

Ref: JPVL:SEC:2018

3rd November, 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: Un-audited Standalone Financial Results of the Company for the quarter and half year ended 30th September, 2018

Dear Sirs,

We are enclosing herewith the Unaudited Financial Results for the quarter and half year ended 30th September, 2018 in the prescribed format as required under Regulation 33(3) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The results have been reviewed by the Audit Committee of the Board of Directors and approved by the Board of Directors in their respective meetings held on 3rd November, 2018.

Further, as required under Regulation 33(2)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, also enclosed herewith is a copy of the "Limited Review Report" by the Statutory Auditors on the unaudited financial results of the Company for the quarter and half year ended 30th September, 2018. The "Limited Review Report" has been placed before the Board of Directors in their meeting held on 3rd November, 2018.

The meeting commenced at 12.30 P.M. and concluded at 2.55 P.M.

Thanking you,

Yours faithfully,

For **JAIPRAKASH POWER VENTURES LIMITED**



(A.K. Rastogi)

Joint President & Company Secretary

Encl: As above



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E-mail : jpvl.investor@jalindia.co.in, **Website :** www.jppowerventures.com
CIN : L40101MP1994PLC042920

JAIPRAKASH

POWER VENTURES LIMITED

Regd. Office : Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli - 486 669, (Madhya Pradesh)

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

Website: www.jppowerventures.com

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CIN : L40101MP1994PLC042920

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER, 2018

Rs. in Lakhs except Shares and EPS

Particulars	Quarter Ended			Six Months Ended		Previous Year Ended
	30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	95,399	108,307	82,584	203,706	182,176	338,131
II Other income	4,489	706	11,525	5,195	21,864	34,875
III Total Revenue (I+II)	99,888	109,013	94,109	208,901	204,040	373,006
IV Expenses						
Cost of material and operation expenses	55,110	59,607	48,213	114,717	109,303	208,509
Purchases of stock-in-trade	-	-	-	-	-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(20)	126	(238)	106	(579)	(183)
Employee benefits expense	2,578	2,388	2,373	4,966	4,411	9,335
Finance costs	36,975	37,151	41,682	74,126	77,977	149,178
Depreciation and amortisation	12,047	11,865	11,925	23,912	23,849	48,686
Other expenses	2,072	2,498	1,939	4,570	3,636	19,351
Total expenses (IV)	108,762	113,635	105,894	222,397	218,597	434,876
V Profit / (loss) before exceptional items and tax (III-IV)	(8,874)	(4,622)	(11,785)	(13,496)	(14,557)	(61,870)
VI Exceptional items [refer note no. 7(a)]	-	5,268	-	5,268	-	-
VII Profit / (loss) before tax (V+VI)	(8,874)	646	(11,785)	(8,228)	(14,557)	(61,870)
VIII Tax expense						
(1) Current tax	-	-	-	-	-	-
(2) Income tax of earlier years	-	-	99	-	99	99
(3) Reversal of MAT credit entitlement of earlier years	-	-	8,522	-	8,522	8,522
(4) Deferred tax	(4,688)	232	(4,751)	(4,456)	(5,621)	(17,760)
IX Profit / (Loss) for the period (VII-VIII)	(4,186)	414	(15,655)	(3,772)	(17,557)	(52,731)
X Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss	(2)	(2)	-	(4)	-	(7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1	1	-	2	-	3
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 (X)	(1)	(1)	-	(2)	-	(4)
XI Total comprehensive income for the period (IX+X) (Comprising Profit (Loss) and Other comprehensive income for the period)	(4,187)	413	(15,655)	(3,774)	(17,557)	(52,735)
XII Other equity	-	-	-	-	-	336,946
XIII Equity Share Capital (Face value of Rs. 10/- per share)	599,600	599,600	599,600	599,600	599,600	599,600
XIV Earnings Per Share (Rs.)						
a) Basic EPS	(0.07)	0.0069	(0.26)	(0.06)	(0.29)	(0.88)
b) Diluted EPS #	(0.07)	0.0068	(0.26)	(0.06)	(0.29)	(0.88)

Being anti dilutive except for the quarter ended 30th June, 2018

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Notes:

- 1 The financial results for the period/ quarter ended 30th September, 2018 are in respect of 400 MW Jaypee Vishnuprayag Hydro Electric Plant (VHEP), 500 MW Jaypee Bina Thermal Power Plant (Bina TPP), 1320 MW Jaypee Nigrie Super Thermal Power Plant (JNSTPP), Jaypee Nigrie Cement Grinding Unit and Amelia (North) Coal Mine.
The Company has aggregate power generation capacity of 2220 MW comprising of Hydro (400 MW) and Thermal (1820 MW).
- 2 In respect of Hydro Power Plant, the water availability in the first half of the financial year is higher as compared to the second half. As such, the power generation in the first two quarters (based on past experience/ data) lies between 70-75% of the annual power generation, while balance 25-30% is generated in third and fourth quarter.
- 3 (a) The operations of Thermal Power Projects have been impacted on account of (i) operations at Bina TPP have been affected due to scheduling of power only for few hours in a day by SLDC requiring the Company to sell balance power on exchange at market driven tariff and insufficient availability of coal, (ii) non availability of long term PPAs for Nigrie STPP and insufficient availability of coal.
(b) Company has accounted for revenue for the period/ quarter ended 30th September, 2018 on the basis of Multi Year Tariff (MYT) for the period 2016-19 for Bina TPP and on the basis of provisional tariff order for the financial year 2015-16 for JNSTPP as per the orders of Madhya Pradesh Electricity Regulatory Commission (MPERC) which are subject to true up/final assessment.
(c) In respect of Vishnuprayag HEP Company has accounted for revenue for the period/ quarter ended 30th September, 2018 based on provisional tariff subject to true up / final tariff order.
- 4 (a) Lenders had invoked SDR during financial year 2016-17 as per RBI guidelines for stressed assets. Consequent to that the Company had allotted 30,580 lakhs equity shares at Rs.3,05,800 lakhs on 18.02.2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest. The lenders shareholding stood at 51% as on 18.02.2017 which stands reduced to 49.80% as on 30.09.2018 of paid up capital of the Company. The lenders who are holding equity share capital of the Company, had to offload the shareholding as per RBI guidelines. The lenders had invited bids for divestment of part of their equity in the Company. Since the response was not satisfactory, lenders closed the process.
(b) At present, resolution/ revival plan is under consideration of lender(s) as per revised RBI guidelines dated 12.02.2018 for the stressed assets. As per revised RBI guide lines the resolution plan was to be implemented by lenders within 180 days from 01.03.2018 i.e. by 27.08.2018, failing which lenders had to file insolvency application within 15 days from 27.08.2018. Majority of lender(s) have approved the resolution plan whereas it is under process with some of the lender(s). In the mean time Independent Power Producers Association and Association of Power Producers (APP) had filed an application with Hon'ble Supreme Court for stay of implementation of RBI Circular dated 12.02.2018. The Hon'ble Supreme Court vide its judgment dated 11.09.2018 ordered to maintain status quo with regard to insolvency proceedings and the next date of hearing has been fixed for 14.11.2018. The Board of Directors and Shareholders have already approved for conversion of loans of Rs. 4,00,000 lakhs (approx) to Compulsory Convertible Preference Shares (CCPSs) in line with the proposed resolution plan. Accordingly financial statements are prepared on going concern basis. In the mean time, ICICI Bank Ltd. has filed an application with National Company Law Tribunal (NCLT), Ahmedabad, for initiating Corporate Insolvency Resolution Process as per provisions of RBI circular dated 12.02.2018. The matter is listed for 27th November, 2018. Some of the lenders have advised to pay back their entire dues alternatively they will be constrained to take legal action including under the provisions of SARFAESI Act, the Company has suitably responded to the same. Accordingly, current and non-current classification of borrowings has been done without considering pay back notices from 4 lenders, amounting to Rs.1,80,594.15 lakhs as presently company is in process of negotiation.



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5 (a) 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 of Company). The entire shares were pledged with Security Trustees, SBI Cap 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 pledged 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 the financial statements by the management, as impact, if any is currently unascertainable.

The Lead Bank (SBI) of PPGCL had invited the bids for sale of 89.47% shares of PPGCL held by lenders pursuant to invocation of pledged shares of the Company by them on 18th December, 2017. SBI has issued letter of intent to Resurgent Power Ventures Pte Ltd. being the highest bidder, for acquisition of stake in PPGCL. SBI is in process of further necessary action. In the mean time, SBI had also filed insolvency application for PPGCL before NCLT Allahabad as per provisions of RBI circular dated 12.02.2018. The date of hearing in NCLT is yet to be fixed.

(b) 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 an associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs.70,333 lakhs and Rs. 1,10,000 lakhs respectively for which fair valuation has not been done as per the applicable Ind-AS as of 30th September, 2018 and also as on 31st March, 2018. 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 result/ statement of affairs.

6 No provision for diminution in value against certain long term investments of amounting to Rs. 2,77,496 lakhs (book value - in subsidiaries and other) ("Including investment in trust which in turn holding investment in the Company of Rs.1,98,594 lakhs") other than 5 (a) above 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 and has concluded that no provision against diminution is necessary at this stage.

7 (a) Interest has not been provided on outstanding Foreign Currency Convertible Bonds (FCCBs) aggregating to Rs.12,490 lakhs (including Rs. 1,226 lakhs and Rs. 1,378 lakhs for quarter ended June'18 and September'18 respectively). The reversal of the interest of Rs.5,268 Lakhs charged for the period up to 31st March, 2017 has been treated as Exceptional item during quarter ended 30th June, 2018. The above is in view of the ongoing discussions with the Bondholders for settlement/conversion of the outstanding FCCBs into equity and waiver of interest. On conclusion of the negotiations, interest, if any, payable would be treated as expenses in the subsequent period.

(b) Penal interest of Rs.4,874 lakhs (including Rs. 914 lakhs and Rs. 919 lakhs for quarter ended June'18 and September'18 respectively) has not been provided on certain loans in these financial results 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 been classified as NPA. The above amount will be accounted as expense subject to payment, if any in the relevant subsequent period.

8 The above financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

9 The above unaudited financial results for the period/ quarter ended 30th September, 2018 have been reviewed by Audit Committee and then approved by the Board of Directors at their respective meetings held on the 3rd November, 2018.

For and on behalf of the Board



MANOJ GAUR
CHAIRMAN
DIN 00008480

PLACE New Delhi
DATE 3rd November, 2018

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rupees in Lakhs)

Particulars		30.09.2018	31.03.2018
		Unaudited	Audited
A	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	1,503,106	1,518,244
	(b) Capital work-in-progress	16,036	15,877
	(c) Investment property	-	-
	(d) Goodwill	14	14
	(e) Other intangible assets	22,174	22,961
	(f) Intangible assets under development	-	-
	(g) Investment in subsidiaries	101,102	101,092
	(h) Financial assets		
	(i) Investments	198,594	198,594
	(ii) Trade receivables	-	-
	(iii) Loans	568	316
	(iv) Other financial assets	371	371
	(i) Deferred tax assets (net)	95,002	90,544
	(j) Other Non-current assets	41,824	42,247
	Total - Non-Current Assets	1,978,791	1,990,260
2	Current assets		
	(a) Inventories	20,769	16,852
	(b) Financial assets		
	(i) Other investments	273,877	273,877
	(ii) Trade receivables	46,449	29,639
	(iii) Cash and bank balances	9,552	4,508
	(iv) Bank balances other than (iii) above	13,962	480
	(v) Loans	15,713	15,713
	(vi) Other financial assets	84	44
	(c) Current tax assets (net)	196	183
	(d) Other current assets	52,264	45,944
	Total - Current Assets	432,866	387,240
	Total - Assets	2,411,657	2,377,500
B	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity share capital	599,600	599,600
	(b) Other equity	333,172	336,946
	Total - Equity	932,772	936,546
	Liability		
1	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	755,203	793,149
	(ii) Trade payables	-	-
	(iii) Other financial liabilities	251	499
	(b) Provisions	4,941	5,047
	(d) Deferred tax liabilities (net)	-	-
	(e) Other non-current liabilities	44,352	46,621
	Total - Non-Current Liabilities	804,747	845,316
2	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	133,203	133,672
	(ii) Trade payables		
	(a) total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	(b) total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	43,130	31,516
	(iii) Other financial liabilities	488,083	420,017
	(b) Other non-current liabilities	9,394	10,182
	(c) Provisions	328	251
	(d) Current tax liabilities (net)	-	-
	Total - Current Liabilities	674,138	595,638
	Total - Equity and Liabilities	2,411,657	2,377,500

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**STANDALONE UNAUDITED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE
QUARTER / HALF YEAR ENDED 30TH SEPTEMBER, 2018**

(Rs. in Lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Segment Revenue						
i) Power	95,075	107,478	82,246	202,553	181,564	335,446
ii) Coal	7,262	14,944	7,739	22,206	20,092	30,474
iii) Other	624	1,378	692	2,002	983	4,048
Total	102,961	123,800	90,677	226,761	202,639	369,968
Less : Inter segment eliminations	7,562	15,493	8,093	23,055	20,463	31,837
Add : Other income	4,489	706	11,525	5,195	21,864	34,875
Total sales / income from operations	99,888	109,013	94,109	208,901	204,040	373,006
2 Segment Results						
Profit / (loss) from operations before finance charges, depreciation and amortisation, exceptional items and tax						
i) Power	37,448	43,653	30,148	81,101	64,359	108,003
ii) Coal	1,185	1,169	1,221	2,354	2,481	4,911
iii) Other	1,515	(428)	10,453	1,087	20,429	23,080
Total	40,148	44,394	41,822	84,542	87,269	135,994
Less :						
[a] Interest expenses	36,975	37,151	41,682	74,126	77,977	149,178
[b] Depreciation and amortisation	12,047	11,865	11,925	23,912	23,849	48,686
Total	49,022	49,016	53,607	98,038	101,826	197,864
Profit / (loss) from operations before exceptional items and tax	(8,874)	(4,622)	(11,785)	(13,496)	(14,557)	(61,870)
Exceptional items	-	5,268	-	5,268	-	-
Profit / (loss) from operations before tax	(8,874)	646	(11,785)	(8,228)	(14,557)	(61,870)
Income tax (net)	(4,688)	232	3,870	(4,456)	3,000	(9,139)
Other comprehensive income	(1)	(1)		(2)		(4)
Profit / (loss) from operations after tax	(4,187)	413	(15,655)	(3,774)	(17,557)	(52,735)
3 Capital Employed						
a Segment Assets						
i) Power	1,600,306	1,592,436	1,611,954	1,600,306	1,611,954	1,575,812
ii) Coal	44,451	45,185	52,380	44,451	52,380	46,795
iii) Other	766,900	758,108	748,072	766,900	748,072	754,893
Total	2,411,657	2,395,729	2,412,406	2,411,657	2,412,406	2,377,500
b Segment Liabilities						
i) Power	356,205	339,566	300,724	356,205	300,724	329,199
ii) Coal	17,803	19,284	17,278	17,803	17,278	7,661
iii) Other	106,748	102,170	31,546	106,748	31,546	106,736
Total Liabilities	480,756	461,020	349,548	480,756	349,548	443,596
c Capital Employed *	1,930,901	1,934,709	2,062,858	1,930,901	2,062,858	1,933,904

* Note :- Capital employed = Equity + long term borrowings including current maturities of long term borrowings



JAIPRAKASH

POWER VENTURES LIMITED

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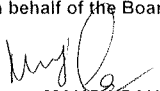
STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER, 2018

Rs. in Lakhs except Earning Per Share

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended 31.03.2018 (Audited)
		Quarter Ended 30.09.2018 (Unaudited)	Quarter Ended 30.06.2018 (Unaudited)	Quarter Ended 30.06.2017 (Unaudited)	Six Months Ended 30.09.2018 (Unaudited)	Six Months Ended 30.09.2017 (Unaudited)	
1	Total income from operations (net)	99,888	109,013	94,109	208,901	204,040	373,006
2	Net Profit / (Loss) for the period (before tax and exceptional items)	(8,874)	(4,622)	(11,785)	(13,496)	(14,557)	(61,870)
3	Net Profit / (Loss) for the period before tax (after Exceptional items)	(8,874)	646	(11,785)	(8,228)	(14,557)	(61,870)
4	Net Profit / (Loss) for the period after tax (after Exceptional items)	(4,186)	414	(15,655)	(3,772)	(17,557)	(52,731)
5	Total Comprehensive Income for the period (Comprising Profit (Loss) for the period (after tax) and Other Comprehensive Income (after tax)	(4,187)	413	(15,655)	(3,774)	(17,557)	(52,735)
6	Equity Share Capital	599,600	599,600	599,600	599,600	599,600	599,600
7	Other equity	-	-	-	-	-	336,946
8	Earnings Per Share (of Rs. 10/- each) (in Rs.)						
	Basic :	(0.07)	0.0069	(0.26)	(0.06)	(0.29)	(0.88)
	Diluted :	(0.07)	0.0068	(0.26)	(0.06)	(0.29)	(0.88)

Note : The above is an extract of the detailed statement of Quarterly / Half yearly ended financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Other Disclosure Requirements) Regulations, 2015. The full Quarterly / Half yearly financial results are available on the Stock Exchange websites i.e. www.bseindia.com and www.nseindia.com and also on the Company's website i.e. www.jppowerventures.com.

For and on behalf of the Board


MANOJ GAUR
CHAIRMAN
DIN 00008480

Place : New Delhi
Dated : 03rd November, 2018

Limited Review Report

To The Board of Directors of Jaiprakash Power Ventures Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of JAIPRAKASH POWER VENTURES LIMITED ('the Company') for the quarter/half year ended 30th September 2018 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016. We have also reviewed statements of assets and liabilities of the company as on that date.

This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company in their meeting held on 3rd November 2018, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE 2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of The Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance about whether the financial results are free from material misstatement(s). A review is limited primarily to enquiries of the Company personnel and analytical procedures applied to the financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. **Basis of Qualified conclusion**
Attention is drawn to:

- (a) Note no 55 (b) of audited standalone financial statements for the year ended 31st March, 2018 regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), erstwhile 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 results by the management, as impact, if any is currently unascertainable (Footnote no. 5 (a) of accompanying financial results).
- (b) As stated in note no. 45 (e) of audited standalone financial statements for the year ended 31st March, 2018, 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 an associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 70,333 lacs and Rs. 110,000 lacs respectively for which fair valuation has not been done as per the applicable IND-AS as of 30 September 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 financials results. (Footnote no. 5 (b) of accompanying financial results)
- (c) As stated in note no. 55(a) and 47 of audited standalone financial statements for the year ended 31st March, 2018, no provision in value against certain long term investments amounting to Rs. 277,496 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 (Footnote no. 6 of accompanying financial results).

- (d) Company has not provided for outstanding interest on Foreign Currency Convertible Bonds (FCCBs) amounting to Rs. 12,490 lacs (including Rs. 1,226 lacs and Rs. 1378 lacs for quarter ended June'18 and September'18 respectively) and penal interest on certain loans of amounting to Rs. 4,874 lacs (including Rs. 914 lacs and Rs. 919 lacs for quarter ended June'18 and September'18 respectively) (this is to be read with Note no. 59 (a) and no. 59 (b) of the audited standalone financial statements for the year ended 31st March, 2018). In quarter ended June, 2018, interest of Rs. 5,268 lacs on FCCBs for the period upto 31st March, 2017 has been reversed and shown as an exceptional item and loss for the quarter/half year has decreased by the said amount. Had the interest provision been made the loss for the quarter/half year of the Company would have increased by the said amount. [Footnote no. 7(a) and (b) accompanying financial results]

Our report was also qualified on the matters stated in para 3 above, issued on the financial statements for the quarters ended 30th June, 2018 and 31st March 2018, and in audit report on the standalone financial statements for the year ended 31st March 2018 on the matters stated in para 3.

4. Based on our review conducted as above, except for the effects/ possible effects of our observation stated in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in all material respects in accordance with the applicable Indian Accounting Standards prescribed u/s 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5th, 2016, including the manner in which is to be disclosed, or that it contains any material misstatement.

5. Emphasis of matter:

We draw attention to the following matters:

- (a) As Stated in Note no. 49 of the audited standalone financial statements for the year ended 31st March, 2018, no provision against Entry Tax in respect of Bina unit & Nigrie Power and 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 exempting 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. 3,080 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement unit respectively which is in the opinion of the management is good and recoverable.
- (b) Pending confirmations/reconciliation of balances of certain secured and unsecured loans & borrowings, balances with banks including certain fixed deposits, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties), loans & advances and inventory lying with third parties/in transit. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs, to be read with Note no. 61 of the audited standalone financial statements for the year ended 31st March, 2018.



- (c) For deferred tax assets on unabsorbed depreciation & business losses and of MAT credit entitlement recognised amounting to Rs. 95,002 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. [Note no. 68 (c) (deferred tax of Rs.90,544 lacs as at 31st March, 2018) of the audited standalone financial statements for the year ended 31st March, 2018].
- (d)
- Fair value of Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) being in excess as compared to the carrying value, as assessed by a technical valuer, 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.
 - As stated in the Note no. 57 of the audited standalone financial statements for the year ended 31st March, 2018, 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.
- (e) During the quarter/half year ended 30th September 2018 and financial year ended 31st March, 2018, the Company has incurred loss, and as at 30th September 2018 and was also 31st March 2018 its current liabilities exceed its current assets. However, for the reasons stated in the note no. 60 of the audited standalone financial statements for the year ended 31st March, 2018 and reasons stated in the note no. 4(b) of the accompanying financial results, it is considered appropriate by the management to prepare financial statements on going concern basis.

Our Conclusion is not modified in respect of these matters.

For **LODHA & CO.**

Chartered Accountants

Firm's Registration No. 301051E

N.K. Lodha

Partner

Membership No. 085155

Place: New Delhi

Dated: 3rd November 2018

