

Ref: JPVL:SEC:2020

26th May, 2020

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

General Manager
Department of Corporate Services
BSE Limited,
25th Floor, New Trading Ring,
Rotunda Building,
P J Towers, Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: JPPOWER

Scrip Code: 532627

Sub: Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2020, Reports of Statutory Auditors and Statement on Impact of Audit Qualifications under Regulation 30/33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations")

Dear Sirs,

In terms of Clause 33(3)(d) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2020, as approved by the Board of Directors of the Company in its meeting held on 26th May, 2020, alongwith Reports of Statutory Auditors M/s. Lodha & Company, Chartered Accountants, New Delhi.

Further, we would like to state that Statutory Auditors of the Company have issued Audit Reports with modified opinion on both the Standalone and Consolidated Financial Results. Accordingly, in terms of Regulation 30/33 of SEBI (LODR) Regulations, 2015, a Statement on Impact of Audit Qualifications is also enclosed.

The meeting commenced at 3.30 P.M. and concluded at 7.10 P.M.

Thanking you,

Yours faithfully,

For **JAIPRAKASH POWER VENTURES LIMITED**



(Mahesh Chaturvedi)

Addl. General Manager & Company Secretary

Encl: As above



Corp. Office : 'JA House' 63, Basant Lok, Vasant Vihar, New Delhi-110057 (India)
Ph. : +91 (11) 26141358 Fax : +91 (11) 26145389, 26143591
Regd. Office : Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie Tehsil Sarai,
Distt. Singrauli-486669, (M.P.) Ph. : +91 (7801) 286021-39 Fax : +91 (7801) 286020
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.jppowventures.com Email: jpv.investor@jalindia.co.in CIN : L40101MP1994PLC042920

STATEMENT OF STANDALONE & CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER /YEAR ENDED 31ST MARCH, 2020

Rs. in Lakhs except Shares and EPS

Particulars	Standalone					Consolidated				
	Quarter Ended		Year Ended			Quarter Ended		Year Ended		
	31.03.2020 # Audited	31.12.2019 Unaudited	31.03.2019 Audited	31.03.2020 Audited	31.03.2019 Audited	31.03.2020 # Audited	31.12.2019 Unaudited	31.03.2019 Audited	31.03.2020 Audited	31.03.2019 Audited (Restated) foot note no. 12
I Revenue from operations	69,847	79,776	77,096	328,365	373,240	73,904	83,456	81,005	344,344	389,162
II Other income	699	4,474	1,545	7,472	14,169	820	4,581	1,842	6,648	11,319
III Total Revenue (I+II)	70,546	84,250	78,641	335,837	387,409	74,724	88,037	82,847	350,992	400,481
IV Expenses										
Cost of material and operation expenses	43,333	59,638	62,929	218,581	235,965	43,412	59,636	62,992	218,785	236,208
Purchases of stock-in-trade	-	-	-	-	-	-	-	-	-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	184	-	-	-	-	184
Employee benefits expense	2,920	2,855	2,579	11,041	10,124	3,018	2,944	2,700	11,408	10,492
Finance costs	14,266	(23,699)	36,267	64,997	143,258	15,031	(22,726)	37,352	68,602	147,415
Depreciation and amortisation	11,912	12,102	11,828	47,898	47,512	13,247	13,449	12,965	53,264	52,807
Other expenses	2,406	3,038	2,275	9,987	8,979	2,469	3,107	2,502	10,348	9,380
Total expenses (IV)	74,837	53,934	115,678	352,504	446,022	77,175	56,410	118,511	362,407	456,486
V Profit / (loss) before exceptional items, tax and Regulatory Deferral Account Balances (III-IV)	(4,291)	30,316	(37,037)	(16,667)	(58,613)	(2,451)	31,627	(35,664)	(11,415)	(56,005)
VI Exceptional items(net) [refer foot note no. 9]	(6,288)	(245,073)	-	(251,361)	5,288	(6,288)	(113,114)	-	(119,402)	5,288
VII Profit / (loss) before tax and Regulatory Deferral Account Balances (V+VI)	(10,579)	(214,757)	(37,037)	(268,028)	(53,345)	(8,739)	(81,487)	(35,664)	(130,817)	(50,737)
VIII Tax expense										
(1) Current tax	-	-	-	-	-	332	100	355	1,426	1,392
(2) MAT credit entitlement	-	-	-	-	-	776	(81)	945	-	-
(3) Income tax of earlier years	-	-	-	-	27	61	-	396	61	423
(4) Reversal of MAT credit entitlement of earlier years	-	5,156	-	5,156	4,072	-	5,156	-	5,156	4,072
(5) Deferred tax	(2,601)	94,744	(12,610)	77,279	(19,656)	(3,819)	94,943	(13,638)	76,260	(20,685)
IX Profit/(loss) for the period before Regulatory Deferral Account Balances(VII-VIII)	(7,978)	(314,657)	(24,427)	(350,463)	(37,788)	(6,089)	(181,605)	(23,722)	(213,720)	(35,939)
X Net movement in Regulatory Deferral Account Balances (Net of tax) (refer foot note no. 12)	-	-	-	-	-	(1,002)	-	(808)	(1,002)	(808)
XI Profit/(loss) for the period (IX+X)	(7,978)	(314,657)	(24,427)	(350,463)	(37,788)	(7,091)	(181,605)	(24,530)	(214,722)	(36,747)
XII Other Comprehensive Income										
A (i) Items that will not be reclassified to profit or loss	(80)	5	24	(65)	18	(76)	5	25	(61)	19
(ii) Income tax relating to items that will not be reclassified to profit or loss	29	(2)	(8)	23	(6)	29	(2)	(9)	23	(7)
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 (XII)	(51)	3	16	(42)	12	(47)	3	16	(38)	12
XIII Total comprehensive income for the period (XI+XII) (Comprising Profit (Loss) and Other comprehensive income for the period)	(8,029)	(314,654)	(24,411)	(350,505)	(37,776)	(7,138)	(181,602)	(24,514)	(214,760)	(36,735)
Profit / (loss) for the year attributable to :										
Owners of the parent						(7,343)	(181,958)	(24,658)	(216,211)	(38,115)
Non-controlling interest						252	353	128	1,489	1,368
Other Comprehensive Income attributable to :						(7,091)	(181,605)	(24,530)	(214,722)	(36,747)
Owners of the parent						(47)	3	15	(38)	11
Non-controlling interest						-	-	1	-	1
Total Comprehensive income attributable to :						(47)	3	16	(38)	12
Owners of the parent						(7,390)	(181,955)	(24,643)	(216,249)	(38,104)
Non-controlling interest						252	353	129	1,489	1,369
						(7,138)	(181,602)	(24,514)	(214,760)	(36,735)
XIV Other equity				(41,481)	299,170				(64,728)	138,062
XV Equity Share Capital (Face value of Rs. 10/- per share)	684,045	599,600	599,600	684,045	599,600	684,045	599,600	599,600	684,045	599,600
XVI Earnings Per Share (Rs.)										
a) Basic EPS *	(0.11)	(5.18)	(0.41)	(4.88)	(0.63)	(0.10)	(2.99)	(0.41)	(3.01)	(0.64)
b) Diluted EPS ##	(0.11)	(5.18)	(0.41)	(4.88)	(0.63)	(0.10)	(2.99)	(0.41)	(3.01)	(0.64)

Being anti dilutive

* Including against CCPS (allotted) considering the fair value.

Refer note no. 14 of the accompanying financial results.



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Notes:

1. In respect of Vishnuprayag Hydro Electric Plant (VHEP), the water availability in the first half of the financial year is normally higher as compared to the second half of financial year. 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 the last two quarters.
- 2(a). The operations of Thermal Power Projects have been impacted on account of (i) Jaypee Bina Thermal Power Plant (JBTPP) has 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 (ii) non availability of long term PPAs and unremunerative merchant rates for Jaypee Nigrie Super Thermal Power Plant (JNSTPP) and Jaypee Bina Thermal Power Plant (JBTPP), and (iii) Lockdown due to Outbreak of Covid-19 in later part of March'2020.
- 2(b). Company has accounted for revenue for the year/quarter ended 31st March, 2020 on the basis of Multi Year Tariff (MYT) for the period 2016-19 for JBTPP and JNSTPP which are subject to true up / final assessment.
- 2(c). Revenue in respect of Vishnuprayag HEP for the year/quarter ended 31st March, 2020 has been accounted for based on provisional tariff subject to true up/final tariff order.
- 3(a). The Company had signed a 'Framework Agreement' (the Agreement) dated 18th April 2019 with the Banks and Financial Institutions for restructuring of the outstanding Loans (in respect of its units JNSTPP, JBTPP, VHEP, JNCGU including Corporate Loans) & interest accrued thereon as of 31st July 2018 with the revised terms & conditions.

In terms of 'the Agreement' and as agreed upon, the Company has allotted (i) Fully paid 0.01% Cumulative Compulsory Convertible Preference Shares (CCPS) for an aggregate amount of Rs.3,80,553 lakhs on 23.12.2019 and (ii) Fully paid up 9.50% Cumulative Redeemable Preference Shares (CRPS) for aggregate amount of Rs.3,452 lakhs in December, 2019, to its lenders on private placement basis.

In view of the above 'Framework Agreement' and post filing of with drawal pursis by ICICI bank before the Ahmedabad Branch of National Company Law Tribunal (the NCLT), the NCLT had allowed ICICI bank to with draw its Insolvency and bankruptcy petition (earlier filed u/s 7) vide Order dated 10th January 2020. On the signing of 'the Agreement', Corporation Bank, which had initiated recovery proceedings against the Company in Debts Recovery Tribunal-III (DRT), New Delhi, had filed an application for the withdrawal of original application, which had been allowed by DRT-III, New Delhi in the hearing held on 03rd February, 2020. In view of implementation of Debt Resolution Plan as stated above, some of the lenders who had earlier initiated action under the SARFAESI Act, have also been requested by the company to withdraw all such legal proceedings. Accordingly, financial results/financial statements are prepared on going concern basis.

- 3(b). In line with the above stated 'Agreement', interest @ 9.50% p.a. w.e.f. 31st July 2018 on Sustainable Debt has been paid/provided for and difference between applicable interest rate as per original documents which had been provided/ accounted for in the books up to 30th September 2019 amounting to Rs.2,54,597 lakhs upon implementation of Debt Resolution Plan during the December'19 quarter has been written back [net of to the extent Rs.41,602 lakhs adjusted with December'19 quarter finance cost] and Rs. 2,12,995 lakhs has been accounted and shown as part of exceptional item being excess interest provided pending confirmations/reconciliations/adjustments with



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certain lenders. During the quarter ended March'20 on receipt of confirmations/statements/reconciliations with certain lenders an amount of Rs. 3,027 lakhs has been accounted for in books of accounts and shown as exceptional item.

- 3(c).** As per the Agreement signed with M/s. JSW Energy Ltd. (JSWEL) by the Company on 2nd January 2020 for resolution/ restructuring of outstanding loan of Rs. 75,177 lakhs: (i) 351,769,546 nos. fully paid up equity shares of Rs. 10 each at par have been allotted to JSWEL on 10th January 2020, (ii) outstanding Loan of Rs. 28,000 lakhs and outstanding interest which has not been provided for in the books, has been waived / relinquished by JSWEL, (iii) Balance of Rs. 12,000 lakhs shall be payable by the Company to JSWEL (interest free), and (iv) the Company and JSWEL have agreed to waive and release each other from any claim/ payment whatsoever under the 'Securities Purchase Agreement' (SPA) executed on 16th November 2014 for the transfer of Company's shares in Himachal Baspa Power Company Ltd. In view of this, Rs. 28,000 lakhs which had been waived written back in quarter/period ended 31st December 2019 and shown as part of exceptional item.
- 3(d).** As envisaged in the above mentioned Agreement (the Agreement as stated in note no. 3(a)), the Company has allotted 492,678,462 nos. equity shares of Rs 10 each at Rs.12 per share (including share premium of Rs.2 per share) on 17th January 2020 to the FCCB holders (bondholders) who have sent their confirmations, against outstanding FCCBs of Rs.59,121 lakhs (USD 833.59 lakhs). As per the provisions of Second Supplementary Trust Deed, residual bond holders of Rs. 12,811 lakhs (with aggregate amount of USD180.62Lakhs) have right up to 12 months from the completion date i.e. 11th February,2020 to claim the relevant shares from the Company, failing which, their right to claim shares shall be deemed to have been forfeited and currently the same has been shown as "Other Current Liabilities". Further, as per terms of the 'Second Supplemental Trust Deed' dated 13th December 2019, any accrued / default interest, in respect of the bonds stands fully satisfied / waived by the bondholders.
- 4.** Impact of the above stated 'Agreement' have been given in these financial results to the extent information/confirmation received from the lenders/ bond holders. Further, balances of lenders, FCCB holders, banks and other liabilities are subject to confirmation/reconciliations. In the opinion of the management, there will not be any material impact on confirmation/reconciliations.
- 5.(a)** The Company had made an investment of Rs.2,92,800 lakhs (Including investment and loan component of compound financial instrument- Optionally Convertible Preference Shares and deferred tax asset) (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 above entire shares were pledged with Security Trustee, SBI Cap Trustee Company Ltd. (SBI Cap), as collateral security for the financial assistance granted by lenders to PPGCL and same had been invoked on 18th December, 2017 due to default in payment of dues to banks/ financial institutions. PPGCL ceased to be subsidiary of the Company w.e.f. 18th December, 2017 and accordingly profit/(loss) post this date hasnot been recorded in consolidated financial statements. After obtaining various approvals / documentation etc. the lenders have affected change in Management in favour of Renascent Power Ventures Private Limited. Post the stated transfer/sale of shares by the lenders, nothing has been realised by the Company on this transaction and entire investment amount of Rs. 2,92,800 lakhs has been accounted for as loss during quarter ended 31.12.2019 in standalone financial results (shown as exceptional item) and accounting impact of the same has been carried out in the consolidated financial results during quarter ended 31st December, 2019 being (net) loss of Rs.160,841 lakhs net of losses already accounted for till 18th December,2017 in the consolidated financial statements(as stated above).



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- (b) In view of the facts stated above loss in standalone financial statements is higher than the consolidated financial statements as losses of PPGCL had already been considered in the consolidated financial statements till 18th December, 2017 whereas in standalone financial statements full value of loss of investment made in share capital of PPGCL been provided for during the current year.
6. The Company has given the corporate guarantee to State Bank of India (SBI) of USD 1,500 lakhs (Previous year USD 1,500 Lakhs), for loans outstanding to the extent of Rs 70,333 lakhs (previous year Rs.70,333 lakhs), granted to Jaiprakash Associates Limited (JAL) (the party to whom the company is an associate) for which fair valuation has not been done as per the applicable Ind-AS as of 31st March, 2020. In the opinion of the Management there will be no material impact on these financial results of the fair valuation of the abovementioned guarantee hence not been considered necessary by the management to be provided for. On this Auditors have drawn attention in their report on standalone/ consolidated financial statements.
 7. During the year, based on the Management assessment and fair valuation of investment in Trust carried out, a provision of amounting to Rs. 196,529 lakhs (including Rs.1,93,268 lakhs provided during the quarter/period ended December, 19 in the financial results) (Previous year Nil) for diminution in value against investment made in Trust has been made and same is shown as part of Exceptional Item.
 8. No provision for diminution in value against (certain long-term investments made in subsidiaries) amounting to Rs. 78,915 Lakhs (previous year Rs.78,905 lakhs), (book value of investments made in subsidiary companies) has been made by the management, as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of assets, future prospects and claims. Therefore, Management has concluded that no provision against diminution is necessary at this stage. On this Auditors have drawn attention in their report on standalone financial statements.
 9. Exceptional items for the quarter/year includes: (i) Interest written back amounting to Rs.209,968 lakhs (including Rs. 212,995 lakhs for quarter/period ended December 31, 2019) due to implementation of Debt Resolution, (including reconciliation adjustments), (ii) loss of investment amounting to Rs. 2,92,800 lakhs in PPGCL Shares due to invocation of pledged shares by lenders of PPGCL, (in consolidated financial statements Rs.1,60,841 lakhs) (iii) diminution in value of Rs. 196,529 lakhs (including Rs. 193,268 lakhs for the quarter/period ended December 31, 2019) on account of fair valuation of Investment in Trust, and (iv) waiver of the part principal loan amount payable to JSW Energy Ltd of Rs. 28,000 lakhs (Previous period Rs.5,268 lakhs, on account of reversal of the interest on FCCB provided in earlier years). In view of above Exceptional Items which has been charged to the quarter and year ended 31st March, 2020 loss for the year is higher (after tax) for the year by Rs. 251,361 lakhs and Rs. 113,114 lakhs in standalone financial results and consolidated results respectively.
 10. Sangam Power Generation Company Limited (SPGCL, a Subsidiary Company) was acquired by JPVL (the Company) from Uttar Pradesh Power Corporation Ltd (UPPCL) in earlier years for implementation of 1320 MW Power Project (Karchana STPP) at Tahsil Karchana, Distt. Allahabad, Uttar Pradesh. The Company has made investment of Rs.55,207 lakhs (5,520 lakhs equity shares of Rs. 10/- each fully paid). In the books of SPGCL out of above, amount aggregating to Rs.16,055 lakhs (excluding value of land) is shown as expenditure incurred during the construction and incidental to setting up of the project, capital advances and other financial assets and same been carried over since long and the Net Worth of SPGCL have been eroded significantly as on 31st December 2019. In view of abnormal delay in handing over the



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physical possession of land by UPPCL, SPGCL has written to UPPCL and all procurers that the Power Purchase Agreement (PPA) is rendered void and cannot be enforced. As advised, draft of Share Purchase Agreement (SPA) was sent to UPPCL/ UPRVUNL for their approval but there was abnormal delay in resolving the matter by UPPCL, therefore SPGCL has withdrawn all its undertakings given to UPPCL and filed a petition before Hon'ble UPERC for release of performance bank guarantee and also for payment amount against claim lodged of Rs 1,15,722 lakh. UPERC vide its Order dated 28.06.2019 has allowed claim (of SPGCL) for Rs.25,137 Lakhs along with interest @ 9% p.a. on Rs.14,925 Lakhs for the period from 11.04.2014 to 31.03.2019 and also directed UPPCL to immediately release Performance Bank Guarantee (Rs. 99 crore) to SPGCL and SPGCL to transfer the entire land parcel to UPPCL. UPPCL has appealed against the said order in APTEL and SPGCL has also filed counter appeal. Hearing in the case is completed and Order is reserved by APTEL. Pending these, no provision has been considered necessary by the management at this stage.

11. Subsequent to the outbreak of Corona virus (Covid-19) and consequential lock down across the country, the Company has continued to generate and supply electricity to its customers, which has been declared as an essential service by the Government of India. However, for the short-term period the demand of power is expected to be lower and accordingly, the Company has to operate power plants at lower load factor. The Company has also received notices of invoking force majeure clause provided in the power purchase agreement (PPA) from MPPMCL and UPPCL in respect of JNSTPP & JBTPP and VHEP respectively and PTC with whom Company has short term PPA which have been suitably replied by the Company and clarified that the said situation is not covered under force majeure clause, considering electricity falls under essential services vide notification dated March 25, 2020 issued by Ministry of Home Affairs. The Power Ministry has also clarified on April 6, 2020 that the parties to the contract to comply with the obligation to pay fixed capacity charges as per PPA.

In assessing the recoverability of trade receivable and inventory at realisable values as stated in the standalone financial statements, the Company has considered internal and external information up to the date of approval of these financial statements. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due, and compliance with the debt covenants, as applicable. The impact of the Covid-19 pandemic may be material from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

12. A subsidiary 'Jaypee Powergrid Limited/JPL' has carried out certain reclassification adjustments in view of the clarification/guidance of Expert Advisory Committee of the Institute of Chartered Accountants of India (ICAI) w.r.t classification of 'Deferred Assets against Deferred Tax Liability' as 'Regulatory Deferral Account Balance' which was earlier shown as deduction from 'Deferred Tax Liability'. The reclassification adjustments was made in the audited financial statements of above stated subsidiary company for the year ended 31.03.2020 with giving effect as at 01.04.2018 which has been audited by the component auditor and their report dated 23rd May, 2020 have been considered by the parent company Jaiprakash Power Ventures Limited. The rectification/reclassification adjustments have been given effect by the parent company as on 01.04.2018 in its consolidated financial statements which has resulted in decrease in other equity by Rs. 771 lakhs (excluding decrease in Non-controlling interest of Rs. 270 lakhs) and net decrease in other assets (Other non-current assets, deferred tax assets and Regulatory Deferral Balance) by Rs. 442 lakhs and increase in deferred tax liabilities Rs. 599 lakhs as at 31.03.2019 in accordance with Ind AS 1 "Presentation of Financial Statements".



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13. Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the same to the lease contracts existing on 1st April, 2019 using the modified retrospective approach, recognizing right-of-use asset and adjusted lease liability. Accordingly, comparatives for the year ended 31st March, 2019 and other periods disclosed have not been retrospectively adjusted. The effect of the adoption is not significant to the loss for the period and earnings per share.
14. The figures of the last quarter in each of the years is the balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.
15. As per Ind-AS 108 Operating segment, segment information has been provided on consolidated financial results basis.
16. Previous period figures have been re-grouped/re-classified wherever necessary, to confirm to current quarter's classification.
17. The above audited financial results for the quarter and year ended 31st March, 2020 have been reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on the 26th May, 2020.

Place: New Delhi

Date: 26th May, 2020



For and on behalf of the Board

A handwritten signature in blue ink, appearing to read "Manoj Gaur".

MANOJ GAUR

CHAIRMAN

DIN 00008480

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**CONSOLIDATED AUDITED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER / YEAR
ENDED 31st MARCH, 2020**

(Rupees in Lakhs)

Particulars	Consolidated				
	Quarter Ended			Year Ended	
	31.03.2020 Audited	31.12.2019 Unaudited	31.03.2019 Audited	31.03.2020 Audited	31.03.2019 Audited (Restated) foot note no. 12
1 Segment Revenue					
i) Power	73,701	83,447	81,088	344,122	386,990
ii) Coal	7,216	8,016	1,164	30,603	30,120
iii) Other	203	17	360	248	4,048
Total	81,120	91,480	82,612	374,973	421,158
Less : Inter segment eliminations	7,216	8,024	1,607	30,629	31,996
Add : Other income	820	4,581	1,842	6,648	11,319
Total sales / income from operations	74,724	88,037	82,847	350,992	400,481
2 Segment Results					
Profit / (loss) from operations before finance charges, depreciation and amortisation, exceptional items and tax					
i) Power	24,895	18,483	13,439	102,560	136,903
ii) Coal	1,171	1,197	1,265	4,743	4,803
iii) Other	(239)	2,670	(51)	3,148	2,511
Total	25,827	22,350	14,653	110,451	144,217
Less :					
[a] Interest expenses	15,031	(22,726)	37,352	68,602	147,415
[b] Depreciation and amortisation	13,247	13,449	12,965	53,264	52,807
Total	28,278	(9,277)	50,317	121,866	200,222
Profit / (loss) from operations before exceptional items, tax and Regulatory Deferral Account Balances	(2,451)	31,627	(35,664)	(11,415)	(56,005)
Exceptional items(net) [refer foot note no. 9]	(6,288)	(113,114)	-	(119,402)	5,268
Profit / (loss) from operations before tax and Regulatory Deferral Account Balances	(8,739)	(81,487)	(35,664)	(130,817)	(50,737)
Income tax (net)	(2,650)	100,118	(11,942)	82,903	(14,798)
Net movement in Regulatory Deferral Account Balances (Net of tax)	(1,002)	-	(808)	(1,002)	(808)
Other comprehensive income	(47)	3	16	(38)	12
Profit / (loss) from operations after tax and Regulatory Deferral Account Balances	(7,138)	(181,602)	(24,514)	(214,760)	(36,735)
Minority interest	252	353	129	1,489	1,369
Profit / (loss) from operations after tax and Minority Interest	(7,390)	(181,955)	(24,643)	(216,249)	(38,104)
3 Capital Employed					
a Segment Assets					
i) Power	1,649,225	1,664,502	3,303,973	1,649,225	3,303,973
ii) Coal	36,048	37,870	41,067	36,048	41,067
iii) Other	99,123	101,481	381,549	99,123	381,549
Total	1,784,396	1,803,853	3,726,589	1,784,396	3,726,589
b Segment Liabilities					
i) Power	197,461	201,075	727,939	197,461	727,939
ii) Coal	6,899	7,667	10,073	6,899	10,073
iii) Other	19,386	6,640	102,198	19,386	102,198
Total Liabilities	223,746	215,382	840,210	223,746	840,210
c Capital Employed *	1,560,650	1,588,471	2,886,379	1,560,650	2,886,379

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



AUDITED STANDALONE / CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rupees in Lakhs)

Particulars	Standalone		Consolidated		
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	01.04.2018
	Audited	Audited	Audited	Audited (Restated) foot note no. 12	Audited (Restated) foot note no. 12
A ASSETS					
1 Non-current assets					
(a) Property, plant and equipment	1,440,126	1,480,742	1,505,255	3,043,580	3,086,367
(b) Capital work-in-progress	14,034	13,133	47,748	53,405	56,149
(c) Investment property	-	-	-	-	-
(d) Goodwill	14	14	16	18	18
(e) Other intangible assets	19,827	21,392	19,827	21,392	22,961
(f) Intangible assets under development	-	-	-	-	-
(g) Investment in subsidiaries	101,115	101,105	-	-	-
(h) Financial assets					
(i) Investments	2,065	198,594	2,065	198,594	198,594
(ii) Trade receivables	-	-	-	-	-
(iii) Loans Receivable	321	333	3,327	3,337	3,335
(iv) Other financial assets	1,350	390	1,366	1,250	1,217
(l) Deferred tax assets (net)	29,728	110,194	30,335	107,176	87,527
(j) Other Non-current assets	32,179	37,679	34,837	43,827	48,202
Total - Non-Current Assets	1,640,759	1,963,576	1,644,776	3,472,579	3,504,370
2 Current assets					
(a) Inventories	34,230	17,407	34,230	23,361	22,836
(b) Financial assets					
(i) Other investments	-	273,877	-	-	-
(ii) Trade receivables	36,212	48,850	40,120	118,300	98,021
(iii) Cash and bank balances	8,284	3,142	9,070	7,192	9,313
(iv) Bank balances other than (iii) above	21,285	12,936	21,727	15,321	2,841
(v) Loans Receivable	-	15,713	-	-	11
(vi) Other financial assets	877	245	3,542	7,156	6,023
(c) Current tax assets (net)	578	285	579	2,328	2,398
(d) Other current assets	27,367	60,826	27,579	76,577	61,465
Total - Current Assets	128,833	433,281	136,847	250,235	202,908
Regulatory Deferral Account Balances	-	-	2,773	3,775	4,583
Total - Assets	1,769,592	2,396,857	1,784,396	3,726,589	3,711,861
B EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	684,045	599,600	684,045	599,600	599,600
(b) Instrument entirely equity in nature	380,553	-	380,553	-	-
(c) Other equity	(41,481)	299,170	(64,728)	138,062	178,331
(d) Non controlling interest	-	-	11,246	28,701	27,332
Total - Equity	1,023,117	898,770	1,011,116	766,363	805,263
Liability					
1 Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	502,483	734,084	518,414	1,778,563	1,843,863
(ii) Trade payables	-	-	-	-	-
(iii) Other financial liabilities	796	155	863	59,399	59,551
(b) Provisions	4,551	4,786	4,562	4,834	5,087
(c) Deferred tax liabilities (net)	-	-	-	599	1,629
(d) Other non-current liabilities	37,666	42,112	37,666	55,635	60,145
Total - Non-Current Liabilities	545,496	781,137	561,505	1,899,030	1,970,275
2 Current liabilities					
(a) Financial liabilities					
(i) Borrowings	50,494	134,656	52,803	171,423	170,439
(ii) Trade payables					
(a) total outstanding dues of Micro Enterprises and Small Enterprises	95	1,885	96	1,885	-
(b) total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	22,012	28,798	22,213	29,005	31,873
(iii) Other financial liabilities	106,090	539,733	112,771	839,042	719,182
(b) Other current liabilities	21,825	11,560	21,832	11,689	10,307
(c) Provisions	463	318	1,380	7,551	4,491
(d) Current tax liabilities (net)	-	-	680	601	31
Total - Current Liabilities	200,979	716,950	211,775	1,061,196	936,323
Total - Equity and Liabilities	1,769,592	2,396,857	1,784,396	3,726,589	3,711,861



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JAIPRAKASH POWER VENTURES LIMITED

AUDITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
	Audited	Audited	Audited	Audited
A. NET CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax and exceptional items	(16,667)	(58,613)	(11,415)	(56,005)
Adjustments for:				
Depreciation and Amortisation expense	47,898	47,512	53,264	52,807
Finance costs	64,997	143,258	68,602	147,415
(Profit) / Loss on sale of Property, plant and equipment	3	1	-	-
Bad debts and irrecoverable balances written off	-	757	-	757
Sundry assets written off	-	64	-	64
Interest Income	(1,806)	(8,087)	(2,024)	(8,399)
Dividend Income	(1,221)	(3,441)	-	-
Unrealised Foreign Exchange (gain)/loss	(10)	(7)	(10)	(7)
Excess provision/liabilities no longer required written back	(76)	(537)	(76)	(529)
Adjustment on modification/initial recognition of financial liability	(2,972)	-	(2,972)	-
Amortisation/ Remeasurement of financial asset and non-financial Asset/Liabilities	(895)	(615)	(895)	(615)
Operating profit before working capital changes	89,251	120,292	104,474	135,488
Working capital adjustments				
(Increase)/Decrease in Trade receivables	12,638	(19,666)	13,746	(20,733)
(Increase)/Decrease in Inventories	(16,823)	(555)	(16,823)	(526)
(Increase)/Decrease in Financial Assets and other Current and Non-Current Assets	32,332	(13,857)	33,392	(15,960)
Increase (Decrease) in Financial Liabilities & Other Current and Non-Current Liabilities	(14,325)	17,978	(13,643)	20,588
Increase (Decrease) in Short Term and Long Term Provisions	191	106	(6,084)	106
Cash generated from operations	103,264	104,298	115,062	118,963
Income tax (paid)/Refund (net)	(293)	4	(1,696)	(1,162)
Net cash inflow from (used in) operating activities----'A'	102,971	104,302	113,366	117,801
B. Cash flow from Investing activities				
Purchase of Property, plant and equipment including capital work in progress and capital advances and capital creditors	(6,564)	(15,648)	(6,634)	(15,394)
Investment in Subsidiary	(10)	(13)	-	-
Proceeds from Sale of Property, plant and equipment	179	3	183	4
Interest and Dividend Income	2,546	11,327	1,484	8,768
Investment in bank deposits having original maturity of more than three months	(9,309)	(12,475)	(9,333)	(12,500)
Net cash used in investing activities-----'B'	(13,158)	(16,806)	(14,300)	(19,122)
C. Cash flow from Financing activities				
Proceeds from Long term borrowings and short term borrowings	3,284	984	3,284	-
Dividend paid (including dividend tax)	-	-	(517)	(2,165)
Interest & financial charges paid	(62,765)	(67,473)	(64,660)	(72,039)
Net Movement of Long Term Borrowings and short term borrowings	(22,288)	(23,576)	(30,801)	(27,799)
Payment of lease liability	(189)	-	(248)	-
Redemptions of CRPS	(250)	-	(250)	-
Net cash used in financing activities---'C'	(82,208)	(90,065)	(93,192)	(102,003)
Net increase/(Decrease) in cash or cash equivalent (A+B+C)	7,605	(2,569)	5,874	(3,324)
Cash & cash equivalent at the commencement of the period	669	3,231	4,719	8,036
Effects of exchange rate changes on cash and cash equivalents	10	7	10	7
Cash adjusted on account of Subsidiary transfer	-	-	(1,533)	-
Cash & cash equivalent at the end of the period	8,284	669	9,070	4,719
Reconciliation of cash and cash equivalents as per the cash flow statement				
Cash and cash equivalents	8,284	3,142	9,070	7,192
Bank Overdraft	-	(2,473)	-	(2,473)
Balances per statement of cash flows	8,284	669	9,070	4,719

Note:

- Company has allotted CCPS and CRPS to its lenders on private placement basis, Equity shares to Bond holders and unsecured lenders as per Debt resolution plan by which no cash inflow has received (refer footnotes of the accompanying financial results).
- The above cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (IND AS-7).
- Previous year figures have been re-grouped/re-arranged wherever considered necessary.



Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of Jaiprakash Power Ventures Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
Jaiprakash Power Ventures Limited

Report on the audit of the Standalone Financial Results

Qualified Opinion

1. We have audited the accompanying Statement of Standalone Financial Results of Jaiprakash Power Ventures Limited ('the Company') for the quarter and year ended March 31, 2020 ("the statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). In our opinion and to the best of our information and according to the explanations given to us, the statement:
- is presented in accordance with the requirements of the Listing Regulations in this regard, 2015, as amended; and
 - except for the effects/possible effects of the matter described in basis for qualified opinion paragraph below (including non-quantification for the reasons stated therein), gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the net loss, other comprehensive income and other financial information of the Company for the quarter and year ended 31st March, 2020.

Basis for Qualified Opinion**Attention is drawn to:**

- As stated in note no. 44(e) of audited standalone financial statements for the year ended 31st March, 2020, the Company has given/provided corporate guarantee of USD 1,500 lacs (previous year USD 1,500 lacs) for loans granted by the lender to Jaiprakash Associates Limited (JAL) (the party to whom the company is an associate) of amounting to Rs. 70,333 lacs (previous year Rs. 70,333 lacs) for which fair valuation has not been done as per the applicable IND-AS as of 31st March, 2020 and also no provision against the said guarantee been made in these financial results. In the absence of fair valuation of the stated corporate guarantee, we are not able to ascertain the impact of the same on the financial results (Footnote no. 6 of accompanying financial results).
- As stated in note no. 46 and 53(a) of audited standalone financial statements for the year ended 31st March, 2020, No provision for diminution in value against certain long term investments of amounting to Rs. 78,915 lacs (previous year Rs. 78,905 lacs) (Book Value) has been made by the management as in the opinion of the management such diminution is temporary [this to be read with footnote no. 3 of accompanying financial results] in nature considering the intrinsic value of the assets, future prospects and claims (impact unascertainable) (Footnote no. 8 of accompanying financial results).



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Having regard to the above, management of the Company has concluded that no provision against diminution in value of investment made, as stated above, in subsidiary companies is necessary at this stage.

As stated above in para (a) and (b) above impact is unascertainable in the opinion of the management. Matter stated in para (a) and (b) above has been qualified in our report on preceding quarters, period ended 31st December, 2019 and year ended 31st March, 2019.

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

Emphasis of matter:

We draw attention to the following matters:

- (a) As Stated in Note no. 48 (i) of the audited standalone financial statements for the year ended 31st March, 2020, no provision has been considered necessary by the management against Entry Tax in respect of Nigrie STPP (including Nigrie Cement Grinding Unit) amounting to Rs. 10,656 lacs (previous year Rs. 9,074 lacs) and interest thereon (impact unascertainable) as stated in said note. In respect of Nigrie STPP (including Nigrie Cement Grinding Unit) receipts of approval for extension of the time for eligibility for exemption from payment of entry tax is pending from concerned authority, as stated in the said note 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. 4,736 lacs (previous year Rs. 3,580 lacs) has been deposited and shown as part of other non-current assets which is in the opinion of the management is good and recoverable.
- (b) As stated in note no. 59(a) of the audited standalone financial statements for the year ended 31st March, 2020 regarding, Pending confirmations/reconciliation of balances of secured borrowings, confirmation of release of guarantee provided by the Company to the lender of PPGCL, balances with banks including certain fixed deposits, trade receivables, trade payables (including of micro and small) and others (including capital creditors and of CHAs and receivables/payables from/to related parties), loans & advances and inventory lying with third parties/in transit. In this regard, as stated in the note, internal control is being strengthen through process automation (including for as stated in note no. 59(b) regarding of fuel procurement and consumption processes which are in process of further strengthening). The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in said note (this is to be read with footnote no.4 of accompanying financial results).
- (c) For deferred tax assets on unabsorbed depreciation & business losses and of MAT credit entitlement recognised of amounting to Rs. 29,728 lacs (previous year Rs.110,194 lacs) and Rs. 22,403 lacs (previous year Rs. 27,559 lacs) respectively, the Management is confident about realisability. Accordingly, these have been considered good by the management as stated in Note no. 66 (c) of the audited standalone financial statements for the year ended 31st March, 2020.



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(d)

- (i) As stated in the Note no. 56 of the standalone financial statements for the year ended 31st March, 2020, Fair value of Jaypee Nigrie Cement grinding unit being in excess as compared to the carrying value of Rs. 25,581 lacs, as assessed by the management considering the expected future cash flow, Also 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 considering above stated reason.
- (ii) As stated in the Note no. 55 of the audited standalone financial statements for the year ended 31st March, 2020, 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)

- (i) As stated in note no. 53(c) of audited standalone financial statements for the year ended 31st March, 2020 regarding accounting/charge to the Statement of Profit & Loss during the year against invocation of pledged shares during earlier year, of Prayagraj Power Generation Company Limited (PPGCL an erstwhile subsidiary company, shares were pledged by the Company in favour of the lenders of PPGCL). During the preceding quarter on transfer of shares by the lenders in favour of the BUYER accounted for loss as Exceptional Item of amounting to Rs. 292,800 lakhs as explained in the stated note (Footnote no. 5 of the accompanying financial results).
- (ii) As stated in note no. 53(b) of audited standalone financial statements for the year ended 31st March, 2020 regarding provision made against diminution in the value of investment in Trust of amounting to Rs.196,529 lacs during the year (including Rs.1,93,268 lakhs provided during quarter/period ended 31st December,2019) (Footnote no. 7 of the accompanying financial results).
- (f) Note no. 58 of the audited standalone financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Further, due to Covid-19 related lock down restrictions, management was able to perform year end physical verification of inventory at certain locations, subsequent to the year end. Also, we were not able to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternative procedures to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence (footnote no. 11 of accompanying financial results).

Our opinion is not modified in respect of above stated matters in para (a) to (f).

Management's Responsibilities for the Standalone Financial Results

The statement has been prepared on the basis of the Standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the statement that gives a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgements and



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estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is the high level of assurance but, is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement.

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

- Identify and assess the risk of material misstatement of the statement, whether due to fraud of error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the Company has adequate internal financial control with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended 31st March, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year.

Our opinion is not modified in respect of above stated matter.

For LODHA & CO.

Chartered Accountants

Firm Registration No: 301051E



N. K. Lodha

Partner

Membership No. 85155

UDIN : 20085155AAAA BT 1918

Place: New Delhi

Date: 26th May, 2020



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ANNEXURE-I**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone)****Statement on Impact of Audit Qualifications for the Financial Year ended 31st March, 2020
(See Regulation 33/52 of the SEBI (LODR)(Amendment) Regulations, 2016)****(Amount in Rs. Lacs)**

I.	S. No.		Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	3,35,837	3,35,837
	2.	Total Expenditure	3,52,504	3,52,504
	3.	Exceptional and Extraordinary items (Net)	(251,361)	(251,361)
	4.	Net Profit/(Loss) (1-2-3) before tax	(2,68,028)	(268,028)
	5.	Earnings Per Share (after Extraordinary items)	(4.88)	(4.88)
	6.	Total Assets	17,69,592	17,69,592
	7.	Total Liabilities	7,46,475	7,46,475
	8.	Net Worth/Total Equity	10,23,117	10,23,117
	9.	Any other financial item(s) (as felt appropriate by the management)	-	-

The qualified opinion of the statutory auditor and management reply thereto was as under:-

	Auditors' Qualification	Management's Reply
a)	As stated in note no. 44(e) of audited standalone financial statements for the year ended 31st March, 2020, the Company has given/provided corporate guarantee of USD 1,500 lacs (previous year USD 1,500 lacs) for loans granted by the lender to Jaiprakash Associates Limited (JAL) (the party to whom the company is an associate) of amounting to Rs. 70,333 lacs (previous year Rs. 70,333 lacs) for which fair valuation has not been done as per the applicable IND-AS as of 31st March, 2020 and also no provision against the said guarantee been made in these financial results. In the absence of fair valuation of the stated corporate guarantee, we are not able to ascertain the impact of the same on the financial results (Footnote no. 6 of accompanying financial results).	In the opinion of the Management there will be no material impact of the fair valuation of the following guarantee on the financial result/ statement of affairs. Accordingly fair valuation is not being considered and recorded in this financial statement. (Corporate Guarantee of US\$ 1,500 Lakhs in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited (Party to whom the company is Associate).The principal amount of loan outstanding of US\$ 1,300 Lakhs (equivalent to Rs. 70,333 lakhs) has been converted into rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016. Presently Impact cannot be quantified.




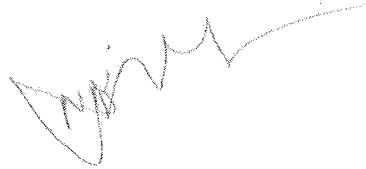

b)	<p>As stated in note no. 46 and 53(a) of audited standalone financial statements for the year ended 31st March, 2020, No provision for diminution in value against certain long term investments of amounting to Rs. 78,915 lacs (previous year Rs. 78,905 lacs) (Book Value) has been made by the management as in the opinion of the management such diminution is temporary [this to be read with footnote no. 3 of accompanying financial results] in nature considering the intrinsic value of the assets, future prospects and claims (impact unascertainable) (Footnote no. 8 of accompanying financial results).</p> <p>Having regard to the above, management of the Company has concluded that no provision against diminution in value of investment made, as stated above, in subsidiary companies is necessary at this stage.</p> <p>Above both qualifications are appearing since the year ended 31st March 2018.</p>	<p>No provision for diminution in value against following long term investments of amounting to Rs.78,915 lakhs (Book Value) has been made as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims and management is confident that no provision for the same at this stage is considered necessary.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2"></th> <th style="text-align: right;">Rs/Lakhs</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">(i)</td> <td>Investment in Sangam Power Generation Company Limited</td> <td style="text-align: right;">55,207</td> </tr> <tr> <td style="text-align: center;">(ii)</td> <td>Investment in Jaypee Arunachal Power Ltd</td> <td style="text-align: right;">22,862</td> </tr> <tr> <td style="text-align: center;">(iii)</td> <td>Investment in Jaypee Meghalaya Power Ltd</td> <td style="text-align: right;">841</td> </tr> <tr> <td style="text-align: center;">(iv)</td> <td>Interest in Bina Power Supply Co. Ltd.</td> <td style="text-align: right;">5</td> </tr> <tr> <td colspan="2" style="text-align: right;">Total</td> <td style="text-align: right;">78,915</td> </tr> </tbody> </table> <p>Presently Impact cannot be quantified.</p>			Rs/Lakhs	(i)	Investment in Sangam Power Generation Company Limited	55,207	(ii)	Investment in Jaypee Arunachal Power Ltd	22,862	(iii)	Investment in Jaypee Meghalaya Power Ltd	841	(iv)	Interest in Bina Power Supply Co. Ltd.	5	Total		78,915
		Rs/Lakhs																		
(i)	Investment in Sangam Power Generation Company Limited	55,207																		
(ii)	Investment in Jaypee Arunachal Power Ltd	22,862																		
(iii)	Investment in Jaypee Meghalaya Power Ltd	841																		
(iv)	Interest in Bina Power Supply Co. Ltd.	5																		
Total		78,915																		

The Emphasis of matter in the Standalone Annual Audited Financial Statement and management reply thereto was as under:-

	Auditors Emphasis on matters	Management's Reply
a)	<p>As Stated in Note no. 48 (i) of the audited standalone financial statements for the year ended 31st March, 2020, no provision has been considered necessary by the management against Entry Tax in respect of Nigrie STPP (including Nigrie Cement Grinding Unit) amounting to Rs. 10,656 lacs (previous year Rs. 9,074 lacs) and interest thereon (impact unascertainable) as stated in said note. In respect of Nigrie STPP (including Nigrie Cement Grinding Unit) receipts of approval for extension of the time for eligibility for exemption from payment of entry tax is pending from concerned authority, as stated in the said note 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. 4,736 lacs (previous year Rs. 3,580 lacs) has been deposited and shown as part of other non-current assets which is in the opinion of the management is good and recoverable.</p>	<p>The Company has not made provision against Entry Tax in respect of Nigrie Power and Cement unit amounting to Rs. 10,656 lacs (Previous year Rs. 9,074 lacs) and interest thereon (impact unascertainable). 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 from concerned authority , 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.4,736 lacs (Previous year Rs. 3,580 lacs) has been deposited which is in the opinion of the management good and recoverable.</p>

<p>b) As stated in note no. 59(a) of the audited standalone financial statements for the year ended 31st March, 2020 regarding, Pending confirmations/reconciliation of balances of secured borrowings, confirmation of release of guarantee provided by the Company to the lenders of PPGCL, balances with banks including certain fixed deposits, trade receivables, trade payables (including of micro and small) and others (including capital creditors and of CHAs and receivables/payables from/to related parties), loans & advances and inventory lying with third parties/in transit. In this regard, as stated in the note, internal control is being strengthen through process automation (including for as stated in note no. 59(b) regarding of fuel procurement and consumption processes which are in process of further strengthening). The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in said note (this is to be read with footnote no.4 of accompanying financial results).</p>	<p>Management is in the process to confirmations/ reconciliation of balances of certain secured borrowings, confirmation of release of guarantee provided by the Company to the lenders of PPGCL, balances with banks including certain fixed deposits, trade receivables, trade payables (including of micro and small) and others (including capital creditors and of CHAs and receivables/payables from/to related parties), loans & advances and inventory lying with third parties/in transit. And internal control is being strengthen through process automation regarding of fuel procurement and consumption processes which are in process of further strengthening. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in said note.</p>
<p>c) For deferred tax assets on unabsorbed depreciation & business losses and of MAT credit entitlement recognised of amounting to Rs. 29,728 lacs (previous year Rs.110,194 lacs) and Rs. 22,403 lacs (previous year Rs. 27,559 lacs) respectively, the Management is confident about realisability. Accordingly, these have been considered good by the management as stated in Note no. 66 (c) of the audited standalone financial statements for the year ended 31st March, 2020.</p>	<p>Though the company has been incurring losses in last few years, it expects turnaround of the sector and accordingly Deferred tax assets in respect of unabsorbed depreciation and business losses and MAT credit entitlement have been recognized amounting to Rs. 29,728 lakhs and Rs.22,403 lakhs respectively, owing to reasonable certainty of availability of future taxable income to realize such assets.. Accordingly, these have been considered good and no provision there against at this stage is considered necessary in the financial statements.</p>
<p>d) (i) As stated in the Note no. 56 of the standalone financial statements for the year ended 31st March, 2020, Fair value of Jaypee Nigrie Cement grinding unit being in excess as compared to the carrying value of Rs. 25,581 lacs, as assessed by the management considering the expected future cash flow, Also 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 considering above stated reason.</p> <p>(ii) As stated in the Note no. 55 of the audited standalone financial statements for the year ended 31st March, 2020, 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</p>	<p>(i) As assessed by the Management, carrying value is lower than fair value,(based on valuation done by an expert and future cash flows) therefore, the management feel that there is no need to make provision on account of impairment at the stage.</p> <p>(ii) In view of fair value for all fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being excess as compared to the carrying value, as estimated by a technical valuer and based on the future cash flows, management does not anticipate any impairment.</p>

	<p>provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.</p>	
e)	<p>(i) As stated in note no. 53(c) of audited standalone financial statements for the year ended 31st March, 2020 regarding accounting/charge to the Statement of Profit & Loss during the year against invocation of pledged shares during earlier year, of Prayagraj Power Generation Company Limited (PPGCL an erstwhile subsidiary company, shares were pledged by the Company in favour of the lenders of PPGCL). During the preceding quarter on transfer of shares by the lenders in favour of the BUYER accounted for loss as Exceptional Item of amounting to Rs. 292,800 lakhs as explained in the stated note (Footnote no. 5 of the accompanying financial results).</p> <p>(ii) As stated in note no. 53(b) of audited standalone financial statements for the year ended 31st March, 2020 regarding provision made against diminution in the value of investment in Trust of amounting to Rs.196,529 lacs during the year (including Rs.1,93,268 lakhs provided during quarter/period ended 31st December,2019) (Footnote no. 7 of the accompanying financial results).</p>	<p>(i) In the earlier years, shares of PPGCL were pledged with Security Trustee, SBI Cap Trustee Company Ltd. (SBI Cap), as collateral security for the financial assistance granted by lenders to PPGCL and same had been invoked on 18th December, 2017 due to default in payment of dues to banks/ financial institutions. During the year, the lenders have affected change in Management in favour of Renascent Power Ventures Private Limited. Post the stated transfer/sale of shares by the lenders, nothing has been realised by the Company on this transaction. Hence, full amount has been provided. The same has been addressed in the Auditor's report and no further explanation is required.</p> <p>(ii) Provision of diminution in value of Rs. 196,529 lakhs (including Rs. 193,268 lakhs for the quarter/period ended December 31, 2019) has accounted for on account of fair valuation of Investment in Trust. The same has been addressed in the Auditor's report and no further explanation is required.</p>
f)	<p>Note no. 58 of the audited standalone financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Further, due to Covid-19 related lock down restrictions, management was able to perform year end physical verification of inventory at certain locations, subsequent to the year end. Also, we were not able to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternative procedures to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence (footnote no. 11 of accompanying financial results).</p> <p>Our opinion is not modified in respect of above stated matters in para (a) to (f).</p>	<p>The management does not see any medium to long term risk in regard to meeting its liabilities as and when they fall due and compliance with debt covenant as applicable. The impact of Covid-19 pandemic will continue to be closely monitored for any material changes.</p>

	<p>Signatories</p> <ul style="list-style-type: none"> • Suren Jain (Managing Director & CEO) • Shri R.K. Porwal, CFO • Shri Jagmohan Garg (Chairman-Audit Committee) • Statutory Auditors: N.K. Lodha, Partner, Lodha & Co., Chartered Accountants <p>(M.No. 85155) (FRN 301051E) New Delhi</p>	   
Place: New Delhi		
Date :26 th May, 2020		



Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Financial Results of Jaiprakash Power Ventures Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
Jaiprakash Power Ventures Limited

Report on the audit of the Consolidated Financial Results

Qualified Opinion

We have audited the accompanying Statement of Consolidated Financial Results of Jaiprakash Power Ventures Limited ("the Company"/"Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and year ended March 31, 2020 ("the statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements /financial information of the subsidiaries referred in Other Matters section below, the Statement:

- a) Includes the results of the following subsidiaries:
 - (i) Jaypee Power grid Limited (JV Subsidiary);
 - (ii) Jaypee Arunachal Power Limited (JV Subsidiary);
 - (iii) Jaypee Meghalaya Power Limited;
 - (iv) Sangam Power Generation Company Limited;
 - (v) Bina Power Supply Limited;
- b) is presented in accordance with the Listing Regulations in this regard; and
- c) except for the effects/possible effects of the matter described in basis for qualified opinion paragraph below (including non quantification for the reasons stated therein), gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the consolidated net loss, other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2020.

Basis for Qualified Opinion

Attention is drawn to:

- (a) As stated in note no. 43(h) of audited consolidated financial statements for the year ended 31st March, 2020, the Company has given/provided corporate guarantee of USD 1,500 lacs (previous year USD 1,500 lacs) for loans granted by the lender to Jaiprakash Associates Limited (JAL) (the party to whom the company is an associate) of amounting to Rs. 70,333 lacs (previous year Rs. 70,333 lacs) for which fair valuation has not been done as per the applicable IND-AS as of 31st March, 2020 and also no provision against the said guarantee been made in these financial results. In the absence of fair valuation of the



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stated corporate guarantee, we are not able to ascertain the impact of the same on the financial results (Footnote no. 6 of accompanying financial results).

As stated above, in the opinion of the management impact presently unascertainable. Matter stated in para (a) above has been qualified in Audit Report on the Financial Statements for the year ended 31st March 2019 and in Review Reports for quarter ended 30th June, 2019, 30th September, 2019 and 31st December, 2019.

- (b) In respect of Subsidiary Company, Sangam Power Generation Company Limited (SPGCL) where Company has investment of Rs. 55,207 lacs - Expenditure incurred during the construction and incidental for setting up of the project, Capital advances and Security Deposits (Non-Current other financial assets) in respect of project (project assets) have been carried forward as 'Capital Work-in-Process', Capital advances and Security Deposits (Non-Current other financial assets) aggregating Rs. 10,804 lacs, Rs. 2,248 lacs and 3,003 lacs respectively. In view of circumstances discussed in the note (read with note no. 10 of accompanying statement) including land being not in possession as stated in the said note, the Company (the parent) had requested Uttar Pradesh Power Corporation Limited (UPPCL) to take over the project /company and refund of investment made by it. Further, the Company has withdrawn all its undertakings given to UPPCL and lodged a claim of Rs. 115,722 lacs. Meanwhile UPERC vide its Order dated 28.06.2019 has allowed the claim of SPGCL for Rs.25,137 Lakhs along with interest @ 9% p.a. on Rs.14,925 Lakhs for the period from 11.04.2014 to 31.03.2019 and also directed UPPCL to immediately release Performance Bank Guarantee (Rs. 99 crore) to SPGCL and SPGCL to transfer the entire land parcel in their possession to UPPCL. UPPCL has appealed against the said Order in APTEL and SPGCL has also filed counter appeal. Hearing in the case is completed and order is reserved by APTEL. Pending these, no provision, at this stage, has been considered necessary by the management in the carrying value of project assets under non- current assets for impairment. This indicates the existence of a material uncertainty that cast significance doubt on the SPGCL ability to continue as Going concern and accordingly we are unable to comment on the consequential impact, if any, on the carrying value of such project assets and its impact on the consolidated financial results.

As stated above, in the opinion of the management impact presently unascertainable. This matter was also qualified in Audit Report on the Financial Statements for the year ended 31st March 2019 and in Review Reports for quarter ended 30th June, 2019, 30th September, 2019 and 31st December, 2019.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

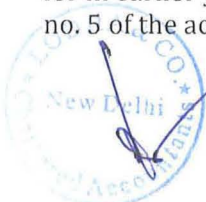


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Emphasis of matter:

We draw attention to the following matters:

- (a) As Stated in Note no. 46 (i) of the audited consolidated financial statements for the year ended 31st March, 2020, no provision has been considered necessary by the management against Entry Tax in respect of Nigrie STPP (including Nigrie Cement Grinding Unit) amounting to Rs. 10,656 lacs (previous year Rs. 9,074 lacs) and interest thereon (impact unascertainable) as stated in said note. In respect of Nigrie STPP (including Nigrie Cement Grinding Unit) receipts of approval for extension of the time for eligibility for exemption from payment of entry tax is pending from concerned authority, as stated in the said note 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. 4,736 lacs (previous year Rs. 3,580 lacs) has been deposited and shown as part of other non-current assets which is in the opinion of the management is good and recoverable.
- (b) As stated in note no. 57(a) of the audited standalone financial statements for the year ended 31st March, 2020 regarding, Pending confirmations/reconciliation of balances of secured borrowings, confirmation of release of guarantee provided by the Company to the lender of PPGCL, balances with banks including certain fixed deposits, trade receivables, trade payables (including of micro and small) and others (including capital creditors and of CHAs and receivables/payables from/to related parties), loans & advances and inventory lying with third parties/in transit. In this regard, as stated in the note, internal control is being strengthen through process automation (including for as stated in note no. 57(b) regarding of fuel procurement and consumption processes which are in process of further strengthening). The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in said note (this is to be read with footnote no.4 of accompanying financial results).
- (c) For deferred tax assets on unabsorbed depreciation & business losses and of MAT credit entitlement recognised of amounting to Rs. 29,728 lacs (previous year Rs.110,194 lacs) and Rs. 22,403 lacs (previous year Rs. 27,559 lacs) respectively, the Management is confident about realisability. Accordingly, these have been considered good by the management as stated in Note no. 62 of the audited consolidated financial statements for the year ended 31st March, 2020.
- (d)
- (i) As stated in the Note no. 54 of the consolidated financial statements for the year ended 31st March, 2020, Fair value of Jaypee Nigrie Cement grinding unit being in excess as compared to the carrying value of Rs. 25,581 lacs, as assessed by the management considering the expected future cash flow, Also 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 considering above stated reason.
- (ii) As stated in the Note no. 53 of the audited consolidated financial statements for the year ended 31st March, 2020, 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) (i) As stated in note no. 51(c) of audited consolidated financial statements for the year ended 31st March, 2020 regarding accounting/charge to the Statement of Profit & Loss during the year against invocation of pledged shares during earlier year, of Prayagraj Power Generation Company Limited (PPGCL an erstwhile subsidiary company, shares were pledged by the Company in favour of the lenders of PPGCL). During the preceding quarter on transfer of shares by the lenders in favour of the BUYER accounted for loss as Exceptional Item of amounting to Rs. 160,841 lacs (net off loss already accounted for in earlier years in the consolidated financial statements) as explained in the stated note (Footnote no. 5 of the accompanying financial results).



(ii) As stated in note no. 51(b) of audited consolidated financial statements for the year ended 31st March, 2020 regarding provision made against diminution in the value of investment in Trust of amounting to Rs.196,529 lacs during the year (including Rs.1,93,268 lakhs provided during quarter/period ended 31st December,2019) (Footnote no. 7 of the accompanying financial results).

(f) Note no. 56 of the audited consolidated financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Further, due to Covid-19 related lock down restrictions, management was able to perform year end physical verification of inventory at certain locations, subsequent to the year end. Also, we were not able to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternative procedures to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence (footnote no. 11 of accompanying financial results).

Our Opinion is not modified for matters stated in para (a) to (f).

(g) Uncertainty on the going concern – of Subsidiary Companies:

- (i) Jaypee Arunachal Power Limited (JAPL) (where Company has investment of Rs.22,852 lacs) is waiting for statutory clearances to commence operations and is completely dependent on its holding company for meeting its day to day obligations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the JAPL have been prepared by the management on a going concern basis [Note no. 64(a) of the audited consolidated financial statements for the year ended 31st March, 2020].
- (ii) Jaypee Meghalaya Power Limited (JMPL) (where Company has investment of Rs.841 lacs) is waiting for statutory clearances to commence operations and is completely dependent on its holding company for meeting its day to day obligations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the JMPL have been prepared by the management on a going concern basis [Note no. 64(b) of the audited consolidated financial statements for the year ended 31st March, 2020].

Our opinion on above [(i) to (ii)] is not modified.

(h) The statutory auditors in their respective reports for the year ended 31st March,2020 of Sangam Power Generation Company Limited (SPGCL) and Jaypee Meghalaya Power Limited (JMPL) have invited attention to the matter that SPGCL and JMPL are yet to Company Secretaries as required by section 203 of the Companies Act,2013.

Our opinion on above is not modified.

Management's Responsibilities for the Consolidated Financial Results

The statement has been prepared on the basis of the Consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the statement that gives a true and fair view of the net loss and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations.

The respective Board of Directors of the Companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets



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of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or the cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing of financial reporting process of the Group.

Auditor's Responsibilities for the Audit of Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is the high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement.

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

- Identify and assess the risk of material misstatement of the statement, whether due to fraud of error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of Consolidated financial statements on whether the Company has adequate internal financial control with reference to financial statements in place and the operating effectiveness of such controls. For drafting of our report, we have considered the report of the independent auditors of respective Indian subsidiary companies.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit



evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

- (a) The consolidated annual financial results include the audited financial results of five subsidiaries, whose financial statements/financial information reflect total assets of Rs. 1,15,928 lacs as at 31 March 2020, total revenue of Rs. 4,178 lacs and Rs. 16,376 lacs, total net profit / (loss) after tax of Rs. 879 lacs and Rs. 5,448 lacs, total comprehensive income of Rs. 883 lacs and Rs. 5,452 lacs for the quarter and the year ended on that date respectively, and net cashflow of Rs. 785 lacs for the year ended 31 March 2020, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors.

The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion is not modified in respect of this matter.

- (b) The consolidated figures for the corresponding quarter ended 31st March, 2019 as reported in these financial results have been as certified and approved by the holding company's Board of Directors, being difference between audited figures of full financial year and figures as certified till 31st Dec, 2019 by the management.

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(c) The consolidated annual financial results include the results for the quarter ended 31st March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year.

Our opinion is not modified in respect of matters stated in (b) and (c) above.

For **LODHA & CO.**

Chartered Accountants

FRN: 301051E


(N. K. LODHA)

Partner

Membership No. 85155

UDIN : 20085155 AAAABV2488

Place: New Delhi

Dated: 26th May, 2020



ANNEXURE-I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended 31st March, 2020				
(See Regulation 33/52 of the SEBI (LODR)(Amendment) Regulations, 2016)				
(Amount in Rs. in Lacs)				
I.	S. No.		Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	3,50,992	3,50,992
	2.	Total Expenditure	3,62,407	3,62,407
	3.	Exceptional and Extraordinary items (Net)	(11,415)	(11,415)
	4.	Net Profit/(Loss) (1-2-3) before tax	(1,30,817)	(1,30,817)
	5.	Earnings Per Share (after Extraordinary items)	(3.01)	(3.01)
	6.	Total Assets	17,84,396	17,84,396
	7.	Total Liabilities	7,73,280	7,73,280
	8.	Net Worth/Total Equity	10,11,116	10,11,116
	9.	Any other financial item(s) (as felt appropriate by the management)	-	-

The qualified opinion of the statutory auditor and management reply thereto was as under:-

	Auditors' Qualification	Management's Reply
a ¹	As stated in note no. 43(h) of audited consolidated financial statements for the year ended 31st March, 2020, the Company has given/provided corporate guarantee of USD 1,500 lacs (previous year USD 1,500 lacs) for loans granted by the lender to Jaiprakash Associates Limited (JAL) (the party to whom the company is an associate) of amounting to Rs. 70,333 lacs (previous year Rs. 70,333 lacs) for which fair valuation has not been done as per the applicable IND-AS as of 31st March, 2020 and also no provision against the said guarantee been made in these financial results. In the absence of fair valuation of the stated corporate guarantee, we are not able to ascertain the impact of the same on the financial results (Footnote no. 6 of accompanying financial results). Above qualification is appearing since the year ended 31st March 2018.	In the opinion of the Management there will be no material impact of the fair valuation of the following guarantee on the financial result/ statement of affairs. Accordingly fair valuation is not being considered and recorded in this financial statement. (Corporate Guarantee of US\$ 1,500 Lakhs in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited (Party to whom the company is Associate).The principal amount of loan outstanding of US\$ 1,300 Lakhs (equivalent to Rs. 70,333 lakhs) has been converted into rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016. Presently Impact cannot be quantified.

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<p>b) In respect of Subsidiary Company, Sangam Power Generation Company Limited (SPGCL) where Company has investment of Rs. 55,207 lacs - Expenditure incurred during the construction and incidental for setting up of the project, Capital advances and Security Deposits (Non-Current other financial assets) in respect of project (project assets) have been carried forward as 'Capital Work-in-Process', Capital advances and Security Deposits (Non-Current other financial assets) aggregating Rs. 10,804 lacs, Rs. 2,248 lacs and 3,003 lacs respectively. In view of circumstances discussed in the note (read with note no. 10 of accompanying statement) including land being not in possession as stated in the said note, the Company (the parent) had requested Uttar Pradesh Power Corporation Limited (UPPCL) to take over the project /company and refund of investment made by it. Further, the Company has withdrawn all its undertakings given to UPPCL and lodged a claim of Rs. 115,722 lacs. Meanwhile UPERC vide its Order dated 28.06.2019 has allowed the claim of SPGCL for Rs.25,137 Lakhs along with interest @ 9% p.a. on Rs.14,925 Lakhs for the period from 11.04.2014 to 31.03.2019 and also directed UPPCL to immediately release Performance Bank Guarantee (Rs. 99 crore) to SPGCL and SPGCL to transfer the entire land parcel in their possession to UPPCL. UPPCL has appealed against the said Order in APTEL and SPGCL has also filed counter appeal. Hearing in the case is completed and order is reserved by APTEL. Pending these, no provision, at this stage, has been considered necessary by the management in the carrying value of project assets under non- current assets for impairment. This indicates the existence of a material uncertainty that cast significance doubt on the SPGCL ability to continue as Going concern and accordingly we are unable to comment on the consequential impact, if any, on the carrying value of such project assets and its impact on the consolidated financial results.</p> <p>Above qualification is appearing since the year ended 31st March 2017.</p>	<p>Sangam Power Generation Company Limited (SPGCL, a Subsidiary Company) was acquired by JPVL (the Company) from Uttar Pradesh Power Corporation Ltd (UPPCL) in earlier years for implementation of 1320 MW Power Project (Karchana STPP) at Tahsil Karchana, Distt. Allahabad, Uttar Pradesh. The Company has made investment of Rs.55,207 lakhs (5,520 lakhs equity shares of Rs. 10/- each fully paid). The Net Worth of SPGCL have been eroded significantly as on 31st December 2019. In view of abnormal delay in handing over the physical possession of land by UPPCL, SPGCL has written to UPPCL and all procurers that the Power Purchase Agreement (PPA) is rendered void and cannot be enforced. As advised, draft of Share Purchase Agreement (SPA) was sent to UPPCL / UPRVUNL for their approval but there was abnormal delay in resolving the matter by UPPCL, therefore SPGCL has withdrawn all its undertakings given to UPPCL and filed a petition before Hon'ble UPERC for release of performance bank guarantee and also for payment amount against claim lodged of Rs 1,15,722 lakh. UPERC vide its Order dated 28.06.2019 has allowed claim (of SPGCL) for Rs.25,137 Lakhs along with interest @ 9% p.a. on Rs.14,925 Lakhs for the period from 11.04.2014 to 31.03.2019 and also directed UPPCL to immediately release Performance Bank Guarantee (Rs. 99 crore) to SPGCL and SPGCL to transfer the entire land parcel to UPPCL. UPPCL has appealed against the said order in APTEL and SPGCL has also filed counter appeal. Hearing in the case is completed and Order is reserved by APTEL. Pending these, no provision has been considered necessary by the management at this stage.</p>
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The Emphasis of matter in the Consolidated Annual Audited Financial Statement and management reply thereto was as under:-

	Auditors emphasis on matters	Management's Reply
a)	As Stated in Note no. 46 (i) of the audited consolidated financial statements for the year ended 31st March, 2020, no provision has been considered necessary by the management against Entry Tax in	The Company has not made provision against Entry Tax in respect of Nigrie Power and Cement unit amounting to Rs. 10,656 lacs (Previous year Rs. 9,074 lacs) and


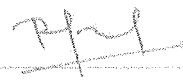


<p>respect of Nigrie STPP (including Nigrie Cement Grinding Unit) amounting to Rs. 10,656 lacs (previous year Rs. 9,074 lacs) and interest thereon (impact unascertainable) as stated in said note. In respect of Nigrie STPP (including Nigrie Cement Grinding Unit) receipts of approval for extension of the time for eligibility for exemption from payment of entry tax is pending from concerned authority, 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. 4,736 lacs (previous year Rs. 3,580 lacs) has been deposited (and shown as part of other non-current assets) which is in the opinion of the management is good and recoverable.</p>	<p>interest thereon (impact unascertainable). 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 from concerned authority , 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.4,736 lacs (Previous year Rs. 3,580 lacs) has been deposited which is in the opinion of the management good and recoverable.</p>
<p>b) As stated in note no. 57(a) of the audited standalone financial statements for the year ended 31st March, 2020 regarding, Pending confirmations/reconciliation of balances of secured borrowings, confirmation of release of guarantees provided by the Company to the lenders of PPGCL, balances with banks including certain fixed deposits, trade receivables, trade payables (including of micro and small) and others (including capital creditors and of CHAs and receivables/payables from/to related parties), loans & advances and inventory lying with third parties/in transit. In this regard, as stated in the note, internal control is being strengthen through process automation (including for as stated in note no. 57(b) regarding of fuel procurement and consumption processes which are in process of further strengthening). The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in said note (this is to be read with footnote no.4 of accompanying financial results</p>	<p>Management is in the process of obtaining confirmations/ reconciliation of balances of certain secured borrowings, confirmation of release of guarantees provided by the Company to the lenders of PPGCL, balances with banks including certain fixed deposits, trade receivables, trade payables (including of micro and small) and others (including capital creditors and of CHAs and receivables/payables from/to related parties), loans & advances and inventory lying with third parties/in transit. And internal control is being strengthen through process automation regarding of fuel procurement and consumption processes which are in process of further strengthening. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in said note.</p>
<p>c) For deferred tax assets on unabsorbed depreciation & business losses and of MAT credit entitlement recognized of amounting to Rs. 29,728 lacs (previous year Rs.110,194 lacs) and Rs. 22,403 lacs (previous year Rs. 27,559 lacs) respectively, the Management is confident about realisability. Accordingly, these have been considered good by the management as stated in Note no. 62 of the audited consolidated financial statements for the year ended 31st March, 2020.</p>	<p>Though the company has been incurring losses in last few years, it expects turnaround of the sector and accordingly Deferred tax assets in respect of unabsorbed depreciation and business losses and MAT credit entitlement have been recognized amounting to Rs. 29,728 lakhs and Rs.22, 403 lakhs respectively, owing to reasonable certainty of availability of future taxable income to realize such assets. Accordingly, these have been considered good and no provision there against at this stage is considered necessary in the financial statements.</p>

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d)	<p>(i) As stated in the Note no. 54 of the consolidated financial statements for the year ended 31st March, 2020, Fair value of Jaypee Nigrie Cement grinding unit being in excess as compared to the carrying value of Rs. 25,581 lacs, as assessed by the management considering the expected future cash flow, Also 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 considering above stated reason.</p> <p>(ii) As stated in the Note no. 53 of the audited consolidated financial statements for the year ended 31st March, 2020, 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.</p>	<p>(i) As assessed by the Management, carrying value is lower than fair value, (based on valuation done by an expert and future cash flows) therefore, the management feel that there is no need to make provision on account of impairment at the stage.</p> <p>(ii) In view of fair value for all fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being excess as compared to the carrying value, as estimated by a technical valuer and management does not anticipate any impairment amount which is to be provided at this stage in the financial statement for in the value of property, plant and equipment(including capital work-in-progress) based on the condition of plant, market demand and supply, economic and regulatory environment and other factors.</p>
e)	<p>(i) As stated in note no. 51(c) of audited consolidated financial statements for the year ended 31st March, 2020 regarding accounting/charge to the Statement of Profit & Loss during the year against invocation of pledged shares during earlier year, of Prayagraj Power Generation Company Limited (PPGCL an erstwhile subsidiary company, shares were pledged by the Company in favour of the lenders of PPGCL). During the preceding quarter on transfer of shares by the lenders in favour of the BUYER accounted for loss as Exceptional Item of amounting to Rs. 160,841 lacs (net off loss already accounted for in earlier years in the consolidated financial statements) as explained in the stated note (Footnote no. 5 of the accompanying financial results).</p> <p>(ii) As stated in note no. 51(b) of audited consolidated financial statements for the year ended 31st March, 2020 regarding provision made against diminution in the value of investment in Trust of amounting to Rs.196, 529 lacs during the year (including Rs.1,93,268 lakhs provided during quarter/period ended 31st December,2019) (Footnote no. 7 of the accompanying financial results).</p>	<p>(i) In the earlier years, shares of PPGCL were pledged with Security Trustee, SBI Cap Trustee Company Ltd. (SBI Cap), as collateral security for the financial assistance granted by lenders to PPGCL and same had been invoked on 18th December, 2017 due to default in payment of dues to banks/ financial institutions. During the year, the lenders have affected change in Management in favour of Renascent Power Ventures Private Limited. Post the stated transfer/sale of shares by the lenders, nothing has been realized by the Company on this transaction. The same has been addressed in the Auditor's report and no further explanation is required.</p> <p>(ii) Provision of diminution in value of Rs. 196,529 lakhs (including Rs. 193,268 lakhs for the quarter/period ended December 31, 2019) has accounted for on account of fair valuation of Investment in Trust. The same has been addressed in the Auditor's report and no further explanation is required.</p>
f)	<p>Note no. 56 of the audited consolidated financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the</p>	<p>The management does not see any medium to long term risk in regard to meeting its liabilities as and when they fall due and compliance with debt covenant as applicable.</p>

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<p>management. Further, due to Covid-19 related lock down restrictions, management was able to perform year end physical verification of inventory at certain locations, subsequent to the year end. Also, we were not able to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternative procedures to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence(footnote no. 11 of accompanying financial results.</p>	<p>The impact of Covid-19 pandemic will continue to be closely monitored for any material changes.</p>
<p>Our Opinion is not modified for matters stated in para (a) to (f).</p>	
<p>g) Uncertainty on the going concern – of Subsidiary Companies: Jaypee Arunachal Power Limited (JAPL) (where Company has investment of Rs.22, 852 lacs) is waiting for statutory clearances to commence operations and is completely dependent on its holding company for meeting its day to day obligations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the JAPL have been prepared by the management on a going concern basis [Note no. 64(a) of the audited consolidated financial statements for the year ended 31st March, 2020].</p> <p>Jaypee Meghalaya Power Limited (JMPL) (where Company has investment of Rs.841 lacs) is waiting for statutory clearances to commence operations and is completely dependent on its holding company for meeting its day to day obligations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the JMPL have been prepared by the management on a going concern basis [Note no. 64(b) of the audited consolidated financial statements for the year ended 31st March, 2020].</p> <p>Our opinion on above [(i) to (ii)] is not modified</p>	<p>Statutory clearance are pending to take off the projects (JAPL & JMPL) and Management is in the process to initiative the project therefore at this stage financial statements are prepared on going concern basis.</p>
<p>h) The statutory auditors in their respective reports for the year ended 31st March, 2020 of Sangam Power Generation Company Limited (SPGCL) and Jaypee Meghalaya Power Limited (JMPL) have invited attention to the matter that SPGCL and JMPL are yet to Company Secretaries as required by section 203 of the Companies Act, 2013.</p> <p>Our opinion on above is not modified.</p>	<p>The Company was in process of appointment of Company Secretary as per the requirement of Section 203 of the Companies Act, 2013.</p>

Signatories	
• Suren Jain (Managing Director & CEO)	
• Shri R.K. Porwal, CFO	
• Shri Jagmohan Garg (Chairman-Audit Committee)	
• Statutory Auditors: N.K. Lodha, Partner, Lodha & Co., Chartered Accountants (M.No. 85155) (FRN 301051E)	
Place: New Delhi	
Date :26 th May 2020	

