INDEPENDENT AUDITOR'S REPORT

To The Members of Jaypee Powergrid Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind As financial statements of Jaypee Powergrid Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind As financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind As financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind As Financial Statements* 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 (ICAI) together with the independence requirements that are relevant to our audit of the Ind As financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind As financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31st March 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1.	**Deferred Tax Assets relating to MAT credit entitlement** The Company has considered MAT credit ofRs 11.75 Crore (approx) in anticipation of set off against the tax payable in future years and created Deferred Tax Asset for the same during the year. The same has been recognized as liability of the Regulatory Deferral Account corresponding to the said MAT credit entitlement. We hadidentified this as a key audit matter because of the importance of this matter intended uses of the financial statements and its materiality and requirement of judgement in assessing future taxable profits for recognition of MAT credit entitlement. (Refer Note No.2.10 of Standalone financial statements.)	Our audit approach involved: ▪ Understanding the current status of availability of MATcredits • Discussed with appropriate senior management and evaluated management's underlying key assumptions for set off of MAT credit against taxable futureprofits
2.	**Adoption of Ind As 116 Leases**	Our audit approach involved:

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	As described in Note 2.3, the company has adopted Ind As 116 Leases in FY 2019-20. Ind As 116 is the new standard to account for leases effective from 1st April 2019. Ind AS 116 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: 1. The contract involves use of an identified assets 2. The company has substantially all the economic benefits from the use of the asset through the period of lease and 3. The company has the direct use of the assets 4. According to Ind As 116, lessees are required to recognize right to use (ROU) asset and a lease liability arising from lease in the balance sheet. The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.	• Assessing company's method of evaluation for identifying leases as per contracts • Testing of financial controls related to recognition of leases • Various aspects of lease checked as per Ind As 116 are as follows: a) Evaluating the method of transition and related adjustment. b) Evaluating discount rate and lease terms in contract to be used while calculating ROU and lease liability c) Evaluating various complete terms of contracts and data used for calculating ROU and lease liability d) Assessing the accuracy and presentation of disclosures related to Ind As 116 in financial statements
3.	**Restatement of Balance Sheet** As per opinion of Advisory Committee of the ICAI , "Deferred Assets against Deferred Tax Liability" is being classified as "Regulatory Deferral Account Balance "which was earlier shown as deduction from "Deferred tax Liability". Prior year amounts have also been reclassified for consistency in accordance with principles of Ind AS 1 for consistency in accordance with principles of Ind AS 1 "Presentation of Financial Statements".	Our audit approach involved: • Evaluating adjustments in FS as described note 2.10, with appropriate Ind As envolved. • Checked implementation of Ind As 114 • Understanding the opinion of Advisory Committee of the ICAI regarding "Deferred Assets against Deferred Tax Liability" and evaluation calculations made in FS accordingly.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind As financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind As financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind As financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a 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. Misstatements can arise from fraud or error and are considered material if, individually or in the

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

- Identify and assess the risks of material misstatement of the Ind As financial statements, whether due to fraud or 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, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 on whether the Company has adequate internal financial controls system 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 management.

- Conclude on the appropriateness of management's 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 Ind As financial statements 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.

- Evaluate the overall presentation, structure and content of the Ind As financial statements, including the disclosures, and whether the Ind As financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind As financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including anysignificant 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind As financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

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e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its financial statements, refer note 2.22, In the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ravi Rajan & Co. LLP
Chartered Accountants
FRN – 009073N/N500320

Ravi Rajan & Co LLP * Chartered Accountants * New Delhi

(Shivani Bhardwaj)
Partner
M. No - 503875

20503875AAAABA5741

Place: New Delhi
Date: 23rd May,2020

ANNEXURE A referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **JAYPEE POWERGRID LIMITED** on the accounts of the Company for the year ended 31st March 2020.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

I. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to us, no material discrepancies have been noticed on such physical verification.
(c) According to the information and explanation given to us and on the basis of our examination of records of the company the title deeds of immovable properties are held in the name of the company.

ii. The company is a service company primarily rendering electricity transmission services. Accordingly, it does not hold any physical inventories. The paragraph 3 (ii) of the order is not applicable to the company.

iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. In Our opinion and according to information and explanation given to us and on the basis of examination of records of the company, the company has not made any loans and investments which are covered under section 185 and 186 of the act.

v. The company has not accepted the deposits as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and rules framed there under.

vi. According to the information and explanations given to us, cost records as prescribed by the Central Government under section 148(1) of the Companies Act, 2013 are being made and maintained.

vii. (a) As per the examination of records of the company and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities, and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they became payable.

(b) As per records produced before us and according to the information and explanations given to us there are no dues of Income-tax, Goods and Services Tax, Customs duty, or Cess which have not been deposited on account of any dispute except for the following:

Name of Statute		Forum where dispute is pending		
(Nature of dues)	AY	Commissionarate	ITAT	Departmental Appeal
Income Tax	2009-10	0	0	64,780
	2010-11	0	0	0
	2011-12	0	45,20,420	0
	2012-13	25,41,271	0	0
	2013-14	0	0	0
	2014-15	0	0	0
	2015-16	0	0	0
	2016-17	37,550	0	0
	2017-18	27,030	0	0

Viii. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debenture instruments) and term loan during the year. Accordingly Paragraph 3 (ix) of the order not applicable.

X. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or

xi. According to information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.

xii. In Our opinion and according to information and explanation given to us, the Company is not a nidhi company. Accordingly paragraph 3 (xii) of the order is not applicable.

xiii. According to the information and explanation given to us and based on our examination of the records of the company, Transaction with related party are in compliance with section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

xiv. According to the information and explanation given to us, based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year

Xv, According to the information and explanation given to us, based on our examination of the records of the company, the company has not entered into non cash transactions with Directors or persons concerned with him. Accordingly paragraph 3 (xv) of the order is not applicable to the company.

xvi. The Company is not required to be registered under section 45 – 1A of the Reserve Bank of India Act, 1934.

For Ravi Rajan & Co. LLP
Chartered Accountants
FRN – 009073N/N500320

Ravi Rajan & Co LLP New Delhi Chartered Accountants

(Shivani Bhardwaj)
Partner
M. No - 503875

UDIN:- 20503875AAAABA5741

Place: New Delhi
Date: 23rd May,2020

ANNEXURE "B" referred to in paragraph 2(f) under "Report on other legal and regulatory requirements "section of our report of even date to the members of Jaypee Powergrid Limited on the Internal Financial Controls referred under clause (i) of sub-section 3 of section 143 of the Companies Act 2013 ("the Act") for the year ended 31st March, 2020.

We have audited the internal financial controls over financial reporting of **Jaypee Powergrid Limited**("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility
TheCompany's management is responsibleforestablishingandmaintaininginternalfinancialcontrolsbasedon "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

Auditors' Responsibility
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issuedbytheInstituteofCharteredAccountantsofIndia.ThoseStandardsandtheGuidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the esséntial components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Ravi Rajan & Co. LLP
Chartered Accountants
FRN – 009073N/N500320

Ravi Rajan & Co. LLP
New Delhi
Chartered Accountants

(Shivani Bhardwaj)
Partner
M. No - 503875

20503875AAAABA5741

Place: New Delhi
Date: 23rd May,2020

JAYPEE POWERGRID LIMITED
CIN : U40101DL2006PLC154627
JA House, 63, Basant Lok, Vasant Vihar, New Delhi - 110057

Statement of Assets and Liabilities as at 31st March 2020

(Amount in Rs.)

Sl. No.	Particulars	Note No.	As at 31/03/2020 (Audited)	As at 31/03/2019 (Audited)*	As at 1st April,2018*
	ASSETS				
1	**Non- Current assets**				
	(a) Property ,Plant and Equipment	2 1	5,820,467,440	6,338,997,838	6,866,936,545
	(b) Intangible Assets		-	-	
	(c) Financial Assets				
	Loans Receivable	2.2	323,294	187,410	187,410
	(d) Deferred Tax Asset	2.10	61,061,934	-	-
	Total non current assets		**5,881,852,668**	**6,339,185,248**	**6,867,123,955**
2	**Current Assets**				
	(a) Financial Assets				
	(i) Trade Receivables	2.3	390,807,285	501,569,969	394,834,265
	(ii) Cash and Cash equivalents	2.4	75,933,437	248,623,942	309,472,694
	(iii) Other Financial assets	2.2	266,365,371	277,367,434	157,537,775
	(b) Current Tax assets (Net)	2.13	-	-	-
	(c) Other Current Assets	2.5	18,225,946	30,588,271	26,480,290
	Total current assets		**751,332,039**	**1,058,149,616**	**888,325,024**
3	**Regulatory Deferral Account Balances**		**277,289,205**	**377,528,469**	**458,269,133**
	Total Assets		**6,910,473,912**	**7,774,863,333**	**8,213,718,112**
	EQUITY AND LIABILITIES				
1	Equity				
	Equity	2.6	3,000,000,000	3,000,000,000	3,000,000,000
	Other Equity	2.7	1,325,454,165	951,639,366	985,987,091
	Total Equity		**4,325,454,165**	**3,951,639,366**	**3,985,987,091**
	Liabilities				
2	Non Current Liabilities				
	(a) Financial Liabilities	2.8			
	(i) Borrowings		1,593,038,104	2,395,756,378	3,019,187,843
	(ii) Trade Payables		-	-	-
	(iii) Other Financial Liabilities		6,661,522	-	-
	(b) Provisions	2.9	1,159,282	1,319,087	1,103,871
	(c) Deferred Tax Liabilities	2 10	-	59,961,835	162,880,427
	(d) Other Non Current Liabilities		-	-	-
	Total non current liabilities		**1,600,858,908**	**2,457,037,300**	**3,183,172,141**
3	Current Liabilities				
	(a) Financial Liabilities	2.11			
	(i) Borrowings		230,949,628	-	-
	(ii) Trade and other Payables		-	-	1,966,232
	- Micro & small enterprises.		-	-	-
	- Others than Micro & small enterprises		3,712,442	2,590,096	-
	(iii) Other Financial Liabilities		646,610,444	634,526,021	619,646,799
	(b) Other Current Liabilities	2.12	681,378	1,194,518	744,559
	(c) Short Term Provisions	2.9	91,629,773	719,036,515	419,092,454
	(d) Current Tax Liabilities (Net)	2.13	10,577,174	8,839,518	3,108,837
	Total current liabilities		**984,160,839**	**1,366,186,667**	**1,044,558,880**
	Total Equity and Liabilities		**6,910,473,912**	**7,774,863,333**	**8,213,718,112**

*Restated (Refer Note 2.10)

Accounting Policies and Notes form an integral part of Financial Statements 1 & 2

For and on behalf of the Board

for Ravi Rajan & Co. LLP
Chartered Accountants (Registration No. 009073N/N500320)

Ravi Rajan & Co LLP New Delhi Chartered Accountants

Shivani Bhardwaj
Partner
Membership No. 503[illegible]

Suren Jain
Director
Address:- B-8/13, Vasant Vihar, New Delhi - 110057

A.S. Kushwaha
Director Project
Address - C1/403, Palm Grove Heights, Sector-52, Gurgaon

Anita Rikhy
General Manager & Company Secretary
Address:- C9/9170, Vasant Kunj, New Delhi 110070

R.K. Porwal
Jt. President & CFO
Address - S-3/B-62, Ram Puri, Chander Nagar, Ghaziabad - 201011

Place : New Delhi
Date 23rd May, 2020

JAYPEE POWERGRID LIMITED
CIN : U40101DL2006PLC154627
JA House, 63, Basant Lok, Vasant Vihar, New Delhi - 110057

Statement of Profit and Loss for the year ended 31st March 2020

(Amount in Rs)

	Particulars	Note No.	As on 31st March 2020	As on 31st March 2019*
			(Audited)	(Audited)
I	Revenue from operations	2.14	1,597,926,861	1,592,184,257
II	Other Income	2.15	37,070,590	56,329,529
III	**Total Income (I+II)**		**1,634,997,451**	**1,648,513,786**
IV	**Expenses**			
	Employee benefits expense	2.16	35,910,481	35,438,916
	Finance costs	2.17	338,784,119	380,452,139
	Depreciation and amortization Expense	2.18	535,402,296	527,984,207
	Transmission, Administration and Other exp.	2.19	55,751,913	61,450,240
	Total expenses (IV)		**965,848,809**	**1,005,325,500**
V	Profit/(loss) before tax and Regulatory Deferral Account Balance		669,148,642	643,188,286
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		669,148,642	643,188,286
VIII	Tax Expense:			
	(1) Current tax		(117,528,070)	(139,234,354)
	(2) Deferred tax		121,460,915	102,918,592
IX	Profit (Loss) for the period before Regulatory Deferral Account Balance		673,081,488	606,872,523
X	Net movement in Regulatory Deferral Account Balances (Net of tax)		(100,239,264)	(80,740,664)
XI	Profit (Loss) for the period		572,842,224	526,131,859
XII	Other Comprehensive Income			
	Actuarial Gain/Loss (Net of Tax)	2.20	(111,174)	102,566
XIII	Total Comprehensive Income for the period (IX+X)		572,731,050	526,234,425
XIV	Earnings per Equity Share			
	(1) Basic		1.91	1.75
	(2) Diluted		1.91	1.75
	No. of shares used in computing earnings per share			
	(1) Basic		300,000,000	300,000,000
	(2) Diluted		300,000,000	300,000,000

***Restated**

For and on behalf of the Board

for Ravi Rajan & Co. LLP

Chartered Accountants (Registration No. 009073N/N500320)

Ravi Rajan & Co LLP New Delhi Chartered Accountants

Shivani Bhardwaj
Partner
Membership No. 503875

Suren Jain
Director
Address:- B-8/13, Vasant Vihar, New Delhi - 110057

A.S. Kushwaha
Director Project
Address:- C1/403, Palm Grove Heights, Sector-52, Gurgaon

Place : New Delhi
Date : 23rd May, 2020

Anita Rikhy
General Manager & Company Secretary
Address:- C9/9170, Vasant Kunj, New Delhi 110070

R.K. Porwal
Jt. President & CFO
Address:- S-3/B-62, Ram Puri, Chander Nagar, Ghaziabad - 201011

JAYPEE POWERGRID LIMITED

Cash Flow Statement for the year ended 31st March 2020

(Amount in Rs.)

Sl.	Particulars	As on 31st March 2020	As on 31st March 2019*
A.	**Cash flow from operating activities**		
	Net Profit from Profit and Loss Statement	572,731,050	526,234,425
	Add: 1) Income tax expense recongnised in P&L	96,306,419	117,056,428
	2) Depreciation	535,402,296	527,984,207
	3) Interest / Finance Cost	338,784,119	380,452,139
	4) Interest Income	(19,193,526)	(28,436,597)
	5) Provisions	(159,805)	215,216
	6) Net Profit on disposal/write off of PPE	(307,382)	-
	Operating Profit before working capital changes	**1,523,563,170**	**1,523,505,818**
	(Increase)/Decrease in Current Assets		
	Inventories	-	-
	Trade Receivables	110,762,685	(106,735,704)
	Other non-current financial assets	-	-
	Other Current Assets	23,364,387	(123,937,640)
	Increase/(Decrease) In Current Liabilities		
	Short Term Borrowings	230,949,628	-
	Other Current Liabilities	12,693,629	9,703,044
	Short Term Provisions	(627,406,742)	299,944,061
	Income Tax Provision (MAT)	-	-
	Advance Tax and TDS Paid	(106,901,118)	(130,394,836)
	Tax paid for FY 2017-18 / 2018-19	(8,452,150)	(3,108,837)
	Net cash inflow from operating activities ---'A'	**1,158,573,489**	**1,468,975,906**
B.	Cash flow from Investing activities		
	Investment in Fixed Assets	(4,388,497)	(45,500)
	Disposal/ Write off of PPE	432,500	-
	Capital Work in Progress	-	-
	Interest Income	19,193,526	28,436,597
	(Increase)/Decrease in Loan and Advances and Others	(135,884)	-
	Net cash used in Investing activities--------'B'	**15,101,645**	**28,391,097**
C.	**Cash flow from Financing activities**		
	Inflow:		
	Increase in Share Capital	-	-
	Increase/(Decrease) in Term Loans	(802,718,274)	(617,181,465)
	Outflow:		
	Finance Cost	(338,784,119)	(380,452,139)
	Lease Liability on Right to Use Asset	(5,946,996)	-
	Dividend Paid	(198,916,250)	(560,582,150)
	Net cash in financing activities--------'C'	**(1,346,365,639)**	**(1,558,215,754)**
	Net Increase/(Decrease) In cash or cash equivalent (A+B+C)	**(172,690,505)**	**(60,848,751)**
	Cash & cash equivalent at the commencement of the year (Op. balance)	248,623,942	309,472,694
	Cash & cash equivalent at the end of the year (closing balance)	75,933,437	248,623,942
	Accounting Policies and Notes to the Accounts		
	As per our report of even date attached to the Balance Sheet		

For and on behalf of the Board

for Ravi Rajan & Co. LLP

Chartered Accountants (Registration No. 009073N/N500320)

Ravi Rajan & Co LLP New Delhi Chartered Accountants

Shivani Bhardwaj Partner Membership No. 503875	Suren Jain Director Address:- B-8/13, Vasant Vihar, New Delhi - 110057	A.S. Kushwaha Director Project Address:- C1/403, Palm Grove Heights, Sector-52, Gurgaon
Place : New Delhi Date : 23rd May, 2020	Anita Rikhy General Manager & Company Secretary Address:- C9/9170, Vasant Kunj, New Delhi 110070	R.K. Porwal Jt. President & CFO Address - S-3/8-62, Ram Puri Chander Nagar, Ghaziabad - 201011

JAYPEE POWERGRID LIMITED

Statement of Change in Equity as on 31st March 2020

(Amount in Rs.)

Particulars	Equity	Other Equity			Total Equity	Total Other Equity
	Equity Share Capital	General Reserve	Retained Earning	Other Comprehensive Income		
As on 01/04/2019	3,000,000,000	358,504,592	592,347,788	786,986	3,000,000,000	951,639,366
Profit for the period	-	-	572,842,224	-	-	572,842,224
Transfer to General Reserve	-	57,284,222	-	-	-	57,284,222
Actuarial Gain/(Loss) net of tax	-	-	-	(111,174)	-	(111,174)
Total	**3,000,000,000**	**415,788,814**	**1,165,190,012**	**675,812**	**3,000,000,000**	**1,581,654,637**
Transfer to General Reserve	-	-	**57,284,222**	-	-	**57,284,222**
	3,000,000,000	**415,788,814**	**1,107,905,790**	**675,812**	**3,000,000,000**	**1,524,370,415**
Less: Dividend Paid during FY 2019-20		-	-	-	-	-
Final Dividend FY 2018-19	-	-	165,000,000	-	-	165,000,000
Dividend Distribution Tax	-	-	33,916,250	-	-	33,916,250
As on 31/03/2020	**3,000,000,000**	**415,788,814**	**908,989,540**	**675,812**	**3,000,000,000**	**1,325,454,165**

Note :-

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based the requirements of the Companies Act, 2013. Thus, the amount reported above are not distributable in entirety.

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JAYPEE POWERGRID LIMITED

Statement of Change in Equity as on 31st March 2019*

(Amount in Rs.)

Particulars	Equity	Other Equity			Total Equity	Total Other Equity
	Equity Share Capital	General Reserve	Retained Earning	Other Comprehensive Income		
As on 01/04/2018	3,000,000,000	282,882,514	702,420,157	684,420	3,000,000,000	985,987,091
Profit for the period	-	-	526,131,859	-	-	526,131,859
Transfer to General Reserse		75,622,078	-		-	75,622,078
Acturial Gain/(Loss) net of tax	-	-	-	102,566	-	102,566
Total	**3,000,000,000**	**358,504,592**	**1,228,552,016**	**786,986**	**3,000,000,000**	**1,587,843,594**
Transfer to General Reverse	-	-	**75,622,078**	-	-	**75,622,078**
	3,000,000,000	**358,504,592**	**1,152,929,938**	**786,986**	**3,000,000,000**	**1,512,221,516**
Less: Dividend Paid during FY 2018-19						-
a) Final Dividend FY 2017-18			270,000,000			270,000,000
Dividend Distribution Tax			55,499,300			55,499,300
b) Interim Dividend for FY 2018-19			195,000,000			195,000,000
Dividend Distribution Tax			40,082,850			40,082,850
As on 31/03/2019	**3,000,000,000**	**358,504,592**	**592,347,788**	**786,986**	**3,000,000,000**	**951,639,366**

***Restated**

Ravi Rajan & Co LLP, Chartered Accountants, New Delhi

JAYPEE POWERGRID LIMITED
Notes to Financial Statements

1. **Corporate and General Information**

2. **Significant Accounting Policies**

Jaypee Powergrid Limited is a joint venture between Jaiprakash Power Ventures Limited (earlier known as Jaiprakash Hydro Power limited) and Power Grid Corporation of India Limited (POWERGRID). The joint venture has been set up pursuant to a Shareholders' Agreement dated 22nd February, 2007, Deed of Adherence dated 24th December, 2007 and Supplementary Shareholders Agreement dated 25th March, 2010. The Company was incorporated for commissioning of 400kV Quad Bundle Conductor Double circuit transmission line from the pothead yard of Karcham Wangtoo HEP at Wangtoo to Abdullapur measuring 219.8 Km. and LILO of existing Baspa Jhakri double circuit line with powerhouse bus of Karcham Wangtoo HEP at Wangtoo measuring about 4 Kms.

The Company has been granted licence for 25 years by Central Electricity Regulatory Commision (CERC) for transmission of electricity issued on 1st October,2007.

The registered office of the Company is situated at "JA House" 63, Basant Lok, Vasant Vihar,New Delhi 110057.

The financial statements of the Company for the year ended March 31, 2020 were approved by the Board of Directors on 23rd May 2020.

2.1.Basis of Preparation

i) Compliance with Ind AS

The Company has adopted accounting policies that comply with Indian Accounting standards (Ind AS) notified by Ministry of Corporate Affairs vide notification dated 16 February 2015 under section 133 of the Companies Act 2013, as required by the relevant applicability provisions prescribed in the same notification. Accounting policies have been applied consistently to all periods presented in these financial statements. The financial statements referred hereinafter have been prepared in accordance with the requirements and instructions of Schedule III to the Companies Act 2013, amended from time to time applicable to companies to whom Ind AS applies.

ii) Historical Cost convention

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value,
- Defined benefit plans – plan assets measured at fair value

iii) Functional and presentation currency

The financial statements are presented in Indian Rupees (Rupees or Rs.), which is the Company's functional and presentation currency and all amounts are shown as actuals thereof, except as stated otherwise.

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iv) Use of estimates

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of the revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

Estimation of uncertainties relating to the global health pandemic from COVID-19 and consequential lockdown across the Country: Company continued its business of power-transmission as the business of supplying electricity has been declared as an essential service by the Government of India. In assessing the recoverability of trade receivable and unbilled revenue, the company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. As the company's revenue is based on CERC tariff order and falls under essential services and based on the current indicators of future economic conditions, the company expects to recover the carrying amount of these assets.

Management does not see any medium to long-term risk in the Company's ability to continue as a going concern. Further, the management will continue to closely monitor material changes to future economic conditions.

2.2. Property, Plant and Equipment

The Company has elected to use a previous GAAP cost (cost less accumulated depreciation and impairment losses (if any)) of an item of property, plant and equipment at, or before, the date of transition to Ind ASs as deemed cost at the date of transition in accordance with accounting policy option available in Ind AS 101. PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of PPE comprise its purchase price, including import duties, net of modvat/cenvat, less accumulated depreciation and include any directly attributable costs of bringing an asset to working condition and location for its intended use, including borrowing costs relating to the qualified asset over the period up to the date the assets are put to use is included in cost of relevant assets.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

The carrying amount of a property, plant and equipment is de-recognised when no future economic benefits are expected from its use or on disposal.

Machine spares that can be used only in connection with an item of fixed asset and their use is expected for more than one year are capitalized.

The property, plant and equipment acquired under finance leases, if any, is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Transmission system assets are considered "Ready for intended use" for the purpose of capitalization, after test charging/successful commissioning of the system/assets and on completion of stabilization period

Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets.

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Afforestation charges are capitalized and are treated as part of the Transmission Line and included in Property, Plant and Equipment as Tangible assets.

After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.

Depreciation on property plant and equipment is provided on straight line method based on estimated useful life of the following assets in accordance with MCA Notification No. S.O.902 (E) dt. 26/03/2014:

i) Motor vehicles
ii) Office equipments
iii) Furniture & Fixtures
iv) EDP Machinery & Equipment

as prescribed in schedule II to the Companies Act, 2013. Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets.

Depreciation/amortisation on the assets related to transmission line and elements thereof,is provided on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff.

Estimated useful lives of the assets are as follow:-

Class of Assets	**Useful life**
Building	30
Tools and Plant Equipment	15
Furniture & Fixtures	10
Motor Vehicles	8
Office Equipment	5
EDP Machinery & Equipment	3

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are charged to profit & loss account in the period in which it is incurred except loan processing fees which is recognized as per Effective Interest Rate method.

The carrying amount of fixed asset as at the date of the transition has been reduced by the amount of processing cost capitalised (net of cumulative depreciation impact) as per Issue No.4 of ITFG Clarification Bulletin 5 dated 17th April 2017.

The amount of adjustments to fixed assets has been recognised in the retained earnings as at the date of the transition. This treatment reflects the correct economic reality and result in faithful representation of the effects of these transactions on transition in accordance with the requirements of Ind AS. Since the adjustment to fixed assets is only consequential and arising because of applying the transition requirements of Ind AS 101, it would not be construed as an adjustment to the deemed cost of property, plant and equipment.

Freehold land is not depreciated.

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2.3 Leases

All lease contracts where the company is lessee, with limited exceptions. are recognized in the financial statements by way of right-of-use assets and corresponding lease liabilities. Ind AS 116 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves use of an identified assets,

(ii) the Company has substantially all the economic benefits from the use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

(iv) As a Lessee At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value For these short-term and leases for which the underlying asset is of low value , the Company recognizes the lease payments on straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation , accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization. Lease liability and ROU asset have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

2.4 Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount Reduction is treated as an impairment loss and is recognized in the Profit and Loss Account.

2.5 Rate Regulated Activity

A regulatory asset is recognised when it is probable that the future economic benefits associated with it will flow to the entity as a result of the actual or expected actions of the regulator under the applicable regulatory framework and the amount can be measured reliably.

A regulatory liability is recognised:

(i) when an entity has a present obligation as a result of a past event;

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

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(iii) a reliable estimate can be made of the amount of the obligation

On initial recognition and at the end of each subsequent reporting period, the Company measures a regulatory asset or regulatory liability at the best estimate of the amount expected to be recovered or refunded or adjusted as future cash flows under the regulatory framework. A regulatory asset/liability is not discounted to its present value.

An entity reviews the estimates of the amount expected to be recovered, refunded or adjusted at least at the end of each reporting period to reflect the current best estimate. If expectation differs from previous estimates, the changes are accounted for as a change in an accounting estimate in accordance with relevant requirements of the applicable Accounting Standard.

If it is no longer probable that the future economic benefits associated with a regulatory asset will flow to the entity or conditions required for recognising a regulatory liability is no longer valid, the regulatory asset/regulatory liability, respectively are de-recognised and any resulting loss/gain is recognised in the statement of profit and loss.

2.6 Inventories

Inventories are valued at the lower of cost or net realizable value. Cost of Inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on the following basis:-

- Raw material, construction materials, stores &spares, packing materials, operating stores and supplies is determined on weighted average basis
- Material-in-transit is valued at cost.
- Finished goods and work in progress - cost includes cost of direct materials and labour and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods.

2.7 Employee benefits

The undiscounted amount of short-term employee benefits i.e. wages and salaries, bonus, incentive, annual leave and sick leave etc. expected to be paid in exchange for the service rendered by employees are recognized as an expense except in so far as employment costs may be included within the cost of an asset during the period when the employee renders the services.

Retirement benefit in the form of provident fund and pension contribution is a defined contribution scheme and is recognized as an expense except in so far as employment costs may be included within the cost of an asset.

Gratuity and leave encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is done as per Projected Unit Credit method.

Re measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to profit or loss through OCI in the period in which they occur. Re measurements are not reclassified to profit or loss in subsequent periods.

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2.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset is any asset that is

- Cash;
- an equity instrument of another entity;
- a contractual right:

(i) to receive cash or another financial asset from another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity; or

- a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial assets includes Security deposits ,trade receivable, loan to body corporate, loan to employees and other eligible current and non-current assets.

Financial Liability is any liabilities that is

- a contractual obligation:

(i) to deliver cash or another financial asset to another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or

- a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments.

Financial liabilities includes Loans, trade payable and eligible current and non-current liabilities.

i. Transitional Provisions in opening balance sheet as per Ind AS 101

The Company designates a previously recognised financial asset/financial liability as a financial asset/ financial liability measured at fair value on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

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The Company has assessed whether a financial asset meets the conditions w.r.t. classification criteria on the basis of the facts and circumstances that exist at the date of transition to Ind AS, practically feasible.

ii. Classification:-

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met.

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or fair value through profit or loss.

iii. Initial recognition and measurement:-

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value at initial recognition, plus or minus, any transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss.

iv. Financial assets subsequent measurement:-

The Company measures Financial instruments at fair value at each Balance Sheet date.

Financial assets as subsequent measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) as the case may be.

Financial liabilities as subsequent measured at amortised cost or fair value through profit or loss.

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v. **Effective interest method :-**

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial a classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

vi. **Trade Receivables:-**

Trade receivables are the contractual right to receive cash or other financial assets and recognized initially at fair value. Subsequently measured at amortised cost (Initial fair value less expected credit loss). Expected credit loss is the difference between all contractual cash flows that are due to the company and all that the company expects to receive (i.e. all cash shortfall), discounted at the effective interest rate.

vii. **Cash and cash Equivalents:-**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

viii. **Impairment of Financial Assets:-**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss

ix. **Regulatory Deferral Account Balances**

Certain expenses and income, allowed under CERC regulations to be reimbursed by/passed on to beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of Ind AS 114 'Regulatory Deferral Accounts'. Such expenses and income, to the extent recoverable /payable as parts of tariff under CERC Regulations are treated as Regulatory Deferral Assets/Liabilities. The Company presents separate line items in the Balance Sheet for:

(a) the total of all Regulatory Deferral Account Debit Balances; and
(b) the total of all Regulatory Deferral Account Credit Balances.

A separate line item is presented in the profit or loss section of the Statement of Profit and Loss for the net movement in all Regulatory Deferral Account Balances for the reporting period. Regulatory deferral accounts balances are adjusted in the year in which the same become recoverable from or payable to the beneficiaries.

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x. **Financial liabilities**:-

Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. These are subsequently carried at amortized cost using the effective interest method or fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

xi. **Trade payables** :-

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year and which are unpaid Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period or not paid/payable within operating cycle. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

xii. **Borrowings:-**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breac

xiii. **Equity Instruments:-**

An equity instrument is any contract that evidences a residual interest in the assets of company after deducting all of its liabilities Equity instruments are recognised at the proceeds received, net of direct issue costs.

xiv. **Derecognition of financial instrument:-**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

xv. **Offsetting of financial instruments**:-

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

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2.9 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

For the purpose of fair value disclosures, the Company has determined classes of assets &liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.10 Income Tax

Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

Current Tax-Current Income tax relating to items recognized outside the profit and loss is recognized outside the profit and loss (either in other comprehensive income or in other component of equity)

Deferred Tax:- Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date i.e. timing difference between taxable income and accounting income Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed as at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will not be available against which deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are recognized for the unused tax credit to the extent that it is probable that taxable profits will be available against which the losses will be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

Note:- MAT credit available to the Company is treated as "Deferred Tax Asset" as per EAC opinion of ICAI.

2.11 Revenue Recognition and Other Income

Revenue is measured at the fair value of the consideration received or receivable, taking into account the contractually defined terms of payment net of returns and allowances, trade discounts and volume rebates, excluding taxes or duties collected on behalf of the government

The company has implemented "Indian Accounting Standard (Ind AS) 115, Revenue from Contracts with Customers.

The company uses right to invoice practical expedient for revenue recognition. Itrecognizes revenue in the amount at which it has a right to invoice as the amount corresponds directly with the value to the customer of the company's performance to date.

The company has concluded that promise of availability of transmission line for transmission of electricity represents a single series of obligation that will be satisfy over time.

Since, this practical expedient allows company to recognize revenue on the basis of invoicing price (assigned to the services delivered) revenue is recognized by the measure of progress (Percentage of availability of transmission line).

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Group, revenue can be reliably measured and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Transmission income is accounted for based on tariff order notified by the CERC. Difference, if any, is adjusted based on issuance of final notification of tariff order by CERC.

Surcharge/Rebate received/Paid from/to beneficiaries is accounted on receipt/payment basis and confirmation from Power Grid Corporation of India Ltd.

Interest Income is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash flows over the expected life of financial instrument, to the gross carrying amount of the financial assets or to the amortised cost of the financial liability.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees and in accordance with the CERC tariff regulations.

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2.12 Dividends

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

2.13 Provisions and Contingencies

i. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

ii. Contingent liabilities, if material, are disclosed by way of notes unless the possibility of an outflow of resources embodying the economic benefit is remote and contingent assets, if any, is disclosed in the notes to financial statements.

iii. A provision is recognized, when company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement

2.14 Earnings per Share

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.15 Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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Jaypee Powergrid Limited
Notes to the Financial Statements

2.1 PROPERTY, PLANT AND EQUIPMENT

(Amount in Rs.)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2019	Addition During the period	Sale/ Transfer during the period	As at 31/03/2020	Opening Balance	Depreciation for the period	Depreciation Adjustment on Sale/ Transfer	As At 31/03/2020	As at 31/03/2020	As at 31/03/2019
Tangible Assets										
Land	6,327,352	-	-	6,327,352	-	-	-	-	6,327,352	6,327,352
Building	56,438,993	-	-	56,438,993	7,157,334	1,787,100	-	8,944,434	47,494,559	49,281,659
Tools and Plant Equipment	4,934,004	-	-	4,934,004	2,136,607	325,006	-	2,461,613	2,472,391	2,797,397
Furniture & Fixtures	730,024	-	-	730,024	603,259	32,315	-	635,574	94,450	126,765
Motor Vehicles	7,293,752	4,388,497	2,502,361	9,179,888	6,510,572	798,939	2,377,243	4,932,268	4,247,620	783,180
Office Equipment	1,393,245	-	-	1,393,246	1,332,549	10,978	-	1,343,527	49,718	60,696
EDP Machinery & Equipment	1,118,433	-	-	1,118,433	1,019,650	14,526	-	1,034,176	84,257	98,783
Transmission Line LILO	247,763,949	-	-	247,763,949	102,689,631	13,081,937	-	115,771,568	131,992,381	145,074,318
Transmission Line	9,355,558,177	-	-	9,355,558,177	3,449,334,475	493,973,472	-	3,943,307,947	5,412,250,230	5,906,223,702
E-bays (Sub-Station)	146,407,345	-	-	146,407,345	54,068,234	7,730,308	-	61,798,542	84,608,803	92,339,111
Reactors	214,838,204	-	-	214,838,204	78,953,328	11,343,457	-	90,296,785	124,541,419	135,884,876
Total (A)	10,042,803,477	4,388,497	2,502,361	10,044,689,613	3,703,805,639	529,098,037	2,377,243	4,230,526,433	5,814,163,181	6,338,997,838
Right to use Asset	12,608,518	-	-	12,608,518	-	6,304,259	-	6,304,259	6,304,259	-
Total (B)	12,608,518	-	-	12,608,518	-	6,304,259	-	6,304,259	6,304,259	-
Total (A+B)	10,055,411,995	4,388,497	2,502,361	10,057,298,131	3,703,805,639	535,402,296	2,377,243	4,236,830,692	5,820,467,440	6,338,997,838
Previous Year FY 2018-19	10,042,757,977	45,500	-	10,042,803,477	3,175,821,432	527,984,207	-	3,703,805,639	6,338,997,838	6,866,936,545

depreciation rates on Property Plant and Equipment (expect Transmission Line & its elements from Tangible & Intangible Assets) are as per the useful life of the assets as per Schedule -II of the Companies Act'

reciation on Transmission Line & its elements has been provided on Straight Line Method at the rates & methodology notified by Central Electricity Regulatory Commission (CERC) Tariff Regulations.

ctive April 1, 2019, the company has adopted Ind AS 116 "Leases", applied to all contracts having lease components existing on April 1, 2019 using the modified retrospective method. Accordingly, comparatives year ended March 31, 2019 have not been retrospectively adjusted. The Company has measured the Right-of-use asset and lease liability based on the remaining lease period and payments discounted using the ental borrowing rate as of the date of initial application On initial date of application, the adoption of the new standard resulted in recognition of Right-of-use asset (ROU) of Rs. 12,608,518/- and a lease liability of 608,518/- The effect of this adoption is insignificant on the profit for the period and earning per share

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JAYPEE POWERGRID LIMITED
Notes to the Financial Statements

(Amount in Rs.)

		31/03/2020	31/03/2019
2.2	**Other Financial Assets**		
I	**Non Current Assets**		
	Loan Receivable - Security Deposit		
	i) Loans Receivable Considered good - Secured	-	-
	ii) Loans Receivable Considered good - unsecured	323,294	187,410
	iii) Loans Receivable which have significant increase in Credit Risk	-	-
	iv) Loans Receivable Credit impaired	-	-
		323,294	**187,410**
II	**Current**		
	Debt Service Reserve Account	255,766,118	272,715,290
	Interest accrued on Fixed Deposit with Banks	10,599,253	4,652,144
		266,365,371	**277,367,434**
2.3	**Current Assets - Financial Assets**		
	Trade Receivables		
	Transmission Tariff Receivable		
	i) Trade Receivable considered good - Secured	390,807,285	501,569,969
	ii) Trade Receivable considered good - Unsecured	-	-
	iii) Trade Receivable which have significant increase in Credit Risk	-	-
	iv) Trade Receivable - Credit impaired	-	-
	Total	**390,807,285**	**501,569,969**
2.4	**Cash and Cash equivalents:**		
	1. Balance with Schedule Banks.		
	i) In Current Account	9,981,457	10,192,257
	ii) Trust & Retention Account (TRA)*/CLTD	65,584,780	235,587,969
	2. Cheque, draft on hand	-	2,120,862
	3. Cash in hand	367,200	722,854
	Total	**75,933,437**	**248,623,942**
2.5	**Other Current Assets**		
	Prepaid Expenses	618,343	513,740
	Advances to Vendors	10,000	4,466,191
	Tax deducted by DIC on Transmission Tariff	-	7,954,268
	Tax Refundable	17,227,414	17,227,414
	Inventories - General	370,189	426,658
		18,225,946	**30,588,271**

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NOTE 2.6 (Amount in Rs.)

	AS AT 31/03/2020	AS AT 31/03/2019
SHARE CAPITAL		
Authorised		
300,000,000 Equity Shares of Rs.10 each	3,000,000,000	3,000,000,000
(Previous Year 300,000,000 Equity Shares of Rs. 10/- each)		
Issued, Subscribed and Paid up		
300,000,000 (Previous year 300,000,000) Equity Shares of Rs. 10/- each fully paid-up.	3,000,000,000	3,000,000,000
Total	**3,000,000,000**	**3,000,000,000**

1) The reconciliation of the number and amount of equity share capital as at 31st March,2019 and 31st March 2020 is set out below:

Sl. No.	Particulars	As at March 31, 2020		As at March 31, 2019	
		No. of Shares	Amount	No. of Shares	Amount
1	No. of Shares at the beginning of the year	300,000,000	3,000,000,000	300,000,000	3,000,000,000
2	Add: Share allotted during the year	-	-	-	-
3	No. of Shares at the end of the year	300,000,000	3,000,000,000	300,000,000	3,000,000,000

2) Details of Shareholders holding more than 5% shares

S. No.	Name of Share Holder	As at March 31, 2020		As at March 31, 2019	
		No. of Shares	%	No. of Shares	%
1	Jaiprakash Power Ventures Limited	222,000,000	74*	222,000,000	74*
2	Power Grid Corporation of India Limited	78,000,000	26	78,000,000	26
	Total	**300,000,000**	**100**	**300,000,000**	**100**

*Out of above 600 equity shares are held by Jaiprakash Power Ventures Limited in beneficial interest.

Further Notes:-

The Company has only one class of Equity Shares having par value of Rs. 10/- per equity share. The holders of the equity shares are entitled to receive dividend as declared from time to time as are entitled to voting rights proportionate to their share holding at the meeting of share holders.

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(Amount in Rs.)

2.7	**Other Equity**	**31/03/2020**	**31/03/2019**
	General Reserve	415,788,814	358,504,592
	Retained Earning	908,989,540	592,347,788
	Other Comprehensive Income	675,812	786,986
		1,325,454,165	**951,639,366**

2.8 **Borrowings**

The Financial assistance sanctioned and disbursed by Banks of Rupee Term Loans of Rs. 700 crores together with payment of all interest at the agreed rates, additional interest in case of default, liquidated damages, reimbursement of all costs, charges and expenses and any other amount due and payable to the Lenders, Facility agent, Security Trustee (IDBI Trusteeship Services Ltd.) etc. under the loan documents/Financing documents are secured/to be secured by hypothecation of the Company's movable assets (present and future), intangible assets including but not limited to the goodwill, undertaking and uncalled capital, revenues and receivables from Project or otherwise, assignment/charge/security interest of the Company's rights under each of the Project Documents, assignment and/or charge of all licenses, permits, approvals, construction and operating period insurance policies in respect of or in connection with the project, operating cash flows and also including without limitation, the rights, title and interest in the undertakings of the Company, stocks of raw materials, semi-finished and finished goods, consumable stores and all monies, securities, contractor guarantees, performance bonds and any letter of credit provided by any person in favour of the Lenders/Security Trustee etc. ranking pari-passu among all participating Banks. and further secured by way of pledge of 30% of issued and paid up share capital of the Company. As the paid up capital on 31/03/2020 and 31/03/2019 was Rs. 300 crore divided into 30 crores equity shares of Rs. 10 each, 9 crores equity shares of Rs. 10 each fully paid up held by Jaiprakash Power Ventures Limited (earlier known as Jaiprakash Hydro-Power Limited) have been pledged in favour of Security Trustee.

Name of the Bank	As at 31/03/2020	As at 31/03/2019	TERMS OF REPAYMENT
State Bank of India	714,241,510	1,032,527,178	Repayment in 44 quarterly instalments after a moratorium of 12 months from COD. Repayment has commenced from March,2013.
Punjab National Bank	392,231,943	607,553,530	Repayment in 46 equal quarterly instalments after a moratorium of 6 months from scheduled COD i.e. 31/12/2011 or project COD which ever is earlier. Repayment has commenced from June,2012.
Central Bank of India	291,903,593	453,355,041	
The J&K Bank Ltd.	194,661,058	302,320,629	
	1,593,038,104	**2,395,756,378**	

Other Financial Liabilities	**31/03/2020**	**31/03/2019**
Lease Liability - Rent	6,661,522	-
	6,661,522	**-**

2.9	**Provisions**	**31/03/2020**	**31/03/2019**
	i) Non-current		
	a) Provision for Employees benefits		
	Provision for Gratuity	539,158	732,696
	Provision for Leave Encashment	620,124	586,391
		1,159,282	**1,319,087**
	ii) Current		
	a) Provision for Employees benefits		
	Provision for Gratuity	82,586	55,690
	Provision for Leave Encashment	60,187	54,825
	b) Provision for Expenses	918,000	854,000
	c) Provision for Transmission Tariff (Intt. & MAT)	90,569,000	718,062,000
		91,629,773	**719,036,515**

NOTE- 2.10

1 **RECLASSIFICATION OF PRIOR YEAR PRESENTATION**

As per opinion of Advisory Committee of the ICAI , "Deferred Assets against Deferred Tax Liability" is being classified as "Regulatory Deferral Account Balance "which was earlier shown as deduction from "Deferred tax Liability". Prior year amounts have also been reclassified for consistency in accordance with principles of Ind AS 1 for consistency in accordance with principles of Ind AS 1 "Presentation of Financial Statements".

Further, in the opinion of the management, it is probable that future economic benefits will flow to the company in the form of availability of set off against future income tax liability by recognizing MAT credit as follows: Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit to the extent of Rs. 12.62 Cr (FY 2018-19) and Rs. 11.05 Cr (FY 2019-20) and Rs. 71 Cr relating to previous years as per Income Tax Act. Hence, the same has been recognised as Deferred Tax Assets during the year.

In view of above reclassification in Balance Sheet following changes have been made:

a) In Statement of Profit and Loss Account, for the year ended 31st March,2019 Deferred tax expense has increased by Rs. 2,33,11,463/- with a corresponding increase in "Net movement in Regulatory Deferral Account" balances by Rs. 2,33,11,463/-.

b) Net Deferred tax Liability (DTL) has decreased by Rs 102,918,592 crores as at 31st March,2019. Thus a credit of Rs. 10.29 Crore has been made in the P&L Account.

c)

Movement in Deferred Tax Liabilies / Assets	**2019-20**	**2018-19**	**2017-18**
Deferred Tax Liabilities			
Opening Balance	(59,961,835)	(162,880,427)	938,836,242
Add:- Current Year Liabilities	44,974	23,379,446	(65,917,571)
Total for the year	**(60,006,809)**	**(186,259,874)**	**872,918,671**
Less:- Deferred Tax Asset- Reversal	10,565,878	67,983	-
Less :- MAT Credit Entitlement/Non Current Tax Assets	110,502,865	126,230,055	710,038,244
Total for the year	**61,061,934**	**(59,961,835)**	**(162,880,427)**

2 **PAT for the year 2018-19 has decrease from Rs. 630,183,987 to Rs. 526,131,859/-**

Reconciliation of Profit after Tax for the Year ended 31st MARCH,2019	**2018-19**
Profit for the F.Y. 2018-19 before adjustments	**630,183,987**
Adjustments:	
Add: Tax recognized during the period	13,004,299
Less: Increase in Deferred Tax due to Reclassification	(23,311,463)
Add: Increase in Net movement in RDA Balances	23,311,463
Add: Decrease in DTL	102,918,592
Less: Deferred tax against deferred tax liability	(80,740,664)
Less: Tax for the period	(139,234,354)
Adjusted Profit for the F.Y. 2018-19	**526,131,859**

3

Computation of Net Movement in Regulatory Deferral Account Balance (RDA) - Income/(Expense) Net of Tax	**2019-20**	**2018-19**
Opening Balance of DTL	896,230,134	872,918,671
Total Temporary Difference	885,709,230	896,230,134
Deferred Tax to be recognised	(10,520,904)	23,311,463
MAT Credit recongnised as DTA	110,940,011	126,230,055
Net Deferred Tax	121,460,915	102,918,592
Tax (MAT)	21,221,651	22,177,927
Net Movement in Regulatory Deferral Account Balance (RDA) (Net of Tax)	**100,239,264**	**80,740,665**

4

The Regulatory Deferral Account Balances (Asset) has been recognised in the books are as follows:	**up to 31/03/2020**	**up to 31/03/2019**
Opening Balance	377,528,469	458,269,133
Net Movement in Deferral assets	100,239,264	80,740,664
Closing Balance	**277,289,205**	**377,528,469**

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(Amount in Rs.)

2.11 Current Liabilities

Financial Liabilities

(i) Borrowings - Cash Credit

Cash Credit		230,949,628	-
		230,949,628	**-**
(ii) Trade and other Payables			
(a) Total outstanding dues of micro & small enterprises*		-	-
(b) Total outstanding dues of creditors other than micro & small enterprises		3,712,442	2,590,096
	Total	**3,712,442**	**2,590,096**
Note*:-			
(a) The principal amount and interest due thereon remaining unpaid to any supplier- MSME.			
-Principal Amount		-	-
-Interest Amount		-	-
(b) The amount of interest paid by the buyer in terms of Section16 of the Micro Small and Medium Enterprise Development Act, 2006 (MSMED Act) along with the amounts of payment made to the suppliers beyond the appointed day during each accounting year.		-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during period) but without adding the interest specified under the MSMED Act.		-	-
(d) The amount of interest accrued and remaining unpaid.		-	-
(e) The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.		-	-
(ii) Other Financial Liabilities			
Current Maturity - Term Loan			
State Bank of India		250,000,000	231,250,000
Punjab National Bank		173,916,000	173,916,000
Central Bank of India		130,440,000	130,440,000
The Jammu & Kashmir Bank Ltd.		86,960,000	86,960,000
Expenses Payable		535,217	7,315,731
Retention Money		1,023,584	770,053
Due to Staff		3,735,643	3,874,237
	Total	**646,610,444**	**634,526,021**

(Amount in Rs.)

		31/03/2020	**31/03/2019**
2.12 Other Current Liabilities			
Statutory Dues		681,378	1,194,518
Dividend Distribution Tax Payable		-	-
	Total	**681,378**	**1,194,518**
2.13 Current Tax Asset/(Liability) - Net			
Provision for Income Tax		(117,528,070)	(139,234,354)
TDS/Advance Tax FY 2018-19/2019-20		106,950,896	130,394,836
	Total	**(10,577,174)**	**(8,839,518)**

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2.14	**Revenue From Operations**		**31/03/2020**	**31/03/2019**
	Transmission Tariff		1,694,938,079	1,905,443,097
	Less:- Rebate on Collection		6,442,218	13,258,840
	Less:- Tariff Adjustment (Intt. & MAT)		90,569,000	300,000,000
		Total	**1,597,926,861**	**1,592,184,257**

Notes:-

a) Transmission Tariff revenue has been booked according to Final Tariff Order dt. 22/05/2019 issued by CERC for the block period 2014-19.

b) Transmission tariff (including incentive) of Rs. 40,62,88,454/- for the quarter ended March 31, 2020 has been recognized provisionally based on site verification, as the Certificate of Availability of transmission system by NRPC is pending for Certification and will be adjusted, if necessary in the next quarter.

c) Following adjustments have been made in Tariff - A) Rs. 6.56 Crores being the difference of Interest claim as per tariff petition for the year 2019-20 and interest actually being received as per final tariff order dt. 22/05/2019. B) Rs. 2.50 Crores due to change in MAT Rate from 18.5% to 15% considered for grossing up of ROE as per amendment in Section 115JB of the Income Tax Act. Therefore Transmission tariff has decreased by Rs. 9.05 Crores appox.

d) Additional transmission tariff has been booked in 2nd Quarter for a sum of Rs. 68,682,000/- after the reversal of provision made with respect to excess tariff booked in previous years.

2.15	**Other Income**			
	Interest Received on Bank Deposits		19,193,526	28,436,597
	Surcharge on Transmission Charges		14,127,712	19,112,704
	Recovery from Forest Department		3,430,304	8,778,086
	Miscellaneous Income		319,048	2,142
		Total	**37,070,590**	**56,329,529**
2.16	**Employee benefits**			
	Salary wages allowances & Benefits		34,616,056	34,252,478
	Contribution to provident and other funds		770,532	745,906
	Staff welfare expenses		523,893	440,532
		Total	**35,910,481**	**35,438,916**
2.17	**Finance Cost**			
	Financing Charges		7,706,333	6,423,356
	Term Loan Interest		311,506,411	371,184,727
	Interest on Working Capital Account		15,943,605	-
	Ind-As Interest on Term Loan		2,494,766	2,844,056
	Ind-As Finance Cost - Lease Liability		1,133,004	-
		Total	**338,784,119**	**380,452,139**
2.18	**Depreciation and amortization Expense**			
	Depreciation on Fixed Assets		529,098,037	527,984,207
	Right to use Asset		6,304,259	-
			535,402,296	**527,984,207**

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(Amount in Rs.)

			31/03/2020	31/03/2019
2.19	**Transmission, Administration and Other expenses**			
	Advertisement & Publicity		218,295	-
	Auditor's Remuneration			
	- For Statutory Audit		590,000	590,000
	- For Tax Audit		118,000	118,000
	- For Certifications/Others		113,418	117,009
	Bank Charges		82,379	102,147
	Books and Periodicals		18,853	9,326
	Communication Expenses		160,537	177,227
	Cost Audit Fee/Others		63,962	72,564
	Concurrent Audit Fee		94,400	47,200
	Corporate Social Responsibility		12,500,000	12,836,696
	Directors' Sitting Fee		778,800	826,000
	Insurance Charges		6,999,899	5,828,795
	Internal Audit Fee		236,000	236,000
	Legal and Professional Expenses		2,459,158	836,510
	Transmission License Fee	2,077,431		2,023,405
	Less:- Recoverable from beneficiaries	(1,997,530)	79,901	(1,997,530)
	Miscellaneous Expenses		5,174,113	5,592,212
	Printing & Stationery Expenses		66,851	112,714
	Reactors Maintenance Cost		5,860,729	5,327,936
	Rent, Rates & Taxes		893,846	7,897,769
	Secretarial Audit Fee		60,000	60,000
	Sub-Station Maintenance Cost		7,587,400	13,236,638
	System Operation/NLRDC Charges Paid	1,425,636		251,807
	Less:- Recoverable from beneficiaries	(1,425,636)	-	(251,807)
	Travelling & Conveyance Expenses		1,779,045	1,705,439
	Tariff Determination Fee	2,077,431		2,017,505
	Less - Recoverable from beneficiaries	(1;997,530)	79,901	(1,997,530)
	Vehicle Running & Maintenance Expenses		2,442,385	3,005,494
	Transmission Line Work		7,294,040	2,668,714
		Total	**55,751,913**	**61,450,240**

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NOTE 2.20

EMPLOYEES BENEFIT

a) All employees are entitled to Provident Fund benefits. Amount charged to Statement of Profit and Loss for the year is Rs. 7,70,532/- (Previous Year Rs. 7,45,906/-)

b) In accordance with applicable Indian Laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan). The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees' last drawn salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contribution to a fund managed by the insurer (SBI Life Insurance Co. Limited). Under this plan, the settlement obligation remains with the Company, although the Employee Gratuity Trust administers the plan and determines the contribution premium required to be paid by the Company.

c) Leave Encashment - Defined Benefit Plan

The Company has a scheme of encashment of accumulated leaves. The scheme is unfunded and is recognized on the basis of actuarial valuation on annual basis.

The summarized position of defined benefits recognised in the Profit and Loss Account and Balance Sheet are as under

d) Principal Actuarial assumptions

Principal actuarial assumption used to determine the present value of the benefit obligation are as follows:

Sl. No.	**Particulars**	**Refer note below**	**Year ended 31/03/2020**	**Year ended 31/03/2019**
I	Discounting Rate	1	6.80%	7.66%
II	Salary escalation rate (p.a.)	2	4.00%	5.50%
III	Estimate of amount contribution in the immediate next year	Rs./Lacs	1.25	1.66

Notes

1 The discount rate is based on the prevailing market yields of the Indian Government securities as at the balance sheet date for the estimated term of obligation.

2 The estimates of future salary increase consider takes into a account the inflation, seniority, promotion and other relevant factors.

e) The following tables set out the funded status of the plans and amount recognised in the financial statements.

Sl. No.	**Particulars**	**2019-20**		**2018-19**	
		Gratuity (Funded)	**Leave Encashment**	**Gratuity (Funded)**	**Leave Encashment**
I	**Change in benefit obligations:**				
1	Present value of the obligation at the beginning of the year	1,206,647	641,216	981,636	561,496
2	Current Service Cost	159,251	79,339	162,101	129,529
3	Interest Cost	92,429	49,117	75,880	43,404
4	Actuarial Gain/Loss on obligation	116,269	4,372	(12,970)	(93,213)
5	Benefits paid	-	(93,733)	-	-
6	Present value of the obligation at the end the year	1,574,596	680,311	1,206,647	641,216
II	**Change in Plan Assets during the Period ended March 31,2020**				
1	Fair value of the Plan Assets at the beginning of the year.	418,261	-	391,607	-
2	Actual Return on Plan Assets.	41,506	-	26,654	-
3	Contribution by Employer.	493,085	-	-	-
4	Actual Benefit Paid.	-	-	-	-
5	Fair value of the Plan Assets at the end of the year.	952,852	-	418,261	-
III	**Net Liability/(Surplus)(I-II)**				
1	Present value of defined benefit obligation	1,574,596	680,311	1,206,647	641,216
2	Fair value of Plan Assets	952,852	-	418,261	-
	Net Liability/(Surplus) (I-II)	**621,744**	**680,311**	**788,386**	**641,216**

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IV	Expenses Recognised in the Statement of Profit and Loss				
a)	Current Service Cost	159,251	79,339	162,101	129,529
b)	Net interest cost	60,390	49,117	45,609	43,404
	Total	**219,641**	**128,456**	**207,710**	**172,933**
	Expenses recongnised in Other Comprehensive Income				
	Actuarial Gain/Loss		**March 31, 2020**	**2019**	
	Net actuarial gain/(loss) recognized in the period				
	Leave Encashment		4,372	93,213	
	Gratuity		(116,269)	9,353	
	Net gain/(loss) for the period		**(111,897)**	**102,566**	
	Less Deferred Tax Asset/Liability		(32,584)	29,580	
	Add Deferred Assets		(32,584)	29,580	
	Net Charge/(Credit)		**(111,897)**	**102,566**	
	Demographic assumptions:				
1	Retirement age		60 Years	60 Years	
2	Mortality rate (% of IALM06-08)		100%	100%	
3	Average Outstanding service of Employees up to retirement		16.29	16.81	
4	No. of Employees		26	27	

V	Sensitivity Analysis of the defined benefit obligation as on 31st March 2020				
	Impact of the change in	Gratuity (Funded)		Leave Encashment	
		Increase	Decrease	Increase	Decrease
1	Discount Rate (0.50% movement)	(60,491)	64,926	(32,878)	34,535
2	Salary Excalation Rate (0.50% movement)	66,407	(62,351)	35,705	33,396
	Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.				

VI	Maturity Profile of Defined Benefit Obligation as on 31st March 2020	Gratuity (Funded)	Leave Encashment
1	0 to 1 Year	82,586	60,187
2	1 to 2 Year	65,850	27,674
3	2 to 3 Year	360,170	36,626
4	3 to 4 Year	45,708	23,775
5	4 to 5 Year	43,432	22,700
6	5 to 6 Year	174,349	75,463
7	6 Year onwards	802,501	433,886

NOTE 2.21

Financial Instrument

Measured at Amortised Cost

The fair value of the Company's borrowings is determined by using effective interest as per IND-AS 109 using rate that reflect the Company's borrowing rate as at the end of the reporting period.

NOTE 2.22	**AS AT 31/03/2020**	**AS AT 31/03/2019**
Contingent Liabilities and Commitments (to the extent not provided for)		
Contingent Liabilities - Claims against the Company not acknowledged as debt	1,557,760	1,557,760
- Land Compensation Cases	15,000,000	15,092,000
- Income Tax Matters		

The value for matters under appeal Rs. 71,91,051/- Based on the decision of the Appellate authorities and the interpretation of relevant tax provisions, the Company has been legally advised that the additions made in the assessment are likely to be deleted or substantially reduced. As at 31.03.2020 there is no outstanding tax demand against the Company.

Note 2.23

Corporate Social Responsibility

a) Gross Amount Required to be spent by the Company Rs. 1,25,00,000/-.
b) Amount spent during the year Rs. 1,25,00,000/-.

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JAYPEE POWERGRID LIMITED (JPL)
LIST OF RELATED PARTIES AS ON 31.03.2020
Note No. 2.24: AS PER ACCOUNTING STANDARD (IND-AS-24)

I. Holding Company

1 Jaiprakash Power Ventures Limited (JPVL)

II. Fellow Subsidiary Companies

1 Jaypee Arunachal Power Limited (JV subsidiary of JPVL)
2 Jaypee Meghalaya Power Limited (subsidiary of JPVL)
3 Bina Power Supply Limited (subsidiary of JPVL)
4 Sangam Power Generation Company Limited (subsidiary of JPVL)

III. Entity to whom the Company is an Associate Company:

1 Jaiprakash Associates Limited (JAL)

IV. Subsidiaries of the Entity (JAL) to whom the Company is an Associate Company:

1 Jaypee Infratech Limited (JIL) (subsidiary of JAL)
2 Bhilai Jaypee Cement Limited (JV subsidiary of JAL)
3 Himalyan Expressway (subsidiary of JAL)
4 Gujarat Jaypee Cement & Infrastructure Limited (JV subsidiary of JAL)
5 Jaypee Ganga Infrastructure Corporation Limited (subsidiary of JAL)
6 Jaypee Agra Vikas Limited (subsidiary of JAL)
7 Jaypee Fertilizers & Industries Limited (subsidiary of JAL)
8 Jaypee Cement Corporation Limited (subsidiary of JAL)
9 Himalyaputra Aviation Limited (subsidiary of JAL)
10 Jaypee Assam Cement Limited (subsidiary of JAL)
11 Jaypee Infrastructure Development Limited (new name of Jaypee Cement Cricket (India) Limited) (subsidiary of JAL)
12 Jaypee Healthcare Limited (subsidiary of JIL)
13 Jaypee Cement Hockey (India) Limited (subsidiary of JAL)
14 Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL)
15 Yamuna Expressway Tolling Limited (new name of Yamuna Expressway Tolling Private Limited w.e.f. 05.04.2017, which again is the new name of Jaypee Mining Ventures Private Limited w.e.f.
16 Jaypee Uttar Bharat Vikas Private Limited (JUBVPL)
17 Kanpur Fertilizers & Cement Limited.

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V. Other Associate Companies:

1 Power Grid Corporation of India Limited (JV Partner)

VI. KMP based Associate Cos.

1 Jaiprakash Kashmir Energy Limited (KMP based Associate Co.)
(controlled by Shri Manoj Gaur & his relatives)

2 Ceekay Estates Private Limited (KMP based Associate Co.)
(controlled by relative of Shri Manoj Gaur)

3 Jaiprakash Exports Private Limited (KMP based Associate Co.)
(controlled by relatives of Shri Manoj Gaur)

4 Jaypee Jan Sewa Sansthan ('Not For Profit' Private Limited Company) (KMP based Associate Co.)
(controlled by relatives of Shri Manoj Gaur)

5 Think Different Enterprises Private Limited (KMP based Associate Co.)
(contolled by relative of Shri Manoj Gaur)

6 JC World Hospitality Private Limited (KMP based Associate Co.)
(controlled by relatives of Shri Manoj Gaur)

7 JC Wealth & Investments Private Limited (KMP based Associate Co.)
(controlled by relatives of Shri Manoj Gaur)

8 CK World Hospitality Private Limited (KMP based Associate Co.)
(controlled by relatives of Shri Manoj Gaur)

9 First Light Estates Private Limited (KMP based Associate Co)
(controlled by relatives of Shri Manoj Gaur)

10 Akasva Associates Private Limited (KMP based Associate Co.)
(controlled by Shri Suren Jain and his relative)

11 Akasva Infrastructure Private Limited (KMP based Associate Co.)
(controlled by relatives of Shri Suren Jain)

12 Renaissance Lifestyle Private Limited (KMP based Associate Co.)
(controlled by relative of Shri Suren Jain)

13 Gandharv Buildcon Private Limited (KMP based Associate Co.)
(controlled by relative of Shri Suren Jain)

14 Viaan Technologies (P) Limited (KMP based Associate Co.)
(controlled by relative of Shri Suren Jain)

15 Lucky Strike Financers Private Limited (KMP based Associate Co.)
(controlled by Ms. Sunita Joshi and her relative)

16 Samvridhi Advisors LLP (KMP based partnership firm)
(controlled by relative of Shri R.N. Bhradwaj and his relatives)

17 Sandhar Hospitality (KMP based partnership firm)
(Controlled by Ms Sunita Joshi and her relative)

18 Librans Ventures Private Limited

19 Saindhar Infosystems Private Limited

20 Kenbee Consultants LLP

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Key Management Personnel

1 Shri Ravi P.Singh , Chairman (till 05.08.2019)
2 Shri K. Sreekant, Chairman (w.e.f. 02.09.2019)
3 Shri G.P. Singh, Vice Chairman
4 Shri Suren Jain, Director
5 Shri G.P. Gaur, Director
6 Shri Vinod Sharma, Director
7 Shri R.K. Singh, Director
8 Smt. Neha Goyal, Director
9 Shri A.S Kushwaha
10 Shri T.C. Sarmah, Director
11 Shri D.P. Goyal, Director
12 Shri Manoj Gaur (KMP of JPVL)
13 Shri Sunil Kumar Sharma (KMP of JPVL)
14 Dr. Jagannath Gupta (KMP of JPVL)
15 Shri R.N. Bhardwaj (KMP of JPVL)
16 Shri B.B. Tandon (KMP of JPVL)
17 Shri A.K. Goswami (KMP of JPVL)
18 Shri S.S. Gupta (KMP of JPVL)
19 Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha (KMP of JPVL)
20 Shri K.N. Bhandari (KMP of JPVL)
21 Shri S.L. Mohan (KMP of JPVL)
22 Shri Umesh Jain (KMP of JPVL)
23 Shri Sunita Joshi (KMP of JPVL)
24 Shri K.P. Rau (KMP of JPVL)
25 Shri M.K.V. Rama Rao (KMP of JPVL)

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Transaction with related parties :

S. No.	Nature of Transaction	JAL	JPVL	PGCIL	Gaur & Nagi	JILIT Information Techology Ltd.	Key Management Personnel
Transactions during the period:							
1	Revenue from operations	-	-	1,694,938,079	-	-	-
		-	-	(1,902,245,329)	-	-	-
2	Surcharge on Transmission Tariff	-	-	14,127,712	-	-	-
		-	-	(19,112,704)	-	-	-
3	System operation / NLDC charges	-	-	-	-	-	-
		-	-	-	-	-	-
4	Dividend (JPVL/PGCIL)	-	122,100,000	42,900,000	-	-	-
		-	(344,100,000)	(120,900,000)	-	-	-
5	Operation and Maintenance	-	-	7,587,400	-	-	-
		-	-	(13,236,638)	-	-	-
6	Managerial Remuneration	-	-	-	-	-	9,797,808
		-	-	-	-	-	(9,748,191)
7	Rent Payment	7,080,000	-	-	-	-	-
		(7,080,000)	-	-	-	-	-
8	Reimbursement of expenses by the Company	-	-	-	-	-	-
		-	-	-	-	-	(99,194)
9	Sitting Fee paid to Directors	-	-	-	-	-	778,800
		-	-	-	-	-	(700,000)
10	Advertisement Expenses	-	-	-	218,295	-	-
		-	-	-	-	-	-
11	Web Site Charges	-	-	-	-	2,044	-
		-	-	-	-	-	-
Balances outstanding as at the year end				-	-	-	-
12	Rent Payment	7,080,000	-	-	-	-	-
		(1,080,000)	-	-	-	-	-
13	Trade receivable	-	-	390,807,285	-	-	-
		-	-	(501,569,969)	-	-	-
14	Managerial Remuneration	-	-	-	-	-	2,289,847
		-	-	-	-	-	(2,267,142)

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JAYPEE POWERGRID LIMITED
Notes to Financial Statements as at March 31, 2020

Note 2.25 : FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company principal financial asset includes loan , trade and other receivables, and cash and short-term deposits that arise directly from its operations.
The Company's activities are exposed to market risk, credit risk and liquidity risk.

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

(i) The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	2,234,354,104	3,018,322,378
Fixed rate borrowings	-	-
Total borrowings	**2,234,354,104**	**3,018,322,378**

(ii) As at the end of reporting period, the company had the following variable rate borrowings and interest rate swap contracts outstanding:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Weighted average interest rate	Balance	Weighted average interest rate	Balance
Cash Credit Limit	11.30%	230,949,628	-	-
Borrowings	11.18%	2,234,354,104	10.69%	3,018,322,378
% of total loans		100%		100%
Net exposure to cash flow interest rate risk		**2,465,303,732**		**3,018,322,378**

(iii) Sensitivity
As per CERC Regulations, interest on loan during construction forms part of project cost for the purpose of tariff and after the day of commercial operation, interest on loan is recoverable through tariff calculated on the normative average loan of the year by applying the weighted average rate of interest of the actual loan portfolio. Accordingly, the company's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.

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(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not operates internationally and as the Company has not obtained any foreign currency loans and also doesn't have any foreign currency trade payables and foreign receivables outstanding therefore, the company is not exposed to any foreign exchange risk.

(c) Price Risk

The company exposure to equity securities price risk arises from the investments held by company and classified in the balance sheet at fair value through profit and loss. The company does not have any investments at the current year end and previous year which are held for trading. Therefore no sensitivity is provided.

II. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Power and credit risk is largely mitigated through point of connection (POC) under which transmission charges are pooled and distributed among licensees in proportion to their transmission charges. Involvement of Central Transmission Utility (CTU) i.e. Power Grid Corporation of India Limited in billing, collection and distribution of transmission charges among licensees further reduce the risk. Additionally, stringent regulations related to non-payment of transmission charges have led to significant improvement collection efficiency.

The average credit period on provision of services is 60 days.

For payment of any Invoice, as raised by the CTU a rebate of 2% shall be allowed on the invoice amount if such payment is made in full within one business day of the receipt of the Invoice. For payment of any Invoice subsequently, but within Due Date, a rebate of 1% shall be allowed on the payment made in full.

Any amount due from one party to the other, and remaining unpaid 30 days after due date , shall bear delayed payment surcharge @ 1.25% per month on the unpaid amount. Such delayed payment surcharge shall be calculated on simple rate basis and shall accrue from 30th day after due date of invoice until the amount due is actually received by the payee.

Trade receivables may be analysed as follows:

Age of receivables	As at March 31, 2020	As at March 31, 2019
Within the credit period	282,569,058	327,060,866
1-30 days past due	38,114,315	21,950,771
31-60 days past due	47,874,866	28,194,774
61-90 days past due	17,247,299	16,067,246
More than 90 days past due	5,001,746	108,356,312

Ageing	Expected credit loss
Within the credit period	-
1-30 days past due	-
31-60 days past due	-
61-90 days past due	-
More than 90 days past due	-

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III. **Liquidity Risk**

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to maintain optimum levels of liquidity at all times to meet its cash and collateral requirements. Management monitors the company's net liquidity position on the basis of expected cash flows regularly.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31, 2020	Borrowings	Trade payables	Other financial liabilities
Within 1 year	641,316,000	3,712,442	5,294,444
1-3 years	1,598,058,319	-	-
More than 3 years	-	-	-
Total	2,239,374,319	3,712,442	5,294,444
Carrying amount	2,234,354,104	3,712,442	5,294,444

As at March 31, 2019	Borrowings	Trade payables	Other financial liabilities
Within 1 year	622,563,040	2,590,096	11,960,021
1-3 years	1,948,939,120	-	-
More than 3 years	454,335,199	-	-
Total	3,025,837,359	2,590,096	11,960,021
Carrying amount	3,018,322,378	2,590,096	11,960,021

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JAYPEE POWERGRID LIMITED

Notes to Financial Statements as at March 31, 2020

Note No. 2.26 Capital Management

(A) Risk Management

The Company manages its capital to ensure that the company will be able to continue as going concern while maximising the return to stakeholders through the optimization of the debt and equity balance.

The Company's management reviews the capital structure of the Company on a semi-annual basis and considers the cost of capital and the risks associated with each class of capital. The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

Geraring ratio

The gearing ratio at end of the reporting period was as follows.

Loans Receivable

Partciulars	As at March 31, 2020	As at March 31, 2019
Debt*	2,234,354,104	3,018,322,378
Cash and bank balances (including cash and bank balances in a disposal group held for sale)	75,933,437	2,486,239,642
Net debt	2,158,420,667	2,769,698,436
Total Equity	4,325,454,165	4,055,691,494
Net Debts and Total equity	6,483,874,832	6,825,389,930
Net debt to equity ratio	33.29%	40.58%

*Debt is defined as long-term and short-term borrowings including current maturities and books overdraft

Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

Note 2.27 : Fair Value Measurement

Categories of financial instruments

Financial assets	**As at March 31, 2020**	**As at March 31, 2019**
Measured at amortised cost		
(i) Trade receivables	390,807,285	501,569,969
(ii) Cash and Bank balance	75,933,437	248,623,942
(iii) Loans	323,294	187,410
	467,064,016	**750,381,321**
Financial liabilities	**As at March 31, 2020**	**As at March 31, 2019**
Measured at amortised cost		
(i) Borrowings	2,234,354,104	3,018,322,378
(ii) Other financial liabilities	5,294,444	11,960,021
(iii) Trade and other payables	3,712,442	2,590,096
Total	**2,243,360,989**	**3,032,872,495**

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JAYPEE POWERGRID LIMITED

Notes to Financial Statements as at March 31, 2020

Note 2.28 : Fair Value Measurement

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (A) recognised and measured at fair value and (B) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Fair value measurements

Particulars	Fair value as at		Fair value hierarchy	Valuation technique (s)
Financial Liabilities				
Financial Liabilities	**As at March 31, 2020**	**As at March 31, 2019**		
a) Borrowings	872,265,628.12	622,566,000.00	Level 2	Discounted estimated cash flow through the expected life of the borrowings

The fair values of current debtors, cash & bank balances, loan to related party, security deposit to goverment deparment, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

Particulars	Carrying value	
	As at March 31, 2020	**As at March 31, 2019**
I) Financial assets - Current		
Trade receivables	390,807,285	501,569,969
Cash and cash equivalents	75,933,437	248,623,942
Loans	323,294	187,410
ii) Financial liabilities - Current		
Trade payables	3,712,442	2,590,096
Borrowing	872,265,628	622,566,000
(ii) Other financial liabilities	5,294,444	11,960,021

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(ii) Valuation techniques used to determine Fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following method and assumptions are used to estimate fair values:

The Carrying amounts of trade receivables, trade payables, short term borrowing, other fianancial assets/ Liabilities, cash and cash equivalents. are considered to be their fair value, due to their short term nature.

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

For and on behalf of the Board

for Ravi Rajan & Co. LLP
Chartered Accountants
Registration No.

Ravi Rajan & Co LLP New Delhi Chartered Accountants

Shivani Bhardwaj
Partner
Membership No. 503875

Suren Jain
Director
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Director Project
Address:- C1/403, Palm Grove Heights, Sector-52, Gurgaon

Anita Rikhy
General Manager & Company Secretary
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R.K. Porwal
Jt. President & CFO
Address:- S-3/B-62, Ram Puri, Chander Nagar, Ghaziabad - 201011

Place : New Delhi
Date : 23rd May, 2020