JAIPRAKASH
POWER VENTURES LIMITED

Ref: JPVL:SEC:2018 5th May, 2018

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

Scrip Code: JPPOWER

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

Scrip Code: 532627

Sub: Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2018, Reports of Statutory Auditors and Statement on Impact of Audit Qualifications under Regulation 33/52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations")

Dear Sirs,

In terms of Clause 33(3)(d) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2018, as approved by the Board of Directors of the Company in its meeting held on 5th May, 2018, alongwith Reports of Statutory Auditors M/s. Lodha & Company, Chartered Accountants, New Delhi.

Further, we would like to state that Statutory Auditors of the Company has issued Audit Reports with modified opinion on both the Standalone and Consolidated Financial Results. Accordingly, in terms of Regulation 33/52 of SEBI (LODR) Regulations, 2015, a Statement on Impact of Audit Qualifications is also enclosed.

The meeting commenced at 12.30 P.M. and concluded at 6.00 P.M.

Thanking you,

Yours faithfully,
For **JAIPRAKASH POWER VENTURES LIMITED**

(A.K. Rastogi)
Joint President & Company Secretary

Encl: As above

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

JAIPRAKASH

POWER VENTURES LIMITED

Regd. Office : Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil Sarai, District Singrauli - 486 669, (Madhya Pradesh)
Corporate Office: 'JA House' 63, Basant Lok, Vasant Vihar, New Delhi - 110057 (India)
Website: www.jppowerventures.com Email: jpvl.investor@jalindia.co.in CIN : L40101MP1994PLC042920

STATEMENT OF STANDALONE / CONSOLIDATED AUDITED RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2018

Rs. in Lakhs except Shares and EPS

	Particulars	Standalone					Consolidated	
		Quarter Ended			Year ended		Year ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
I	Revenue from operations	70,121	85,550	67,878	3,38,131	2,79,181	4,87,687	4,65,765
II	Other Income	1,544	11,467	2,120	34,875	8,762	35,419	8,707
III	**Total Revenue (I+II)**	**71,665**	**97,017**	**69,999**	**3,73,006**	**2,87,943**	**5,23,106**	**4,74,472**
IV	**Expenses**							
	Cost of material and operation expenses	42,724	56,198	49,705	2,08,509	1,65,854	2,98,406	2,73,388
	Purchases of stock-in-trade	-	-	-	-	-	-	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	385	11	45	(183)	97	(183)	97
	Employee benefits expense	2,488	2,436	2,286	9,335	7,576	13,563	12,167
	Finance costs	35,350	37,284	42,387	1,49,178	1,80,228	2,61,375	2,77,292
	Depreciation and amortisation	11,923	12,914	11,900	48,686	48,684	81,889	77,121
	Other Expenses	3,867	10,415	2,118	19,351	7,821	23,413	9,158
	Total expenses (IV)	**96,737**	**1,19,258**	**1,08,620**	**4,34,876**	**4,10,360**	**6,78,463**	**6,49,223**
V	**Profit / (loss) before exceptional items and tax (III-IV)**	**(25,072)**	**(22,241)**	**(38,621)**	**(61,870)**	**(1,22,417)**	**(1,55,357)**	**(1,74,751)**
VI	Exceptional items	-	-	-	-	-	(31,325)	-
VII	**Profit / (loss) before tax (V-VI)**	**(25,072)**	**(22,241)**	**(38,621)**	**(61,870)**	**(1,22,417)**	**(1,86,682)**	**(1,74,751)**
VIII	Tax expense							
	(1) Current tax	-	-	-	-	-	1,325	1,074
	(2) Mat credit entitlement						(1,239)	-
	(3) Income tax of earlier years	-	-	-	99	-	(526)	-
	(4) Reversal of MAT credit entitlement of earlier years	-	-	-	8,522	-	8,522	-
	(5) Deferred tax	(9,339)	(2,800)	(15,539)	(17,760)	(46,356)	(25,730)	(46,356)
IX	**Profit / (Loss) for the period (VII-VIII)**	**(15,733)**	**(19,441)**	**(22,982)**	**(52,731)**	**(76,061)**	**(1,69,034)**	**(1,29,469)**
X	**Other Comprehensive Income**							
	A (i) Items that will not be reclassified to profit or loss	(45)	38	57	(7)	57	(2)	99
	(ii) Income tax relating to items that will not be reclassified to profit or loss	16	(13)	(14)	3	(14)	1	(16)
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to prfit or loss	-	-	-	-	-	-	
	Other Comprehensive Income for the period (X)	(29)	25	43	(4)	43	(1)	83
XI	**Total Comprehensive Income for the period ((IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**	**(15,762)**	**(19,416)**	**(22,939)**	**(52,735)**	**(76,018)**	**(1,69,035)**	**(1,29,386)**
	Profit / (loss) for the year attributable to :							
	Owners of the parent						(1,59,583)	(1,23,009)
	Non-controlling interest						(9,451)	(6,460)
							(1,69,034)	**(1,29,469)**
	Other Comprehensive Income attributable to :							
	Owners of the parent						(2)	(202)
	Non-controlling interest						1	285
							(1)	83
	Total Comprehensive Income attributable to :							
	Owners of the parent						(1,59,585)	(1,23,211)
	Non-controlling Interest						(9,450)	(6,175)
							(1,69,035)	**(1,29,386)**
XII	Other equity	-	-	-	3,36,946	3,89,681	1,78,331	3,39,101
XIII	Equity Share Capital (Face value of Rs. 10/- per share)	5,99,600	5,99,600	5,99,600	5,99,600	5,99,600	5,99,600	5,99,600
XIV	Earnings Per Share (Rs)							
a)	Basic EPS	(0.26)	(0.32)	(0.70)	(0.88)	(2.31)	(2.82)	(3.75)
b)	Diluted EPS @	(0.26)	(0.32)	(0.70)	(0.88)	(2.31)	(2.82)	(3.75)

"@ Being anti dilutive

Notes:

1 The financial results for the quarter/ year ended 31st March, 2018 are in respect of 400 MW Jaypee Vishnuprayag H.E Plant, 500 MW Jaypee Bina Thermal Power Plant 1320 MW Jaypee Nigrie Super Thermal Power Plant (JNSTPP), Jaypee Nigrie Cement Grinding Unit and Amelia (North) Coal Mine.

The Company has aggregate power generation capacity of 2220 MW comprising of Hydro (400 MW) and Thermal (1820 MW)

2 In respect of Hydro Power Plant, the water availability in the first half of the financial year is higher as compared to the second half As such, the power generation in the first two quarters (based on past experience/ data) is about 70% of the annual power generation, while balance 30% is generated in third and fourth quarter

3 (a) The operations of Thermal Power Projects have been impacted on account of (i) In the revised tariff guidelines adopted by MPERC for FY 2016-17 to FY 2018-19 interalia the capping on the Annual Fixed Charges (AFC) at Normative Availability (85%) and the incentives beyond Normative Availability have been done away with, (ii) Operations at Bina TPP have been affected due to scheduling of power only for few hours in a day by SLDC requiring the Company to sell power on exchange in balance hours at market driven tariff and insufficent availability of coal,(iii) Non availability of long term PPAs and coal

(b) Company has accounted for revenue for the quarter and year ended 31st March, 2018 on the basis of Multi Year Tariff (MYT) for Bina TPP and on the basis of final tariff order for the financial year 2014-15 and 2015-16 for Nigrie Thermal Power Plant as per the orders of Madhya Pradesh Electricity Regulatory Commission (MPERC) which are subject to true up/final assessment

(c) In respect of Vishnuprayag HEP Company has accounted for revenue for the quarter and year ended 31st March, 2018 based on final tariff computed in accordance with Power Purchase Agreement (PPA) and various orders of UPERC.

4 (a) The financial performance and cash flows of the Company have been adversely impacted by the overall stress in the power sector and also due to specific challenges faced by the Company in the previous years in its Thermal Power Plants, viz. Nigrie STPP and Bina TPP, prominent of which are de-allocation of coal mines by the Hon'ble Supreme Court of India in September 2014, delay in new PPAs in Nigrie STPP, abnormally low merchant tariffs, lower PLF in Bina TPP due to dispatch schedule of very low offtake by SLDC, which is technically not feasible to run the plant optimally and forcing Company to sell balance power at power exchanges at very uncompetitive rates etc. These factors have put significant strain on the Company's ability to service the dues of lenders.

(b) In order to overcome the financial stress, the Company/ Lenders are in process of formulating a revival plan Accordingly, in the Joint Lender Forum (JLF) meeting dated 25 July 2016, the Lenders invoked SDR . Consequent to that the Company has allotted 30,580 lacs equity shares valued Rs 3,05,800 lacs on 18.02.2017 to Banks and Financial Institutions upon conversion of part of outstanding loans/ interest towards implementation of SDR Scheme as per RBI guidelines, after getting requisite approval of Shareholders/ Board of Directors etc. Accordingly the equity share capital of the Company was increased to Rs.5,99,600 lacs from Rs.2,93,800 lacs and the lenders shareholding stood at 51% of paid up capital.

(c) The lenders who are holding equity share capital of the Company, have to offload the shareholding as per RBI guidelines. The lenders had invited bids for divestment of part of their equity in the Company. The bids received by Lenders were not found acceptable by the Lenders. Therefore lender(s) decided to close the process and intimate the bidders/ advisors suitably. Thereafter, resolution/ revival plan is under consideration of Lender(s) as per revised RBI guidelines dated 12 02 2018 for the stressed Assets.

5 (a) The Company has made investment of Rs 2,89,038 lacs (Including Investment and loan component of compound financial instrument- Optionally Convertible Preference Shares) (26,192 lacs Equity Shares of Rs. 10/- each fully paid and 2,700 lacs Optionally Convertible Preference Shares of Rs.10/- each fully paid) in Prayagraj Power Generation Co. Ltd. (PPGCL) (erstwhile Subsidiary of Company) The entire shares were pledged with Security Trustees, SBI Cap Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to PPGCL. Security Trustee for lender(s) of PPGCL has invoked the entire pledged shares of PPGCL on 18th December, 2017 held by the Company due to default in payment of interest to banks/ financial institutions because of unsatisfactory operations mainly due to paucity of working capital limits etc. Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e f 18th December, 2017 and profit/(loss) post this date not been recorded in consolidated financial statements. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statement by the management, as impact, if any is currently unascertainable. Keeping in view of the facts stated above, the entire amount of investment in PPGCL of Rs.2,89,038 lacs (Including Investment and loan component of compound financial instrument- Optionally Convertible Preference Shares) is shown as Current Investments and Loan in Current Financial Assets However pending final decision, in consolidated financial statements no impact has been carried out in this regard and total assets and liabilities of Rs.15,99,311 lacs & Rs. 14,39,365 lacs respectively been considered and carried over.

(b) The Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84557.33 lacs and Rs. 110000 lacs respectively for which fair valuation has not been done as per the applicable IND-AS as of 31 March 2018. However, in the opinion of the Management there will be no material impact on the fair valuation of the above mentioned guarantees on the financial result/ statement of affairs.

6 No provision for diminution in value against certain long term investments of amounting to Rs 277 486 lacs (Book Value - in subsidiaries and other) ("Including investment in trust which in turn holding investment in the Company of Rs 1,98.594 Lacs") has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets future prospects and claims and has concluded that no provision against diminution is necessary at this stage.

7 Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) amounting to Rs. 4618 lacs as the Company is in the process to negotiate with the Bond Holders for settlement / conversion of the outstanding FCCBs in equity and waiver of interest and in addition to that penal interest of Rs 3040.94 lacs has not been provided on certain loans in these financial statement as majority of the lenders / banks did not confirm balances / charge penal interest in view of the facility granted to the Company by them has been classified as NPA.

8 Expenditure incurred during the construction and incidental to setting up of the project, capital advances and other financial assets by Sangam Power Generation Company Limited (SPGCL), a subsidiary of the Company for development of 1320 MW Power Project at Tahsil Karchana, Distt. Allahabad, Uttar Pradesh, have been carried forward as 'Capital Work in progress' and the Net Worth has been eroded significantly as on 31st March 2018 In view of abnormal delay in handling over the possession of land, the company (SPCGL) has requested Uttar Pradesh Power Corporation Limited (UPPCL) to take over the project and refund of investment made by it. Uttar Pradesh Corporation Limited has in principle agreed to take over the project. Hence the management does not expect any material adjustment in the carrying value of assets including capital work in progress

(The above notes 5 to 8 have been qualified by auditors in their report and above notes are self explanatory)

9 In consolidated results, exceptional items represent amount provided against settlement claims signed with the L&T on 14.12.2017 for Karchana Thermal Power Project against the advance paid by one of the subsidiary. viz. Sangam Power Generation Company Limited , which could not be taken up due to disputes / claims / handing over of the land

10 Other income of Rs.1 544 lacs for the quarter ended 31st March, 2018 and Rs 34,875 lacs for year ended 31st March, 2018 includes Rs.880 lacs and Rs.22,848 lacs respectively (previous period/ quarter Rs. Nil) being amount received/ realised from the JSW Energy Ltd. as deferred consideration against sale of Securities of the Company's erstwhile subsidiary Himachal Baspa Power Company Limited (HBPCL) in the financial year 2015-16, in terms of the agreement

11 During the quarter ended 30th September, 2017, ICICI Bank Ltd.(ICICI) had converted its entire outstanding ECB facilities extended to the company into rupee term loan and subsequently hedging contracts have been unwound. Bank has charged unwinding cost of Rs.4,300 lacs. 1/3rd of unwinding cost amounting to Rs. 1,433 lacs has been charged to expense during each quarter ended 30.09 2017, 31.12.2017 and 31 03.2018.

12 Sales/Income from operations for the current period is not comparable with previous periods since the same is net of goods and services Tax (GST) whereas excise duty formed part of expenses in previous periods.

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

14 Diluted Earnings per Share as on 31st March, 2018 has been calculated on the basis of 605,05,34,743 Equity Shares (including 5,45,31,659 Equity Shares which could be allotted to the Foreign Currency Convertible Bondholders in the event of exercising the conversion option of Bonds into Equity Shares).

15 Previous quarter/ year figures have been regrouped / reclassified wherever necessary.

16 The above audited financial results for the quarter/ year ended 31st March, 2018 have been reviewed by Audit Committee and then approved by the Board of Directors at their respective meetings held on the 5th May, 2018.

For and on behalf of the Board

S. K. Sh

SUNIL KUMAR SHARMA
VICE CHAIRMAN & CEO
DIN 00008125

PLACE **New Delhi**
DATE **5th May, 2018**

STANDALONE / CONSOLIDATED AUDITED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

	Particulars	Standalone					Consolidated	
		Quarter Ended			Year Ended		Year Ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited	Audited	#
1	Segment Revenue							
	i) Power & Transmission	69,754	84,128	67,647	3,35,446	2,77,933	4,53,631	4,57,182
	ii) Coal	2,928	7,454	577	30,474	31,136	30,474	31,136
	iii) Other	1,575	1,490	284	4,048	1,372	35,419	8,707
	Total	**74,257**	**93,072**	**68,507**	**3,69,968**	**3,10,441**	**5,19,524**	**4,97,025**
	Less : Inter Segment Eliminations	4,136	7,522	629	31,837	31,260	31,837	31,260
	Add : Other Income	1,544	11,467	2,120	34,875	8,762	35,419	8,707
	Total Sales / Income from Operations	**71,665**	**97,017**	**69,999**	**3,73,006**	**2,87,943**	**5,23,106**	**4,74,472**
2	Segment Results							
	Profit / (loss) from Operations before finance charges, depreciation and amortisation, exceptional items and tax							
	i) Power & Transmission	20,728	24,350	17,883	1,08,003	94,583	1,59,916	1,67,750
	ii) Coal	1,198	1,232	(3,623)	4,911	5,021	4,911	5,021
	iii) Other	275	2,375	1,586	23,080	6,891	23,080	6,891
	Total	22,201	27,957	15,846	1,35,994	1,06,495	1,87,907	1,79,662
	Less :							
	[a] Interest Expenses	35,350	37,284	42,387	1,49,178	1,80,228	2,61,375	2,77,292
	[b] Depreciation and Amortisation	11,923	12,914	11,981	48,686	48,684	81,889	77,121
	Total	47,273	50,198	54,368	1,97,864	2,28,912	3,43,264	3,54,413
	Profit / (loss) from Operations before exceptional Items and tax	(25,072)	(22,241)	(38,521)	(61,870)	(1,22,417)	(1,55,357)	(1,74,751)
	Exceptional items	-	-	-	-	-	(31,325)	-
	Profit / (loss) from Operations before tax	(25,072)	(22,241)	(38,521)	(61,870)	(1,22,417)	(1,86,682)	(1,74,751)
	Income tax (net)	(9,339)	(2,800)	(15,539)	(9,139)	(46,356)	(17,648)	(45,282)
	Other Comprehensive Income	(29)	25	43	(4)	43	(1)	83
	Profit / (loss) from Operations after tax	**(15,762)**	**(19,416)**	**(22,939)**	**(52,735)**	**(76,018)**	**(1,69,035)**	**(1,29,386)**
	Minority interest	-	-	-	-	-	(9,450)	(6,175)
	Profit / (loss) from Operations after tax and Minority Interest	**(15,762)**	**(19,416)**	**(22,939)**	**(52,735)**	**(76,018)**	**(1,59,585)**	**(1,23,211)**
3	Capital Employed							
a	Segment Assets							
	i) Power & Transmission	15,75,812	15,97,450	16,10,525	15,75,812	16,10,525	29,08,544	29,72,605
	ii) Coal	46,795	50,120	52,415	46,795	52,415	46,795	52,415
	iii) Other	7,54,893	7,47,370	7,58,560	7,54,893	7,58,560	7,54,893	7,58,560
	Total	**23,77,500**	**23,94,940**	**24,21,500**	**23,77,500**	**24,21,500**	**37,10,232**	**37,83,580**
b	Segment Liabilities							
	i) Power	3,29,199	3,16,220	2,80,368	3,29,199	2,80,368	6,46,722	5,13,020
	ii) Coal	7,661	15,374	7,330	7,661	7,330	7,661	7,330
	iii) Other	1,06,736	36,225	24,591	1,06,736	24,591	1,06,736	24,591
	Total Liabilities	**4,43,596**	**3,67,819**	**3,12,289**	**4,43,596**	**3,12,289**	**7,61,119**	**5,44,941**
c	**Capital Employed**	**19,33,904**	**20,27,121**	**21,09,211**	**19,33,904**	**21,09,211**	**29,49,113**	**32,38,639**

As certified by the management

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rupees in Lakhs)

Particulars		Standalone		Consolidated	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Audited	Audited	Audited
A	**ASSETS**				
1	Non-current Assets				
	(a) Property, plant and equipment	15,18,244	15,60,736	30,86,367	27,19,117
	(b) Capital Work-in-Progress	15,877	15,763	56,149	4,84,805
	(c) Goodwill	14	14	18	18
	(d) Other Intangible Assets	22,961	24,530	22,961	24,530
	(e) Investment in subsidiaries	1,01,092	3,53,093	-	-
	(f) Financial Assets				
	(i) Investments	1,98,594	1,98,594	1,98,594	1,98,594
	(ii) Loans	316	33,060	3,335	3,276
	(iii) Other Financial Assets	371	140	1,217	1,015
	(g) Deferred Tax Assets (Net)	90,544	72,781	83,381	54,265
	(i) Other Non-current Assets	42,247	57,250	55,302	97,439
	Total - Non-Current Assets	19,90,260	23,15,961	35,07,324	35,83,059
2	Current Assets				
	(a) Inventories	16,852	23,455	22,836	31,461
	(b) Financial Assets				
	(i) Other Investments	2,73,877	-	-	-
	(ii) Trade receivables	29,639	45,414	98,021	1,02,657
	(iii) Cash and bank balances	4,508	4,299	9,313	7,138
	(iv) Bank balances other than (iv) above	480	340	2,841	1,161
	(v) Loans	15,713	-	11	68
	(vi) Other Financial Assets	44	36	6,023	1,585
	(c) Current Tax Assets (Net)	183	44	2,398	784
	(d) Other Current Assets	45,944	31,951	61,465	55,667
	Total - Current Assets	3,87,240	1,05,539	2,02,908	2,00,521
	Total - Assets	23,77,500	24,21,500	37,10,232	37,83,580
B	**EQUITY AND LIABILITIES**				
	Equity				
	(a) Equity Share Capital	5,99,600	5,99,600	5,99,600	5,99,600
	(b) Other Equity	3,36,946	3,89,681	1,78,331	3,39,101
	(c) Non controlling interest	-	-	27,332	36,782
	Total - Equity	9,36,546	9,89,281	8,05,263	9,75,483
1	Non-current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	7,93,149	8,98,138	18,43,863	20,10,307
	(ii) Other Financial Liabilities	499	1,055	59,551	53,182
	(b) Provisions	5,047	5,304	5,087	5,345
	(c) Other Non-current Liabilities	46,621	53,722	60,145	71,316
	Total - Non-Current Liabilities	8,45,316	9,58,219	19,68,646	21,40,150
2	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	1,33,672	62,732	1,70,439	99,495
	(ii) Trade Payables	31,516	26,875	31,873	30,240
	(iii) Other Financial Liabilities	4,20,017	3,67,151	7,23,373	5,19,996
	(b) Other Non-current Liabilities	10,182	16,914	10,307	17,759
	(c) Short term Provisions	251	328	300	378
	(d) Current Tax Liabilities (Net)	-	-	31	79
	Total - Current Liabilities	5,95,638	4,74,000	9,36,323	6,67,947
	Total - EQUITY AND LIABILITIES	23,77,500	24,21,500	37,10,232	37,83,580

LODHA & CO
Chartered Accountants

12, Bhagat Singh Marg, New Delhi - 110 001, India
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E-mail : delhi@lodhaco.com

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

To
The Board of Directors of
Jaiprakash Power Ventures Limited

1. We have audited the accompanying standalone financial results of JAIPRAKASH POWER VENTURES LIMITED ('the Company') for the quarter ended 31 March 2018 and the year to date results for the period from 1 April 2017 to 31 March 2018 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015.The quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended 31 March 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

   These quarterly Standalone financial results as well as the year to date Standalone financial results have been prepared on the basis of the reviewed Standalone financial results up to the end of the third quarter and audited annual Standalone financial statements, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial results based on our audit of such Standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

3. **Basis of Qualified opinion**
   <u>Attention is drawn to</u>:
   (a) Note no 55 (b) of standalone financial statements regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), a subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 289,038 lacs (Including Investment and loan components of compound financial instrument- Optionally Convertible Preference Shares).Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable. (Footnote no. 5 (a) of financial results)

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(b) As stated in note no. 45 (e) of the standalone financial statements, The Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84,557.33 lacs and Rs. 110,000 lacs respectively for which fair valuation has not been done as per the applicable IND-AS as of 31 March 2018. In the absence of fair valuation of the said corporate guarantees, we are not able to ascertain the impact of the same on the financials results/ statement of affairs. (Footnote no 5 (b) of the financial results)

(c) As stated in note no. 55 (a) and 47 of the standalone financial statements, No provision for diminution in value against certain long term investments of amounting to Rs.277,486 lacs (Book Value) ("Including investment in trust which in turn holding investment in the Company") has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims.
Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage as stated in footnote no 6 of the financial results.

(d) Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) and penal interest on certain loans of amounting to Rs. 4,618 lacs and Rs. 3,040.94 lacs respectively as stated in Note no. 59 (a) and no. 59 (b) of the standalone financial statements. Had the interest provision been made the loss for the year of the Company would have increased by the said amount. (Footnote no 7 of the financial results)

Our report also qualified in previous quarter ended 31 December 2017 on issue stated in para 3 (a).

4. **Qualified opinion :**
Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanation given to us, except for the effects/possible effects of our observations in para 3 above, these quarterly as well as the year to date results:
(a) are prepared standalone results in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5 July 2016 in this regard; and
(b) give a true and fair view of the financial performance including other comprehensive income and other financial information for the quarter ended 31 March 2018 as well as the year to date results for the period from 1 April 2017 to 31 March 2018.

5. **Emphasis of matter:**
We draw attention to the following matters:

(a) As Stated in Note no. 49 of the standalone financial statements, no provision against Entry Tax in respect of Bina unit & Nigrie Power and Cement unit amounting to Rs.11,533 lacs & Rs. 9,074 lacs respectively and interest thereon (impact unascertainable)as stated in said note has been made by the company. The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled& in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lacs and Rs.2,580 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement unit respectively which is in the opinion of the management good and recoverable.

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Chartered Accountants

(b) Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors)(Including receivables/payables from/to related parties) and loans & advances. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in Note no. 61 of the standalone financial statements.

(c) For deferred tax assets on unabsorbed depreciation and business losses recognised and MAT credit entitlement of amounting to Rs. 90,544 lacs and Rs. 31,631 lacs respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 68 (c) of the standalone financial statements.

(d) As stated in Note no. 64 of the standalone financial statements, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of remuneration/excess payment of remuneration amounting to Rs. 1067.33 lacs to the directors in the financial years 2013-14 and 2015-16 onwards (including for as stated in said note against rejection of the Company's application).

(e)

i. As stated in the Note no. 58 of the standalone financial statements, the Company has signed an agreement for sale of its Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) and as stated in the said note, the Company is currently in process of compliance of certain terms and conditions of agreement dated 31st May 2017. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.

ii. As stated in the Note no. 57 of the standalone financial statements, fair value of fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being in excess as compared to the carrying value, as estimated by a technical valuer and for the reasons explained in the said note, management is of the view that no impairment provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.

(f) During the financial year ended 31March, 2018, the Company has incurred cash loss, and its current liabilities exceed its current assets as at 31st March, 2018. However, for the reasons stated in the Note no.60 of the standalone financial statements, these standalone financial statements are prepared on going concern basis.

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

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New Delhi

6. The comparative financial information for year ended 31 March 2017 prepared in accordance with Ind AS included in these standalone financial results have been audited by the predecessor auditor. The report of the predecessor auditor dated 29 May 2017 on the comparative financial information expressed an unmodified opinion. The comparative quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended 31 March 2017 and the published year-to-date figures up to 31 December 2016, being the date of the end of the third quarter of the previous financial year.

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

N.K. Lodha
Partner
Membership No. 085155
Place: New Delhi
Dated: 05-05-2018

LODHA & CO. New Delhi Chartered Accountants

LODHA
& CO
Chartered Accountants

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

To The Board of Directors of Jaiprakash Power Ventures Limited

1. We have audited the consolidated financial results of Jaiprakash Power Ventures Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') the year ended 31 March, 2018, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March, 2018 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act'), and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November, 2015 and CIR/CFD/CMD/15/2015 dated 5 July, 2016, which are the responsibility of the Holding Company's management and have been approved by the Board of Directors of the Holding Company . Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March, 2018.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on the test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provide a reasonable basis for our opinion.

3. **Basis of Qualified Opinion:**

<u>Attention is drawn to:</u>

(a) Note no 52 (b) of the consolidated financial statements, regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), a subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 289,038 lacs (Including Investment and loan components of compound financial instrument- Optionally Convertible Preference Shares). Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017 and profit/(loss) post this date not been recorded in consolidated financial statements. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable. However pending final decision, in consolidated financial statements no impact has been carried out in this regard and total assets and liabilities of Rs.15,99,311 lacs & Rs. 14,39,365 lacs respectively been considered and carried over. (Footnote no. 5 (a) of financial results)

(b) As stated in note no. 43 (h) of the consolidated financial statements, The Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84,557.33 lacs

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and Rs. 1, 10,000 lacs respectively for which fair valuation has not been done as per the applicable IND-AS as of 31 March 2018. In the absence of fair valuation of the said corporate guarantees, we are not able to ascertain the impact of the same on the financials results/ statement of affairs. (Footnote no. 5 (b) of the financial results)

(c) As stated in note no 52 (a) of the consolidated financial statements, No provision for diminution in value of investment in beneficiary trust (Equity), JPVL Trust amounting to Rs. 198,594 lacs, ("which in turn holding investment in the Company") has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects.
Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage as stated in footnote no. 6 of the financial results.

(d) Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) and penal interest on certain loans of amounting to Rs. 4618 lacs and Rs. 3040.94 lacs respectively as stated in Note no 56 (a) & (b) of the consolidated financial statements. Had the interest provision been made the loss for the year of the Company would have increased by the said amount. (Footnote no. 7 of the financial results)

(e) Expenditure incurred during the construction and incidental to setting up of the project, Capital advances and other financial assets in respect of project (project assets) have been carried forward as 'Capital Work-in-Process', Capital advances and other financial assets. In view of abnormal delay in handling over the possession of land, the promoter of the company had requested Uttar Pradesh Power Corporation Limited (UPPCL) to take over the project /company and refund of investment made by it. Pending such settlement, no adjustment in the carrying value of project assets under non current assets, for impairment has been made. Further the ultimate outcome of the settlement is as present not ascertainable. This indicates the existence of a material uncertainty that cast significance doubt on the Company's ability to continue as Going concern and accordingly we are unable to comment on the consequential impact, if any, on the carrying value of such project assets under non current assets in consolidated financial statement as stated in Note no. 52 (c) of the consolidated financial statements. (Footnote no. 8 of the financial results)

4. **Qualified Opinion:**
In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of our observations stated in para 3 above, and based on the consideration of the reports of other auditors on separate financials results and on other financial information of the subsidiaries , the consolidated financial results:

(a) Include the financial results for the year ended 31 March 2018, of the following entities:
Subsidiaries
(i) JaypeePowergrid Limited (JV Subsidiary)
(ii) Jaypee Arunachal Power Limited (JV Subsidiary)
(iii) Jaypee Meghalaya Power Limited
(iv) Prayagraj Power Generation Company Limited (till 17 December 2017)
(v) Sangam Power Generation Company Limited
(vi) Bina Power Supply Limited

(b) are presented in accordance with the requirement of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard: and

(c) give a true and fair view of the consolidated financial performance (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act for the year ended 31 March 2018.

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5. **Emphasis of matter:**

We draw attention to the following matters:

(a) As Stated in Note no. 47 of the consolidated financial statements, no provision against Entry Tax in respect of Bina unit & Nigrie Power and Cement unit amounting to Rs.11,533 lacs & Rs. 9,074 lacs respectively and interest thereon (impact unascertainable) as stated in said note has been made by the company. The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled & in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lacs and Rs.2,580 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement unit respectively which is in the opinion of the management good and recoverable.

(b) Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties) and loans & advances. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in Note no. 58 of the consolidated financial statements.

(c) For deferred tax assets on unabsorbed depreciation and business losses recognised and MAT credit entitlement of amounting to Rs. 90,544 lacs and Rs. 31,631 lacs respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 67 of the consolidated financial statements.

(d) As stated in Note no. 61 of the consolidated financial statements, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of remuneration/excess payment of remuneration amounting to Rs. 1067.33 lacs to the directors in the financial years 2013-14 and 2015-16 onwards (including for as stated in said note against rejection of the Company's application).

(e)

(i) As stated in the Note no.55 of the consolidated financial statements, the Company has signed an agreement for sale of its Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) and as stated in the said note, the Company is currently in process of compliance of certain terms and conditions of agreement dated 31 May 2017. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.

(ii) As stated in the Note no. 54 of the consolidated financial statements, fair value of fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being in excess as compared to the carrying value, as estimated by a technical valuer and for the reasons explained in the said note, management is of the view that no impairment provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.

(f) During the financial year ended 31 March, 2018, the Company has incurred cash loss, and its current liabilities exceed its current assets as at 31 March, 2018. However, for the reasons stated in the Note no. 57 of the consolidated financial statements, the financial statements of the company are prepared on going concern basis.

(g) Auditors of the respective companies have drawn attention in their report:

(i) Sangam Power Generation Company Limited (SPGCL) a subsidiary of the company is yet to appoint key management person including company secretary as per the requirement of the Act.

(ii) Jaypee Meghalaya Power Limited a subsidiary of the company is yet to appoint Company Secretary as key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014.

(iii) Jaypee Arunachal Power Limited a subsidiary of the company is yet to appoint key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014.

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

6. **Other Matters :**

We did not audit the financial statements of six subsidiaries whose financial statements reflect total assets of Rs. 17,31,198 Lacs, net assets of Rs. 2,46,690.57 Lacs and net cash inflows of Rs. 1,964.45 Lacs as at 31 March 2018, total revenues of Rs. 1,57,045.72Lacs, total profit/(loss) after tax of Rs. (1,22,391.59) Lacs and other comprehensive Income of Rs. 4.05 Lacs for year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results , in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations , 2015, read with SEBI circulars CIR/CFD/CMD/15/2015 dated 30 November, 2015 and CIR/CFD/CMD/15/2015 dated 5 July, 2016,in so far as it relates to the aforesaid subsidiaries , are based solely on the reports of such auditors .

7. The Comparative financial statements for the year ended 31 March 2017 prepared in accordance with Ind AS included in these consolidated financial statements have been audited by predecessor auditor, on which they had expressed an unmodified opinion vide their report dated 29 May, 2017. Our opinion is not modified in respect of this matter. Comparative figures in Segment Reporting are considered as certified by the management.

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

N.K. LODHA
Partner
Membership No. 085155
Place: New Delhi
Date: 05-05-2018

LODHA & CO. New Delhi Chartered Accountants

ANNEXURE-I

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
(See Regulation 33/52 of the SEBI (LODR)(Amendment) Regulations, 2016)

(Amount in Rs. Lacs)

I.	**S. No.**		**Audited Figures (as reported before adjusting for qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
	1.	Turnover/ Total Income	373006	373006
	2.	Total Expenditure	434876	442535
	3.	Exceptional and Extraordinary items (Net)	-	
	4.	Net Profit/(Loss) (1-2-3) before tax	(61870)	(69529)
	5.	Earnings Per Share (after Extraordinary items)	(0.88)	(1.01)
	6.	Total Assets	2377500	2377500
	7.	Total Liabilities	1440954	1448613
	8.	Net Worth	936546	928887
	9.	Any other financial item(s) (as felt appropriate by the management)	-	-
			-	-

II. **Audit Qualification (each audit qualification separately):**

Attention is drawn to:

(a) Note no 55 (b) of standalone financial statements regarding invocation of the pledged shares of Prayagraj Power Generation Company Limited

(PPGCL), a subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 289,038 lacs (Including Investment and loan components of compound financial instrument-Optionally Convertible Preference Shares).Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable. (Footnote no. 5 (a) of financial results)

(b) As stated in note no. 45 (e) of the standalone financial statements, The Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84,557.33 lacs and Rs. 110,000 lacs respectively for which fair valuation has not been done as per the applicable IND-AS as of 31 March 2018. In the absence of fair valuation of the said corporate guarantees, we are not able to ascertain the impact of the same on the financials results/ statement of affairs. (Footnote no 5 (b) of the financial results)

(c) As stated in note no. 55 (a) and 47 of the standalone financial statements, No provision for diminution in value against certain long term investments of amounting to Rs.277,486 lacs (Book Value) ("Including investment in trust which in turn holding investment in the Company") has been made by the management as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims. Having regard to the above, management of the Company has concluded that no provision against diminution is necessary at this stage as stated in footnote no 6 of the financial results.

	(d) Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) and penal interest on certain loans of amounting to Rs. 4,618 lacs and Rs. 3,040.94 lacs respectively as stated in Note no. 59 (a) and no. 59 (b) of the standalone financial statements. Had the interest provision been made the loss for the year of the Company would have increased by the said amount. (Footnote no 7 of the financial results) Our report was also qualified in previous quarter ended 31 December 2017 on issue stated in para 3 (a).
III	**Management Response to the Qualification in the Standalone Annual Audited Financial Statements:-** (a) Pending disposal/ transfer of pledged shares of Prayagraj Power Generation Company Limited by the Lenders, no provision has been considered necessary in these financial statement, as impact, if any is currently unascertainable. Keeping in view of the facts stated above, the entire amount of investment in PPGCL of Rs.2,89,038 Lakhs (Including Investment and loan component of compound financial instrument-Optionally Convertible Preference Shares) is shown as Current Investments and Current Financial Assets-Loans. **Presently Impact can not be quantified.** (b) In the opinion of the Management there will be no material impact of the fair valuation of the following guarantees on the financial result/ statement of affairs. Accordingly considering this not being considered and recorded in this financial statement. (i) Corporate Guarantee of US$ 1,500 Lakhs in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to

Jaiprakash Associates Limited (Party to whom the company is Associate). The principal amount of loan outstanding of US$ 1,300 Lakhs (equivalent to Rs. 84557.33 lakhs) has been converted to rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016.

(ii) Corporate Guarantee of Rs.50,000 Lakhs in favour of State Bank of India, for Optionally Convertible Sub Debt underwritten/ granted by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company).The principal amount of loan outstanding as on 31st March, 2018 was Rs.50,000 Lakhs (Previous Year-Rs.50,000 Lakhs).

(iii) Corporate Guarantee of Rs.60,000 Lakhs in favour of State Bank of India, for Optionally Convertible Short Term Loan granted by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company).The principal amount of loan outstanding as on 31st March, 2018 was Rs.60,000 Lakhs (Previous Year-Rs.60,000 Lakhs).

Presently Impact can not be quantified.

(c) No provision for diminution in value against following long term investments of amounting to Rs.2,77,486 lakhs (Book Value) ("Including investment in trust which in turn holding investment in the Company") has been made as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims and management is confident that no provision for the same at this stage is considered necessary.

(i)	Investment in Sangam Power Generation Company Limited	Rs. 55,206 lakhs
(ii)	Investment in Jaypee Arunachal Power Ltd	Rs. 22,842 lakhs
(iii)	Investment in Jaypee Meghalaya Power Ltd	Rs. 838 lakhs
(iv)	Investment in JPVL Trust	Rs. 198,595 lakhs

	(v) Interest in Bina Power Supply Co. Ltd. Rs. 5 Lakhs Rs. 277,486 lakhs **Presently Impact can not be quantified.** -------------------------- (d) The Company is under discussion with the Bond Holders for settlement / conversion and they are in principle agreeable to convert their entire principal outstanding of US$ 101 million into equity at a conversion price of INR 12/- share and waive off the entire accrued interest without any further changes to terms & conditions of the bonds. Therefore Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) of amounting to Rs 4618 lakhs in the financial statements. Company has not provided penal interest on loans of amounting to Rs. 3040.94 lakhs (approx) as majority of the lenders / banks did not confirm balances / charged penal interest in view of the facility granted to the Company by them has been classified as NPA (31st March 2018).
IV.	**Emphasis of matter:** We draw attention to the following matters: (a) As Stated in Note no. 49 of the standalone financial statements, no provision against Entry Tax in respect of Bina unit & Nigrie Power and Cement unit amounting to Rs.11,533 lacs & Rs. 9,074 lacs respectively and interest thereon (impact unascertainable) as stated in said note has been made by the company. The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled& in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, as stated in the said notes for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lacs and Rs.2,580 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement unit respectively which is in the opinion of the management good and recoverable.

(b) Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors)(Including receivables/payables from/to related parties) and loans & advances. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in Note no. 61 of the standalone financial statements.

(c) For deferred tax assets on unabsorbed depreciation and business losses recognised and MAT credit entitlement of amounting to Rs. 90,544 lacs and Rs. 31,631 lacs respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 68 (c) of the standalone financial statements.

(d) As stated in Note no. 64 of the standalone financial statements, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of remuneration/excess payment of remuneration amounting to Rs. 1067.33 lacs to the directors in the financial years 2013-14 and 2015-16 onwards (including for as stated in said note against rejection of the Company's application).

(e) (i) As stated in the Note no. 58 of the financial statements, the Company has signed an agreement for sale of its Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) and as stated in the said note, the Company is currently in process of compliance of certain terms and conditions of agreement dated 31st May 2017. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.

ii. As stated in the Note no. 57 of the financial statements, fair value of fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being in excess as compared to the carrying value, as estimated by a technical valuer and for the reasons explained in the said note, management is of the view that no impairment provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.

(f) During the financial year ended 31March, 2018, the Company has incurred cash loss, and its current liabilities exceed its current assets as at 31st March, 2018. However, for the reasons stated in the Note no.60 of the Standalone financial statements, these financial statements are prepared on going concern basis.

Our opinion is not modified in respect of above stated matters

V. **Management Response to the Emphasis of matter in the Standalone Annual Audited Financial Statements:-**

(a) The Company has not made provision against Entry Tax in respect of Bina unit & Nigrie Power and Cement unit amounting to Rs.11,533 lacs & Rs. 9,074 lacs respectively and interest thereon (impact unascertainable). The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled& in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 Lacs and Rs.2,580 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement unit respectively which is in the opinion of the management good and recoverable.

Presently Impact can not be quantified.

	(b) Management is in the process to reconcile /confirmation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties) and loans & advances and management expected that there will be no material impact on the financial statement. **Presently Impact can not be quantified.** (c) Though the company has been incurring losses in last few years,it expects turnaround of the sector and accordingly Deferred tax assets in respect of unabsorbed depreciation and business losses and MAT credit entitlement have been recognized amounting to Rs. 90,543 lakhs and Rs.31,631 lakhs respectively, owing to reasonable certainty of availability of future taxable income to realize such assets.. Accordingly, these have been considered good and no provision there against at this stage is considered necessary in the financial statements. **Presently Impact can not be quantified.** (d) The company had filled requisite applications for obtaining the approvals of the Central Government i.e Ministry of Corporate Affairs (MCA) for the approval of remuneration to Shri Praveen Kumar Singh, Whole Time Director (WTD) for a period of three years from 12th August 2016 to 11th August, 2019 which was rejected vide letter dated 11th September 2017 and the company was asked to recover excess amount paid to him as well as the Shri Suren Jain, Managing Director & CFO(MD & CFO) due to the inadequacy of profit for the financial year 2013 -14 & further 2015-16 onwards due to the default in repayment of loan & interest to banks/financial institutions. Remuneration paid to W.T.D and M.D. and CFO was within the limit of Schedule V of the Companies Act except for the year 2013-14.Though the company has made the representation vide letter dated 14th November, 2017 but response from MCA is awaited. Company is in the process of to obtain the approval of the Central Government for excess remuneration amounting to Rs.249.13 Lakhs, 306.61 Lakhs and 309.85 lakhs paid during the financial years 2013-14, 2015-16 & 2016-17 respectively. For

	Rs. 201.74 lakhs of the Financial Year 2017-18 is subject to the approval of the Shareholders in ensuring General Meeting / Central Government. **Presently Impact can not be quantified.** (e) (i) The Company has signed an agreement dated 31st May, 2017 with Orient Cement Limited (OCL) for sale of aforesaid unit as a going concern basis at an estimated enterprise value of Rs. 500 Crore subject to compliance of certain terms and conditions stated in the agreement. Currently, the Company is in the process of compliance of certain terms and conditions of the agreement. As assessed by an Expert and by the Management, carrying value is lower than fair value, therefore, the management feel that there is no need to make provision on account of impairment at the stage. **Presently Impact can not be quantified.** (ii) In view of fair value for all fixed assets of power plants (JNSTPP and JPTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being excess as compared to the carrying value, as estimated by a technical valuer and an Experts, management does not anticipate any impairment amount which is to be provided at this stage in the financial statement for in the value of property, plant and equipment(including capital work-in-progress) based on the condition of plant, market demand and supply, economic and regulatory environment and other factors. **Presently Impact can not be quantified.** (f) The Company expects to meet its financial obligations based on the resolution/ revival plan under consideration by Lender(s) and expected revenue generation from sale of energy under long term PPAs/ Merchant sales etc as may be required to sustain its operations on a going concern basis. Hence these standalone financial statement are prepared on going concerned basis.

	b.	Type of Audit Qualification: Qualified Opinion~~/ Disclaimer of Opinion/ Adverse Opinion:~~ Modified opinion by Auditors

	c.	Frequency qualification: Whether appeared first time/ repetitive / since how long continuing: First Time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: As Stated above under respective reply on the Audit Qualifications.
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: As Stated above under respective reply on the Audit Qualifications.

VI.	**Signatories**	
	• Sunil Kumar Sharma (Vice Chairman & CEO)	S.K.Sharma
	• Suren Jain (Managing Director & CFO)	
	• B.B.Tandon (Chairman-Audit Committee)	B.B.Tandon
	• Statutory Auditors: N.K. Lodha, Partner, Lodha & Co., Chartered Accountants (M.No. 85155) (FRN 301051E)	
	Place: New Delhi	
	Date :5th May 2018	

ANNEXURE-I

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
(See Regulation 33/52 of the SEBI (LODR)(Amendment) Regulations, 2016)

I.	S. No.		Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	523106	523106
	2.	Total Expenditure	678463	686122
	3.	Exceptional and Extraordinary items (Net)	(31325)	(31325)
	4.	Net Profit/(Loss) (1+2-3) before tax	(186682)	(194341)
	5.	Earnings Per Share (after Extraordinary items)	(2.82)	(2.95)
	6.	Total Assets	3710232	3710232
	7.	Total Liabilities	2904969	2912630
	8.	Net Worth	805263	797604
	9.	Any other financial item(s) (as felt appropriate by the management)	-	-
				-
II.	**Audit Qualification (each audit qualification separately):** **Attention is drawn to:** (a) Note no 52 (b) of the consolidated financial statements, regarding			

	invocation of the pledged shares of Prayagraj Power Generation Company Limited (PPGCL), a subsidiary of the Company, pledged by the Company in favour of the lenders of PPGCL, amounting to Rs. 289,038 lacs (Including Investment and loan components of compound financial instrument- Optionally Convertible Preference Shares). Consequent upon invocation of entire pledged shares, PPGCL ceased to be subsidiary of the Company w.e.f 18th December, 2017 and profit/(loss) post this date not been recorded in consolidated financial statements. Pending disposal/ transfer of shares by the Lenders, no provision has been considered necessary in these financial statements by the management, as impact, if any is currently unascertainable. However pending final decision, in consolidated financial statements no impact has been carried out in this regard and total assets and liabilities of Rs.15,99,311 lacs & Rs. 14,39,365 lacs respectively been considered and carried over. (Footnote no. 5 (a) of financial results) (b) As stated in note no. 43 (h) of the consolidated financial statements, The Company has given the corporate guarantees for loans granted by the lenders to Jaiprakash Associates Limited (JAL) (the party to whom the company is associate) and to PPGCL (erstwhile subsidiary of Company) of amounting to Rs. 84,557.33 lacs and Rs. 1,10,000 lacs respectively for which fair valuation has not been done as per the applicable IND-AS as of 31 March 2018. In the absence of fair valuation of the said corporate guarantees, we are not able to ascertain the impact of the same on the financials results/ statement of affairs. (Footnote no. 5 (b) of the financial results) (c) As stated in note no 52 (a) of the consolidated financial statements, No provision for diminution in value of investment in beneficiary trust (Equity), JPVL Trust amounting to Rs. 198,594 lacs, ("which in turn holding investment in the Company") has been made by the management

as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects.

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

(d) Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) and penal interest on certain loans of amounting to Rs. 4618 lacs and Rs. 3040.94 lacs respectively as stated in Note no 56 (a) & (b) of the consolidated financial statements. Had the interest provision been made the loss for the year of the Company would have increased by the said amount. (Footnote no. 7 of the financial results)

(e) In respect of SPGCL, Expenditure incurred during the construction and incidental to setting up of the project, Capital advances and other financial assets in respect of project (project assets) have been carried forward as 'Capital Work-in-Process', Capital advances and other financial assets. In view of abnormal delay in handling over the possession of land, the promoter of the company had requested Uttar Pradesh Power Corporation Limited (UPPCL) to take over the project /company and refund of investment made by it. Pending such settlement, no adjustment in the carrying value of project assets under non current assets, for impairment has been made. Further the ultimate outcome of the settlement is as present not ascertainable. This indicates the existence of a material uncertainty that cast significance doubt on the Company's ability to continue as Going concern and accordingly we are unable to comment on the consequential impact, if any, on the carrying value of such project assets under non current assets in consolidated financial statement as stated in Note no. 52 (c) of the consolidated financial statements. (Footnote no. 8 of the financial results)

III	**Management Response to the Qualification in the Consolidated Annual Audited Financial Statements:-** (a) Pending disposal/ transfer of pledged shares of Prayagraj Power Generation Company Limited by the Lenders, no provision has been considered necessary in these financial statement, as impact, if any is currently unascertainable. Keeping in view of the facts stated above, the entire amount of investment in PPGCL of Rs.2,89,038 Lakhs (Including Investment and loan component of compound financial instrument-Optionally Convertible Preference Shares) is shown as Current Investments and Current Financial Assets-Loans. **Presently Impact can not be quantified.** (b) In the opinion of the Management there will be no material impact for the year and in the stage of approval, on the fair valuation of the following guarantees on the financial result/ statement of affairs. Accordingly considering this not being considered and recorded in this financial statement. (i) Corporate Guarantee of US$ 1,500 Lakhs in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited (Party to whom the company is associate).The principal amount of loan outstanding of US$ 1,300 Lakhs (equivalent to Rs. 84557.33 lakhs) has been converted to rupee term loan by State Bank of India vide sanction letter dated 28th December, 2016. (ii) Corporate Guarantee of Rs.50,000 Lakhs in favour of State Bank of India, for Optionally Convertible Sub Debt underwritten/ granted by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company).The principal amount of loan outstanding as on 31st March, 2018 was Rs.50,000 Lakhs (Previous Year-Rs.50,000 Lakhs). (iii) Corporate Guarantee of Rs.60,000 Lakhs in favour of State Bank of

India, for Optionally Convertible Short Term Loan granted by them to Prayagraj Power Generation Company Limited (erstwhile subsidiary of the Company).The principal amount of loan outstanding as on 31st March, 2018 was Rs.60,000 Lakhs (Previous Year-Rs.60,000 Lakhs).

Presently Impact can not be quantified.

(c) No provision for diminution in value against following long term investments of amounting to Rs.1,98,594 lacs lakhs (Book Value) in JPVL TRUST which in turn holding investment in the Company") has been made as in the opinion of the management such diminution is temporary in nature considering the intrinsic value of the assets, future prospects and claims and management is confident that no provision for the same at this stage is considered necessary.

Presently Impact can not be quantified.

(d) The Company is under discussion with the Bond Holders for settlement / conversion and they are in principle agreeable to convert their entire principal outstanding of US$ 101 million into equity at a conversion price of INR 12/- share and waive off the entire accrued interest without any further changes to terms & conditions of the bonds. Therefore Company has not provided Interest on outstanding Foreign Currency Convertible Bonds (FCCBs) of amounting to Rs 4618 lakhs in the financial statements.

Company has not provided penal interest of amounting to Rs. 3040.94 lakhs (approx) as majority of the lenders / banks did not confirm balances / charge penal interest in view of the facility granted to the Company by them has classified as NPA (31st March 2018).

(e) Sangam Power Generation Company Limited (SPGCL) was acquired by JPVL (the Company) from Uttar Pradesh Power Corporation Limited

	(UPPCL) in earlier years, for the implementation of 1320 MW (2 x 660 MW) Thermal Power Project (with provision to add one additional unit of 660 MW) in Tehsil Karchana of District Allahabad, Uttar Pradesh. All major statutory approvals for Phase-1, are in place and Coal linkage for 4.68 MTPA by Northern Coalfield Limited has been issued for Phase-1 of the Project. SPGCL executed Deed of Conveyance with Uttar Pradesh Power Corporation Limited (UPPCL) but the District Administration could not hand over physical possession of land to SPGCL and hence, no physical activity could be started for the implementation of Project. SPGCL has written to UPPCL and all procurers that the Power Purchase Agreement is rendered void and cannot be enforced. There is abnormal delay in resolving the matter by UPPCL, SPGCL has withdrawn all its undertakings given to UPPCL and lodged a claim ofRs. 1,15,722 Lakhs on UPPCL. JAL has also furnished Performance Guarantee aggregating to Rs. 99.00 crores valid up to 31.12.2018. The Company has made investment of Rs.55,207 Lakhs in SPGCL up to 31th March, 2018. Where no provision is considered necessary by the management, keeping in view the above stated facts and considering value of assets/ claims.
IV	**Emphasis of matter**: We draw attention to the following matters: (a) As Stated in Note no. 47 of the consolidated financial statements, no provision against Entry Tax in respect of Bina unit & Nigrie Power and Cement unit amounting to Rs.11,533 lacs & Rs. 9,074 lacs respectively and interest thereon (impact unascertainable) as stated in said note has been made by the company. The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled & in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, as stated in the said notes for which the

company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 lacs and Rs.2,580 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement unit respectively which is in the opinion of the management good and recoverable.

(b) Pending confirmations/reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties) and loans & advances. The management is confident that on confirmation/reconciliation there will not be any material impact on the state of affairs as stated in Note no. 58 of the consolidated financial statements.

(c) For deferred tax assets on unabsorbed depreciation and business losses recognised and MAT credit entitlement of amounting to Rs. 90,544 lacs and Rs. 31,631 lacs respectively, the Management is confident about realisability. Accordingly, these have been considered good and no provision there against at this stage is considered necessary by the management as stated in Note no. 67 of the consolidated financial statements.

(d) As stated in Note no. 61 of the consolidated financial statements, the Company is in the process of making application to the Central Government/seeking approval of the Central Government for payment of remuneration/excess payment of remuneration amounting to Rs. 1067.33 lacs to the directors in the financial years 2013-14 and 2015-16 onwards (including for as stated in said note against rejection of the Company's application).

(e) (i) As stated in the Note no.55 of the consolidated financial statements, the Company has signed an agreement for sale of its Jaypee Nigrie Cement grinding unit (JNCGU) (2 million MT capacity) and as stated in the said note, the Company is currently in process of compliance of certain terms and conditions of agreement dated 31 May 2017. As assessed by an expert and by the management carrying value is lower than the fair value of Cement unit hence no provision for impairment at this stage is considered necessary.

(ii) As stated in the Note no. 54 of the consolidated financial statements, fair value of fixed assets of power plants (JNSTPP and JBTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being in excess as compared to the carrying value, as estimated by a technical valuer and for the reasons explained in the said note, management is of the view that no impairment provision in the carrying amount of fixed assets (including capital work-in-progress) is necessary at this stage.

(f) During the financial year ended 31 March, 2018, the Company has incurred cash loss, and its current liabilities exceed its current assets as at 31 March, 2018. However, for the reasons stated in the Note no. 57 of the consolidated financial statements, the financial statements of the company are prepared on going concern basis.

(g) Auditors of the respective companies have drawn attention in their report:

(i) Sangam Power Generation Company Limited (SPGCL) a subsidiary of the company is yet to appoint key management person including company secretary as per the requirement of the Act.

(ii) Jaypee Meghalaya Power Limited a subsidiary of the company is yet to appoint Company Secretary as key managerial personnel as per

	the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014. (iii) Jaypee Arunachal Power Limited a subsidiary of the company is yet to appoint key managerial personnel as per the requirement of the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014. Our opinion is not modified in respect of above stated matters
V	**Management Response to the Emphasis of matter in the Consolidated Annual Audited Financial Statements:-** (a) The Company has not made provision against Entry Tax in respect of Bina unit & Nigrie Power and Cement unit amounting to Rs.11,533 lacs & Rs. 9,074 lacs respectively and interest thereon (impact unascertainable). The concerned authority once issued the exemption certificate in respect of Bina unit for exemption of entry tax later on cancelled& in respect of Nigrie Power and Cement unit receipts of approval for extension of the time for eligibility of exemption from payment of Entry tax is pending, for which the company has made representations before the concerned authority and management is confident for favourable outcome. Against the entry tax demand till date Rs.1,946 Lacs and Rs.2,580 lacs has been deposited (and shown as part of other non-current assets) in respect of Bina unit & Nigrie Power and Cement unit respectively which is in the opinion of the management good and recoverable. **Presently Impact can not be quantified.** (b) Management is in the process to reconcile /confirmation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables (including capital creditors) (Including receivables/payables from/to related parties) and loans &

advances and management expected that there is no material impact on the financial statement.

Presently Impact can not be quantified.

(c) Though the company has been incurring losses in last few years,it expects turnaround of the sector and accordingly Deferred tax assets in respect of unabsorbed depreciation and business losses and MAT credit entitlement have been recognized amounting to Rs. 90,543 lakhs and Rs.31,631 lakhs respectively, owing to reasonable certainty of availability of future taxable income to realize such assets.. Accordingly, these have been considered good and no provision there against at this stage is considered necessary in the financial statements.

Presently Impact can not be quantified.

(d) The company had filled requisite applications for obtaining the approvals of the Central Government i.e Ministry of Corporate Affairs (MCA) for the approval of remuneration to Shri Praveen Kumar Singh, Whole Time Director (WTD) for a period of three years from 12th August 2016 to 11th August, 2019 which was rejected vide letter dated 11th September 2017 and the company was asked to recover excess amount paid to him as well as the Shri Suren Jain, Managing Director & CFO due to the inadequacy of profit for the financial year 2013 -14 & further 2015-16 onwards due to the default in repayment of loan & interest to banks/financial institutions. Though the company has made the representation vide letter dated 14th November, 2017 but response from MCA is awaited.

Company is in the process of to obtain the approval of the Central Government for excess remuneration amounting to Rs.249.13 Lakhs, 306.61 Lakhs and 309.85 lakhs paid during the financial years 2013-14, 2015-16 & 2016-17 respectively. For Rs. 201.74 lakhs of the Financial Year 2017-18 (is subject to the approval of the Shareholders in ensuring General Meeting and Central Government.

Presently Impact can not be quantified.

(e) (i) The Company has signed an agreement dated 31st May, 2017 with Orient Cement Limited (OCL) for sale of aforesaid unit as a going concern basis at an estimated enterprise value of Rs. 500 Crore subject to compliance of certain terms and conditions stated in the agreement. Currently, the Company is in the process of compliance of certain terms and conditions of the agreement dated 31.03.2017. As assessed by an Expert and by the Management, carrying value is lower than fair value, therefore, the management feel that there is no need to make provision on account of impairment at the stage.

Presently Impact can not be quantified.

(ii) In view of fair value for all fixed assets of power plants (JNSTPP and JPTPP) (including Land, Building, Plant & Machinery capitalized or under CWIP) being excess as compared to the carrying value, as estimated by a technical valuer and an Experts, management does not anticipate any impairment amount which is to be provided at this stage in the financial statement for in the value of property, plant and equipment(including capital work-in-progress) based on the condition of plant, market demand and supply, economic and regulatory environment and other factors.

Presently Impact can not be quantified.

(f) The Company expects to meet its financial obligations based on the resolution/ revival plan under consideration by Lender(s) and expected revenue generation from sale of energy under long term PPAs/ Merchant sales etc as may be required to sustain its operations on a going concern basis. Hence these standalone financial statement are prepared on going concerned basis.

	(g) The Company would like to say that since SPGCL and JMPL were lying dormant without any operation and source of income, they could not appoint necessary Key Managerial Personnel to meet the requirements of Companies Act, 2013.	
	b.	Type of Audit Qualification: Qualified Opinion~~/ Disclaimer of Opinion/ Adverse Opinion:~~ Modified opinion by Auditors
	c.	Frequency qualification: Whether appeared first time/ repetitive / since how long continuing: First Time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: As Stated above under respective reply on the Audit Qualifications.
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: As Stated above under respective reply on the Audit Qualifications.
		(i) If management is unable to estimate the impact, reasons for the same:
		(ii) Auditors' Comments on (i) or (ii) above:

VI.	**Signatories**	
	• Sunil Kumar Sharma (Vice Chairman & CEO)	S.K.Sharma
	• Suren Jain (Managing Director & CFO)	
	• B.B.Tandon (Chairman-Audit Committee)	B.B.Tandon
	• Statutory Auditors: N.K. Lodha, Partner, Lodha & Co., Chartered Accountants (M.No. 85155) (FRN 301051E)	
	Place: New Delhi	
	Date :5th May 2018	