisions		
Provision for employee benefit		
Compensated absences	293	265
Provision for others	-	2
Mining provision	4,794	5,078
Total	5,087	5,345

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 25		
Other non-current liabilities		
Deferred revenue		
Advance against depreciation		
Opening Balance	50,024	44,972
Add : Addition during the year	-	5,053
Less : Shown under other current liabilities	4,331	-
Total	45,693	50,024
Deferred liabilities	14,452	21,291
Total	60,145	71,316

Note 26		
Borrowings (current)		
Secured		
Working capital from banks	93,985	99,495
Unsecured		
Rupee Loan - from others	75,177	-
Bank Overdraft	1,277	-
Total	1,70,439	99,495

Note: For Security, other terms and conditions and details of default, refer note no. 22.2 (b), 22.3 (b), 22.9 (iii), 22.8 (ii) and 22.10 (x).

Note 27		
Trade payables (refer note no. 51)		
Due to Micro and small enterprises	-	-
Others	31,873	30,240
Total	31,873	30,240

Note 28		
Other financial liabilities		
Current maturities of long-term debt;		
Secured		
Term loans	2,56,913	2,13,410
From financial institutions	3,137	-
Term loans (foreign currency)		
From financial institution	-	503
External Commercial Borrowing	-	8,990
Unsecured		
Government of uttarakhand	1,000	500
Foreign currency convertible bond	66,269	66,228
Interest accrued & due on borrowings	2,61,708	84,994
Interest accrued but not due on borrowings	10,592	11,224
Book Overdraft	2	-
Capital creditors	1,09,377	1,26,101
Other expenses payables	13,049	6,230
Due to staff	961	1,451
Financial Liability Guarantee	365	365
Total	7,23,373	5,19,996

(₹ In Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 29		
Other current liabilities		
TDS payable	179	275
Excise , sales tax, etc., payable	1,912	3,521
Energy development cess & duty payable	3,821	13,905
PF payable	64	58
Advance against depreciation	4,331	-
Total	10,307	17,759

Note 30		
Provisions		
Provision for employee benefit		
Compensated absences	25	11
Gratuity	275	367
Total	300	378

Note 31		
Current tax liabilities (net)		
Provision for Income tax	31	79
Total	31	79

Note 32		
Revenue from operation		
Sale of products		
Electrical energy	4,66,018	4,46,585
Cement	2,943	98
Coal	30,474	31,136
Transmission Tariff	16,505	17,141
	5,15,940	4,94,960
Other operating revenues		
Sale of verified emission reduction (VERs)	2	7
Sale of fly ash / bags	3,582	1,843
Other sales	-	215
	3,584	2,065
Less : Captive transfer/consumption		
Electrical energy	211	90
Cement	-	29
Fly ash	1,152	-
Coal	30,474	31,141
	31,837	31,260
Total	4,87,687	4,65,765

(₹ In Lakhs)

Particulars	Year ended as at March 31, 2018	Year ended as at March 31, 2017
Note 33		
Other income		
Exchange rate fluctuation(net)	-	5
Interest on bank deposits	419	462
Interest on Income tax refund	620	-
Dividend received	-	-
Other non-operating income		
Insurance claim receipts	241	28
Excess provision written back	96	12
Profit on sale of fixed assets	188	-
Other Income	9,729	7,056
Financial Guarantee Income	365	449
Miscellaneous income	23,761	695
Total	35,419	8,707

Note 34		
Cost of operation and maintenance		
Cost of fuel	2,67,030	2,58,655
Transmission charges	17,382	11,447
Operation & maintenance expenses	15,305	18,514
Repair & maintenance- plant & machinery	3,617	2,251
Repair & maintenance- buildings	346	378
Raw material consumed	15,457	8,419
Packing & forwarding	204	1
Insurance (plant & machinery)	2,773	2,098
Stores, spares & tools consumed	8,129	2,885
Less : Cost of self/consumption/ transfer	31,837	31,260
Total	2,98,406	2,73,388

Note 35		
Change in inventory		
Opening stock		
Work-in-progress	-	-
Finished goods	8	117
	8	117
Closing stock		
Work-in-progress	5	-
Finished goods	186	8
	191	8
Add/(Less): Impact of excise duty on finished goods	-	(12)
Total	(183)	97

Note 36		
Employee benefit expense		
Salaries and wages	12,297	11,143
Contribution to provident and other funds	525	444
Gratuity	107	99
Staff welfare	586	454
Compensated absence expenses	48	27
Total	13,563	12,167

(₹ In Lakhs)

Particulars	Year ended as at March 31, 2018	Year ended as at March 31, 2017
Note 37		
Finance cost		
Interest		
Foreign currency convertible bonds	-	4,636
Foreign currency loan	1,197	2,621
Term loan	2,47,101	2,55,776
Working capital	7,746	7,228
Other interest	2,645	2,328
Financial charges		
Front end fee & other charges	2,686	4,703
Total	2,61,375	2,77,292

Note 38		
Depreciation and amortization expense		
Depreciation on tangible assets	80,320	75,279
Amortization of intangible assets	1,569	1,842
Total	81,889	77,121

Note 39		
Other expenses		
Advertisement	27	16
Bank Charges	544	367
Consultancy, legal & professional fee	1,412	1,823
Cost audit fees	4	2
Courier & postage	4	2
Director's sitting fee	54	73
Freight and octroi	149	152
Power, water and electricity charges	572	766
Internal auditor fee	31	25
Listing & custodial fee	171	133
Miscellaneous expenses	980	779
Unwinding cost (Mark to market)	4,300	-
Printing & stationery	99	140
Rent	202	150
Exchange rate fluctuation(net)	7	-
Rural / site development expenses	890	1,162
Security expenses	1,714	1,655
Secreterial audit fee	2	3
Excise Duty	-	18
Taxes & fees	427	175
Telephone and telex	72	68
Testing Fee	91	9
Travelling & Conveyance	1,383	903
Vehicle Running & Maintenance	300	389
Corporate Social Responsibility	264	284
Financial Gurantee Expenses	-	3
Allowance for bad & doubtful debt	2,545	-
Provision for Doubtful advance	7,100	-
Auditor's Remuneration		
For Audit	59	51
For Tax Audit	5	6
For Certification	1	4
Re-imbursement of Expenses	4	-
Total	23,413	9,158

Note 40 - Income Tax

The major components of income tax expenses for the year ended 31st March, 2018 and 31st March, 2017 are :

(₹ In Lakhs)

Particulars	Year ended as at March 31, 2018	Year ended as at March 31, 2017
Income Tax Expense :		
Current Tax :		
Current Income Tax Charge	1,325	1,074
MAT credit entitlement	(1,239)	-
Income tax of earlier years	(526)	-
MAT credit entitlement of earlier years	8,522	-
Total (a)	8,082	1,074
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(25,730)	(46,356)
Total (b)	(25,730)	(46,356)
Total (a+b)	(17,648)	(45,282)

The income tax expense for the year can be reconcile to the accounting profit / (loss) as follows :

Particulars	Year ended as at March 31, 2018	Year ended as at March 31, 2017
Profit / (Loss) before tax as Statement of Profit and Loss	(1,86,682)	(1,74,751)
Enacted tax rate [%]	35	35
Income tax using the Company's domestic tax rate	(65,234)	(60,478)
Tax effect of :		
i) Effect of Incremental depreciation / allowance allowable on assets	(431)	(1,792)
ii) Tax effect due to exempted income	-	(1,306)
iii) Deferred tax impact due to Conversion of Compound Financial Instrument	(6,253)	-
iii) Deferred Tax not recognised on subsidiaries loss	45,114	19,002
iv) Effect of non-deductible expenses	55	60
v) Others	1,105	(768)
vi) Income tax of earlier years	(526)	-
vii) MAT credit entitlement of earlier years	8,522	-
Total income tax expense recognised in Statement of Profit and Loss	(17,648)	(45,282)
Effective tax rate	9.45%	25.91%

Note 41

The Consolidated Financial Statements present the Consolidated Accounts of Jaiprakash Power Ventures Limited with its following Subsidiaries:

Sl. No.	Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	
			Current Period	Previous Period
(i)	Jaypee Powergrid Limited	India	74%	74%
(ii)	Prayagraj Power Generation Company Limited (Up to 17.12.2017) (refer Note No. 52 (b))	India	Note No 52(b)	86.97%
(iii)	Sangam Power Generation Company Limited	India	100%	100%
(iv)	Jaypee Arunachal Power Limited	India	100%	100%
(v)	Jaypee Meghalaya Power Limited	India	100%	100%
(vi)	Bina Power Supply Limited	India	99%	99%

Note 42

Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company has disclosed such Policies and Notes in the individual financial statements, which fairly present the needed disclosures.

Note 43 Contingent Liabilities and Claims against the group (to the extent not provided for):

(Rupees in Lakhs)			
	Particulars	As at March 31, 2018	As at March 31, 2017
(a)	Outstanding amount of Bank Guarantee Margin Money against above	23,100	25,731
	Outstanding amount of Letter of Credit Margin Money against above	1,790	1,629
		458	562
		146	187
(b)	Claims against the Company not acknowledged as debts.	12,672	12,703
(c)	i) Disputed Entry Tax under appeal (at Bina TPP, Nigrie STPP & Prayagraj Power Generation Company Ltd.)	24,646	8,790
	ii) Amount deposited under protest	8,527	2,870
	iii) Bank Guarantees submitted against entry Tax demand under protest included in (a) above	39	39
(d)	Disputed amount of Green Energy Cess & Water tax amounting to ₹ 5,923 Lakhs (refer note no. 48)		
(e)	i) Disputed amount of MP VAT at Nigrie Cement Grinding Unit	144	-
	ii) Amount deposited under protest	36	-
(f)	Disputed Excise Duty under appeal	-	72
(g)	i) Income tax matters under appeal	1,961	1,983
	ii) Refund/ Income tax deposited adjusted against above	18	18
(h)	Corporate Guarantees:		
	(i) The Company has given Corporate Guarantee of US\$ 1,500 Lakhs (Previous year US\$ 1,500 Lakhs) in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited (Party to whom the company is associate).The principal amount of loan outstanding as of US\$ 1,300 Lakhs (equivalent to ₹ 84,557 Lakhs) has been converted into rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016.		
	(ii) The Company has given Corporate Guarantee of ₹ 50,000 Lakhs (Previous year ₹ 50,000 Lakhs) in favour of State Bank of India, for Optionally Convertible Sub Debt underwritten/ granted by them to Prayagraj Power Generation Company Limited (PPGCL) (erstwhile subsidiary of the Company).The principal amount of loan outstanding as on 31st March, 2018 was ₹ 50,000 Lakhs (Previous Year-₹ 50,000 Lakhs).		
	(iii) The Company has given Corporate Guarantee of ₹ 60,000 Lakhs (Previous year ₹ 60,000 Lakhs) in favour of State Bank of India, for Optionally Convertible Short Term Loan granted by them to Prayagraj Power Generation Company Limited (PPGCL) (erstwhile subsidiary of the Company).The principal amount of loan outstanding as on 31st March, 2018 was ₹ 60,000 Lakhs (Previous Year-₹ 60,000 Lakhs).		
	(iv) Fair valuation in respect of above gaurantees as at 31st March,2018, as per applicable Ind-AS 113 has not been done. However, in the opinion of the Management there will be no material impact on the fair valuation of the above mentioned guarantees on the financial statement.		

(i)	During the year,the Company has given Sponsor Undertaking in favour of Deutsche Bank AG for Working Capital Facility of ₹ 60,000 Lakhs (Initial Working Capital facility of ₹ 33,500 Lakhs with green shoe option of additional facility of ₹ 26,500 Lakhs) sanctioned by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company). Deutsche Bank AG has yet to disburse Working Capital Facility as on 31.03.2018.
(j)	Prayagraj Power Generation Company Limited (PPGCL):
a)	Post reconciliation of Uttar Pradesh Power Corporation Ltd (UPPCL) account as on 17.12.2017, it was found that UPPCL has levied and deducted a penalty of ₹ 3,099 Lakhs in the previous financial year 2016-17 on account of low plant availability. This matter being also to be referred to respective authorities on the grounds attributable to non availability of coal.
b)	The expected penalty that could be levied by UPPCL for the period from 01.04.2017 to 17.12.2017 on account of low plant availability in accordance with the terms & conditions of PPA may be to the tune of ₹ 9,420 Lakhs.
c)	Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company) has accounted for the Interest on various types of Loans i.e. RTL / ATL I / ATL II in its books of accounts at sanctioned rate of interest which is at variance with the rate charged by some lenders at higher rate. The rate so charged in the accounts on various loans has already been accepted and approved by majority of Lenders including the State Bank of India (Lead Bank) in their JLF held on 28/03/2017. Such variations in interest rate may create an additional expected interest obligation of ₹ 9,800 Lakhs (approx)

Note 44 Commitments;

(Rupees in Lakhs)			
Particulars		As at March 31, 2018	As at March 31, 2017
(a)	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)		
	INR	28,345	4,61,728
	USD	-	918
	Euro	1	784
	JPY	-	1,97,082

Note 45 Financial Commitments for Subsidiaries:

The Company along with its associates is to infuse equity in Jaypee Arunachal Power Ltd. (JAPL) and Jaypee Meghalaya Power Ltd. (JMPL) JV subsidiary & subsidiary company respectively to the extent of 89% and 74% respectively. JAPL is in process of implementing 2700 MW Lower Siang HEP & 500 MW Hironag HEP in the state of Arunachal Pradesh and JMPL is implementing 450 MW Kynshi II HEP and 270 MW Umngot HEP in the state of Meghalaya. The balance equity amount to be contributed by respective State Governments. State Government of Meghalaya has advised that the 270 MW Umngot HEP will not be operationalised till further Orders. Till 31st March, 2018 the company has made total investment of amounting to ₹ 22,842 Lakhs (Previous Year ₹ 22,717 Lakhs) in JAPL and of ₹ 838 Lakhs (Previous Year ₹ 838 Lakhs) in JMPL.

Note 46

Other income (Holding Company) for year ended 31st March, 2018 includes ₹ 22,848 lacs (Previous Year-Nil) being amount received/ realised by the JSW Energy Ltd. Pending settlement/realisation earlier amount treated as deferred consideration against sale of Securities of the Company's erstwhile subsidiary Himachal Baspa Power Company Limited (HBPCCL) in the financial year 2015-16, in terms of the agreement.

Note 47 Disputed Entry Tax

The Company (Holding Company) has not made provision against Entry Tax in respect of Bina TPP and Nigrie STPP (including Nigrie Cement Grinding Unit) amounting to ₹ 11,533 lakhs and ₹ 9,074 Lakhs respectively and interest thereon has been made by the company (Interest impact unascertainable). The concerned authority once issued the exemption certificate in respect of Bina TPP for exemption of entry tax later on cancelled and in respect of Nigrie STPP & Nigrie Cement Grinding Unit, receipts of approval for extension of the time for eligibility of exemption from payment of Entry Tax is pending, for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand, till date ₹ 1,946 Lacs and ₹ 2,580 lakhs has been deposited (and shown as part of other non-current assets) in respect of Bina TPP & Nigrie STPP (including Cement Grinding Unit) respectively which is in the opinion of the management good and recoverable.

Note 48 Disputed Green Energy Cess & Water Tax

The Company has not made the provision amounting to ₹ 4,246 lakhs and ₹ 1,677 lakhs of Green Energy Cess and Water Tax respectively against the demand and an appeal filed before The Hon'ble High Court of Uttarakhand at Nainital which has granted stay in January, 2017. Currently matter is pending in the Hon'ble High Court of Uttarakhand at Nainital. The Management is confident that no demand will be crystalized due to the amended implementation agreement dated 22nd March, 2003 in which it has mentioned that Vishnuprayag HEP, being a run of the river scheme, shall utilize the flowing water of the river to generate electricity. Such right to utilize water available upstream of the project are granted by Government of Uttaranchal for non-consumptive use only without charging any royalty, duty, cess or levy of any kind.

Note 49

During the year, based on the report of a consultant the Chief Engineer (PPAD), Uttar Pradesh Power Corporation Ltd. (UPPCL) have advised that no further payment will be released to Company as excess payment towards income tax amounting to ₹ 22,091 Lakhs and secondary energy charges amounting to ₹ 3,554 Lakhs has been made to the Company in earlier years. Based on the legal opinion obtained by the Company that action of UPPCL is not as per the terms of the power purchase agreement (PPA) and the Company has requested to UPPCL to withdraw its letter issued in December 2017 and resume regular monthly payments and subsequently on the request of the Company UPPCL is releasing 70% of bill amount for servicing the Debt of Lender(s) and to meet Operation and Maintenance Expenses and for the balance outstanding amount of ₹ 1,819 Lakhs the management is confident for recovery from UPPCL.

Note 50

Other expenses for the year ended 31st March, 2018 includes provision against doubtful advance of amounting to ₹ 7100 Lakhs given towards arrangement for supply of coal from a Coal Block (prior to deallocation of Coal Block) for Coal Supply to the Bina TPP. The said Coal Block has since been cancelled by the Hon'ble Supreme Court vide its Order dated 24th September, 2014. Accordingly, during the year management has made necessary provision there against.

Note 51

Disclosure as required under Notification No. G.S.R. (E) dated 4th September, 2015 issued by the Ministry of Corporate Affairs (As certified by the Management):

(Rupees in Lakhs)

Sl. No.	Particulars	FY 2017-18	FY 2016-17
a)	The principal amount and interest due thereon remaining unpaid to any supplier - Principal Amount - Interest Amount	Nil Nil Nil	Nil Nil Nil
b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the suppliers beyond the appointed day.	Nil	Nil
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

Note 52

(a) No provision for diminution in value of investment in Beneficiary Trust (JPVL Trust) amounting to ₹ 1,98,594 lakhs (which in turn holding investment in the Company) has been made by the management, as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets and future prospects etc.

(b) Investment in Prayagraj Power Generation Company Limited:

The Company has made investment of ₹ 2,89,038 Lakhs (Including Investment and loan component of compound financial instrument- Optionally Convertible Preference Shares) (26,192 Lakhs Equity Shares of ₹ 10/- each fully paid and 2,700 Lakhs Optionally Convertible Preference Shares of ₹ 10/- each fully paid) in Prayagraj Power Generation Co. Ltd. (PPGCL) (erstwhile Subsidiary Company). The entire shares were pledged with Security Trustees, SBI Cap Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to PPGCL. Security Trustee for lender(s) of PPGCL has invoked the entire pledge of Equity and Preference Shares of PPGCL on 18th December, 2017 held by the Company due to default in payment of interest to banks/ financial institutions because of unsatisfactory operations

mainly due to paucity of working capital limits etc. Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017 and profit/ (loss) post this date not been recorded in the consolidated financial statements. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statement by the management, as impact, if any is currently unascertainable. However, pending final decision , in consolidated financial statements no impact has been carried out in this regard and total assets and liabilities of ₹ 15,99,311 Lakhs and ₹ 14,39,365 Lakhs respectively been considered and carried over.

(c) Investment in Sangam Power Generation Company Limited (SPGCL)

Sangam Power Generation Company Limited was acquired by JPVL (the Company) from Uttar Pradesh Power Corporation Limited (UPPCL) in earlier years, for the implementation of 1320 MW (2 x 660 MW) Thermal Power Project (with provision to add one additional unit of 660 MW) in Tehsil Karchana of District Allahabad, Uttar Pradesh. All major statutory approvals for Phase-1, are in place and Coal linkage for 4.68 MTPA by Northern Coalfield Limited has been issued for Phase-1 of the Project. SPGCL executed Deed of Conveyance with Uttar Pradesh Power Corporation Limited (UPPCL) but the District Administration could not hand over physical possession of land to SPGCL and hence, no physical activity could be started for the implementation of Project. SPGCL has written to UPPCL and all procurers that the Power Purchase Agreement is rendered void and cannot be enforced.

Expenditure incurred during the construction and incidental to setting up of the Project, Capital Advances and other financial assets in respect of project ₹ 10,803 Lakhs, ₹ 2,247 Lakhs and ₹ 3,002 Lakhs have been carried forward as 'Capital Work in Process', Capital Advances and Other Financial Assets respectively.

There is abnormal delay in resolving the matter by UPPCL, SPGCL has withdrawn all its undertakings given to UPPCL and requested them to take over the Project & refund the investment made by it. SPGCL has also lodged a claim of ₹ 1,15,722 Lakhs (inclusive of ₹ 31,324 Lakhs paid to L & T towards BTG advance) on UPPCL. Pending such settlement, no adjustment in the carrying value of the project assets under non-current assets for the impairment has been made.

The Company has made investment of ₹ 55,207 Lakhs in SPGCL up to 31st March, 2018.

Note 53 Capacity linked consideration from JSW Energy Ltd. on receipt of enhanced capacity approval for Karcham Wangtoo Hydro Electric Plant (KWHEP) from 1,000 MW to 1091 MW.

- (a) In earlier years, Karcham Wangtoo Hydro Electric Plant (KWHEP) and Baspa Hydro Electric Plant were transferred to Himachal Baspa Power Company Limited (HBPCL) as per Scheme of Arrangement sanctioned by Hon'ble High Court of Himachal Pradesh at Shimla, which is effective from dated 01st September, 2015. Pursuant to this as per security purchase agreement (SPA) dated 16th November, 2014, the entire Securities (Shares and Debentures) issued by HBPCL to the Company were transferred/ sold to JSW Energy Ltd. (buyer/ JSW Energy). The buyer shall pay to the Company ₹ 30,000 Lakhs on receipts of approval of CEA / MOEF for installed capacity of KWHEP at 1091 MW or such other higher capacity within the 5 years after closing date i.e. 01st September, 2015 as per amended SPA dated 29th December, 2017.

- (b) As per amendment to SPA dated 29th December, 2017 signed with JSW Energy the amount receivable (the buyer) on enhancement of capacity shall be set off against the amount of loan payable back by the Company, which has received from buyer during the year.

Note 54

In view of fair value for all fixed assets of power plants (Jaypee Nigrie Super Thermal Power Plant and Jaypee Bina Thermal Power Plant) (including Land, Building, Plant & Machinery capitalized or under CWIP) being excess as compared to the carrying value, as estimated by a technical valuer, management does not anticipate any impairment amount which is to be provided at this stage in the financial statement for in the value of property, plant and equipment (including capital work-in-progress) based on the condition of plant, market demand and supply, economic and regulatory environment and other factors.

Note 55 Jaypee Nigrie Cement Grinding Unit

2.0 MTPA cement grinding unit of the Company namely Jaypee Nigrie Cement Grinding Unit which commenced commercial operation in June, 2015 and is presently not operating in full capacity and incurring operational losses.

The Company has signed an agreement dated 31st May, 2017 with Orient Cement Limited (OCL) for sale of aforesaid unit as a going concern basis at an estimated enterprise value of ₹ 50,000 Lakhs subject to compliance of certain terms and conditions stated in the agreement. Currently, discussion are underway and terms are being negotiated. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.

Note 56

- (a) Company (parent company) has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) of amounting to ₹ 4,618 lakhs in the financial statements, as the company is in process to negotiate with the bond holders for settlement/conversion of the loan in equity and waiver of interest.
- (b) Company (parent company) has not provided penal interest of amounting to ₹ 3,040.94 Lakhs in these financial statements as majority of the lenders / banks did not confirm balances / charge penal interest in view of the facility granted to the Company by them has classified as NPA (31st March, 2018).

Note 57

For the financial year ended 31st March, 2018, the Company (Holding Company) has incurred cash loss and as at the year end current liabilities exceed current assets. The Company expects to meet its financial obligations based on the resolution/ revival plan under consideration by Lender(s) and expected revenue generation from sale of energy under long term PPAs/ Merchant sales etc. as may be required to sustain its operations on a going concern basis.

Note 58

Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (including receivables/payables from/to related parties), deferred tax and loans & advances and management is in the process of reconciliation / confirmation of the same and is confident that there will not be any material impact on the loss for the year and the state of affairs of the Company on such reconciliation /confirmation.

Note 59

(i) Tariff/ Billing/ True up (Jaiprakash Power Ventures Limited)

Jaypee Bina Thermal, Power Plant (JBTPP):

Capacity charges of JBTPP for FY 2016-17, 2017-18 & FY 2018-19 is determined by MPERC vide MYT Order dated 08-08-2016. Accordingly, JBTPP raised invoice on Madhya Pradesh Power Management Co. Limited (MPPMCL) during FY 2016-17 and FY 2017-18. Capacity charges so determined being subject to true up on the basis of audited accounts. JBTPP has filed a True up Petition for FY 2016-17 before Hon'ble MPERC and proceedings for the same are in progress.

Jaypee Nigrie Super Thermal Power Plant (JNSTPP):

Jaypee Nigrie Super Thermal Power Plant (JNSTPP) raised invoices during FY 2016-17 for capacity charges on the basis of provisional tariff order dated 31-03-2015 for the FY 2015-16. Subsequently, Capacity Charges for FY 2015-16 were approved by MPERC vide Order dated 24.05.2017 on the basis of Capital Cost as on 31-03-2015 which is also subject to be true up on the basis of Audited accounts of FY 2015-16. Difference of capacity charges relating to FY 2015-16 and 2016-17 along with interest thereon amounting to ₹ 855 Lakhs (including interest ₹ 150 Lakhs) & ₹ 777 Lakhs (including interest ₹ 54 Lakhs) respectively have been recovered by JNSTPP from MPPMCL on the basis of MPERC Order dated 24.05.2017. Company has accounted for revenue for the year ended 31st March, 2018 on the basis of final tariff order for the financial year 2014-15 and 2015-16 for JNSTPP as per the orders of Madhya Pradesh Electricity Regulatory Commission (MPERC) which are subject to true up/final assessment.

True up Petition for FY 2015-16 has been filed before MPERC and the proceedings are in progress.

Meanwhile, MYT Petition for FY 2016-17, 2017-18 & 2018-19 on the basis of Audited accounts of FY 2016-17 has also been filed for JNSTPP. The Capacity Charges determined against this Petition shall be final for FY 2016-17 and Capacity Charges for FY 2017-18 & 2018-19 shall be subject to be True up on the basis of audited accounts of respective years. However, this Petition is yet to be admitted for hearing.

JBTPP True Up (FY-2014-15):

As per Tariff Review Order dated 08.05.2015, annual Capacity Charges of Jaypee Bina Thermal Power Plant (JBTPP) were provisionally determined at Rs 536.96 Crores for FY 2014-15. Pursuant to True up Order dated 03.06.2016 for FY 2014-15 and subsequent review thereof vide Order dated 25-09-2017, same were determined at Rs 528.86 Crores at 85% Normative Plant Availability Factor (PAF) for the year. During FY 2014-15, by virtue of having achieved PAF at 97.30%, JBTPP had billed Rs 575.81 Crores of Capacity Charges as against provisionally determined amount of ₹ 536.96 Crs. After revision in the Capacity Charges of Rs 528.86 Crores on true up the billing entitlement amount was reduced to Rs 567.12 Crores (at 97.30% PAF) from ₹ 575.81 Crores. Notable highlights of this Order were:-

- Disallowance of O&M on Transmission Line.
- MPERC allowed recovery of only 65% of the Annual Fixed Charges (AFC) against 68.42% of AFC as claimed by JPVL.

The Company has filed an Appeal with APTEL on dated 17.11.2017 for disallowance of O&M on Transmission Line.

JBTPP True Up (FY-2015-16):

Annual capacity charges of JBTPP for FY 2015-16 were provisionally determined at ₹ 527.85 Crores vide Tariff Review Order dated 08.05.2015. Pursuant to True up Order dated 21.06.2017 for FY 2015-16 the same were determined at ₹ 494.00 Crores at 85% Normative Plant Availability Factor (PAF) for the year. During FY 2015-16, by virtue of having achieved 99.81% PAF, JBTPP had billed ₹ 573.08 Crores of capacity charges as against provisionally determined amount of ₹ 527.85 Crores. After revision in the capacity charges of ₹ 494 Crores on true up the billing entitlement amount was reduced to ₹ 537.04 Crores (at 99.81% PAF) from ₹ 573.08 Crores. Major highlights of this Order were:-

- Disallowance of Grossing up of MAT with ROE.
- Disallowance of O&M on Transmission Line.
- MPERC allowed recovery of only 65% of the Annual Fixed Charges (AFC) against 68.42% of AFC as claimed by JPVL.

JPVL has filed Appeal with APTEL on dated 04.08.2017 challenging issues appearing at Sl.No.ii & iii above and the proceedings for the same are in progress. Difference of capacity charges relating to FY 2015-16 along with interest thereon amounting to ₹ 40.54 Crs (Excess Capacity Charges of ₹ 36.04 Crs along with interest of ₹ 4.49 Crs) have been recovered by MPPMCL on the basis of MPERC Order dated 21.06.2017.

JBTPP - Determination of Capital Cost – Appeal filed before APTEL:

MPERC had determined capital cost of JBTPP at ₹ 3471.73 Crores as on 31.03.2014 vide Order dated 26.11.2014. While determining the same MPERC disallowed ₹ 13.24 Crores from Capital Cost and this disallowed cost was not considered for the purpose of tariff determination. The disallowance of Capital cost was challenged before APTEL and this issue was remanded back to MPERC. Company again filed the Remand Petition before MPERC where Rs 4.01 Crores was added to the Capital Cost vide MPERC Order dated 04-12-2017.

However, the Company has again filed appeal before APTEL for balance ₹ 9.23 Crores against the said Order the proceedings of which are underway.

Vishnuprayag Hydro Electric power plant (VHEP)

In respect of Vishnuprayag HEP Company has accounted for revenue for the year ended 31st March, 2018 based on final tariff computed in accordance with Power Purchase Agreement (PPA) and various orders of UPERC.

(ii) Tariff/ Billing/ True up (Jaypee Powergrid Limited)

- Transmission Tariff revenue has been booked according to Final Tariff Order dt. 07/05/2015 issued by CERC for the block period 2009-14 approving project cost of ₹ 93,968 Lakhs as against actual cost of ₹ 1,00,700 Lakhs. In response to the Company's review petition challenging the approval of project cost at reduced level, CERC had passed a review order dt. 24/02/2017 and had accepted most of the Company's contentions subject to submission of required information at the time of truing up. Accordingly, the Company has now filed a truing up petition for the block period 2009-14 along with the petition for the tariff determination for the block period 2014-19 in September 2017.

- (b) An adjustment of ₹ 2,380 Lakhs, being the difference of interest claim as per Tariff Petition for the year 2017-18 per to block period 2014-19 and interest actually being paid has been made in the books to bring it in line with the actual tariff receivable in the current year.
- (c) Transmission tariff (including incentive) of ₹ 4,622 Lakhs for the last quarter (corresponding previous quarter ₹ 4,695 Lakhs) has been recognized provisionally based on site verification, as the Certificate of Availability of transmission system by NRPC is pending for Certification and will be adjusted, if necessary in the next financial year.

Note 60

Related Party Disclosures, as required in terms of Indian Accounting Standard [Ind AS] 24 are given below:

(1) Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

(a) Holding Company:

Jaiprakash Associates Limited (JAL) (till 17.02.2017)

(b) Fellow Subsidiary Companies:

- (1) Jaypee Infratech Limited (JIL) (subsidiary of JAL) (till 17.02.2017)
- (2) Bhilai Jaypee Cement Limited (JV subsidiary of JAL) (till 17.02.2017)
- (3) Himalyan Expressway Limited (subsidiary of JAL) (till 17.02.2017)
- (4) Gujarat Jaypee Cement & Infrastructure Limited (JV subsidiary of JAL) (till 17.02.2017)
- (5) Jaypee Ganga Infrastructure Corporation Limited (subsidiary of JAL) (till 17.02.2017)
- (6) Jaypee Agra Vikas Limited (subsidiary of JAL) (till 17.02.2017)
- (7) Jaypee Fertilizers & Industries Limited (subsidiary of JAL) (till 17.02.2017)
- (8) Jaypee Cement Corporation Limited (subsidiary of JAL) (till 17.02.2017)
- (9) Himalyaputra Aviation Limited (subsidiary of JAL) (till 17.02.2017)
- (10) Jaypee Assam Cement Limited (subsidiary of JAL) (till 17.02.2017)
- (11) Jaypee Infrastructure Development Limited (new name of Jaypee Cement Cricket (India) Limited) (subsidiary of JAL) (till 17.02.2017)
- (12) Jaypee Healthcare Limited (subsidiary of JIL) (till 17.02.2017)
- (13) Jaypee Cement Hockey (India) Limited (subsidiary of JAL) (till 17.02.2017)
- (14) Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL) (till 17.02.2017)

Note: The Company and its subsidiary companies (as per b above) ceased to be a subsidiaries of JAL, as the Company allotted 51% of its share capital to its various lenders on 18.02.2017 and consequently, JAL's holding in JPVL reduced to 29.74%. Accordingly, fourteen subsidiaries of JAL also ceased to be fellow subsidiaries of the Company from that date.

(c) Entity to whom the Company is an Associate Company:

Jaiprakash Associates Limited (JAL) (w.e.f. 18.02.2017)

(d) Other Related parties:

- (1) Companies at S.No. b (1 to 14) above were Fellow Subsidiary companies till 17.02.2017 and thereafter become other related parties.

- (2) Yamuna Expressway Tolling Limited (formerly known as Jaypee Mining Ventures Private Limited/ Yamuna Expressway Tolling Private Limited) (subsidiary of JAL w.e.f. 25.03.2017 & wholly owned subsidiary of JAL w.e.f. 20.04.2017)
- (3) Jaypee Uttar Bharat Vikas Private Limited (JUBVPL) (JV Associate Co. till 25.07.17. It became subsidiary of JFIL [hence of JAL also] w.e.f. 26.07.17)
- (4) Kanpur Fertilizers & Cement Limited (JV Associate Co. till 25.07.17. It became subsidiary of JUBVPL [hence of JFIL & JAL also] w.e.f. 26.07.17)

(e) Associate Companies/Enterprise over which Key Management Personnel and their relatives exercise significant influence:

- (1) MP Jaypee Coal Limited (JV Associate of JAL) (till 17.02.2017)
- (2) MP Jaypee Coal Fields Limited (JV Associate of JAL) (till 17.02.2017)
- (3) Madhya Pradesh Jaypee Minerals Limited (JV Associate of JAL) (till 17.02.2017)
- (4) Jaypee Uttar Bharat Vikas Private Limited (JV Associate of JAL) (till 17.02.2017)
- (5) Kanpur Fertilizers & Cement Limited (JV Associate of JAL) (till 17.02.2017)
- (6) Jaypee Infra Ventures (A Private Company With Unlimited Liability) (JIV) (Associate of JAL) (till 17.02.2017)
- (7) Jaypee Development Corporation Limited (JDCL) (Subsidiary of JIV) (till 17.02.2017)
- (8) Andhra Cements Limited (subsidiary of JDCL) (till 17.02.2017)
- (9) JIL Information Technology Limited (JILIT) (Subsidiary of JIV) (till 17.02.2017)
- (10) Gaur & Nagi Limited (Subsidiary of JILIT) (till 17.02.2017)
- (11) Jaypee International Logistics Company Private Limited (subsidiary of JIV) (till 17.02.2017)
- (12) Tiger Hills Holiday Resort Private Limited (subsidiary of JDCL) (till 17.02.2017)
- (13) Indesign Enterprises Private Limited (IEPL) (subsidiary of JIV) (till 17.02.2017)
- (14) Ibonshourne Limited (subsidiary of IEPL w.e.f. 11.01.16) (till 17.02.2017)
- (15) RPJ Minerals Private Limited (RPJMPL) (Associate of JAL) (till 17.02.2017)
- (16) Sarveshwari Stone Products Private Limited (subsidiary of RPJMPL) (till 17.02.2017)
- (17) Rock Solid Cement Limited (subsidiary of RPJMPL) (till 17.02.2017)
- (18) Sonebhadra Minerals Private Limited (Associate of JAL) (till 17.02.2017)

Enterprise over which Key Management Personnel and their relatives exercise significant influence:

- (19) Jaiprakash Kashmir Energy Limited
- (20) Yamuna Expressway Tolling Limited (formerly known as Yamuna Expressway Tolling Private Limited/Jaypee Mining Ventures Private Limited (till 24.03.2017)
- (21) Ceekay Estates Private Limited
- (22) Jaiprakash Exports Private Limited
- (23) Bhumi Estate Developers Private Limited
- (24) Jaypee Jan Sewa Sansthan ('Not For Profit' Private Limited Company)
- (25) Think Different Enterprises Private Limited

- (26) JC World Hospitality Private Limited
- (27) JC Wealth & Investments Private Limited
- (28) CK World Hospitality Private Limited
- (29) Akasva Associates Private Limited
- (30) Renaissance Lifestyle Private Limited
- (31) Lucky Strike Financers Private Limited
- (32) First Light Estates Private Limited
- (33) Gandharv Buildcon Private Limited
- (34) Viaan Technologies (P) Limited
- (35) Samvridhi Advisors LLP
- (36) Sandhar Hospitality (a partnership firm)
- (37) Kram Infracon Private Limited (KIPL) (subsidiary of Bhumi Estate Developers Private Limited) (Bhumi Estate holds 67% in Kram Infracon.)
- (38) Librans Ventures Private Limited (upto 27.04.2017)
- (39) Librans Real Estate Private Limited (upto 27.04.2017)
- (40) Saindhar Infosystems Private Limited
- (41) Akasva infrastructure Private Limited

(f) Key management Personnel:

(i) Jaiprakash Power Ventures Limited (JPVL)

- (1) Shri Manoj Gaur, Chairman
- (2) Shri Sunil Kumar Sharma, Vice Chairman and CEO
- (3) Shri Suren Jain, Managing Director and CFO
- (4) Shri Parveen Kumar Singh, Whole-time Director
- (5) Dr. Jagannath Gupta
- (6) Shri R. N. Bhardwaj
- (7) Shri B. B. Tandon
- (8) Shri A. K. Goswami
- (9) Shri S. S. Gupta
- (10) Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha
- (11) Shri K. N. Bhandari
- (12) Shri S. L. Mohan
- (13) Shri Umesh Jain
- (14) Ms. Sunita Joshi
- (15) Shri K. P. Rau
- (16) Shri M. K. V. Rama Rao, Whole Time Director
- (17) Shri Arun Balakrishnan (Till 08.07.2017)
- (18) Shri D.P.Goyal (Till 23.07.2017)
- (19) Shri Atanu Sen (Till 12.09.2017)
- (20) Shri G.P.Gaur (Till 10.12.2017)

(ii) Directors of Jaypee Powergrid Limited, other than those who are common Director of JPVL

- (1) Shri I.S. Jha
- (2) Shri G.P. Singh
- (3) Shri Vinod Sharma
- (4) Shri R. K. Singh
- (5) Smt Neha Goyal
- (6) Shri N.K. Jain
- (7) Shri Sainditta Mal Nagpal (till 25.03.2018)
- (8) Shri N.N.Misra (till 25.03.2018)
- (9) Shri D.P.Goyal (w.e.f 15.12.2017)

- (10) Shri G.P.Gaur (w.e.f 15.12.2017)
- (11) Shri T.C.Sarmah (w.e.f 25.05.2017)
- (12) KMPs of JPVL as per f (i) above

(iv) Directors of Prayagraj Power Generation Company Limited till 17.12.2017, other than those who are common Director of JPVL

- (1) Shri Jaiprakash Gaur
- (2) Shri Sunny Gaur
- (3) Smt. Urvashi Gaur
- (4) Shri Kuldip Chand Ganjwal
- (5) Shri Rakesh Sharma
- (6) Shri Gajendra Pal Singh
- (7) Shri Raj Kumar Narang
- (8) Shri Ravindra Kumar Singh
- (9) KMPs of JPVL as per f (i) above

(v) Directors of Jaypee Arunachal Power Limited, other than those who are common Director of JPVL

- (1) Shri Pankaj Gaur
- (2) Shri Shyam Datt Nailwal
- (3) Shri Harish Kumar Vaid (till 12.10.2017)
- (4) Shri Sainditta Mal Nagpal
- (5) Shri Satish Charan Kumar Patne
- (6) Smt. Neha Goyal
- (7) Shri Naveen Kumar Singh
- (8) Shri Bhupinder Nath Sharma
- (9) KMPs of JPVL as per f (i) above

(vi) Directors of Sangam Power Generation Company Limited, other than those who are common Director of JPVL

- (1) Shri Pankaj Gaur
- (2) Shri Naveen Kumar Singh
- (3) Shri Rakesh Sharma
- (4) Shri G. P. Singh
- (5) Smt. Anjali Jain
- (6) Shri Satish Charan Kumar Patne
- (7) Shri Sanjay Nagi
- (8) KMPs of JPVL as per f (i) above

(vii) Directors of Bina Power Supply Limited, other than those who are common Director of JPVL

- (1) Shri Alok Gaur
- (2) Shri S. D. Nailwal
- (3) Shri Raj Kumar Narang
- (4) KMPs of JPVL as per f (i) above

(viii) Directors of Jaypee Meghalaya Power Limited, other than those who are common Director of JPVL

- (1) Shri B. K. Goswami (till 012.01.2018)
- (2) Shri Pankaj Gaur
- (3) Shri D.P.Goyal
- (4) KMPs of JPVL as per f (i) above

(2) Transactions carried out with related parties referred to above for the current reporting period, March 31, 2018:

(₹ in Lakhs)

Name of Transactions	Related Parties					
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above	Referred in 1(e) above	Referred in 1(f) above
EXPENSES						
Hiring Charges	-	-	-	1,150	-	-
(Previous Year)	(29)	(392)	(-)	(240)	(-)	(-)
Coal Handling Charges	-	-	2,496	-	-	-
(Previous Year)	(844)	(-)	(529)	(-)	(-)	(-)
Purchase of Cement and Cement bags	-	-	212	-	-	-
(Previous Year)	(591)	(-)	(554)	(-)	(-)	(-)
Purchase of Clinker & Gypsum	-	-	2,645	530	-	-
(Previous Year)	(41)	(-)	(-)	(-)	(-)	(-)
Purchase of Spares etc	-	-	71	4	-	-
(Previous Year)	(-)	(-)	(-)	(-)	(-)	(-)
Repair of Runners & Others	-	-	641	-	-	-
(Previous Year)	(575)	(-)	(135)	(-)	(-)	(-)
Transmission Charges	-	-	2,663	-	-	-
(Previous Year)	(2,066)	(-)	(144)	(-)	(-)	(-)
Energy sale Charges	-	-	102	-	-	-
(Previous Year)	(76)	(-)	(7)	(-)	(-)	(-)
Other Expenses	-	-	144	-	-	-
(Previous Year)	(124)	(-)	(7)	(-)	(-)	(-)
Services Availed	-	-	-	-	-	-
(Previous Year)	(-)	(-)	(-)	(-)	(1,643)	(-)
Salary & Perquisites (Key Management Personnel)	-	-	-	-	-	781
(Previous Year)	(-)	(-)	(-)	(-)	(-)	(591)
INCOME						
Sale of Cement	-	-	2,943	-	-	-
(Previous Year)	(112)	(-)	(-)	(-)	(-)	(-)
Sale of Fly ash	-	-	591	-	-	-
(Previous Year)	(649)	(-)	(186)	(-)	(-)	(-)
Sale of Material	-	-	173	-	-	-
(Previous Year)	(281)	(-)	(53)	(-)	(-)	(-)
OTHERS						
Capital items purchase	-	-	650	-	-	-
(Previous Year)	(115)	(-)	(15)	(-)	(-)	(-)
Execution of contractual Work	-	-	3,366	-	-	-
(Previous Year)	(18,558)	(-)	(20,986)	(-)	(-)	(-)
Sale of Capital Items	-	-	23	-	-	-
(Previous Year)	(-)	(-)	(80)	(-)	(-)	(-)
Transfer of Bara Cement Grinding Unit # (read with foot note (iii) below)	-	-	13,621	-	-	-
(Previous Year)	(-)	(-)	(-)	(-)	(-)	(-)
Loans / advances paid *	-	-	4,145	-	-	-
(Previous Year)	(-)	(-)	(-)	(-)	(-)	(-)
Loans / advances received back/ adjusted (read with foot note (i) below)	-	-	4,137	-	-	-
(Previous Year)	(-)	(-)	(-)	(-)	(-)	(-)
Outstandings - Payables	-	-	11,873	1,389	-	(49)
(Previous Year)	(-)	(-)	(21,946)	(672)	(-)	(56)
Outstandings - Receivables	-	-	4,025	16	-	-
(Previous Year)	(-)	(-)	(-)	(-)	(-)	(-)

Note:

- i. * Amount of loans/ advances paid ₹ 4,145 Lakhs as mentioned at column 1 (c) above includes amount of ₹ 4,137 Lakhs paid to Jaiprakash Associates Ltd. for payment of statutory dues of the Company.
- ii. Guarantees given and shares pledged by JAL on behalf of the Company and guarantee given by the Company on behalf of the JAL/erstwhile subsidiary company have been mentioned elsewhere in the Notes to Financial Statements.(Refer note no.62 and 63).
- iii. # Prayagraj Power Generation Company Ltd. (erstwhile subsidiary company) has transferred its Bara Cement Grinding Unit to Jaiprakash Associates Ltd.(entity to whom the Company is an Associate Company) under joint agreement with Ultratech Cement Ltd.
- iv. During the year, settlement agreement has been entered among Company, Larsen & Turbo Limited (L&T), L&T- MHPS Boilers Private Limited (L&T-MHPS) and Jaiprakash Associates Limited(JAL) relating to outstanding amount due and payable to L&T and L&T-MHPS with respect to work done by them at Nigire Power Project. In terms of agreement, in case of non payment of dues by L&T to JAL for development rights on land of JAL been assigned to L&T on agreed consideration within period of three years, the receivables of L&T from Company, to the extent due at the relevant time, shall stand assigned and transferred to JAL.

Note 61

The company (Holding Company) had filed requisite applications for obtaining the approvals of the Central Government i.e Ministry of Corporate Affairs (MCA) for the approval of remuneration to Shri Praveen Kumar Singh, Whole Time Director (WTD) for a period of three years from 12th August 2016 to 11th August, 2019 which was rejected vide letter dated 11th September 2017 and the company was asked to recover excess amount paid to him as well as from the Managing Director & CFO due to the inadequacy of profit for the financial year 2013 -14 & further 2015-16 onwards due to the default in repayment of loan & interest to banks/financial institutions. Though the company has made the representation vide letter dated 14th November, 2017 but response from MCA is awaited. Company is in the process to obtain the approval of the Central Government for excess remuneration amounting to ₹ 249.13 Lakhs, 306.61 Lakhs, 309.85 Lakhs paid during the financial years 2013-14, 2015-16 and 2016-17 respectively. For ₹ 201.74 Lakhs for the financial year 2017-18, it is subject to the approval of the Shareholders in ensuing General Meeting/ Central Government."

Note 62

- (a) Securities provided by Jaiprakash Associates Limited (JAL), the entity to whom the Company is an associate company, for Jaiprakash Power Ventures Ltd.(JPVL):
 - (i) JAL has furnished Corporate Guarantee for financial assistance of Power Finance Corporation Ltd. in respect of 400 MW Vishnuprayag HEP. Loan outstanding as on 31.03.2018 amounting to US\$ Nil (Previous Year-US\$ 7.70 Lakhs).
 - (ii) JAL has pledged 6,291 Lakhs equity shares (Previous Year- 6,291 Lakhs equity shares) of ₹ 10/- each of the Company held by them, on pari-passu basis with lenders of Vishnuprayag HEP and Nigrie STPP (except for term loan of ₹ 50,000 Lakhs (Previous Year - ₹ 50,000 Lakhs) disbursed by State Bank of India).
 - (iii) JAL has pledged 648 Lakhs equity shares (Previous Year- 648 Lakhs equity shares) of ₹ 10/- each of the Company

held by them, for the financial assistance given by banks in respect of 500 MW Bina TPP.

- (iv) JAL has pledged 3,860 Lakhs equity shares (Previous Year-3,860 Lakhs equity shares) of ₹ 10/- each of the Company held by them, and provided Non Disposal Undertaking for 1,021.89 Lakhs equity shares of JPVL held by JAL (Previous Year-1,021.89 Lakhs) for Corporate Loan of ₹ 1,20,000 Lakhs sanctioned by ICICI Bank Ltd.
- (v) JAL has pledged 783 Lakhs equity shares (Previous Year-783 Lakhs equity shares) of ₹ 10/- each of the Company held by them, for Corporate Loan of ₹ 40,000 Lakhs sanctioned by ICICI Bank Ltd. The Corporate loan has been repaid in full and the shares pledged are yet to be released by ICICI Bank Limited.
- (vi) JAL has pledged 1,755 Lakhs equity shares (Previous Year-1,755 Lakhs equity shares) of ₹ 10/- each of the Company held by them, for Corporate Loan of ₹ 50,000 Lakhs sanctioned by ICICI Bank Ltd. The Corporate loan has been repaid in full and the shares pledged are yet to be released by ICICI Bank Limited.
- (vii) JAL has pledged 1,206 Lakhs equity shares (Previous Year-1,206 Lakhs equity shares) of ₹ 10/- each of the Company held by them, in favour of lenders of Karcham Wangtoo HEP. The shares pledged are yet to be released by IDBI Bank Ltd., as the entire loan/ financial assistance have been repaid.
- (b) (i) 900 Lakhs equity shares of ₹ 10/- each fully paid (Previous Year 900 Lakhs) held by the Company of Jaypee Powergrid Ltd. (Subsidiary Company) are pledged with IDBI Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Jaypee Powergrid Ltd.
- (ii) 26,192 Lakhs Equity Shares of ₹ 10/- each fully paid (Previous Year-25,392 Lakhs) and 2,700 Lakhs Optionally Convertible Preference Shares of ₹ 10/- each fully paid (Previous Year-Nil), held by the Company of Prayagraj Power Generation Co. Ltd. (PPGCL) (erstwhile Subsidiary Company) were pledged with Security Trustees, SBICAP Trustee Company Ltd. (SBI Cap), as collateral security for the financial assistance granted by lenders to PPGCL. SBI Cap has invoked the entire pledge of Equity and Preference Shares of PPGCL on 18.12.2017 held by the Company due to default in payment of interest to banks/ financial institutions because of unsatisfactory operations due to paucity of working capital limits etc.

Note 63

- (i) JAL has furnished Performance Guarantee of ₹ 16,549 Lakhs (Previous Year ₹ 16,549 Lakhs) to Prayagraj Power Generation Company Limited (Subsidiary Company) in respect of E & C Contract given by them to JAL.
- (ii) JAL has furnished Performance Bank Guarantees of ₹ 15,000 Lakhs (Previous Year ₹ 15,000 Lakhs) to five Subsidiaries of UPPCL on behalf of Prayagraj Power Generation Company Limited (erstwhile Subsidiary Company) in respect of Tariff based bidding process for sale of Power.
- (iii) JAL has furnished Performance Bank Guarantees of ₹ 9,900 Lakhs (Previous Year ₹ 9,900 to five Subsidiaries of UPPCL on behalf of Sangam Power Generation Company Limited (Subsidiary Company) in respect of Tariff based bidding process for sale of Power.

Note 64

Earnings Per Share is computed in accordance with Ind AS - 33 is as under:

		(₹ in Lakhs)	
	Particulars	FY 2017-18	FY 2016-17
(a)	Net profit (Loss) for Basic Earnings Per Share as per statement of profit and loss (including Other comprehensive income during the previous year)	(1,59,583)	(1,23,211)
	Net profit (Loss) for Diluted Earnings Per Share	(1,59,583)	(1,23,211)
(b)	Profit/ (loss) for the year	(1,59,583)	(1,23,211)
(c)	Weighted average number of equity shares for calculating Basic Earnings Per Share:		
(i)	Number of Equity Shares at the beginning of the year	5,99,60,03,084	2,93,80,03,084
(ii)	Number of Shares allotted on conversion of loans in to equity *	-	35,18,79,452
(iii)	Number of potential Equity Shares	5,45,31,659	5,45,31,659
(iv)	Weighted average No. of Shares for calculating:		
a)	Basic Earnings Per Share	5,99,60,03,084	3,28,98,82,536
b)	Diluted Earnings Per Share	6,05,05,34,743	3,34,44,14,195
(d)	Earnings Per Share :		
(i)	Basic (₹)	(2.66)	(3.75)
(ii)	Diluted (₹)	(2.66)	(3.75)
(e)	Face value per share (₹)	10.00	10.00

Note: * 305,80,00,000 nos. equity shares were allotted on conversion of loans into equity on 18.02.2017, therefore in the year 2016-17 the number of shares allotted were mentioned on weighted average basis.

Note 65

1 Fair Value Measurement

(i) Categories of financial instruments

			(₹ in Lakhs)	
Financial assets		As at March 31, 2018	As at March 31, 2017	
Measured at amortised cost				
(i)	Trade receivables	98,021	1,02,657	
(ii)	Cash and Bank balance	12,154	8,299	
(iii)	Loans	3,346	3,344	
(iv)	other financial assets	7,240	2,600	
		1,20,761	1,16,900	
Measured at cost				
Investment (refer note no. 52(a))		1,98,594	1,98,594	
Total Financial assets		3,19,355	3,15,494	
Financial liabilities		As at March 31, 2018	As at March 31, 2017	
Measured at amortised cost				
(i)	Borrowings	23,41,621	23,99,433	
(ii)	Other financial liabilities	4,55,605	2,83,547	
(iii)	Trade and other payables	31,873	30,240	
Total financial Liability		28,29,099	27,13,220	

(ii) Fair value measurements

(₹ in Lakhs)

Particulars	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2018	As at March 31, 2017		
Financial Liabilities				
a) Borrowings	23,41,621	23,99,433	Level 3	Discounted estimated cash flow through the expected life of the borrowings
b) Financial Liability Guarantee	517	881	Level 3	Discounted cash flow at a discount rate that reflects the company's current borrowings rate at the end of reporting period

The fair values of current debtors, cash & bank balances, loan to related party, security deposit to government department, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities. (read with note no.52(a)).

(iii) Valuation techniques used to determine Fair value

The Group 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.

2 Financial Risk Management

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group principal financial asset includes loan, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Group's activities are exposed to market risk, credit risk and liquidity risk.

i Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

- (i) The exposure of group borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Variable rate borrowings	22,74,352	23,32,205
Fixed rate borrowings	66,269	66,228
Interest free borrowings (Government of Uttarakhand)	1,000	1,000
Total borrowings	23,41,621	23,99,433

- (ii) As at the end of reporting period, the company had the following variable rate borrowings outstanding:

(₹ in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Balance	% of total loans	Balance	% of total loans
Borrowings	22,74,352	97.12%	23,32,205	97.21%
Net exposure to cash flow interest rate risk	22,74,352		23,32,205	

(iii) Sensitivity

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

(₹ in Lakhs)

Particulars	Increase/ Decrease in Basis Points		Effect on Profit/ (loss) before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
INR	+50	+50	(11,372)	(11,661)
INR	-50	-50	11,372	11,661

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group has obtained foreign currency convertible bonds and loans and has foreign currency receivables and is therefore, exposed to foreign exchange risk.

The following table details the Group's sensitivity to 2% increase and decrease in the Rupees against the USD. 2% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	₹ in Lakhs	Foreign Currency in Lakhs	₹ in Lakhs	Foreign Currency in Lakhs
Financial liabilities				
Borrowings	-	-	67,427	JPY 1,14,750
	66,229	USD 1,041.21	66,228	USD 1,041.21
Payables	-	-	1,962	JPY 3340
	20,086	USD 311	20,225	USD 311
Financial Assets				
Trade Receivables	1,000.59	USD 15.52	1,948	USD 30

(₹ in Lakhs)

Particulars	Increase/ Decrease in Basis Points		Effect on Profit/ (loss) before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
USD Currency Impact	+200	+200	(1,706)	(1,690)
	-200	-200	1,706	1,690
JP YEN Currency Impact	+200	+200	-	(1,388)
	-200	-200	-	1,388

(c) Commodity Risk

Commodity Price Risk of the Group will fluctuate on account of changes in market price of key raw materials. The Company is exposed to the movement in price of key raw materials in domestic market. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations.

ii Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The average credit period on sales of energy (PPAs) is 21 to 31 days.

No interest is charged on trade receivables (PPAs) for the first 30 days from the date of the invoice. Thereafter, Group is having the option to charge interest at 15% to 18%.

Trade receivables may be analysed as follows:

(₹ in Lakhs)		
Age of receivables	As at March 31, 2018	As at March 31, 2017
Within the credit period	42,109	50,449
1-30 days past due	18,903	21,987
31-60 days past due	13,930	16,518
61-90 days past due	576	552
More than 90 days past due	25,048	13,151
Allowance for Bad and doubtful debts (Against receivables of more than 90 days past due)	2,545	-
Total	98,021	1,02,657

iii Liquidity Risk

Liquidity risk is defined as the risk that Group will not be able to settle or meet its obligation on time or at a reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Lakhs)				
Particulars	Within 1 year	2-3 years	More than 3 years	Total
As at March 31, 2018				
Borrowings	4,97,758	3,39,075	15,04,788	23,41,621
Trade payables	31,873	-	-	31,873
Other financial liabilities	3,96,054	59,551	-	4,55,605
Total	9,25,685	3,98,626	15,04,788	28,29,099
As at March 31, 2017				
Borrowings	3,89,126	4,68,513	15,41,794	23,99,433
Trade payables	30,240	-	-	30,240
Other financial liabilities	2,30,365	53,182	-	2,83,547
Total	6,49,731	5,21,695	15,41,794	27,13,220

Capital Management

The Group manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimization of the debt and equity balance.

The parent Company's Audit Committee reviews the capital structure on annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Group monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

(₹ in Lakhs)		
Particulars	As at March 31, 2018	As at March 31, 2017
Debt*	23,41,621	23,99,433
Cash and bank balances	12,154	8,299
Net debt	23,29,467	23,91,134
Total Equity #	7,77,931	9,38,701
Total Capital Employed (Net debt and total equity)	31,07,398	33,29,835
Net Gearing ratio	0.75	0.72

*Debt is defined as long-term and short-term borrowings including current maturities of long term debts and bank overdraft.

Total equity includes issued share capital and other equity (all reserves as disclosed in statement of change in equity) excluding non controlling interest.

Note 66
Segment information - Business segments

(₹ in Lakhs)

Particulars	Consolidated	
	31.03.2018	31.03.2017 #
Segment Revenue		
i) Power & Transmission	4,53,631	4,57,182
ii) Coal	30,474	31,136
iii) Other	35,419	8,707
Sub Total A	5,19,524	4,97,025
Inter Segment Eliminations		
i) Power & Transmission	211	90
ii) Coal	30,474	31,141
iii) Other	1,152	29
Sub Total B	31,837	31,260
Add : Other Income		
i) Power & Transmission	1,759	362
ii) Coal	35	16
iii) Other	33,625	8,329
Sub Total C	35,419	8,707
Total Segment Revenue (A-B+C)	5,23,106	4,74,472
Segment Results before finance charges, exceptional items and taxes		
i) Power & Transmission	84,275	96,974
ii) Coal	4	19
iii) Other	21,739	5,548
Total	1,06,018	1,02,541
Less :		
[a] Interest Expenses	2,61,375	2,77,292
[b] Exceptional items	31,325	-
Profit / (loss) before taxes	(1,86,682)	(1,74,751)
Tax expenses (net)	(17,648)	(45,282)
Profit / (loss) after tax	(1,69,034)	(1,29,469)
Depreciation & amortisation expenses		
i) Power & Transmission	75,641	70,776
ii) Coal	4,907	5,002
iii) Other	1,341	1,343
Total	81,889	77,121
Non-cash expenditure other than depreciation		
i) Power & Transmission	2,545	-
ii) Coal	-	-
iii) Other	7,100	-
Total	9,645	-
Segment Assets		
i) Power & Transmission	29,08,544	29,72,605
ii) Coal	46,795	52,415
iii) Other	7,54,893	7,58,560
Total	37,10,232	37,83,580
Segment Liabilities		
i) Power	6,46,722	5,13,020
ii) Coal	7,661	7,330
iii) Other	1,06,736	24,591
Total Liabilities	7,61,119	5,44,941
Addition to property, plant & equipment and intangibles		
i) Power & Transmission	4,45,888	4,69,604
ii) Coal	383	1,147
iii) Other	106	-
Total	4,46,377	4,70,751

As certified by the management

Note:

- Segments have been identified in accordance with Indian Accounting Standard on Segment Reporting (Ind AS 108) taking into account the organisational structure as well as differential risk and returns of these segments.
- Business segment has been disclosed as the primary segment.
- Type of Products and Services in each Business Segment:
 - Power and Transmission - Generation/ Sale and Transmission of Power
 - Coal - Coal Mining for captive use in energy generation
 - Others - Cement Grinding etc.
- Segment Revenues, Operating Results, Assets and Liabilities include the amounts identifiable to each segment and amounts allocated on a reasonable basis and excluding long term borrowings.
- Revenue from two major customers under 'Power and Transmission' is ₹ 317,698 Lakhs (previous year ₹ 342,115 Lakhs) which is more than 10% of the Company's total revenue.

Note 67

The Company (parent company) has recognised Deferred tax assets in respect of unabsorbed depreciation and business losses and MAT credit entitlement amounting to ₹ 90,544 lakhs and ₹ 31,631 lakhs respectively, owing to reasonable certainty of availability of future taxable income to realize such assets. Though the Company has been incurring losses in last few years, it expects turnaround of the sector. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management in the financial statements.

In the opinion of management, assets have a realizable value, in the ordinary course of business at least equal to the amount at which they are stated.

Note 68

In respect of SPGCL Certain disputes have arisen with L&T and L&T-MHPS Boilers Pvt Ltd (L & T- MHPS) with respect to the works carried out by them for Karchana Thermal Power Project (Karchana TPP) of Sangam Power Generation Company Ltd.(SPGCL) a subsidiary of the Company and the advance paid by SPGCL to L&T and L&T-MHPS for Karchana Project. As per Settlement Agreement dated 14.12.2017 entered and executed between L & T, L&T-MHPS, Jaiprakash Power Ventures Limited and SPGCL, it has been agreed that the amount of advance ₹ 31,325 Lakhs paid by SPGCL to L&T and L&T-MHPS in terms of letter of Award dated 23.10.2010 issued to L & T and L&T-MHPS for providing Steam Turbine Generator package and Steam Generator Package for Karchana TPP of SPGCL has fully been utilized for various expenses towards said Project by L&T and L&T-MHPS. Accordingly the entire advance amount has charged off in the Books of SPGCL as exceptional items. Any recovery from UPPCL, as and when recovered, would be accounted for.

Note 69

- (a) Provision for taxation have been made as per individual accounts of the Companies.
- (b) Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company) has capitalized borrowing cost amounting to ₹ 6,461 Lakhs (previous year ₹ 55,886 Lakhs). The borrowing cost is capitalized is shown in the capital work in progress (CWIP).

Note 70

- (i) Sangam Power Generation Company Limited (SPGCL) a subsidiary of the company is yet to appoint key management person including company secretary as per the requirement of the Companies Act, 2013.
- (ii) Jaypee Meghalaya Power Limited a subsidiary of the company is yet to appoint Company Secretary as key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014.
- (iii) Jaypee Arunachal Power Limited a subsidiary of the company is yet to appoint key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014.

Note 71

M/s Tecpro Systems Ltd. (Tecpro), was awarded the contracts for supply, erection, testing, commissioning and performance of the coal and ash handling system, ACFA system, coal crusher system by Bina Power Supply Company Ltd. which was merged with JPVL (Company) for its 500 MW Thermal Power Plant located at Bina Distt. Sagar, M.P. However, Tecpro did not complete the entire work as per the terms & conditions of contracts, and left the awarded contract work in incomplete conditions. Company has completed the balance work itself by procuring the balance materials from other suppliers and made the systems operational. An amount of ₹ 535.40 lakhs is recoverable on account of mobilization advance paid to Tecpro. As Tecpro had left the work incomplete, the company has encashed the Bank Guarantee amounting to ₹ 2,013.20 Lakhs provided by them and adjusted against advance and loss incurred by the company for leaving the work without completing / testing etc. The Company had to incur an expenditure of ₹ 6,093 lakhs towards procurement of remaining plant and machinery for completing the plant. The Company had claimed liquidated damages of ₹ 2,235 Lakhs and amount of ₹ 6,093 Lakhs incurred on additional expenditure on procurement of various materials to complete the Plant. Therefore, as on date total recoverable amount from Tecpro is ₹ 8,863.40 Lakhs including advances paid and amount claimed on account of liquidated damages and additional expenditure incurred to complete the plant.

Note-72

(A) Statement of Net Assets and Profit and Loss attributable to owners and minority interest

(₹ In lakhs)

Name of entity	Net assets i.e. total assets minus total Liabilities		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of total consolidated net assets	Amount	As % of consolidated profit or Loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Jaiprakash Power Ventures Limited (Parent Company)	120.39%	9,36,546	33.04%	(52,731)	200.00%	(4)	33.05%	(52,735)
Subsidiaries (Indian):								
Jaypee Powergrid Limited	5.12%	39,860	-4.21%	6,716	-200.00%	4	-4.21%	6,720
Prayagraj Power Generation Company Limited	20.56%	1,59,946	61.07%	(97,451)	0.00%	-	61.07%	(97,451)
Sangam Power Generation Company Limited	3.03%	23,545	19.71%	(31,453)	0.00%	-	19.71%	(31,453)
Jaypee Arunachal Power Limited	2.89%	22,514	0.12%	(196)	0.00%	-	0.12%	(196)
Jaypee Meghalaya Power Limited	0.11%	823	0.00%	(3)	0.00%	-	0.00%	(3)
Bina Power Supply Limited	0.00%	3	0.00%	-	0.00%	-	0.00%	-
Total Consolidated net assets/ net profit after tax		11,83,237		(1,75,118)		-		(1,75,118)
Adjustment arising out of Consolidation	-48.59%	3,77,974	-3.81%	(6,084)	-50.00%	1	-3.81%	(6,083)
Minority Interest	-3.51%	27,332	-5.92%	(9,451)	50.00%	1	-5.92%	(9,450)
Consolidated Net Assets/Profit After Tax	100.00%	7,77,931	100.00%	(1,59,583)		(2)	100.00%	(1,59,585)

Note 72 (B) Material non-controlling interest in subsidiaries

(₹ in Lakhs)

Particulars	Jaypee Powergrid Limited		Bina Power Supply Limited	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Assets				
Non Current Assets	75,772	79,197	-	-
Current Assets	8,883	6,187	3	3
Liabilities				
Non-current Liabilities	34,349	40,487	-	-
Current Liabilities	10,446	8,689	-	-
Equity	39,860	36,208	3	3
Percentage of ownership held by non-controlling interest	26%	26%	1%	1%
Accumulated non controlling interest	12,550	10,803	-	-

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Revenue	16,874	17,502	-	-
Net profit/(loss)	6,717	4,987	-	-
Other Comprehensive Income	4	(1)	-	-
Total Comprehensive Income	6,721	4,986	-	-
Total Comprehensive Income allocated to Non controlling Interests	1,747	1,296	-	-

Particulars	As at 31.03.2018	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Net cash inflow/(outflow) from operating activities	16,282	17,092	-	-
Net cash inflow/(outflow) from investing activities	-	5	-	-
Net cash inflow/(outflow) from financing activities	(13,486)	(17,270)	-	-
Net cash inflow/(outflow)	2,795	(173)	-	-

Note: PPGCL ceased to be subsidiary of JPVL w.e.f 18.12.2017 hence not considered for above disclosure.

Note 73

Previous Year's figures have been regrouped/re-arranged, wherever considered necessary to make them conform to the figures for the current year.

Note 74

All the figures have been rounded off to the nearest rupees in Lakhs.

As per our report of even date

FOR LODHA & CO.
CHARTERED ACCOUNTANTS

Firm Registration No. 301051E

Manoj Gaur

Chairman

DIN 00008480

N.K. LODHA

Partner

Suren Jain

Managing Director & CFO

DIN 00011026

Sunil Kumar Sharma

Vice Chairman & CEO

DIN 00008125

M. No. 085155

Place : New Delhi

Dated : 5th May, 2018

Y.K. Sharma

Sr. Vice President (F & A)

A.K. Rastogi

Joint President & Company Secretary

Notes

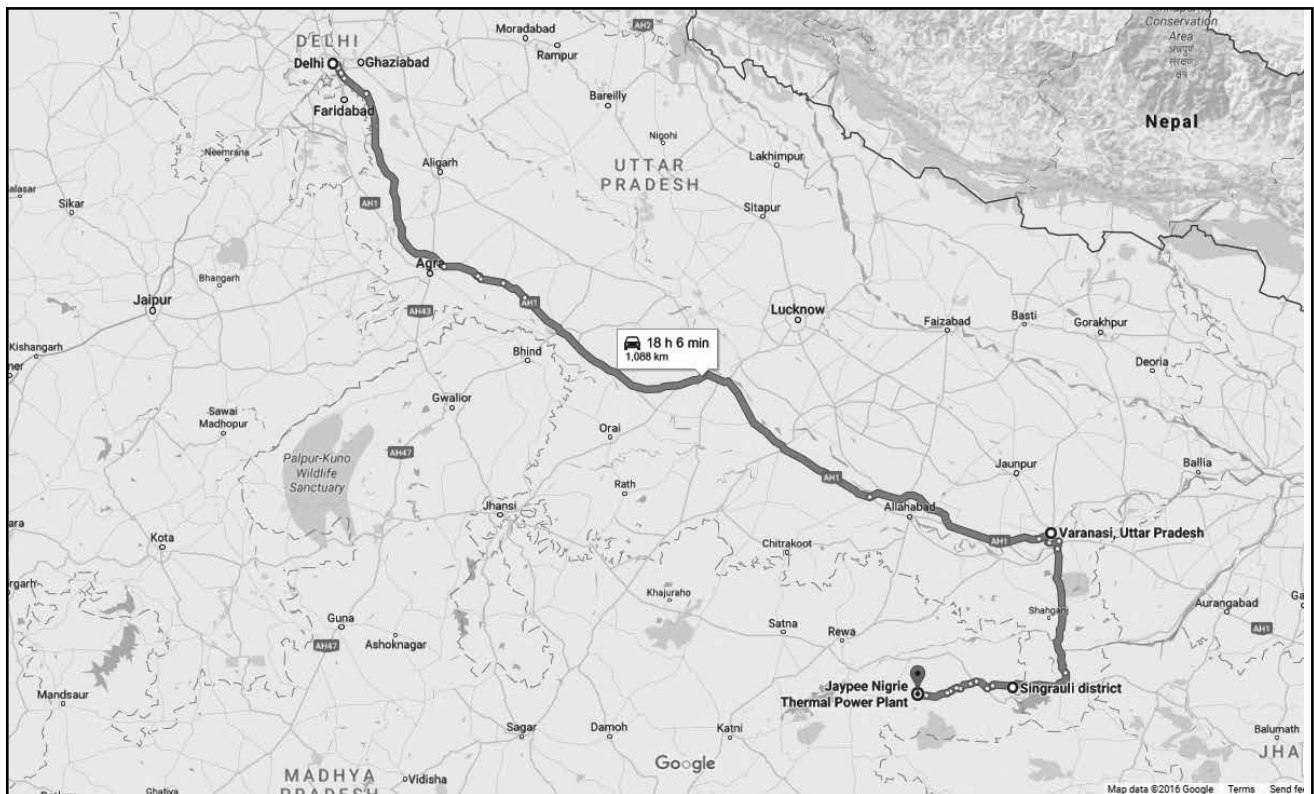
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ROUTE MAP TO THE AGM VENUE

Jaypee Nigrie Super Thermal Power Plant, Nigrie,
Tehsil: Sarai, Distt. Singrauli-486669
(Madhya Pradesh)



JAIPRAKASH

POWER VENTURES LIMITED

CIN: L40101MP1994PLC042920

Regd. Office: Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli 486 669 (M.P.)

ADMISSION SLIP

DPID		FOLIO NO/CLIENT ID		NO.OF SHARES	
------	--	--------------------	--	--------------	--

Name(s) and address of the member in full: _____

I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company to be held on **Friday, the 28th September, 2018 at 10.00 A.M. at the Registered Office of the Company at Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli 486 669 (M.P.)**

☐

MEMBER

☐

PROXY

Signature of Member/Proxy

JAIPRAKASH

POWER VENTURES LIMITED

CIN: L40101MP1994PLC042920

Regd. Office: Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli 486 669 (M.P.)

FORM NO.MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L40101MP1994PLC042920
Name of the Company	JAIPRAKASH POWER VENTURES LIMITED
Registered Office	Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli 486 669 (M.P.) Tel: +91 7801 286021-39 Fax: +91 7801 286020 E-mail id : jpv.investor@jalindia.co.in Website : www.jppowerventures.com

Name of the Member (s)	
Registered Address	
E-mail id	
DP ID and Client ID/Folio No.	

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint

1)	Name	
	Address	
	E-mail id	Signature

Or failing him

1)	Name	
	Address	
	E-mail id	Signature

Or failing him

1)	Name	
	Address	
	E-mail id	Signature

P.T.O.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on **Friday, the 28th September, 2018 at 10.00 A.M. at the Registered Office of the Company at Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli 486 669 (M.P.)** and at any adjournment thereof in respect of such Resolutions as are indicated below:

Ordinary Business	
1	To receive, consider & adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2018 together with the Report of Board of Directors and Auditors thereon.
2	To appoint a Director in place of Shri Suren Jain (DIN: 00011026), who retires by rotation and, being eligible, offers himself for re-appointment.
3	To appoint a Director in place of Shri Praveen Kumar Singh (DIN: 00093039), who retires by rotation and, being eligible, offers himself for re-appointment.
Special Business	
4	Ratification of the Remuneration of Cost Auditors , of the Company (Ordinary Resolution)
5	Continuation of Shri B.B. Tandon as an Independent Director beyond the age of 75 years (Special Resolution)
6	Continuation of Shri A.K.Goswami as an Independent Director beyond the age of 75 years (Special Resolution)
7	Continuation of Shri S.S. Gupta as an Independent Director beyond the age of 75 years (Special Resolution)
8	Continuation of Dr. J.N. Gupta as an Independent Director beyond the age of 75 years (Special Resolution)
9	Continuation of Shri K.N. Bhandari as an Independent Director beyond the age of 75 years (Special Resolution)
10	Continuation of Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha as a Non-Executive & Non-Independent Director beyond the age of 75 years (Special Resolution)
11	Approval of Remuneration paid to Shri Praveen Kumar Singh, Whole Time Director during FY 2013-14, FY 2015-16 and FY 2016-17 (upto 9th February, 2017) (Special Resolution)
12	Approval of Remuneration paid to Shri Suren Jain, Managing Director & CFO during FY 2013-14, FY 2015-16, FY 2016-17 and FY 2017-18 (upto 11th January, 2018) (Special Resolution)
13.	Approval for Increase in Authorized Share Capital of the Company and Consequential Amendment to the Memorandum of Association of the Company
14.	Approval for Conversion of Loans by Lenders into 0.01% Cumulative Compulsory Convertible Preference Shares (CCPS) Pursuant to Implementation of RBI Circular on Resolution of Stressed Assets – Revised Framework.
15.	Approval for Offer and Issue of Equity Shares of Face Value of Rupee Ten each by the Company on Preferential Basis to Party(ies)
16.	Approval for Amendment of the Existing Terms and Conditions of the US\$ 200,000,000 5% Foreign Currency Convertible Bonds ("FCCBS") issued by the Company

Signed this _____ day of _____, 2018

Signature of Member :

Signature of Proxy holder(s) :

Affix
Revenue
Stamps
of
Re.1

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company

1980 MW Bara Thermal Power Plant,
Allahabad, Uttar Pradesh



CSR Activities at Jaiprakash Power Ventures Limited



If undelivered please return to:

JAIPRAKASH
POWER VENTURES LIMITED

CIN: L40101MP1994PLC042920

Corporate Office: 'JA House', 63, Basant Lok, Vasant Vihar, New Delhi-110 057, India
Phone: +91-120-4609000 **Email id:** jpv1.investor@jalindia.co.in **Website:** www.jppowerventures.com