

30th October, 2019

Ref: JPVL:SEC:2019

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: Un-audited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended 30th September, 2019

Dear Sirs,

We are enclosing herewith the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended 30th September, 2019 in the prescribed format as required under Regulation 33(3) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 30th October, 2019.

Further, as required under Regulation 33(2)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, also enclosed herewith a copy each of "Limited Review Report" by the Statutory Auditors on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended 30th September, 2019. The "Limited Review Report" has been placed before the Board of Directors in their meeting held on 30th October, 2019.

The meeting commenced at 5.30 P.M. and concluded at 8.05 P.M.

Thanking you,

Yours faithfully,

For **JAIPRAKASH POWER VENTURES LIMITED**
(A.K. Rastogi)**Joint President & Company Secretary****Encl: As above**

JAIPRAKASH

POWER VENTURES LIMITED

Regd. Office : Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli - 486 569, (Madhya Pradesh)

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

Website: www.jppowerventures.com Email: jpv.investor@jalindia.co.in CIN : L40101MP1994PLC042920

STATEMENT OF STANDALONE & CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER, 2019

Rs. in Lakhs except Shares and EPS

Particulars	Standalone						Consolidated						Standalone		Consolidated	
	Quarter Ended			Six Months Ended			Quarter Ended			Six Months Ended			Previous Year Ended		31.03.2019	
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019			
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited		
I Revenue from operations	75,541	103,201	95,399	178,742	203,706	79,126	107,859	99,413	186,984	211,691	373,240	389,162				
II Other income	1,750	549	4,489	2,299	5,195	641	606	2,635	1,247	3,436	14,159	11,319				
III Total Revenue (I+II)	77,291	103,750	99,888	181,041	208,901	79,767	108,464	102,048	188,231	215,127	387,409	400,481				
IV Expenses																
Cost of material and operation expenses	47,110	68,500	55,110	115,610	114,717	47,176	58,561	55,178	115,737	114,843	235,965	236,208				
Purchases of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-	-			
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	(20)	-	106	-	-	(20)	-	106	184	184				
Employee benefits expense	2,709	2,557	2,578	5,266	4,966	2,601	2,647	2,662	5,448	5,125	10,124	10,492				
Finance costs	37,722	36,708	36,975	74,430	74,126	38,585	37,712	38,039	76,297	76,215	143,258	147,415				
Depreciation and amortisation	12,026	11,858	12,047	23,884	23,912	13,374	13,194	13,379	26,568	26,539	47,512	52,807				
Other expenses	2,464	2,079	2,072	4,543	4,570	2,621	2,151	2,119	4,772	4,644	9,979	9,380				
Total expenses (IV)	102,031	121,702	108,762	223,733	222,397	104,557	124,265	111,357	228,822	227,472	446,022	456,486				
V Profit / (loss) before exceptional items and tax (III-IV)	(24,740)	(17,952)	(8,874)	(42,692)	(13,496)	(24,790)	(15,801)	(9,309)	(40,591)	(12,345)	(58,613)	(56,005)				
VI Exceptional items (refer note no. 8(a))	-	-	-	-	5,268	-	-	-	-	5,268	5,268	5,268				
VII Profit / (loss) before tax (V+VI)	(24,740)	(17,952)	(8,874)	(42,692)	(8,228)	(24,790)	(15,801)	(9,309)	(40,591)	(7,077)	(53,345)	(50,737)				
VIII Tax expense																
(1) Current tax	-	-	-	-	-	511	483	357	994	699	-	1,408				
(2) MAT credit entitlement	-	-	-	-	-	(232)	(463)	(307)	(695)	(624)	-	(1,278)				
(3) Income tax of earlier years	-	-	-	-	-	-	-	-	-	-	27	423				
(4) Reversal of MAT credit entitlement of earlier years	-	-	-	-	-	-	-	-	-	-	4,072	4,072				
(5) Deferred tax	(8,595)	(9,269)	(4,688)	(14,864)	(4,456)	(8,595)	(8,269)	(4,688)	(14,864)	(4,456)	(19,556)	(19,556)				
IX Profit / (Loss) for the period (VII-VIII)	(16,145)	(11,683)	(4,186)	(27,828)	(3,772)	(16,474)	(9,552)	(4,671)	(26,026)	(2,698)	(37,776)	(35,706)				
X Other Comprehensive Income																
A (i) Items that will not be reclassified to profit or loss	5	5	(2)	10	(4)	5	5	(2)	16	(4)	18	19				
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2)	(2)	1	(4)	2	(2)	(2)	1	(4)	2	(6)	(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 (X)	3	3	(1)	6	(2)	3	3	(1)	6	(2)	12	12				
XI Total comprehensive income for the period (IX+X) (Comprising Profit (Loss) and Other comprehensive income for the period)	(16,142)	(11,680)	(4,187)	(27,822)	(3,774)	(16,471)	(9,549)	(4,672)	(26,020)	(2,698)	(37,776)	(35,694)				
Profit / (loss) for the year attributable to :																
Owners of the parent						(16,782)	(10,128)	(5,085)	(26,910)	(3,528)		(37,344)				
Non-controlling interest						308	576	424	884	832	1,638	1,638				
Other Comprehensive Income attributable to :						(16,474)	(9,552)	(4,671)	(26,026)	(2,698)	(35,706)	(35,706)				
Owners of the parent						3	3	(1)	6	(2)	11	11				
Non-controlling interest						-	-	-	-	-	-	-				
Total Comprehensive income attributable to :						3	3	(1)	6	(2)	12	12				
Owners of the parent						(16,779)	(10,125)	(5,096)	(26,904)	(3,530)		(37,333)				
Non-controlling interest						308	576	424	884	832	1,638	1,638				
						(16,471)	(9,549)	(4,672)	(26,020)	(2,698)	(35,694)	(35,694)				
XII Other equity											299,170	138,833				
XIII Equity Share Capital (Face value of Rs. 10/- per share)	599,600	599,600	599,600	599,600	599,600	599,600	599,600	599,600	599,600	599,600	599,600	599,600				
XIV Earnings Per Share (Rs)																
a) Basic EPS	(0.27)	(0.19)	(0.07)	(0.46)	(0.06)	(0.28)	(0.17)	(0.08)	(0.45)	(0.06)	(0.63)	(0.62)				
b) Diluted EPS ##	(0.27)	(0.19)	(0.07)	(0.46)	(0.06)	(0.28)	(0.17)	(0.08)	(0.45)	(0.06)	(0.63)	(0.62)				

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Notes:

- 1 The above financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- 2 In respect of Hydro Power Plant, 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 third and fourth quarter.
- 3 (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).
(b) Company has accounted for revenue for the period/quarter ended 30th September, 2019 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.
(c) Revenue in respect of Vishnuprayag HEP for the period/quarter ended 30th September, 2019 has been accounted for based on provisional tariff subject to true up/final tariff order.
- 4 (a) The Company had submitted a debt resolution/ restructuring plan to its lenders. All the participating lenders have approved the resolution plan and signed the Framework Agreement (FA) on 18th April 2019. As envisaged in resolution plan, Company is in process of issuing 0.01% Compulsory Convertible Preference Shares (CCPSs) (to be converted as per prevailing guidelines), Cumulative Redeemable Preference Shares (CRPS) and Long Term Instrument/Non Convertible Debentures (NCD) in respect of part of the debt to the lenders. The Board of Directors and Shareholders have already approved the same in line with the proposed resolution plan. Accordingly financial statements are prepared on going concern basis. ICICI Bank Ltd. had filed an application with National Company Law Tribunal (NCLT), Ahmedabad on 12.09.2018. The next date of hearing is 15.11.2019. Further one of the lenders has referred the recovery proceedings in Debt Recovery Tribunal-III, New Delhi. Also some of the lenders have advised company to pay back their entire dues alternatively they will be constrained to take legal action including under the provisions of SARFAESI Act, the Company has suitably responded to the same and as per discussion on implementation on resolution plan, concerned lenders are in process to withdraw the legal notices and not pursue the legal matters. Accordingly, current and non-current classification of borrowings has been done without considering payback notices from 4 lenders of amounting to Rs.1,76,945 lakhs. The borrowings will further undergo a change on issuance of CCPSs, CRPS and Long term instrument/ NCD to the lenders.
(b) Company is paying Interest on Sustainable Debt @9.50% p.a. w.e.f 31st July, 2018 to the lenders in line with the provisions of frame work agreement on Sustainable Debt, however pending implementation of Resolution Plan, interest has been provided /accounted for as per applicable interest rate (excluding penal interest) on entire outstanding debt without considering Resolution Plan. Final adjustment, if any (including write back of differential interest amount i.e difference between applicable interest rates and @ 9.50% p.a. on debt and difference between interest on total debt and sustainable debt) will be accounted for on final settlement/payment.
- 5 (a) The Company has made 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 entire shares were pledged with Security Trustees, SBI Cap Trustee Company Ltd., as collateral security for the financial assistance granted by lenders to PPGCL. Security Trustee for lender(s) of PPGCL has invoked the entire pledged shares of PPGCL on 18th December, 2017 held by the Company due to default in payment of interest to banks/ financial institutions because of unsatisfactory operations mainly due to paucity of working capital limits etc. Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017 and profit/(loss) post this date are not being recorded in consolidated financial statements.



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Pursuant to invocations of pledged shares the Lead Bank (SBI) of PPGCL had invited the bids for sale of shares and issued letter of intent to Resurgent Power Ventures Pte Ltd. (Resurgent Power) being the highest bidder for acquisition of stake in PPGCL. A Share Purchase Agreement (SPA) dated 13.11.2018 has been executed between Lenders, purchaser, investor, PPGCL and Security Trustees for transfer of stake in PPGCL. SBI had also filed an insolvency application for PPGCL before NCLT Allahabad. In terms of SPA, State Bank of India approached UPPCL/UPERC for its approval for transfer of shares /change in Management. UPERC vide its Order dated 29th March, 2019 approved the change in Management subject to certain conditions. Resurgent Power has filed a Petition against the said Order with Appellate Tribunal for Electricity at New Delhi (APTEL). APTEL vide its Order dated 27.09.2019 has upheld the approval/ relaxation granted by the UPERC to PPGCL but with out any reduction in adopted tariff. The concerned parties have right to appeal against the said Order during the applicable period. Pending transfer of shares by the lenders and change of management as stated above, no provision has been considered necessary by the management in these financial statements and loss will be provided for on transfer of shares/security/settlement with the lenders. Keeping in view the above, the entire amount of investment in PPGCL of Rs.2,89,590 Lakhs (Including Investment and loan component of compound financial instrument- Optionally Convertible Preference Shares excluding deferred tax asset) is shown as Current Investments and Current Financial Assets-Loans. Also in these consolidated financial statements no impact has been carried out of (i) and (ii) mentioned below and same been carried over in current year (including investment in standalone of Rs. 292,800 lakhs) from the earlier year's financial statements:

(I) Property ,plant and equipment (including CWIP) Rs.14,99,060 Lakhs, financial assets-non current Rs. Rs. 845 Lakhs, other non current assets Rs. 3,650 Lakhs, financial assets-current Rs.72,059 Lakhs & other current assets Rs.23,697 Lakhs;

(ii) Financial liabilities-non current Rs.10,95,636 Lakhs, other non current liabilities Rs. 13,560 Lakhs, financial liabilities-current Rs. 330,011 Lakhs & other current liabilities Rs. 158 Lakhs.

(b) The Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is an associate) and to PPGCL (erstwhile subsidiary of Company) and the loan outstanding amounting to Rs 70,333 lakhs (previous year Rs.70,333 lakhs) and Rs. 1,10,000 lakhs (previous year Rs. 1,10,000 lakhs) respectively for which fair valuation has not been done as per the applicable Ind-AS as of 30th September, 2019. However, in the opinion of the Management there will be no material impact on the fair valuation of the above mentioned guarantees on the financial result/ statement of affairs.

- 6 No provision for diminution in value against certain long term investments of amounting to Rs. 2,77,499 lakhs other than 5 (a) (previous year Rs. 277,499 lakhs) (book value - in subsidiaries and other) ("Including investment in trust which in turn holding investment in the Company of Rs.1,98,594 lakhs" previous year 198,594 lakhs) above has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims and has concluded that no provision against diminution is necessary at this stage.
- 7 Sangam Power Generation Company Limited (SPGCL) 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 SPGCL. Expenditure incurred during the construction and incidental to setting up of the project, capital advances and other financial assets by SPGCL, a subsidiary of the Company have been carried forward as 'Capital Work in progress' since long. The Net Worth of SPGCL has been eroded significantly as on 30th September 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 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 of claim lodged of Rs 1,15,722 lakh. 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 to UPPCL. UPPCL has appealed against the said order in APTEL and SPGCL has also filed counter appeal. The next date of hearing is 7.11.2019. Pending these, no provision has been considered necessary by the management at this stage.



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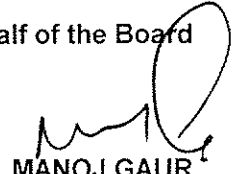
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- 8 (a) Interest amounting to Rs.17,359 lakhs (including Rs.1,290 lakhs and Rs. 1,239 lakhs for the quarter ended 30th September,2019 and 30th June,2019 respectively) has not been provided on outstanding Foreign Currency Convertible Bonds (FCCBs). The reversal of the interest of Rs. 5268 lakhs charged in earlier years had been treated as Exceptional item during quarter ended 30th June 2018 of the previous year.The above is in view of the settlement/conversion of the outstanding FCCBs into equity and waiver of interest in view of ongoing negotiation for settlement in earlier year.Further a Bond Equitisation Term Sheet dated 20th September, 2019 setting out the principal terms & conditions of mandatory conversion of principal amount of FCCBs into Equity Shares of Rs.10 each of the Company at a conversion rate of Rs.12 per share and waiver of interest has been signed between the Company and certain Group of Bondholders and the same would become effective after obtaining certain necessary/regulatory approvals/ compliances including obtaining necessary approval from RBI.[read with note no.4].
- (b)In view of the on going discussions with one of the unsecured lender [read withn note no.4] for settlement, interest amounting to Rs.14,071 lakhs has not been provided on unsecured loan (including Rs.2,274 lakhs and Rs. 2,249 lakhs for the quarter ended 30th September,2019 and 30th June,2019 respectively).
- (c) Penal interest of Rs.14,446 lakhs (including Rs.1,214 lakhs and Rs. 2,655 lakhs for he quarter ended 30th September,2019 and 30th June,2019 respectively) has not been provided on certain loans in these financial results as majority of the lenders / banks did not confirm balances / charge penal interest in view of the facility granted to the Company by them has been classified as NPA [read with note no.4].The above amount will be accounted for subject to payment/settlement, if any in the relevant subsequent period.
- 9 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 earning per share.
- 10 In accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Statutory Auditors have carried out a limited review of the consolidated financial results for the quarter and half year ended 30th September, 2019. The Consolidated financial results for the corresponding previous quarter and half year ended 30th September, 2018 are considered as certified by the management of respective companies and Parent's Board of Directors have approved;and have not been subjected to review by auditors.
- 11 Statement of cash flows is attached in Annexure-I
- 12 As per Ind-AS 108 Operating segment, segment information has been provided on consolidated financial results basis.
- 13 Previous period figures have been re-grouped/re-classified wherever necessary, to confirm to current quarter's classification.
- 14 The above unaudited financial results for the quarter and half year ended 30th September, 2019 have been reviewed by Audit Committee and then approved by the Board of Directors at their respective meetings held on the 30th October, 2019.



PLACE New Delhi
DATE 30th October, 2019

For and on behalf of the Board


MANOJ GAUR
CHAIRMAN
DIN 00008480



UNAUDITED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2019

Annexure-I

(Rs. in Lakhs)

Particulars	Standalone			Consolidated		
	Half Year ended		Year ended	Half Year ended		Year ended
	Septmeber 30, 2019	Septmeber 30, 2018	March 31, 2019	Septmeber 30, 2019	Septmeber 30, 2018	March 31, 2019
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
A. NET CASH FLOW FROM OPERATING ACTIVITIES						
Profit before tax and exceptional items	(42,692)	(13,496)	(58,613)	(40,591)	(12,345)	(56,005)
<u>Adjustments for:</u>						
Depreciation and Amortisation expense	23,884	23,912	47,512	26,568	26,539	52,807
Finance costs	74,430	74,126	143,258	76,297	76,215	147,415
(Profit) / Loss on sale of Property, plant and equipment	-	-	1	-	-	-
Bad debts and irrecoverable balances written off	-	302	757	-	302	757
Sundry assets written off	-	64	64	-	64	64
Interest Income	(532)	(2,049)	(8,087)	(655)	(2,233)	(8,399)
Dividend Income	(1,221)	(1,998)	(3,441)	-	-	-
Unrelied Foreign Exchange (gain)/loss	(4)	(13)	(7)	(4)	(13)	(7)
Excess provision written back	-	-	(537)	-	-	(529)
Amortisation/ Remeasurement of financial asset and non-financial Asset/Liabilities	(196)	(305)	(615)	(148)	(305)	(615)
Operating profit before working capital changes	53,669	80,543	120,292	61,467	88,224	135,488
Working capital adjustments						
(Increase)/Decrease in Trade receivables	3,007	(16,810)	(19,666)	4,327	(17,615)	(20,733)
(Increase)/Decrease in Inventories	(15,913)	(3,917)	(555)	(15,918)	(3,921)	(526)
(Increase)/Decrease in Financial Assets and other Current and Non-Current Assets	8,017	(5,928)	(13,857)	7,951	(6,046)	(15,960)
Increase (Decrease) in Financial Liabilities & Other Current and Non-Current Liabilities	4,675	16,630	17,978	7,252	18,499	20,588
Increase (Decrease) in Short Term and Long Term Provisions	50	112	106	(6,677)	111	106
Cash generated from operations	53,505	70,630	104,298	58,402	79,252	118,963
Income tax (paid)/Refund (net)	(183)	93	4	(1,080)	(1,070)	(1,162)
Net cash inflow from (used in) operating activities----'A'	53,322	70,723	104,302	57,322	78,182	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	(3,729)	(14,509)	(15,648)	(3,800)	(14,145)	(15,394)
Investment in Subsidiary	-	(10)	(13)	-	-	-
Proceeds from Sale of Property, plant and equipment	-	-	3	-	-	4
Interest and Dividend Income	1,657	4,007	11,327	485	2,153	8,768
Payment of lease liability	(34)	-	-	(34)	-	-
Investment in bank deposits having original maturity of more than three months	(6,970)	(13,482)	(12,475)	(6,982)	(13,493)	(12,500)
Net cash used in investing activities-----'B'	(9,076)	(23,994)	(16,806)	(10,331)	(25,485)	(19,122)
C. Cash flow from Financing activities						
Proceeds from Long term borrowings and short term borrowings	3,284	-	984	4,723	-	-
Dividend paid (including dividend tax)	-	-	-	(517)	(1,257)	(2,165)
Interest & financial charges paid	(32,900)	(33,880)	(67,473)	(34,768)	(35,969)	(72,039)
Net Movement of Long Term Borrowings and short term borrowings	(14,807)	(8,502)	(23,576)	(17,576)	(11,582)	(27,799)
Net cash used in financing activities---'C'	(44,423)	(42,382)	(90,065)	(48,138)	(48,808)	(102,003)
Net increase/(Decrease) in cash or cash equivalent (A+B+C)	(177)	4,347	(2,569)	(1,147)	3,889	(3,324)
Cash & cash equivalent at the commencement of the period (Net of Bank Overdraft)	669	3,231	3,231	4,719	8,036	8,036
Effects of exchange rate changes on cash and cash equivalents	4	13	7	4	13	7
Cash & cash equivalent at the end of the period (Net of Bank Overdraft)	496	7,591	669	3,576	11,938	4,719
Reconciliation of cash and cash equivalents as per the cash flow statement						
Cash and cash equivalents	3,781	9,552	3,142	6,861	13,899	7,192
Bank Overdraft	(3,285)	(1,961)	(2,473)	(3,285)	(1,961)	(2,473)
Balances per statement of cash flows	496	7,591	669	3,576	11,938	4,719

Note:

- 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.



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STANDALONE / CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rupees in Lakhs)

Particulars	Standalone		Consolidated	
	30.09.2019	31.03.2019	30.09.2019	31.03.2019
	Unaudited	Audited	Unaudited	Audited
A ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	1,459,776	1,480,742	3,020,185	3,043,580
(b) Capital work-in-progress	14,757	13,133	55,028	53,405
(c) Investment property	-	-	-	-
(d) Goodwill	14	14	18	18
(e) Other intangible assets	20,608	21,392	20,513	21,392
(f) Intangible assets under development	-	-	-	-
(g) Investment in subsidiaries	101,105	101,105	-	-
(h) Financial assets				
(i) Investments	198,594	198,594	198,594	198,594
(ii) Trade receivables	-	-	-	-
(iii) Loans Receivable	275	333	3,280	3,337
(iv) Other financial assets	523	390	1,383	1,250
(i) Deferred tax assets (net)	125,054	110,194	117,890	103,030
(j) Other Non-current assets	37,316	37,679	52,679	52,190
Total - Non-Current Assets	1,958,022	1,963,576	3,469,570	3,476,796
2 Current assets				
(a) Inventories	33,320	17,407	39,279	23,361
(b) Financial assets				
(i) Other investments	273,877	273,877	-	-
(ii) Trade receivables	45,843	48,850	113,973	118,300
(iii) Cash and bank balances	3,781	3,142	6,861	7,192
(iv) Bank balances other than (iii) above	19,773	12,936	22,170	15,321
(v) Loans Receivable	15,713	15,713	-	-
(vi) Other financial assets	341	245	7,332	7,156
(c) Current tax assets (net)	448	285	2,491	2,328
(d) Other current assets	53,266	60,826	68,903	76,577
Total - Current Assets	446,362	433,281	261,009	250,235
Total - Assets	2,404,384	2,396,857	3,730,579	3,727,031
B EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	599,600	599,600	599,600	599,600
(b) Other equity	271,348	299,170	111,929	138,833
(c) Non controlling interest	-	-	29,338	28,971
Total - Equity	870,948	898,770	740,867	767,404
Liability				
1 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	698,319	734,084	1,739,730	1,778,563
(ii) Trade payables	-	-	-	-
(iii) Other financial liabilities	514	155	59,951	59,399
(b) Provisions	4,643	4,786	4,691	4,834
(d) Deferred tax liabilities (net)	-	-	-	-
(e) Other non-current liabilities	39,858	42,112	53,383	55,635
Total - Non-Current Liabilities	743,334	781,137	1,857,755	1,898,431
2 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	136,488	134,656	174,694	171,423
(ii) Trade payables				
(a) total outstanding dues of Micro Enterprises and Small Enterprises	880	1,885	880	1,885
(b) total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	31,340	28,798	31,677	29,005
(iii) Other financial liabilities	608,979	539,733	910,965	839,042
(b) Other current liabilities	12,045	11,560	12,166	11,689
(c) Provisions	370	318	876	7,551
(d) Current tax liabilities (net)	-	-	699	601
Total - Current Liabilities	790,102	716,950	1,131,957	1,061,196
Total - Equity and Liabilities	2,404,384	2,396,857	3,730,579	3,727,031



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**CONSOLIDATED UNAUDITED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER / HALF YEAR ENDED
30TH SEPTEMBER, 2019**

(Rs. in Lakhs)

Particulars	Consolidated					
	Quarter Ended		Six Months Ended		Year Ended	
	30.09.2019 Unaudited	30.06.2019 Unaudited	30.09.2018 Unaudited	30.09.2019 Unaudited	30.09.2018 Unaudited	31.03.2019 Audited
1 Segment Revenue						
i) Power	79,116	107,858	99,089	186,974	210,538	386,990
ii) Coal	4,976	10,395	7,262	15,371	22,206	30,120
iii) Other	18	10	624	28	2,002	4,048
Total	84,110	118,263	106,975	202,373	234,746	421,158
Less : Inter segment eliminations	4,984	10,405	7,562	15,389	23,055	31,996
Add : Other income	641	606	2,635	1,247	3,436	11,319
Total sales / income from operations	79,767	108,464	102,048	188,231	215,127	400,481
2 Segment Results						
Profit / (loss) from operations before finance charges, depreciation and amortisation, exceptional items and tax						
i) Power	25,111	34,070	39,409	59,181	86,968	136,903
ii) Coal	1,206	1,169	1,185	2,375	2,354	4,803
iii) Other	852	(134)	1,515	718	1,087	2,511
Total	27,169	35,105	42,109	62,274	90,409	144,217
Less :						
[a] Interest expenses	38,585	37,712	38,039	76,297	76,215	147,415
[b] Depreciation and amortisation	13,374	13,194	13,379	26,568	26,539	52,807
Total	51,959	50,906	51,418	102,865	102,754	200,222
Profit / (loss) from operations before exceptional items and tax	(24,790)	(15,801)	(9,309)	(40,591)	(12,345)	(56,005)
Exceptional items	-	-	-	-	5,268	5,268
Profit / (loss) from operations before tax	(24,790)	(15,801)	(9,309)	(40,591)	(7,077)	(50,737)
Income tax (net)	(8,316)	(6,249)	(4,638)	(14,565)	(4,381)	(15,031)
Other comprehensive income	3	3	(1)	6	(2)	12
Profit / (loss) from operations after tax	(16,471)	(9,549)	(4,672)	(26,020)	(2,698)	(35,694)
Minority interest	308	576	424	884	832	1,639
Profit / (loss) from operations after tax and Minority Interest	(16,779)	(10,125)	(5,096)	(26,904)	(3,530)	(37,333)
3 Capital Employed						
a Segment Assets						
i) Power	2,902,445	2,921,652	2,933,488	2,902,445	2,933,488	2,913,719
ii) Coal	39,910	40,453	44,451	39,910	44,451	41,067
iii) Other	788,224	778,684	766,900	788,224	766,900	772,244
Total	3,730,579	3,740,789	3,744,839	3,730,579	3,744,839	3,727,031
b Segment Liabilities						
i) Power	764,591	750,302	678,270	764,591	678,270	728,381
ii) Coal	15,398	15,487	17,803	15,398	17,803	10,073
iii) Other	104,988	106,046	106,748	104,988	106,748	102,198
Total Liabilities	884,977	871,835	802,821	884,977	802,821	840,652
c Capital Employed *	2,845,602	2,868,954	2,942,018	2,845,602	2,942,018	2,886,378

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



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Independent Auditor's Report on Quarterly and Half year Unaudited Standalone Financial Results of Jaiprakash Power Ventures Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**To The Board of Directors of
Jaiprakash Power Ventures Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of JAIPRAKASH POWER VENTURES LIMITED ('the Company') for the quarter and half year ended 30th September, 2019 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended.

This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company in their meeting held on 30th October, 2019, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended. Our responsibility is to issue a report on the Statement based on our review.

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

3. **Basis of Qualified conclusion**

Attention is drawn to:

- (a) Note no 53 (b) of audited standalone financial statements for the year ended 31st March, 2019 regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), erstwhile subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 292,800 lacs (previous year Rs. 292,800 lacs) (Including deferred tax asset and Investment and loan components of compound financial instrument - Optionally Convertible Preference Shares) and non accounting/write off of investment (impact unascertainable). Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017. As stated in the said note, pending transfer of shares by the Lenders in favour of the interested party and final settlement with lenders, no provision at this stage has been made in these financial results by the management (Footnote no. 5 (a) of accompanying financial results).
- (b) As stated in note no. 44 (e) of audited standalone financial statements for the year ended 31st March, 2019, the Company has given/provided corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is an associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 70,333 lacs (previous year Rs. 70,333 lacs) and Rs. 110,000 lacs (previous year Rs. Rs. 110,000 lacs) respectively for which fair valuation has not been done as per the applicable IND-AS as of 30th September, 2019 and also no provision against these guarantees been made in these financial results. In the absence of fair valuation of the stated corporate guarantees, we are not able to ascertain the impact of the same on the financial results (Footnote no. 5 (b) of accompanying financial results).



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- (c) As stated in note no. 53 (a) and 46 of the standalone financial statements, No provision for diminution in value against certain long term investments of amounting to Rs.277,499 lacs (previous year Rs. 277,499 lacs) (Book Value) ["Including investment in trust which in turn holding investment in the Company"] has been made by the management as in the opinion of the management such diminution is temporary [this to be read with footnote no. 4] in nature considering the intrinsic value of the assets, future prospects and claims (impact unascertainable).

Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage as stated in footnote no 6 of the accompanying financial results.

As stated above in para (a), (b) and (c), impact is unascertainable in the opinion of the management.

Matter stated in para (a), (b) and (c) been also qualified in our report on preceding quarters, corresponding quarters and year.

(d)

- (i) Company has not provided for interest on outstanding Foreign Currency Convertible Bonds (FCCBs) of amounting to Rs. 17,359 lacs (including Rs.1,290 lacs and Rs. 1,239 lacs for quarter ended 30th September,2019 and 30th June 2019 respectively) and penal interest on certain loans of amounting to Rs. 14,446 lacs (including Rs. 1,214 lacs and Rs.2,655 lacs for quarter ended 30th Septmeber,2019 and 30th June 2019 respectively) [this is to be read with 57 (a) and 57 (c) of the audited standalone financial statements for the year ended 31st March, 2019]. This to be read with footnote no. 8 (and note no 4) of accompanying statement regarding non confirmation of balances of secured loans, banks, unsecured loans as stated in the said note. [Footnote no. 8(a) and (c) of accompanying financial results]. Had the interest provision been made the loss for the quarter and half year ended 30th September, 2019 of the Company would have increased by the above stated amount.

- (ii) Company has not provided interest on unsecured loan of amounting to Rs. 14,071 lacs (including Rs. 2,274 lacs and Rs. 2,249 lacs for the quarter ended 30th September, 2019 and 30th June, 2019 respectively) [this is to be read with note no 57 (b) of the audited standalone financial statements for the year ended 31st March 2019]. Had the interest provision been made the loss for the quarter and half year ended 30th September, 2019 of the Company would have increased by the above stated amount [Footnote no. 8 (b) accompanying financial results].

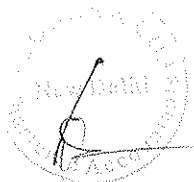
- (e) Some of the lenders/banks have re-called loans (payback notices), however, pending implementation of resolution plan through Framework Agreement (FA) as stated in foot note no 4 of the accompanying financial results, current and non-current classification of borrowings been done, by the management, without considering pay back notices (amount Rs. 176,945 lacs as stated in said note) [this is to be read with note no. 24.7 of audited standalone financial statements for the year ended 31st March 2019].

Matter stated in para 3(d) (ii) was qualified in quarter ended 31st December,2018, quarter/year ended 31st March 2019 and quarter ended 30th June,2019 and matter stated in 3(e) is qualified in quarter/year ended 31st March 2019 and quarter ended 30th June,2019.

Matter stated in para 3 (d) (i) been also qualified in preceding quarters, corresponding quarters and year.

4. Qualified Conclusion:

Based on our review conducted as above, **except for the effects/ possible effects of our observation stated in Para 3 above (including non quantification for the reasons stated therein)**, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in all material respects in accordance with the applicable Indian Accounting Standards prescribed u/s 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of regulation 33of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which is to be disclosed, or that it contains any material misstatement.



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5. **Emphasis of matter:**

We draw attention to the following matters:

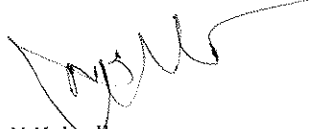
- (a) As Stated in Note no. 48 of the audited standalone financial statements for the year ended 31st March, 2019, no provision has been considered necessary by the management against Entry Tax in respect of Bina TPP & Nigrie STPP (including Nigrie Cement Grinding Unit) amounting to Rs. 12,341 lacs (previous year Rs. 12,341 lacs) & Rs. 9,074 lacs (previous year Rs. 9,074 lacs) respectively and interest thereon (impact unascertainable) as stated in said note. The concerned authority once issued the exemption certificate in respect of Bina TPP for exempting of entry tax later on cancelled & 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, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs. 1,963 lacs (previous year Rs.1,946 lacs) and Rs. 3,580 lacs (previous year Rs. 3,580 lacs) has been deposited (and shown as part of other non-current assets) in respect of Bina TPP & Nigrie STPP (including Nigrie Cement Grinding Unit) respectively 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, 2019 regarding, Pending confirmations/reconciliation of balances of certain secured and unsecured loans & borrowings, 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.
- (c) For deferred tax assets on unabsorbed depreciation & business losses and of MAT credit entitlement recognised amounting to Rs. 125,054 lacs (previous year Rs.110,194 lacs) and Rs. 27,559 lacs (previous year Rs. 27,559 lacs) respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 66 (c) of the audited standalone financial statements for the year ended 31st March, 2019.
- (d)
- (i) As stated in the Note no. 56 of the standalone financial statements for the year ended 31st March, 2019, Fair value of Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) being in excess as compared to the carrying value, as assessed by a technical valuer, 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.
- (ii) As stated in the Note no. 55 of the audited standalone financial statements for the year ended 31st March, 2019, 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) The Company has incurred losses in the year ended 31st March 2019 and half year ended 30th September, 2019 and as current liabilities exceed current assets in the past few years due to continuous losses. However, for the reasons stated in the note no. 58 of the audited standalone financial statements for the year ended 31st March, 2019 and as stated in the note no. 4 of the accompanying financial results, it is considered appropriate by the management to prepare financial statements on going concern basis.

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



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For **LODHA & CO.**
Chartered Accountants
Firm's Registration No. 301051E


N.K. Lodha
Partner

Membership No. 085155

Place: New Delhi

Dated: 30-10-2019

UDIN: 19085155AAAA DU8027

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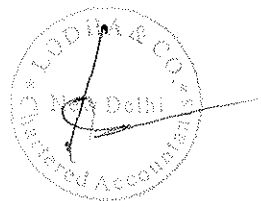
Independent Auditor's Report on Quarterly and Half year Unaudited Consolidated Financial Results of Jaiprakash Power Ventures Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of Jaiprakash Power Ventures Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of JAIPRAKASH POWER VENTURES LIMITED ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and half year ended 30th September, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of the followings entities:
 - (i) Jaypee Powergrid 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.



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5. **Basis of Qualified conclusion:**

Attention is drawn to:

- (a) Note no 51 (b) of audited consolidated financial statements for the year ended 31st March, 2019 regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), erstwhile subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 292,800 lacs (previous year Rs. 292,800 lacs) (Including deferred tax asset and Investment and loan components of compound financial instrument - Optionally Convertible Preference Shares) and consequent impact thereof not been accounted for. Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017 and profit/(loss) post this date not been recorded in consolidated financial statements. Pending transfer of shares (by the Lenders) in favour of the interested party and final settlement with the lenders, no provision has been made in these financial statements by the management.

Further, in consolidated financial statements no impact has been carried out in this regard and total assets and liabilities of Rs.15,99,311 lacs (previous year Rs.15,99,311 lacs) & Rs. 14,39,365 lacs (previous year Rs. 14,39,365 lacs) respectively of PPGCL been considered and carried over in these financial statements (Footnote no. 5 (a) of 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 quarter ended 30th June,2019.

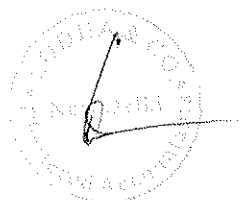
- (b) As stated in note no. 43 (h) of audited consolidated financial statements for the year ended 31st March, 2019, the Company has given/provided corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is an associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. Rs.70,333 lacs (previous year Rs. 70,333 lacs) and Rs. 110,000 lacs (previous year Rs. Rs. 110,000 lacs) respectively for which fair valuation has not been done as per the applicable IND-AS as of 30th September, 2019 and also no provision against these guarantees been made in these financial results. In the absence of fair valuation of the stated corporate guarantees, we are not able to ascertain the impact of the same on the financial results (Footnote no. 5 (b) of accompanying 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 quarter ended 30th June,2019.

- (c) As stated in note no 51 (a) of the consolidated financial statements, No provision for diminution in value of investment in beneficiary trust (Equity), JPVL Trust amounting to Rs. 198,594 lacs (previous year Rs.198,594 lacs), ("which in turn holding investment in the Company") has been made by the management as in the opinion of the management such diminution is temporary [this to be read with footnote no. 4] in nature considering the intrinsic value of the assets, future prospects (impact unascertainable in the opinion of the management).

Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage as stated in footnote no. 6 of the accompanying 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 quarter ended 30th June,2019.



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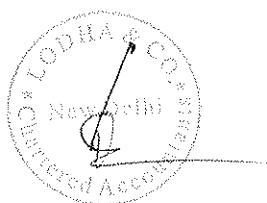
(d)

- (i) Company has not provided for interest on outstanding Foreign Currency Convertible Bonds (FCCBs) amounting to Rs. 17,359 lacs (including Rs. 1,290 lacs and Rs. 1,239 lacs for quarter ended 30th Septemebr,2019 and 30th June, 2019 respectively) and penal interest on certain loans of amounting to Rs. 14,446 lacs (including Rs. 1,214 lacs and Rs.2,655 lacs for quarter ended 30th Septemebr,2019 and 30th June, 2019 respectively) [this is to be read with 55 (a) and 55 (c) of the audited consolidated financial statements for the year ended 31st March, 2019].[Footnote no. 8(a) and (c) of accompanying financial results). Also, this to be read with note no. 8 of accompanying statement regarding non confirmation of balances of secured loans, banks, unsecured loans as stated in the said note. Had the interest provision been made the loss for the quarter ended and half year ended 30th September, 2019 of the Group would have increased by the above stated amount.

This matter was also qualified in Audit Report on the Financial Statements for the year ended 31st March 2019 and in quarter ended 30th June,2019.

- (ii) Company has not provided interest on unsecured loan of amounting to Rs. 14,071 lacs (including Rs. 2,274 lacs and Rs. 2,249 lacs for quarter ended 30th Septemebr,2019 and 30th June, 2019 respectively) [this is to be read with note no 55 (b) of the audited consolidated financial statements for the year ended 31st March 2019]. Had the interest provision been made the loss for the quarter and half year ended 30th September, 2019 of the group would have increased by the above stated amount [Footnote no. 8 (b) accompanying financial results].

- (e) In respect of Subsidiary Company, Sangam Power Generation Company Limited (SPGCL) - 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 (note no. 51 (c) of consolidated the financial statements for the year ended 31st March 2019 and read with note no. 7 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 in their possession to UPPCL. UPPCL has appealed against the said Order in APTEL and SPGCL has also filed counter appeal and 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.



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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 quarter ended 30th June,2019.

- (f) Some of the lenders/banks have re-called loans (payback notices), however, pending implementation of resolution plan through Framework Agreement (FA) as stated in note no 4 of the accompanying financial results, current and non-current classification of borrowings been done, by the management, without considering pay back notices (amount Rs. 176,945 lacs as stated in said note) [this is to be read with note no. 22.7 of the audited consolidated financial statements for the year ended 31st March 2019].

This matter was also qualified in Audit Report on the Financial Statements for the year ended 31st March 2019 and in quarter ended 30th June,2019.

6. **Qualified Conclusion:**

Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 8 below, **except for the effects/ possible effects of our observation stated in Para 5 above (including non quantification for the reasons stated therein) nothing has come to our attention** that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. **Emphasis of matter:**

We draw attention to the following matters:

- (a) As Stated in Note no. 46 of the audited consolidated financial statements for the year ended 31st March, 2019, no provision has been considered necessary by the management against Entry Tax in respect of Bina TPP & Nigrie STPP (including Nigrie Cement Grinding Unit) of amounting to Rs. 12,341 lacs (previous year Rs. 12,341 lacs) & Rs. 9,074 lacs (previous year Rs.9,074 lacs) respectively and interest thereon (impact unascertainable) as stated in said note. The concerned authority once issued the exemption certificate in respect of Bina TPP for exempting of entry tax later on cancelled & 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, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs. 1,963 lacs (previous year Rs.1,946 lacs) and Rs. 3,580 lacs (previous year Rs. 3,580 lacs) has been deposited (and shown as part of other non-current assets) in respect of Bina TPP & Nigrie STPP (including Nigrie Cement Grinding Unit) respectively which is in the opinion of the management is good and recoverable.
- (b) As stated in note no. 57 (a) of the audited consolidated financial statements for the year ended 31st March, 2019 regarding, Pending confirmations/reconciliation of balances of certain secured and unsecured loans & borrowings, 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, deferred tax and inventory lying with third parties/in transit. In this regard, as stated in the note, internal control is being strengthen through



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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 the said note.

(c) For deferred tax assets on unabsorbed depreciation & business losses and of MAT credit entitlement recognised amounting to Rs. 125,054 lacs (previous year Rs. 110,194 lacs) and Rs. 27,559 lacs (previous year Rs. 27,559 lacs) respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 62 of the audited consolidated financial statements for the year ended 31st March, 2019.

(d)

(i) As stated in the Note no. 54 of the consolidated financial statements for the year ended 31st March 2019, Fair value of Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) being in excess as compared to the carrying value, as assessed by a technical valuer, 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.

(ii) As stated in the Note no. 53 of the audited consolidated financial statements for the year ended 31st March, 2019, 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.

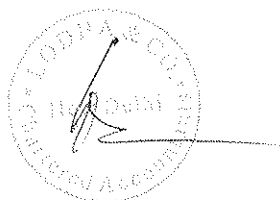
(e) The Company has incurred losses in the year ended 31st March 2019 and half year ended 30th September, 2019 and as current liabilities exceed current assets in the past few years due to continuous losses. However, for the reasons stated in the note no. 56 of the audited consolidated financial statements for the year ended 31st March, 2019 and as stated in the note no. 4 of the accompanying financial results, it is considered appropriate by the management to prepare financial statements on going concern basis.

Our conclusion is not modified for matters stated in para (a) to (e).

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

(i) Jaypee Arunachal Power Limited (JAPL) 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 [also to read with Note no. 64(i) of the audited consolidated financial statements for the year ended 31st March, 2019].

(ii) Jaypee Meghalaya Power Limited (JMPL) 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 [also to read with Note no. 64(ii) of the audited consolidated financial statements for the year ended 31st March, 2019].



(iii) Bina Power Supply Limited (BPSL) 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 BPSL have been prepared by the management on a going concern basis [also to read with Note no. 64(iii) of the audited consolidated financial statements for the year ended 31st March, 2019].

Our conclusion on above [(i) to (iii)] is not modified.


8. **Other Matters:**

(a) We did not review the financial results of five subsidiaries included in the consolidated unaudited financial results, whose financial results reflect total assets of Rs. 120,907 lacs as at 30th September and total revenues of Rs 4,714 lacs and Rs. 8,459 lacs, total net profit after tax of Rs. 2,131 lacs and Rs. 3,322 lacs and total comprehensive income / loss of Rs. 2,131 lacs and Rs. 3,322, for the quarter and half year ended 30th September 2019, respectively, and cash flows (net) of Rs. 1,547 lacs for half year ended 30th September, 2019, as considered in the consolidated unaudited financial results. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

(b) Consolidated results / figures for the corresponding quarter and six months ended 30th September, 2018 have not been reviewed by us. We have relied on data / information made available to us by the management and financial results for the corresponding quarter/half year are as certified by the management.

Our conclusion is not modified in respect of matters stated in (a) & (b) above.

For LODHA & CO.
Chartered Accountants
Firm's Registration No. 301051E


N.K. LODHA
Partner
Membership No. 085155

Place: New Delhi
Date: 30-10-2019

UDIN: 19085155AAAA DV9056



