

JAIPRAKASH ASSOCIATES LIMITED

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019

(₹ in Lakhs)

Particulars	STANDALONE					
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2019 [Unaudited]	30.09.2019 [Unaudited]	31.12.2018 [Unaudited]	31.12.2019 [Unaudited]	31.12.2018 [Unaudited]	31.03.2019 [Audited]
1 Income						
Revenue from Operations	122458	102263	151735	344709	511205	683323
Other Income	(5524)	6744	1487	8446	3456	15118
Total Income	116934	109007	153222	353155	514661	698441
2 Expenses						
[a] Cost of Materials Consumed	41992	39307	52874	127103	155464	209234
[b] Purchase of Stock-in-trade	-	-	101	-	1461	1418
[c] Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-Progress	1839	(353)	1507	1496	14576	24572
[d] Direct Construction, Manufacturing, Real Estate, Infrastructure Hotel/Hospitality, Event & Power Expenses	42968	37413	57146	122309	200939	268177
[e] Employee Benefits Expense	12405	12477	11625	37132	33316	47777
[f] Finance Costs	17793	18008	14126	54601	53749	72380
[g] Depreciation and Amortisation Expense	10485	10329	9834	30948	29594	39520
[h] Other Expenses	11757	12573	15782	38494	48695	70369
Total Expenses	139239	129754	162995	412083	537794	733447
3 Profit/(Loss) before Exceptional Items and Tax [1 - 2]	(22305)	(20747)	(9773)	(58928)	(23133)	(35006)
4 Exceptional Items	(4041)	4574	-	533	(19206)	(42344)
5 Profit/(Loss) before Tax [3 + 4]	(26346)	(16173)	(9773)	(58395)	(42339)	(77350)
6 Tax Expense						
[a] Current Tax	97	-	-	97	-	-
[b] Deferred Tax	-	-	-	-	-	-
Total Tax Expense	97	-	-	97	-	-
7 Net Profit/(Loss) for the period from Continuing Operations after Tax [5 - 6]	(26443)	(16173)	(9773)	(58492)	(42339)	(77350)
8 Profit/(Loss) from Discontinued Operations	(39)	(8)	(2)	(54)	(6)	(18)
9 Tax expense of Discontinued Operations	-	-	-	-	-	-
10 Profit/(Loss) from Discontinued Operations after Tax [8 - 9]	(39)	(8)	(2)	(54)	(6)	(18)
11 Net Profit/(Loss) for the period after Tax [7 + 10]	(26482)	(16181)	(9775)	(58546)	(42345)	(77368)
12 Other Comprehensive Income						
a(i) Items that will not be reclassified to Profit/(Loss)	-	-	-	-	-	311
(ii) Income Tax relating to Items that will not be reclassified to Profit/(Loss)	-	-	-	-	-	-
b(i) Items that will be reclassified to Profit/(Loss)	-	-	-	-	-	-
(ii) Income Tax relating to Items that will be reclassified to Profit/(Loss)	-	-	-	-	-	-
Total Other Comprehensive Income for the period [Comprising Profit/(Loss) and Other Comprehensive Income for the period]	-	-	-	-	-	311
13 Total Comprehensive Income for the period [11 + 12] [comprising Profit/(Loss) and Other Comprehensive Income]	(26482)	(16181)	(9775)	(58546)	(42345)	(77057)
14 Paid-up Equity Share Capital [of ₹ 2/- per share]	48649	48649	48649	48649	48649	48649
15 Other Equity [excluding Revaluation Reserve]						826697
16 Earnings Per Share [of ₹ 2/- per share] [for continuing operations]						
Basic	₹ (1.09)	₹ (0.67)	₹ (0.40)	₹ (2.41)	₹ (1.74)	₹ (3.18)
Diluted	₹ (1.09)	₹ (0.67)	₹ (0.40)	₹ (2.41)	₹ (1.74)	₹ (3.18)
Earnings Per Share [of ₹ 2/- per share] [for discontinued operations]						
Basic	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -
Diluted	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -
Earnings Per Share [of ₹ 2/- per share] [for discontinued and continuing operations]						
Basic	₹ (1.09)	₹ (0.67)	₹ (0.40)	₹ (2.41)	₹ (1.74)	₹ (3.18)
Diluted	₹ (1.09)	₹ (0.67)	₹ (0.40)	₹ (2.41)	₹ (1.74)	₹ (3.18)

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**UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES
FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019**

(₹ in Lakhs)

Particulars	STANDALONE					
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2019 [Unaudited]	30.09.2019 [Unaudited]	31.12.2018 [Unaudited]	31.12.2019 [Unaudited]	31.12.2018 [Unaudited]	31.03.2019 [Audited]
1. Segment Revenue						
[a] Cement & Cement Products	37026	33961	50124	118981	145470	198077
[b] Construction	57133	46902	58451	148789	187997	261441
[c] Power	5993	4409	6255	16810	15982	21774
[d] Hotel/Hospitality & Golf Course	7821	5424	7565	19568	19712	27882
[e] Sport Events	169	238	264	993	719	893
[f] Real Estate	13063	10963	29747	37798	141326	173718
[g] Others	1230	1360	2394	3898	6460	9277
[h] Unallocated	873	121	98	1069	434	469
Total	123308	103378	154898	347906	518100	693531
Less: Inter-segment Revenue	850	1115	3163	3197	6895	10208
Revenue from Operations	122458	102263	151735	344709	511205	683323
2. Segment Results						
[a] Cement & Cement Products	(1483)	(3553)	(3098)	(4692)	(3392)	(5422)
[b] Construction	5087	(499)	1377	6153	4516	1944
[c] Power	(1379)	(2058)	(2266)	(4812)	(4101)	(3846)
[d] Hotel/Hospitality & Golf Course	1199	(505)	1170	804	1008	2043
[e] Sport Events	(3122)	(2959)	(2930)	(8738)	(8898)	(11886)
[f] Real Estate	2213	976	9342	4321	43221	47077
[g] Investments	(6809)	4570	(25)	2331	(2120)	7340
[h] Others	(1049)	(958)	(859)	(3093)	(2564)	(4302)
	(5343)	(4986)	2711	(7726)	27670	32948
Less:						
[a] Finance Costs	17793	18008	14126	54601	53749	72380
[b] Other Un-allocable Expenditure net off Un-allocable Income	(831)	(2247)	(1642)	(3,399)	(2946)	(4426)
	(22305)	(20747)	(9773)	(58928)	(23133)	(35006)
Exceptional Items	(4041)	4574	-	533	(19206)	(42344)
Profit/(Loss) before Tax from Continuing Operations	(26346)	(16173)	(9773)	(58395)	(42339)	(77350)
3. Segment Assets						
[a] Cement & Cement Products	474148	473855	497380	474148	497380	484258
[b] Construction	526427	523076	528002	526427	528002	510809
[c] Power	194689	195041	203370	194689	203370	198602
[d] Hotel/Hospitality & Golf Course	78634	78329	81247	78634	81247	85569
[e] Sports Events	232821	235279	244887	232821	244887	240965
[f] Real Estate	1374741	1354513	1285728	1374741	1285728	1310545
[h] Investments	745624	752420	744336	745624	744336	743124
[i] Others	14848	14547	15567	14848	15567	13849
[j] Un-allocated	203841	206305	211732	203841	211732	194355
Total Segment Assets	3845773	3833365	3812249	3845773	3812249	3782076
4. Segment Liabilities						
[excluding Loans]						
[a] Cement & Cement Products	96416	93001	95203	96416	95203	94107
[b] Construction	186966	183606	199517	186966	199517	168646
[c] Power	15089	15135	18627	15089	18627	14879
[d] Hotel/Hospitality & Golf Course	21217	20449	20135	21217	20135	24252
[e] Sports Events	11765	13310	14941	11765	14941	13661
[f] Real Estate	370929	379346	416912	370929	416912	391126
[g] Others	5214	4640	3659	5214	3659	3992
[h] Un-allocated	458683	418255	313844	458683	313844	354443
Total Segment Liabilities	1166279	1127742	1082838	1166279	1082838	1065106

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Notes:

1. Figures for the previous periods have been regrouped to conform to the classification of the current period, wherever necessary.
2. The Comprehensive Re-organization and Restructuring Plan (CRRP) for the Company and Jaypee Cement Corporation Limited was duly approved by the Joint Lenders' Forum on 22nd June, 2017, based on the recommendations of the Independent Evaluation Committee (IEC) appointed by the Reserve Bank of India envisaging bifurcation of the entire debt of the Company into two parts – 'Sustainable Debt' and 'Other Debt'. The entire outstanding debt has been put in three buckets making provisions for settlement/continuation of each category of debt as under :

[i] Bucket 1 Debt of ₹ 11,689 Crores which is part of the 'other debt' was to be discharged against the sale of identified Cement Plants of the Company and its Wholly owned Subsidiary to UltraTech Cement Limited. The transaction of the said sale stands consummated and Bucket 1 Debt stands settled in July, 2017.

[ii] Bucket 2a Debt of ₹ 6,367 Crores, being 'sustainable debt' will continue as debt of the Company for which Master Restructuring Agreement (MRA) dated 31st October, 2017 has been executed by the concerned 32 Lenders. The terms of the MRA are being complied including creation of security in favour of Lenders.

[iii] Bucket 2b Debt of ₹ 11,833.55 Crores (₹ 13,590 Crores original amount as reduced by ₹ 2543.55 Crores settled through direct Debt Assets Swap), which is part of 'Other Debt' is to be transferred to a Special Purpose Vehicle (SPV) namely Jaypee Infrastructure Development Limited (wholly owned subsidiary of the company) alongwith identified land of the Company. The Scheme of Arrangement (Scheme) for the said hive off duly approved by the Stock Exchanges, Shareholders, Creditors, other Regulators is pending sanction by National Company Law Tribunal (NCLT), which Scheme, on sanction, shall be effective from 1st July, 2017, being the Appointed Date.

Thus, the CRRP has not only been duly finalized and agreed upon with the Lenders but also implemented, as aforesaid, well within the time recommended by the Independent Advisory Committee as per Press Release dated 13th June, 2017.

In terms of the duly approved CRRP, as aforesaid, the Company has provided interest expenses on debt portion that will remain with it. Interest for the quarter and nine months ended 31st December, 2019 aggregating ₹ 275.71 Crores and ₹ 831.79 Cr respectively (₹ 1099.12 Crores for year ended 31st March, 2019 and ₹ 796.39 Crores till 31st March, 2018) on debt portion which will be transferred to Real Estate SPV on sanction of the Scheme of Arrangement by NCLT with Appointed Date of 1st July, 2017, has been added to the carrying cost of the Inventory / Projects under development in respect of SDZ Real Estate Undertaking (SDZ-RE), since the same has to be serviced from the assets / development of Assets of SDZ-RE.

3. Pending sanction of the Scheme by NCLT, ICICI Bank Limited on the directions of the RBI has filed an application with Hon'ble NCLT, Allahabad Bench U/s 7 of Insolvency & Bankruptcy Code, 2016 against the Company which is pending.
4. [a] The Competition Commission of India (CCI) vide its Order dated 31st August, 2016 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 during F.Y. 2009-10 & 2010-11 and imposed a penalty of ₹ 1,323.60 Crores on the Company. The Company had filed an Appeal against the said Order which was heard on various dates by Hon'ble National Company Law Appellate Tribunal (NCLAT). NCLAT vide its Order dated 25th July 2018 has rejected the appeals of all the cement manufacturers including that of the Company without interfering in the penalty, though, if calculated on the basis of profits earned by the Cement business, the same would have been ₹ 237.70 Crores only as against the penalty of ₹1323.60 Crores calculated on the profits for all business segments of the Company. The Company has filed appeal with the Hon'ble Supreme Court and the case has since been admitted and the Order of NCLAT has been stayed with the direction that interim Order passed earlier by NCLAT in these cases will continue in the meantime.
- [b] The Competition Commission of India vide its other order dated 19th January, 2017 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 in the State of Haryana during F.Y. 2012-13 to F.Y. 2014-15 and imposed a penalty of ₹ 38.02 Crores on the Company. The Company had filed an appeal against the Order before NCLAT which has stayed the operation of impugned order and further proceedings are progressing in the matter.

Based on the advice available, no provision is considered necessary in the above financial results in respect of the above cases.

5. Non Current Trade receivables include ₹ 2566.63 Crores, outstanding as at 31st December, 2019 (₹ 2661.34 Crores, outstanding as at 31st March 2019) which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering & Construction Contracts in respect of closed / suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which Company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations, the Management is of the view that these receivables are recoverable.

6. The principal outstanding of privately placed listed Non-Convertible Debentures (NCDs) is fully secured by way of equitable mortgage/registered mortgage/ hypothecation of certain fixed assets of the Company and of its subsidiary having security cover of more than 100%. As per the CRRP duly approved by the lenders, the outstanding NCDs including interest due thereon, are to be converted into Rupee Term Loan and repayable as per conditions of the said Plan.
7. [a] IDBI Bank Limited had filed a Petition with Hon'ble NCLT, Allahabad Bench, U/S 7 of Insolvency & Bankruptcy Code, 2016 (IBC) in respect of Jaypee Infratech Limited (JIL) [Subsidiary of the Company] which was admitted vide Order dated 9th August, 2017 and Interim Resolution Professional (IRP) was appointed. Hon'ble Supreme Court vide its Order dated 06th November, 2019 has directed the IRP to complete the Corporate Insolvency Resolution Process within 90 days from date of Order which has since been extended further by 4 weeks by Hon'ble Supreme Court. The Resolution Plan approved by the COC has been objected by various stake holders which are under consideration by Hon'ble NCLAT.

[b] The appeals filed by various lenders and the Company before Hon'ble NCLAT against the order of Hon'ble NCLT dated 16th May, 2018 allowing the application of the then IRP of JIL alleging contraventions of some of the provisions of IBC in respect of mortgage of land of JIL to secure the loans of Company being the holding company, were admitted. Hon'ble NCLAT vide its Order dated 01st August 2019 has set aside the Order of Hon'ble NCLT. Some Homebuyers & IRP of JIL have filed appeal against the said Order of NCLAT before Hon'ble Supreme Court who after hearing the parties have reserved the Order.
8. The above Financial results for the quarter ended 31st December, 2019 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on 13th February, 2020. These results have also been subjected to limited review by the Statutory Auditors.

Place: Greater Noida
Dated: 13th February, 2020




MANOJ GAUR
Executive Chairman
DIN - 00008480


STATEMENT OF UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019

(₹ in Lakhs)

Particulars	CONSOLIDATED					
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2019 [Unaudited]	30.09.2019 [Unaudited]	31.12.2018 [Unaudited]	31.12.2019 [Unaudited]	31.12.2018 [Unaudited]	31.03.2019 [Audited]
1 Income						
Revenue from Operations	207824	215658	256994	665443	804265	1082075
Other Income	4139	2366	1368	9390	3841	7044
Total Income	211963	218024	258362	674833	808106	1089119
2 Expenses						
[a] Cost of Materials Consumed	78687	80129	99073	240890	279520	365061
[b] Purchase of Stock-in-trade	3795	2197	2040	8278	4134	11532
[c] Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-Progress	1928	761	(1833)	3204	20821	25974
[d] Direct Construction, Manufacturing, Real Estate, Infrastructure Hotel/Hospitality, Event & Power Expenses	66163	84731	92041	259854	298003	396561
[e] Employee Benefits Expense	17065	17226	14605	51159	44013	64495
[f] Finance Costs	71335	68016	61840	207420	190594	255760
[g] Depreciation and Amortisation Expense	17578	17466	16273	52247	49086	73632
[h] Other Expenses	18741	20731	20853	61877	65255	105093
Total Expenses	275292	291257	304892	884929	951426	1298108
3 Profit/(Loss) before Exceptional Items, Share of Profit/(Loss) in Associates and Tax [1 - 2]	(63329)	(73233)	(46530)	(210096)	(143320)	(208989)
4 Share of Profit/(Loss) in Associates	(37119)	(3656)	(7147)	(42098)	(16857)	(10669)
5 Profit/(Loss) before Exceptional Items and Tax [3 + 4]	(100448)	(76889)	(53677)	(252194)	(160177)	(219658)
6 Exceptional Items	(4041)	4574	(1)	533	(19190)	(32818)
7 Profit/(Loss) before Tax [5 + 6]	(104489)	(72315)	(53678)	(251661)	(179367)	(252476)
8 Tax Expense						
[a] Current Tax	99	(273)	-	99	1	46
[b] Deferred Tax	(47)	(990)	-	(1080)	-	18411
Total Tax Expense	52	(1263)	-	(981)	1	18457
9 Net Profit/(Loss) for the period from Continuing Operations after Tax [7 - 8]	(104541)	(71052)	(53678)	(250680)	(179368)	(270933)
10 Profit/(Loss) from Discontinued Operations	(39)	(8)	(2)	(54)	(6)	(18)
11 Tax expense of Discontinued Operations	-	-	-	-	-	-
12 Profit/(Loss) from Discontinued Operations after Tax [10 - 11]	(39)	(8)	(2)	(54)	(6)	(18)
13 Net Profit/(Loss) for the period after Tax [9 + 12]	(104580)	(71060)	(53680)	(250734)	(179374)	(270951)
14 Non Controlling Interest	(17136)	(17368)	(13608)	(52136)	(41286)	(59915)
15 Net Profit/(Loss) after Tax and Non-Controlling Interest [13 - 14]	(87444)	(53692)	(40072)	(198598)	(138088)	(211036)
16 Other Comprehensive Income						
a(i) Items that will not be reclassified to Profit/(Loss)	(8)	(12)	1	(18)	5	337
(ii) Income Tax relating to Items that will not be reclassified to Profit/(Loss)	-	-	-	-	-	1
b(i) Items that will be reclassified to Profit/(Loss)	-	-	-	-	-	-
(ii) Income Tax relating to Items that will be reclassified to Profit/(Loss)	-	-	-	-	-	-
Total Other Comprehensive Income for the period [Comprising Profit/(Loss) and Other Comprehensive Income for the period]	(8)	(12)	1	(18)	5	338
17 Non-Controlling Interest [Other Comprehensive Income]	(4)	(4)	-	(8)	2	-
18 Other Comprehensive Income after Non-Controlling Interest [16 - 17]	(4)	(8)	1	(10)	3	338
19 Total Comprehensive Income for the period [13 + 16] [comprising Profit/(Loss) and Other Comprehensive Income]	(104588)	(71072)	(53679)	(250752)	(179369)	(270613)
20 Total Non-Controlling Interest [14 + 17]	(17140)	(17372)	(13608)	(52144)	(41284)	(59915)
21 Total Comprehensive Income for the period after Non-Controlling Interest [19 - 20] [comprising Profit/(Loss) and Other Comprehensive Income for the period]	(87448)	(53700)	(40071)	(198608)	(138085)	(210698)
22 Paid-up Equity Share Capital [of ₹ 2/- per share]	48649	48649	48649	48649	48649	48649
23 Other Equity [excluding Revaluation Reserve]						56937
24 Earnings Per Share [of ₹ 2/- per share] [for continuing operations]						
Basic	₹ (3.59)	₹ (2.21)	₹ (1.65)	₹ (8.16)	₹ (5.68)	₹ (8.68)
Diluted	₹ (3.59)	₹ (2.21)	₹ (1.65)	₹ (8.16)	₹ (5.68)	₹ (8.68)
Earnings Per Share [of ₹ 2/- per share] [for discontinued operations]						
Basic	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -
Diluted	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -
Earnings Per Share [of ₹ 2/- per share] [for discontinued and continuing operations]						
Basic	₹ (3.59)	₹ (2.21)	₹ (1.65)	₹ (8.16)	₹ (5.68)	₹ (8.68)
Diluted	₹ (3.59)	₹ (2.21)	₹ (1.65)	₹ (8.16)	₹ (5.68)	₹ (8.68)

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**UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES
FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019**

(₹ in Lakhs)

Particulars	CONSOLIDATED					
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2019 [Unaudited]	30.09.2019 [Unaudited]	31.12.2018 [Unaudited]	31.12.2019 [Unaudited]	31.12.2018 [Unaudited]	31.03.2019 [Audited]
1. Segment Revenue						
[a] Cement & Cement Products	44741	41579	63764	144693	177657	239566
[b] Construction	57305	47042	58450	150603	187997	266199
[c] Power	5993	4409	6255	16810	15982	21774
[d] Hotel/Hospitality & Golf Course	7822	5424	7565	19569	19712	27881
[e] Sport Events	169	238	264	993	719	893
[f] Real Estate	13063	10962	29747	37798	141326	173718
[g] Investments	-	-	-	-	-	-
[h] Infrastructure	24931	45845	35237	131031	94464	133722
[i] Fertilizers	60918	62490	67565	184739	187263	246915
[j] Health Care	7171	7504	8112	22389	24198	31850
[k] Others	2448	2232	2079	8016	10226	16039
[l] Unallocated	873	121	98	1069	434	470
Total	225434	227846	279136	717710	859978	1159027
Less: Inter-segment Revenue	17610	12188	22142	52267	55713	76952
Revenue from Operations	207824	215658	256994	665443	804265	1082075
2. Segment Results						
[a] Cement & Cement Products	(3686)	(6855)	(1171)	(11501)	(6515)	(10169)
[b] Construction	4995	2048	(619)	4800	1847	(1547)
[c] Power	(1379)	(2058)	(2266)	(4812)	(4101)	(3846)
[d] Hotel/Hospitality & Golf Course	1199	(505)	1170	804	1008	2043
[e] Sport Events	(3122)	(2959)	(2928)	(8732)	(8903)	(11893)
[f] Real Estate	2212	975	10965	4320	44840	49242
[g] Investments	3266	(77)	(77)	3111	(2259)	(2338)
[h] Infrastructure	5545	2232	7611	6269	17540	16764
[i] Fertilizers	1531	418	4594	5191	5623	10865
[j] Health Care	(576)	(740)	(341)	(1983)	(1011)	(1126)
[k] Others	(2528)	320	(3046)	(2885)	(3206)	(5203)
	7457	(7201)	13892	(5418)	44863	42792
Less:						
[a] Finance Costs	71335	68016	61840	207420	190594	255760
[b] Other Un-allocable Expenditure net off Un-allocable Income	(549)	(1984)	(1418)	(2742)	(2411)	(3979)
	(63329)	(73233)	(46530)	(210096)	(143320)	(208989)
Share of Profit/(Loss) in Associates	(37119)	(3656)	(7147)	(42098)	(16857)	(10669)
Exceptional Items	(4041)	4574	(1)	533	(19190)	(32818)
Profit/(Loss) before Tax from Continuing Operations	(104489)	(72315)	(53678)	(251661)	(179367)	(252476)
3. Segment Assets						
[a] Cement & Cement Products	603719	610031	675114	603719	675114	622566
[b] Construction	515577	509988	514713	515577	514713	499592
[c] Power	194689	195040	203368	194689	203368	198601
[d] Hotel/Hospitality & Golf Course	78422	78116	81048	78422	81048	85367
[e] Sports Events	231114	233574	243152	231114	243152	239276
[f] Real Estate	1319293	1299132	1229348	1319293	1229348	1254758
[g] Infrastructure	2027182	2018678	2140485	2027182	2140485	2087656
[h] Investments	82230	116070	114859	82230	114859	121047
[i] Fertilizers	221818	225581	206081	221818	206081	207046
[j] Health Care	90217	91270	92825	90217	92825	93234
[k] Others	43624	38806	43160	43624	43160	40856
[l] Un-allocated	170884	176236	194564	170884	194564	179207
Total Segment Assets	5578769	5592522	5738717	5578769	5738717	5629206
4. Segment Liabilities						
[excluding Loans]						
[a] Cement & Cement Products	120962	115058	156460	120962	156460	126672
[b] Construction	148127	143295	155497	148127	155497	126612
[c] Power	7813	8604	7895	7813	7895	5850
[d] Hotel/Hospitality & Golf Course	21217	20450	20134	21217	20134	24252
[e] Sports Events	9664	11206	13819	9664	13819	12702
[f] Real Estate	344584	352882	417511	344584	417511	362904
[g] Infrastructure	999562	997811	1089947	999562	1089947	1068581
[h] Investments	-	-	-	-	-	-
[i] Fertilizers	77827	77449	62374	77827	62374	59787
[j] Health Care	28246	27688	26308	28246	26308	27642
[k] Others	3313	2695	4915	3313	4915	3167
[l] Un-allocated	986685	896026	648044	986685	648044	727088
Total Segment Liabilities	2748000	2653164	2602904	2748000	2602904	2545257

Contd.....7

Notes:

1. Figures for the previous periods have been regrouped to conform to the classification of the current period, wherever necessary.
2. [a] The Competition Commission of India (CCI) vide its Order dated 31st August, 2016 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 during F.Y. 2009-10 & 2010-11 and imposed a penalty of ₹ 1,323.60 Crores on the Company. The Company had filed an Appeal against the said Order which was heard on various dates by Hon'ble National Company Law Appellate Tribunal (NCLAT). NCLAT vide its Order dated 25th July 2018 has rejected the appeals of all the cement manufacturers including that of the Company without interfering in the penalty, though, if calculated on the basis of profits earned by the Cement business, the same would have been ₹ 237.70 Crores only as against the penalty of ₹1323.60 Crores calculated on the profits for all business segments of the Company. The Company has filed appeal with the Hon'ble Supreme Court and the case has since been admitted and the Order of NCLAT has been stayed with the direction that interim Order passed earlier by NCLAT in these cases will continue in the meantime.
- [b] The Competition Commission of India vide its other order dated 19th January, 2017 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 in the State of Haryana during F.Y. 2012-13 to F.Y. 2014-15 and imposed a penalty of ₹ 38.02 Crores on the Company. The Company had filed an appeal against the Order before NCLAT which has stayed the operation of impugned order and further proceedings are progressing in the matter.

Based on the advice available, no provision is considered necessary in the above financial results in respect of the above cases.

3. Non Current Trade receivables include ₹ 2566.63 Crores, outstanding as at 31st December, 2019 (₹ 2661.34 Crores, outstanding as at 31st March 2019) which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering & Construction Contracts in respect of closed / suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which Company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations, the Management is of the view that these receivables are recoverable.
4. The above Financial results for the quarter ended 31st December, 2019 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on 13th February, 2020. These results have also been subjected to limited review by the Statutory Auditors.

Place: Greater Noida
Dated: 13th February, 2020




MANOJ GAUR
Executive Chairman
DIN - 00008480


Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015

**Review Report to
The Board of Directors of
Jaiprakash Associates Limited**

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of **JAIPRAKASH ASSOCIATES LIMITED** ('the Company') for the Quarter ended 31 December 2019 and the year to date results for the period 01 April 2019 to 31 December 2019, being submitted by the Company pursuant to the requirement to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended.

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 13th February, 2020, 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, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations"), as amended. Our responsibility is to issue a report on the statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to 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 Review Conclusion
Attention is drawn to:

The insolvency petition filed by the IDBI with the National Company Law Tribunal ('NCLT'), Allahabad against the Jaypee Infratech Limited (JIL) (Subsidiary of the company) was admitted and Interim Resolution Professional (IRP) personnel were appointed by the NCLT. The Hon'ble Supreme Court of India also admitted the Petition/Intervention filed by certain home buyers of Jaypee Infratech Limited and gave various interim directions from time to time including continuation of Corporate Insolvency Resolution Process (CIRP).

The Hon'ble Supreme Court vide its order dated November 06, 2019 while disposing the case inter-alia directed IRP to complete CIRP up to 03.02.2020. As informed by company Hon'ble Supreme Court vide its latest Order dated 03.02.2020 has extended time for completion of CIRP within four weeks from the date of Order.



In view of the pending / ongoing IRP proceedings now with the Principal Branch of NCLT, New Delhi

- i. The impact on the carrying value of the following is not ascertainable:
 - Corporate guarantees amounting to Rs. 271.19 Crores as at 31st December, 2019 to the lenders of the JIL. No fair valuation of which has been done as per requirements of Ind-AS 113 and as such impact of which is not ascertainable.
 - Deposit of Rs. 750 Crores lying with NCLT.
- ii. The company's Non-current investment in the equity shares of JIL is Rs. 849.26 Crores. In view of pending/ongoing IRP proceeding, impairment of Rs. 849.26 Crores have not been considered in accounts by the management. Had this provision been made, the loss would have increased to that extent.

Matters stated above have also been qualified in our report in preceding quarters/years.

4. Qualified opinion:

Based on our review conducted as above, except for the matters described in the Basis of Qualified Review Conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contain any material misstatement.

5. Emphasis of matter:

We draw attention to the following matters:

1.
 - a. The Competition Commission of India vide its Order dated 31st August, 2016 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 during F.Y. 2009-10 & 2010-11 and imposed a penalty of Rs. 1,323.60 Crores on the Company. The Company had filed an Appeal against the said Order which was heard on various dates by Hon'ble National Company Law Appellate Tribunal (NCLAT). NCLAT vide its Order dated 25th July 2018 has rejected the appeals of all the cement manufacturers including that of the Company without interfering in the penalty, though, if calculated on the basis of profits earned by the Cement business, the same would have been Rs. 237.70 Crores only as against the penalty of Rs. 1,323.60 Crores calculated on the profits for all business segments of the Company. The Company has filed appeal with the Hon'ble Supreme Court and the case has since been admitted and the Order of NCLAT has been stayed with the direction that interim order passed earlier by NCLAT in these cases will continue in the meantime.
 - b. The Competition Commission of India vide its other order dated 19th January, 2017 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 in the State of Haryana during F.Y. 2012-13 to F.Y. 2014-15 and imposed a penalty of Rs. 38.02 Crores on the Company. The Company had filed an appeal against the Order before NCLAT which has stayed the operation of impugned order and further proceedings are progressing in the matter.



Based on the advice available, the Company believes that no provision is considered necessary in the financials of the company.

2. Yes Bank Limited (YBL)/ Assets Care and Reconstruction Enterprise Limited (ACRE) invoked entire pledged/NDU equity share 28,09,66,000 of Rs. 10/- each of Bhilai Jaypee Cement Limited (BJCL) (a subsidiary of the company) and also recalled outstanding loan and invoked corporate guarantee and shortfall undertaking given by the company against the sanctioned loan facility of Rs. 465 Crores and Rs.45 Crores to JCCL a wholly owned subsidiary of the company. YBL assigned the same in favor of ACRE. The ACRE informed about the transfer of the entire pledged/NDU share of BJCL in its name. However, the company is contesting the assignment on the basis of the fact that these facilitates has been covered under the Comprehensive Reorganization & Re-structuring Plan (CRRP) of Company & Jaypee Cement Corporation Limited (JCCL) duly approved by the consortium of lenders including YBL at its meeting held on 22nd June, 2017. Hence, the carrying value of above said equity share of BJCL and 752 Equity Shares held in the name of nominee shareholders continue to be included as part of Non-Current investment of the company in the financial statements.

BJCL has incurred cash losses in the past years and its Net worth has eroded. However, based on valuation report from independent valuer on the assets of the company the management believe that the realizable amount is higher than the carrying value of the Non-Current Investment aggregating to Rs. 407.72 crores and receivable Rs. 549.74 crores is considered good and recoverable.

3. Yes Bank Limited/ARC has invoked pledged of 50,000 Equity shares of Rs 10/- each of Yamuna Expressway Tolling Limited (subsidiary Company) held by the Company. The company is contesting the invocation by the lenders. Pending settlement with the Lender/ARC, the company continues to show the above investments as non-current at carrying value.
4. Lender of MP Jaypee Coal Limited (MPJPCL) has invoked the corporate guarantee given by the Company for financial assistance granted to MPJPCL and served a notice to the company to make payment of Rs. 25.75 Crores outstanding as on 31st August, 2018 (Rs. 22.46 Crores outstanding as on 31.12.2019). However the liability has not been considered in the books of accounts being unascertainable, as the Coal Block for which Mining Rights are held by MPJPCL is yet to be re-allotted by the Nominated Authority.
5. Lender of Jaypee Cement Corporation Limited (JCCL) [subsidiary of the company] has invoked the corporate guarantee given by the company for financial assistance being granted to JCCL and asked to make payment for Rs. 438.36 Crores and Rs. 20.79 Crores, being amount outstanding as on 09.09.2018. However the liability has not been considered in the books of accounts, as the loan in question is part of approved Comprehensive Reorganization & Restructuring plan of JCCL and the Company. The company has made Non-Current Investment in equity of JCCL of Rs.1,454.71Crores.

The Subsidiary has incurred cash losses during the last few years and its Net worth has been eroded considerably. However, in the view of the management, the fair market value of the assets of the JCCL is much higher than their carrying value as such no provision for impairment in the carrying value of the investment is required.

6. Non-Current Trade receivables include Rs. 2607.04 Crores, outstanding as at 31st December 2019 (Rs. 2661.34 Crores, outstanding as at 31st March 2019) which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering & Construction Contracts in respect of closed/suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which company is at



various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations, the management considers these receivables are recoverable.

7. The Confirmations/ Reconciliation of balances of secured & unsecured loans, certain balances with banks including certain fixed deposits, trade receivables, trade and other payables and loans and advances are pending. The management is confident that on confirmation/ reconciliation there will not be any material impact on the financial statements.
8. The company has made a Non-Current Investment of Rs. 340 Crores (34 crores Equity Shares of Rs 10/- each, fully paid up) in Prayagraj Power Generation Company limited ('PPGCL') earlier an associate company. Lenders of PPGCL has invoked the entire pledged share of PPGCL held by Jaiprakash Power Ventures Limited (JPVL) [Holding Company of PPGCL] on 18th December 2017 due to default in payment to Banks/Financial Institutions. After obtaining various approvals / documentation etc. the Lendes have affected change in Management in favour of Renascent Power Ventures Private Limited. Since post change of management and various restructuring effects fair value of shares held by the Company in PPGCL is not available, therefore currently the carrying value has been reduced to book value of PPGCL as at 30.09.2019.
9. The company has made investment in equity shares (Quoted) of Rs. 1,742.62 Crores in Jaiprakash Power Ventures Limited (JPVL) an associate company (earlier subsidiary) of the Company. The Company has signed a 'Framework Agreement' on 18th April, 2019 with the Banks and Financial Institutions for restructuring of the Outstanding Loans and Interest. Accordingly JPVL has issued Cumulative Compulsory Convertible Preference Shares and Cumulative Redeemable Preference Shares. Further, JPVL has issued equity shares of Rs 10 each to FCCB Holders at Rs 12 per equity share and JSW Energy Ltd at par against their outstanding liabilities as per agreed terms.
Considering the present status of Debt Resolution Process, valuation of certain assets of JPVL, conversion of outstanding dues of FCCB holders and further better prospects no diminution is envisaged by the management in the carrying value in the financial statement on the basis of quoted share price of JPVL being less than the carrying value.
10. In the opinion of the management in the case of loss making segments of the company no impairment in the assets of the segment is required in view of temporary nature of the losses, Valuation report, circle rates of the immovable property and future cash flows which are higher than the carrying value of the assets.
11. The Company has received Termination Notice for the Mandla North Coal Mine allotted by Nominated Authority, Ministry of Coal on account of not meeting eligibility criteria mentioned in the Coal Mines Development and Production Agreement along with instructions for invocation of the Bank Guarantee submitted by the company in the form of Performance Security. The Hon'ble High Court has granted stay against the Termination Notice and invocation of Performance Guarantee. Since, the matter is now being sub-judice in High Court, the recoverability of the amount invested aggregating to Rs. 295.72 Crores as on 31.12.2019 in the development of the Coal Block and impact of the invocation of the Performance Guarantee is uncertain, as such no provision has been considered necessary to be made in the financial results by the management.



12. In view of default in repayment of principal and/ or interest to Banks and Financial Institutions during the year ended March 31, 2015, the Ministry of Corporate Affairs (MCA) vide its letter dated December 27, 2017 rejected the application for the payment of remuneration to Shri Rahul Kumar, the then Whole-time Director & CFO on the ground that the Company did not recover the remuneration paid to its Managing and Whole-time Directors [Managerial persons] for the financial year 2014-15 & 2015-16 (upto 31st October, 2015).

In view of the said rejection and direction of recovery by MCA, the request of the Company to grant approval for waiver thereof was not considered favourably by Lenders.

Thereafter, on representation made by the Company, the MCA vide its letter dated 06.12.2019 has clarified that in cases where there were sufficient profits and not defaults to creditors for a continuous period of 30 days in the preceding financial year before the date of appointment of concerned managerial persons, recourse to applicable provisions of Section 197 of Schedule V to the Companies Act, 2013, may be taken for action as appropriate. In view of the aforesaid clarification of MCA, there would be no need for recovery of remuneration paid to Managing & Whole-time Directors for the FY 2014-15 and FY 2015-16 (upto 31.10.2015).

Accordingly, the Company has again approached ICICI Bank, the lead, to accord approval / no objection to the waiver of recovery of remuneration paid to Shri Rahul Kumar from 31.10.2015 to 31.07.2017 (original tenure was 31.10.2015 to 30.10.2018 but resigned w.e.f. 31st July, 2017). Upon receipt of the approval from ICICI Bank, further actions, including approval of the shareholders as required under Section 197 of the Companies Act, 2013 would be taken.

13. There are certain Entry tax matters under Appeals aggregating to Rs. 297.82 Crores (excluding interest, currently unascertainable) pertaining to the State of Madhya Pradesh and Himachal Pradesh. The Company has challenged these on account of various grounds in Hon'ble High Courts. No provision has been considered of the above in the Statement as management is of the opinion that the Company will succeed in the appeal. The Company has already deposited Rs.166.79 Crores and also furnished Bank Guarantees of Rs. 125.43 Crores against the above.
14. The Lenders of the company in their Joint Lenders Forum (JLF) meeting held on 22nd June, 2017 have approved restructuring / realignment/ reorganization of debt of the Company & its wholly owned subsidiary, Jaypee Cement Corporation Limited (JCCL) being Restructuring Scheme.

The company has provided interest expenses on the debt portion that will remain with the company in accordance with the Restructuring Scheme approved and Master Re-structuring Agreement (MRA) signed with the Lenders. Interest for the quarter ended 31st December 2019 aggregating Rs. 275.71 Crores and Rs. 2727.48 Crores till 31st December 2019 on debt portion which will be transferred to Real Estate SPV namely 'Jaypee Infrastructure Development Limited' (JIDL) on sanction of the scheme of Arrangement by Hon'ble National Company Law Tribunal (NCLT), Allahabad with appointed date of 1st July, 2017 has been added to the carrying cost of the Inventory/ Projects under development in respect of SDZ Real Estate Undertaking [SDZ-RE], since the same has to be serviced from the assets/development of Assets of SDZ-RE.

However before the order on the above restructuring scheme by the Hon'ble NCLT, ICICI Bank Limited on the direction of RBI had filed an application with Hon'ble NCLT, Allahabad bench U/s 7 of Insolvency & Bankruptcy Code, 2016 against the company which is pending. On restructured loan, the company has also defaulted in the payment of interest and principal for the financial year 2018-19 and quarter & nine months ended 31.12.2019.



As such till the decision of the Hon'ble NCLT on restructuring scheme and/or application u/s 7 of Insolvency & Bankruptcy Code, 2016 and further action/restructuring by the lenders on this account, there remains uncertainty and as such its impact on the financials of the company is not ascertainable.

Our conclusion is not modified in respect of above stated matters in para (1) to (14).

For Rajendra K Goel & Co.
Chartered Accountants
Firm's Registration No. 001457N

R.K. Goel
Partner
Membership No. 006154
Place: Noida
Dated: 13th February 2020
UDIN: 20006154AAAAAV1930



Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015

To
**The Board of Directors of
Jaiprakash Associates Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Jaiprakash Associates Limited ('the Parent'), and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') and its share of the net profit/(loss) after tax and total comprehensive income / loss of its associates and joint ventures for the Quarter ended 31 December 2019 and year to date results for the period from 1 April 2019 to 31 December 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 31 December 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, 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, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Subsidiaries/Joint Venture

- 1) Jaypee Infratech Limited
- 2) Himalyan Expressway Limited
- 3) Jaypee Cement Hockey (India) Limited
- 4) Jaypee Infrastructure Development Limited
- 5) Jaypee Ganga Infrastructure Corporation Limited
- 6) Jaypee Agra Vikas Limited
- 7) Yamuna Expressway Tolling Limited
- 8) Gujarat Jaypee Cement and Infrastructure Limited
- 9) Jaypee Assam Cement Limited



- 10) Jaiprakash Agri Initiative Company Limited
- 11) Kanpur Fertilizers and Cement Limited
- 12) Jaypee Fertilizers and Industries Limited
- 13) Jaypee Uttar Bharat Vikas Private Limited
- 14) Himalayaputra Aviation Limited
- 15) Jaypee Health Care Limited
- 16) Jaypee Cement Corporation Limited
- 17) RPJ Minerals Private Limited
- 18) Sonebhadra Minerals Private Limited
- 19) Sarveshwari Stone Products Private Limited
- 20) Rock Solid Cement Limited
- 21) Bhilai Jaypee Cement Limited
- 22) JAL-KDSPL-JV

Associates

- 1) Prayagraj Power Generation Limited (**ceased to be Associate w.e.f. 04.12.2019**)
- 2) Madhya Pradesh Jaypee Minerals Limited
- 3) MPJP Coal Limited
- 4) MPJP Coal Fields Limited
- 5) Jaiprakash Power Ventures Limited

**5. Basis of Qualified Review Conclusion:
Attention is drawn to:**

The insolvency petition filed by the IDBI with the National Company Law Tribunal ('NCLT'), Allahabad against the Jaypee Infratech Limited (JIL) (Subsidiary of the company) was admitted and Interim Resolution Professional (IRP) personnel were appointed by the NCLT. The Hon'ble Supreme Court of India also admitted the Petition/Intervention filed by certain home buyers of Jaypee Infratech Limited (JIL) and gave various interim directions from time to time including continuation of Corporate Insolvency Resolution Process (CIRP).

Independent Auditor of JIL has drawn attention to the following notes in the financial statement of JIL:

The JIL is undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code 2016 (Insolvency Code) w.e.f 9th August 2017 in terms of orders passed by Hon'ble NCLT, Allahabad Bench and Hon'ble Supreme Court from time to time. The Hon'ble Supreme Court of India vide its order dated 06th November, 2019 has further directed IRP to complete the CIRP within 90 days from of order i.e. 06th November, 2019, which was further extended by another four weeks wide order dated 3rd February 2020. Pursuant to Supreme court order dated 06 November 2019, IRP invited final resolution plan from NBCC (India) Ltd. (NBCC) and Surkash reality Ltd., Which were deliberated and discussed in committee of creditor (CoC). The resolution plan of BBCC has since been approved by CoC with 97.36% of vote in its favor. IRP has submitted the resolution plan of NBCC, as approved by CoC to the NCLT for its approval for which proceeding are currently underway at NCLT, Delhi. As per Section 20 of the Insolvency Code, management & operations of the JIL are being managed by Interim Resolution Professional Mr. Anuj Jain, on a Going Concern Basis.

As per terms of Section 20 of Insolvency Code, the management and operations of the company are being managed by IRP on a going concern basis.

As the powers of the Board of Directors have been suspended, the result has not been adopted by the Board of Directors. However, the same has been signed by Chairman cum Managing Director of the Company confirming accuracy and completeness of results. The financial results have there after being taken on record by the IRP on February 11, 2020 for filing with the Stock Exchanges.



The opinion of Auditor of JIL is not modified in respect of above matter.

In our opinion in view of the pending / ongoing IRP proceedings, the impact on the net worth of JIL, included in the consolidated financial statements is currently not ascertainable.

Matters stated above have also been qualified in our report in preceding quarters/years.

The Independent Auditor of certain subsidiary has qualified their review report on the financial results for the quarter ended on 31st December, 2019.

In the case of Bhilai Jaypee Cement Limited, a subsidiary of the company:

- [i] The financial results of the Company are prepared on going concern basis. During the quarter and nine month ended December 31, 2019, the Company has incurred a Net Loss of Rs. 1532.51 lakhs and 3444.48 lakhs respectively, resulting into accumulated losses of Rs. 44,323.11 lakhs against equity capital of Rs. 37,968.48 lakhs and erosion of net worth as at December 31, 2019. Further, the Company's current liabilities exceed current assets. These matters require the company to generate additional cash flow to fund the operations as well as payment to lender, creditors and the statutory obligations. The appropriateness of assumption of going concern is dependent upon generation of additional cash flow to fund the operations and meet its obligations and implementation of business plan which are critical to the Company's ability to continue as going concern. Accordingly, we are unable to comment on the consequential impact, if any, on the financial statement.
- [ii] The Company had not provided compensation for short lifting of annual Agreed Quantity of Granulated Slag of Rs. 5,691.38 lakhs up to December 31, 2019 (including Rs. 4065.98 lakhs up to September 30, 2018 already demanded by the supplier). The Company has, however, disputed the claim on various grounds such as deficient /inadequate supply of slag during the financial year 2011-12 to 2013-14, inordinate delay of 9 months on part of the supplier in furnishing bank guarantee for renewable of mining operation at ILQ Santa etc. and the company also have filed counter claim with the party for contribution loss suffered by the Company. The same being under negotiation, the company has not provided any expenses during the period ended December 31, 2019. Hence, we are unable to comment to the extent to which this liability will be settled.

6. Qualified conclusion:

Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, except for the matters described in the Basis of Qualified Review Conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles 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, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Emphasis of matter:

We draw attention to the following matters:

- 1)
 - a. The Competition Commission of India vide its Order dated 31st August, 2016 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 during F.Y. 2009-10 & 2010-11 and imposed a penalty of Rs. 1,323.60 Crores on the Company. The Company had filed an Appeal against the said Order which was heard on various dates by Hon'ble National Company Law Appellate Tribunal (NCLAT). NCLAT vide its Order dated 25th July 2018 has rejected the appeals of all the cement manufacturers including that of the Company without interfering in the penalty, though, if calculated on the basis of profits earned by the Cement business, the same would have been Rs. 237.70 Crores only as against the penalty of Rs. 1,323.60 Crores calculated on the profits for all business segments of the Company. The Company has filed appeal with the Hon'ble Supreme Court and the case has since been admitted and the Order of NCLAT has been stayed with the direction that interim order passed earlier by NCLAT in these cases will continue in the meantime.
 - b. The Competition Commission of India vide its other order dated 19th January, 2017 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 in the State of Haryana during F.Y. 2012-13 to F.Y. 2014-15 and imposed a penalty of Rs. 38.02 Crores on the Company. The Company had filed an appeal against the Order before NCLAT which has stayed the operation of impugned order and further proceedings are progressing in the matter.

Based on the advice available, the Company believes that no provision is considered necessary in the financials of the company.

- 2) Yes Bank Limited (YBL)/ Assets Care and Reconstruction Enterprise Limited (ACRE) invoked entire pledged/NDU equity share 28,09,66,000 of Rs. 10/- each of Bhilai Jaypee Cement Limited (BJCL) (a subsidiary of the company) and also recalled outstanding loan and invoked corporate guarantee and shortfall undertaking given by the company against the sanctioned loan facility of Rs. 465 Crores and Rs.45 Crores to JCCL a wholly owned subsidiary of the company. YBL assigned the same in favor of ACRE. The ACRE informed about the transfer of the entire pledged/NDU share of BJCL in its name. However, the company is contesting the assignment on the basis of the fact that these facilities has been covered under the Comprehensive Reorganization & Re-structuring Plan (CRRP) of Company & Jaypee Cement Corporation Limited (JCCL) duly approved by the consortium of lenders including YBL at its meeting held on 22nd June, 2017. However, the Company is still consolidating BJCL as a subsidiary.
- 3) Yes Bank Limited/ARC has invoked pledged of 50,000 Equity shares of Rs 10/- each of Yamuna Expressway Tolling Limited (subsidiary Company) held by the Company. The company is contesting the invocation by the lenders. The Company continues to consolidate as a subsidiary.
- 4) Lender of MP Jaypee Coal Limited (MPJPCL) has invoked the corporate guarantee given by the Company for financial assistance granted to MPJPCL and served a notice to the company to make payment of Rs. 25.75 Crores outstanding as on 31st August, 2018 (Rs. 22.46 Crores outstanding as on 31.12.2019). However the liability has not been considered in the books of accounts being unascertainable, as the Coal Block for which Mining Rights are held by MPJPCL is yet to be re-allotted by the Nominated Authority.

- 5) Lender of Jaypee Cement Corporation Limited (JCCL) [subsidiary of the company] has invoked the corporate guarantee given by the company for financial assistance being granted to JCCL and asked to make payment for Rs. 438.36 Crores and Rs. 20.79 Crores, being amount outstanding as on 09.09.2018. However the liability has not been considered in the books of accounts for the difference, if any, being unascertainable, as the loan in question is part of approved Comprehensive Reorganization & Restructuring plan of JCCL and the Company.
- 6) Non-Current Trade receivables include Rs. 2607.04 Crores, outstanding as at 31st December 2019 (Rs. 2661.34 Crores, outstanding as at 31st March 2019) which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering & Construction Contracts in respect of closed/suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations, the management considers these receivables are recoverable.
- 7) The Confirmations/ Reconciliation of balances of secured & unsecured loans, certain balances with banks including certain fixed deposits, trade receivables, trade and other payables and loans and advances are pending. The management is confident that on confirmation/ reconciliation there will not be any material impact on the financial statements.
- 8) In the opinion of the management in the case of loss making segments of the company no impairment in the assets of the segment is required in view of temporary nature of the losses, Valuation report, circle rates of the immovable property and future cash flows which are higher than the carrying value of the assets.
- 9) The Company has received Termination Notice for the Mandla North Coal Mine allotted by Nominated Authority, Ministry of Coal on account of not meeting eligibility criteria mentioned in the Coal Mines Development and Production Agreement along with instructions for invocation of the Bank Guarantee submitted by the company in the form of Performance Security. The Hon'ble High Court has granted stay against the Termination Notice and invocation of Performance Guarantee. Since, the matter is now being sub-judice in High Court, the recoverability of the amount invested aggregating to Rs. 295.67 Crores as on 31.12.2019 in the development of the Coal Block and impact of the invocation of the Performance Guarantee is uncertain, as such no provision has been considered necessary to be made in the financial results by the management.
- 10) In view of default in repayment of principal and/ or interest to Banks and Financial Institutions during the year ended March 31, 2015, the Ministry of Corporate Affairs (MCA) vide its letter dated December 27, 2017 rejected the application for the payment of remuneration to Shri Rahul Kumar, the then Whole-time Director & CFO on the ground that the Company did not recover the remuneration paid to its Managing and Whole-time Directors [Managerial persons] for the financial year 2014-15 & 2015-16 (upto 31st October, 2015).

In view of the said rejection and direction of recovery by MCA, the request of the Company to grant approval for waiver thereof was not considered favourably by Lenders.

Thereafter, on representation made by the Company, the MCA vide its letter dated 06.12.2019 has clarified that in cases where there were sufficient profits and not defaults to creditors for a continuous period of 30 days in the preceding financial



year before the date of appointment of concerned managerial persons, recourse to applicable provisions of Section 197 of Schedule V to the Companies Act, 2013, may be taken for action as appropriate. In view of the aforesaid clarification of MCA, there would be no need for recovery of remuneration paid to Managing & Whole-time Directors for the FY 2014-15 and FY 2015-16 (upto 31.10.2015).

Accordingly, the Company has again approached ICICI Bank, the lead, to accord approval / no objection to the the waiver of recovery of remuneration paid to Shri Rahul Kumar from 31.10.2015 to 31.07.2017 (original tenure was 31.10.2015 to 30.10.2018 but resigned w.e.f. 31st July, 2017). Upon receipt of the approval from ICICI Bank, further actions, including approval of the shareholders as required under Section 197 of the Companies Act, 2013 would be taken.

- 11) There are certain Entry tax matters under Appeals aggregating to Rs. 297.82 Crores (excluding interest, currently unascertainable) pertaining to the State of Madhya Pradesh and Himachal Pradesh. The Company has challenged these on account of various grounds in Hon'ble High Courts. No provision has been considered of the above in the Statement as management is of the opinion that the Company will succeed in the appeal. The Company has already deposited Rs.166.79 Crores and also furnished Bank Guarantees of Rs. 125.43 Crores against the above.
- 12) The Lenders of the company in their Joint Lenders Forum (JLF) meeting held on 22nd June, 2017 have approved restructuring / realignment/ reorganization of debt of the Company & its wholly owned subsidiary, Jaypee Cement Corporation Limited (JCCL) being Restructuring Scheme.

The company has provided interest expenses on the debt portion that will remain with the company in accordance with the Restructuring Scheme approved and Master Re-structuring Agreement (MRA) signed with the Lenders. Interest for the quarter ended 31st December 2019 aggregating to Rs. 275.71 Crores and Rs. 2727.48 Crores till 31st December 2019 on debt portion which will be transferred to Real Estate SPV namely 'Jaypee Infrastructure Development Limited' (JIDL) on sanction of the scheme of Arrangement by Hon'ble National Company Law Tribunal (NCLT), Allahabad with appointed date of 1st July, 2017 has been added to the carrying cost of the Inventory/ Projects under development in respect of SDZ Real Estate Undertaking [SDZ-RE], since the same has to be serviced from the assets/development of Assets of SDZ-RE.

However before the order on the above restructuring scheme by the Hon'ble NCLT, ICICI Bank Limited on the direction of RBI had filed an application with Hon'ble NCLT, Allahabad bench U/s 7 of Insolvency & Bankruptcy Code, 2016 against the company which is pending. On restructured loan, the company has also defaulted in the payment of interest and principal for the financial year 2018-19 and quarter ended 31.12.2019.

As such till the decision of the Hon'ble NCLT on restructuring scheme and/or application u/s 7 of Insolvency & Bankruptcy Code, 2016 and further restructuring by the lenders, there remains uncertainty and as such its impact on the financials of the company is not ascertainable.

Our conclusion is not modified in respect of above stated matters in para (1) to (12).

The Independent Auditors of certain subsidiaries in their review report on the financial results for the quarter ended on 31st December, 2019 have drawn emphasis of matter paragraphs incorporated by us as under:

- 1) The financial results of Jaypee Ganga Infrastructure corporation Limited, Jaiprakash Agri Initiatives Company Limited, Jaypee Cement Hockey (India)



Limited, and Yamuna Expressway Tolling Limited, subsidiaries of the Companies, indicates that these companies have accumulated losses and net worth has been fully eroded. These companies have incurred cash losses during the current period and previous year(s) and current liabilities have exceeded the respective current assets of the companies. These conditions indicate the existence of a material uncertainty that may cast significant doubt about these Companies ability to continue as a going concern. However, the financial results of these companies have been prepared on a going concern basis.

- 2) The financial results of Jaypee Cement Corporation Limited, subsidiary of the Company, indicate that the company has accumulated losses. The financial results of the company have been prepared on a going concern basis which is dependent upon financial support of its holding company.
- 3) The financial results of Himalyaputra Aviation Limited, subsidiary of the Company, indicate that the company has accumulated losses and its net worth has been fully eroded. The company has earned cash profit during the current period and but has cash loss during previous year(s). These conditions indicate that the company is dependent upon continuing financial support of its holding company for its ability to continue as a Going Concern and for discharging of its liabilities in the ordinary course of business. However, the financial results of the company have been prepared on a going concern basis.
- 4) In case of Jaypee Cement Corporation Limited, subsidiary of the Company, Confirmations/ Reconciliation of balances of certain secured & unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) and loans and advances are pending. The management is confident that on confirmation / reconciliation there will not be any material impact on the financial statements.
- 5) In the case of Bhilai Jaypee Cement Limited (a subsidiary of the company), no provision has been considered necessary by the management against Entry Tax amounting to Rs. 3,408.71 lakhs (including interest) as demanded by the Commercial Tax Department. The company has filed Writ Petition in Hon'ble High Court of Chhattisgarh against the order of Commercial Tax Department. Further the company has filed for the exemption certificate regarding payment of entry tax which was rejected by the Department of Commerce & Industries, Chhattisgarh. The company has filed an appeal before the State Appellate Forum, Department of Commerce & Industries, (Government of Chhattisgarh) against the order of the Department of Commerce & Industries, Chhattisgarh. The management is confident for favorable outcome in both the above-mentioned cases. Moreover, Rs. 684.35 lakhs have been deposited against the entry tax demand till date and shown as part of other non-current assets which is in the opinion of the management is good and recoverable.
- 6) In the case of Bhilai Jaypee Cement Limited (a subsidiary of the company), State Bank of India has sanctioned vide letter dated September 20, 2019, One Time Settlement (OTS) under SBI Scheme for One Time Settlement of NPAs & AUCAs (SBI OTS 2019) for Rs. 3760.64 lakhs against principal outstanding of Rs. 4424.28 lakhs as on March 31, 2019. The Company has not given any impact of the OTS in the books of account for the reason stated therein.
- 7) In the case of Kanpur Fertilizers & Chemicals Limited (a subsidiary of the company), there is default in repayment of principle amount of Rs. 27.48 Crores as at 31st December 2019 which became due on quarter ended June 2019, September 2019 & December 2019; Yes bank Ltd has recalled the entire term loan of Rs. 110 Crores. There is interest overdue amounting to Rs. 6.20 Crores of Yes Bank as on 31st December 2019. Further The external rating has been downgraded to BWR D from BWR BBB- by Brickwork Rating w.e.f 16th September 2019.



Conclusion of the auditors of the respective subsidiaries in respect of above stated matters in para (1) to (7) is not modified in their review reports.

Our conclusion is not modified in respect of above stated matters in para (1) to (7).

8. We did not review interim financial statements/financial information/financial results of 12 subsidiaries/joint venture included in the consolidated unaudited financial results, whose interim financial statements/financial information/financial results reflect total revenues of Rs. 101745.87 Lacs and Rs. 368681.87 Lacs, total net profit/(loss) after tax of Rs. (53264.45) Lacs and Rs. (158388.05) Lacs and total comprehensive income / loss of Rs. (53272.94) Lacs and Rs. (158406.82) Lacs for the quarter ended 31.12.2019, and for the period from 01.04.2019 to 31.12.2019 respectively, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit/(loss) after tax of Rs. (93578.99) Lacs and Rs. (101855.04) Lacs and total comprehensive income / loss of Rs. (93578.10) Lacs and Rs. (101852.36) Lacs for the quarter ended 31.12.2019 and for the period from 01.04.2019 to 31.12.2019, respectively, as considered in the consolidated unaudited financial results, in respect of 1 associate, whose interim financial statements/financial information/financial results have not been reviewed by us. These interim financial statements/financial information/financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

9. The consolidated unaudited financial results includes interim financial statements/financial information/financial results of 10 subsidiaries which have not been reviewed/audited by their auditors, whose interim financial statements/financial information/financial results reflect total revenue of Rs. 793.27 Lacs and Rs. 2542.84 Lacs, total net profit/(loss) after tax of Rs. (22.40) Lacs and Rs. (88.54) Lacs, total comprehensive income / loss of Rs. (22.40) Lacs and Rs. (88.54) Lacs for the quarter ended 31 December 2019 and for the period from 01.04.2019 to 31.12.2019, respectively, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit/(loss) after tax of Rs. (29.00) Lacs and Rs. 2732.16 Lacs and total comprehensive income / loss of Rs. (29.00) Lacs and Rs. 2732.16 Lacs for the quarter ended 31.12.2019 and for the period from 01.04.2019 to 31.12.2019, respectively, as considered in the consolidated unaudited financial results, in respect of 4 associates, based on their interim financial statements/financial information/financial results which have not been reviewed/audited by their auditors. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters.

For Rajendra K Goel & Co.
Chartered Accountants
Firm's Registration No. 001457N

R.K. Goel
Partner
Membership No. 0006154
Place: Noida
Dated: 13th February 2020
UDIN: 20006154AAAAAW1164

