

***BHILAI JAYPEE CEMENT LIMITED***

***ANNUAL REPORT 2019-20***

# BHILAI JAYPEE CEMENT LIMITED

## Board of Directors

Manoj Gaur, Chairman  
Ram Bahadur Singh, Vice-Chairman & CEO  
Satish Charan Kumar Patne  
Neeraj Sharma  
Suresh Rangani  
M. Biswas  
Simi Gaur  
Amit Sharma

## Registered Office

CIN: U26940CT2007PLC020250  
Bhilai Jaypee Grinding Plant  
Bhilai Steel Plant Premises,  
Slag Road Bhilai, Chhattisgarh – 490001  
Website: [www.bjcl.co.in](http://www.bjcl.co.in)

## Statutory Auditors

M/s. Chaturvedi & Partners  
Chartered Accountants, New Delhi

## Internal Auditors

M/s Ernst and Young LLP.

Chartered Accountants, New Delhi

## Cost Auditors

M/s Chandra Wadhwa & Co.  
Cost Accountants, New Delhi

## Secretarial Auditors

M/s SGS & Associates  
Company Secretaries, New Delhi

## Registrar & Transfer Agents

Alankit Assignments Limited,  
205-208, Anarkali Complex, Jhandewalan Extn.  
New Delhi 110055  
Tel: 91-11-42541234, 23541234  
Website: [alnakit.com](http://alnakit.com)

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**NOTICE**

Notice is hereby given that the **Thirteenth Annual General Meeting** of the Members of **BHILAI JAYPEE CEMENT LIMITED** will be held on **Tuesday, the 29<sup>th</sup> December, 2020**, at **11.30 A.M.** Indian Standard Time ("IST"), through Video Conferencing / Other Audio Visual Means ("VC / OAVM") Facility in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020 and 20/2020 dated 5<sup>th</sup> May, 2020, to transact the following businesses.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Shri Manoj Gaur (DIN:00008480)**, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Shri Neeraj Sharma (DIN:08208117)**, who retires by rotation and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

**4. RATIFICATION OF THE REMUNERATION OF COST AUDITORS**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder as amended from time to time, the remuneration payable to **M/s. Kabra & Associates, Cost Accountants, New Delhi (Firm Regn. No. 000075)** appointed by the Board of Directors, to conduct the audit of the cost records of the Company, for the Financial Year ending on 31<sup>st</sup> March, 2021, as set out in the statement annexed to the Notice convening this Meeting be and is hereby ratified."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."



5. **APPOINTMENT OF SHRI AMIT SHARMA (DIN: 00222828) AS DIRECTOR**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 161 and other applicable provisions, if any, of the Companies Act, 2013, Shri Amit Sharma (DIN: 00222828) be and is hereby appointed as Director of the Company, liable to retire by rotation.”

**Regd. Office:**

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Distt. Durg, Chattisgarh  
[www.bjcl.co.in](http://www.bjcl.co.in)

**By Order of the Board of Directors**

**Place:** Noida

**Date :** 29<sup>th</sup> October, 2020

**MANOJ GAUR**  
**CHAIRMAN**  
**DIN:00008480**

**NOTES**

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (the "Act"), setting out material facts for the proposed Resolutions at Item Nos. 4 and 5 are annexed herein below. Special business under Item Nos. 4 and 5, being considered unavoidable by the Board of Directors, be transacted at the Thirteenth AGM of the Company.

2. **THE ANNUAL GENERAL MEETING (AGM) OF MEMBERS OF THE COMPANY SHALL BE CONVENED THROUGH VIDEO CONFERENCING FACILITY UNDER THE GUIDELINES ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS THROUGH GENERAL CIRCULAR NOS. 14/2020 DATED 8<sup>TH</sup> APRIL, 2020, 17/2020 DATED 13<sup>TH</sup> APRIL, 2020 AND 20/2020 DATED 5<sup>TH</sup> MAY, 2020.**

AGM does not require physical presence of members at a common venue. The deemed venue for the Thirteenth AGM shall be the Registered Office of the Company.

3. This Notice will also be placed on the website of the Company i.e. [www.bjcl.co.in](http://www.bjcl.co.in)
4. The Members are requested to follow the below mentioned instructions:-

**PARTICIPATION:**

- I. Pursuant to the aforementioned general circulars, the physical presence of the Members has been dispensed with and, therefore, the appointment of Proxy (ies) is not permitted.

However, in pursuance of section 112 and 113 of the Companies Act, 2013, Corporate Member(s) intending to appoint its Authorized Representative to participate in the meeting are requested to send a duly certified copy of the Board Resolution, at [suman.lata@jalindia.co.in](mailto:suman.lata@jalindia.co.in), authorizing the representative to participate and vote on its behalf at the Thirteenth Annual General

- II. Members may join the Thirteenth AGM through Video Conferencing ("VC") Facility which shall be kept open for the Members from 11:00 A.M. IST i.e. 30 minutes before the time scheduled to start the Thirteenth AGM and will be closed 30 minutes after the conclusion of Thirteenth AGM.
- III. On the date of the meeting, the Members, Directors, Key Managerial Personnel and all other persons authorized to attend the meeting, may join the meeting using zoom Dial-in details as follows :

***Join Zoom Meeting***

***<https://zoom.us/j/9442927281?pwd=VXFud0lqV2hoS2kzWFlvTOZ3ZWl1QT09>***

***Meeting ID: 944 292 7281***

***Passcode: 636363***

**OTHER INSTRUCTIONS/ INFORMATION:**

- I. Members are requested to address all communications through their registered e-mail id only.
- II. Pursuant to General Circular 20/2020 dated 5<sup>th</sup> May, 2020, the Annual Report of the Company i.e. Financial statements (including Board's report, Auditor's report and other documents required to be attached therewith) will be sent through e-mail only and no separate physical copy of the same shall be dispatched to any member.
- III. Attendance of the Members participating in the Thirteenth AGM through Video Conferencing Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- IV. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- V. The documents relating to matters set out in the Notice including the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act can be requested via email.

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned under Item Nos. 4 and 5 of the accompanying Notice:

**Item No. 4**

The Board, on the recommendation of the Audit Committee, in its Meeting held on 25<sup>th</sup> May, 2020, approved the appointment and remuneration of M/s Kabra & Associates (Firm Registration No. 000075), as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending on 31<sup>st</sup> March, 2021.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for payment of Audit fees amounting to Rs. 50,000 (Rupees Fifty Thousand) only exclusive of GST and out of pocket expenses, payable to the Cost Auditors for conducting audit of the Cost Records of the Company for the Financial Year ending on 31<sup>st</sup> March, 2021.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, financially or otherwise, concerned or interested in this Resolution.

The Board recommends the Resolution Set forth at Item No. 4 of the Notice for approval of the members as an **Ordinary Resolution**.

**Item No. 5**

**Shri Amit Sharma** was appointed as an Additional Director by the Board of Directors on 25<sup>th</sup> May, 2020. By virtue of Section 161 of the Companies Act, 2013 read with Article 142 of the Articles of Association of the Company, he holds office upto the date of ensuing Annual General Meeting of the Company.

Shri Amit Sharma, aged about 52 years, is an Engineer and MBA, has acquired rich experience of 27 years in engineering and marketing. He is also on the Board of Madhya Pradesh Jaypee Minerals Ltd., MP Jaypee Coal Fields Limited, JIL Information Technology Limited, Jaypee Fertilizers & Industries Limited, Rock Solid Cement Limited, Tiger Hills Holiday Resort Private Limited, Siddharth Utility Private Limited Jaypee Infra Ventures Private Limiteds and Jaypee Hotels Limited.

Shri Amit Sharma was co-opted as an Additional Director by the Board with effect from 25<sup>th</sup> May, 2020 and his term expires at this Annual General Meeting. His appointment as Director liable to retire by rotation requires approval of the members.

Shri Amit Sharma does not hold any shares (either in his name or in the name of any other persons on a beneficial interest basis) in the Company.

None of the Directors, Key Managerial Personnel and their relatives other than Shri Amit Sharma is interested in the Resolution.

The Board of Directors recommends the Resolution set out at Item No. 5 for the approval of the members as an **Ordinary Resolution**.

**Regd. Office:**

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www.bjcl.co.in

**By Order of the Board of Directors**

**Place:** Noida

**Date :** 29<sup>th</sup> October, 2020

**MANOJ GAUR**  
**CHAIRMAN**  
**DIN:00008480**

**BHILAI JAYPEE CEMENT LIMITED**
**CIN : U26940CT2007PLC020250**

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Slag Road, Bhilai – 490 001, District Durg, Chhattisgarh  
Website : www.bjcl.co.in**

**DIRECTORS' REPORT**

To

The Members

The Directors of your Company are pleased to present the Thirteenth Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2020.

**1. WORKING RESULTS**

The working results of the Company for the year under report are as under:

**(Rs. in Crore)**

<b>Financial Year ended</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Revenue from Operations	229.04	276.44
Other income, if any	0.72	3.48
<b>Total Income</b>	<b>229.76</b>	<b>279.92</b>
Profit / (loss) before Interest, Depreciation and Tax	(17.94)	11.79
Interest	14.43	12.09
Depreciation	37.69	38.69
Profit / (loss) before Tax	(70.07)	(38.99)
Provision for taxation :		
i) Current tax		
ii) Deferred tax	(21.97)	(2.52)
iii) Tax related to earlier Year		(0.13)
Other Comprehensive Income	0.05	0.01
<b>Profit / (loss) after Tax</b>	<b>(91.98)</b>	<b>(41.63)</b>
<b>Profit / (loss) brought forward</b>	<b>(408.79)</b>	<b>(367.16)</b>
<b>Closing balance of Profit / (Loss)</b>	<b>(500.77)</b>	<b>(408.79)</b>

Regd. Office : Bhilai Jaypee Grinding Plant, Bhilai Steel Plant Premises,  
Slag Road, Bhilai-490001 District Durg, Chattisgarh  
Ph. : +91 (788) 4022256 Fax : +91 (788) 4022216  
Head Office : Sector-128, Noida-201304, Uttar Pradesh (India)  
Ph. : +91 (120) 4609000, 2470800 Fax : +91 (120) 4609464, 4609496  
CIN : U26940CT2007PLC020250

A JV of SAIL & JAIPRAKASH ASSOCIATES LIMITED





## 2. OPERATIONAL PERFORMANCE

During the year under Report, the Company has incurred an operating loss of Rs. 17.94 crore as against operating profit of Rs. 11.79 crore incurred during the previous year. After taking into account the impact of interest amounting to Rs. 14.43 crore and depreciation amounting to Rs. 37.69 crore, the Company has incurred loss of Rs. 70.07 crore before tax.

### IMPACT OF COVID -19

During the year under Report COVID - 19 pandemic has affected the world and your Company is no exception. The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by the Indian Government to contain the virus have affected economic activity. While many sectors are under pressure due to the spread of corona virus, the Clinker and Cement sector is not an exception due to shortage of manpower, stressed cash flow and lack of demand of Clinker and Cement in the country. However, with the easing of lockdown curbs, production is expected to pick-up in coming months but the real challenge would be sale of cement due to depleted demand in domestic market. In view of uncertainty because of Covid-19, the final impact on the Company's Assets and performance in future may differ from that estimated as at the date of approval of Financial Statements for 2019-20.

The Company has taken a number of measures to monitor and prevent the effects of the COVID-19 virus such as safety and health measures for our employees (like social distancing and working from home) and securing the supply of materials that are essential to our production process of Clinker. The Company will continue to follow the various national institutes' policies and advice and in parallel will do utmost to continue its operations in the best and safest way possible without jeopardizing the health of our employees.

## 3. DIVIDEND

In view of the losses, the Directors of your Company express their inability to recommend any dividend for the Financial Year ended 31<sup>st</sup> March, 2020.

#### 4. SHARE CAPITAL

The total Paid-up Share Capital of the Company as on 31<sup>st</sup> March, 2020 was Rs. 379,68,48,000/- (Rupees Three hundred seventy nine crore sixty eight lakhs forty eight thousand) comprising of 37,96,84,800 Equity Shares of Rs.10/- each.

During the year under Report, your Company has not issued any shares under the employee stock option schemes, sweat equity shares or any equity shares with differential rights, as to dividend, voting or otherwise. Further, the Company has not bought back its own securities, during the year under Report.

#### 5. DEPOSITS

The Company has neither invited, nor accepted or renewed any fixed deposit during the period under Report in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

#### 6. DIRECTORATE

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Manoj Gaur (DIN: 00008480) and Shri Neeraj Sharma (DIN:08208117), Directors of the Company would retire by rotation at the ensuing Annual General Meeting and being eligible; offer themselves for re-appointment.

During the year under review, the following changes occurred in the office of Director/ KMPs on the Board of the Company:

Sl. No.	Name of Directors	Designation	Date of Appointment	Date of Cessation	Reason
1	Shri Manoj Gaur	Chairman	21.05.2019	-	Appointment
2	Shri Sunny Gaur	Director	11.04.2007	22.07.2019	Resignation
3	Shri Sanjay Kumar	Additional Director	28.12.2018	26.07.2019	Resignation

4	Shri V.P. Nayak	Additional Director	25.02.2019	26.07.2019	Resignation
5	Shri Vivek Gupta	Additional Director	25.02.2019	02.09.2019	Resignation
6	Shri Suresh Rangani	Director	04.09.2019	-	Appointment
7	Shri Neeraj Sharma	Director	04.09.2019	-	Appointment
8	Shri M. Biswas	Director	07.11.2019	-	Appointment
9	Shri Sunil Joshi	Director	31.05.2010	18.03.2020	Demise
10	Shri B.K. Sharma	CEO		10.12.2019	Completion of term

After 31<sup>st</sup> March, 2020 and up to the date of the Report following changes occurred on the Board of the Company:

- a) Shri Amit Sharma has joined the Board as an Additional Director of the Company w.e.f 25<sup>th</sup> May, 2020;
- b) Shri A.K. Jain has resigned from the Board w.e.f. 24<sup>th</sup> July, 2020;
- c) Shri R.B. Singh, Director was designated as Vice-Chairman and CEO w.e.f. 29<sup>th</sup> October, 2020.

The Board places on record its appreciation for the valuable contributions made by Shri Sunny Gaur, Shri Sanjay Kumar, Shri V.P. Nayak, Shri Vivek Gupta, Shri Sunil Joshi and Shri A.K. Jain during their tenure as Director of the Company and Shri B.K. Sharma during his tenure as CEO of the Company.

## 7. AUDITORS

### A. **STATUTORY AUDITORS**

M/s. Chaturvedi & Partners, Chartered Accountants (Firm Registration No. 307068E) were appointed as Statutory Auditors of the Company by the Shareholders in their 10<sup>th</sup> Annual General Meeting (AGM) held on 26<sup>th</sup> September, 2017 to hold the office for a period of five years i.e. till the conclusion of 15<sup>th</sup> AGM of the Company to be held in the year 2022.

The Notes to financial statements referred to in the Auditors' Report are self-explanatory and therefore do not require any further comments. The Auditors' Report on Financial Statements for the Financial Year ended ended 31<sup>st</sup> March, 2020, contains the following remarks under the heading "Emphasis of Matter" calling for information/ explanation from the Directors in terms of Section 134(3)(f) of the Companies Act, 2013. Management's reply to the said remarks are as under:

<b>Auditors Qualification</b>	<b>Management Reply</b>
<p>a) As Stated in Note no. 14.5 of the financial statements, Jaiprakash Associates Ltd. (JAL), the holding company had pledged 30% of the shares of the company and also agreed and signed a Non-Disposal Undertaking (NDU) for the remaining 44% shares in favor of Yes Bank Ltd. (YBL) as a collateral security against the loan facility of Rs.46,500 lakhs availed by Jaypee Cement Corporation Ltd. (JCCL), a wholly-own subsidiary of JAL. YBL assigned the same in the favor of Assets Care and Reconstruction Enterprise Limited (ACRE). The ACRE informed about the transfer of entire pledged/NDU shares of the company in its name. However, JAL continues to show the investment in its books of accounts as the shareholders agreement with Steel Authority of India (SAIL), the JV partner in the company, provides that a purported transfer not in accordance with the terms of Shareholder Agreement shall be null and void. The company has therefore maintained status quo ante of the shareholding in its Books of Accounts though Depository has</p>	<p>Yes Bank Limited, (YBL) unilaterally on its own without the consent of Jaiprakash Associates Ltd. (JAL) and in conjunction with Assets Care and Reconstruction Enterprises Ltd. (ACRE), assigned the loan alongwith security in favour of ACRE, who converted the balance 44% of shares pledged and invoked the pledge and transferred the entire pledged shares in its favour. JAL has neither taken cognizance of the assignment of the loan and security by YBL in favour of ACRE nor conversion of NDU into pledge and invocation of pledge and transfer of shares in its name. JAL continues to show the investment in its books of accounts as the shareholders agreement with SAIL, the JV partner in the company, provides that a purported transfer was</p>

<p>transferred the shares in the name of ACRE. Moreover, JAL had filed the case (Dairy no.-1348241) in Hon'ble high Court of Delhi on March 06, 2020 but its status has not yet been updated due to COVID-19.</p>	<p>not in accordance with the terms of Shareholder Agreement shall be null and void.</p>
<p>b) As Stated in Note no. 37 of the financial statements, no provision has been considered necessary by the management against Entry Tax amounting to Rs.3,408.62 lakhs (including interest) as demanded by the Commercial Tax Department. The company has filed the Writ Petition in Hon'ble High Court of Chhattisgarh against the order of Commercial Tax Department. Further, the company had filed for the exemption certificate regarding payment of entry tax which was rejected by the Department of Commerce &amp; Industries, Chhattisgarh. During the previous year, the company has filed an appeal before the State Appellate Forum, Department of Commerce and Industries, (Government of Chhattisgarh) against the order of the Department of Commerce &amp; Industries, Chhattisgarh. The Management is confident for favorable outcome in both the above-mentioned cases. Moreover, Rs.684.35 lakhs have been deposited against the entry tax demand till date and shown as part of other non-current assets which is in the opinion of the management is good and recoverable.</p>	<p>BJCL had filed writ petition in Hon'ble High Court of Chhattisgarh against the order of Commercial Tax Department. Against aggregate demand of Rs. 3408.62 lacs, and also deposited Rs. 684.35 lacs under protest. Since matter is under sub-judice, Company is showing the above demand of Rs. 3408.62 lacs in contingent liabilities in the books of accounts.</p>
<p>c) As Stated in Note no. 38 of the financial statements, State Bank of India has sanctioned vide letter dated September 20, 2019, One Time Settlement (OTS) under SBI Scheme for One Time Settlement of NPAs &amp; AUCAs (SBI OTS 2019) for Rs. 3,760.64 lakhs against principal outstanding of Rs. 4,424.28 lakhs as on March 31,2019 whose last installment was due on March 20, 2020 but the same was extended upto June 30, 2020. The Company has not given any impact of the OTS in the books of account for the reason stated therein.</p>	<p>Due to COVID-19, Lockdown was declared in the country in the month of March, 2020 and all operations of the Company stand still/ stop and impacted the cash flow very badly thereby could not repay the outstanding loan amount as per OTS in March' 2020. SBI has extended the time for payment up to June, 2020. Accordingly Loan Liability has been accounted for as per normal accepted procedure.</p>

**B. SECRETARIAL AUDITORS**

The Board of Directors have appointed M/s SGS & Associates, Practicing Company Secretary as Secretarial auditor to conduct secretarial audit of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 as required under Section 204 of the Companies Act, 2013 and Rules made thereunder.

The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2020 is annexed as **Annexure-I** to this Report.

**C. COST AUDITORS**

The Board of Directors, on the recommendations made by the Audit Committee at its meeting held on 25<sup>th</sup> May, 2020, have approved the appointment of M/s Kabra & Associates, Cost Accountants (Firm Registration No. 000075), as the Cost Auditors of the Company to conduct audit of the cost records for the Financial Year 2020-21 as required under Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

The Company has received consent from M/s Kabra & Associates, to act as the Cost Auditors for conducting audit of the cost records for the Financial Year 2020-21 along with a certificate certifying their independence and arm's length relationship with the Company. Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders at the ensuing AGM and has been included in the Notice of the 13<sup>th</sup> AGM of the Company.

**D. INTERNAL AUDITOR**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, M/s. Ernst & Young, Chartered Accountants, New Delhi, were appointed as the Internal Auditors to conduct the Internal Audit of the Company for the Financial Year 2020-21.

**8. DISCLOSURE UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with

the requirements of The Sexual Harrassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committees (ICC) have been set up in both the plants to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under Report, no complaints were received by the Company.

## **9. REQUIREMENTS AS PER SECTION 134 (3) OF THE COMPANIES ACT, 2013**

### **9.1 EXTRACT OF THE ANNUAL RETURN AS PER SECTION 92 (3) OF THE COMPANIES ACT, 2013**

As provided under Section 134 (3) (a) of the Companies Act, 2013, the extract of Annual Return for the Financial Year ended 31<sup>st</sup> March, 2020, is mentioned in **Annexure-II** in the prescribed Form MGT-9 which forms part of this Report.

### **9.2 NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors met five times during the Financial Year 2019-20, on 21<sup>st</sup> May, 2019, 24<sup>th</sup> July, 2019, 4<sup>th</sup> September, 2019, 7<sup>th</sup> November, 2019 and 11<sup>th</sup> February, 2020. The maximum interval between the two Board Meetings did not exceed 120 days as prescribed under the Companies Act, 2013.

### **9.3 DIRECTORS' RESPONSIBILITY STATEMENT**

Based on internal financial controls, works performed by the Internal, Statutory, Cost and Secretarial Auditors and external agencies, the reviews performed by the Management with the concurrence of the Audit Committee, pursuant to Section 134(5) of the Companies Act, 2013, the Board states the following for the year ended 31<sup>st</sup> March, 2020 :-

- a) in the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2020, the applicable accounting standards have been followed and there are no material departures from the same;

- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 and the profit and loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively and the same are being strengthened on continuous basis from time to time.

#### **9.4 STATEMENT OF DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013**

The Company has received necessary declaration from the Independent Director under Section 149(7) of the Companies Act, 2013 confirming that he meets the criteria of independence laid down under Section 149(6) of the Companies Act, 2013.

#### **9.5 NOMINATION AND REMUNERATION POLICY UNDER SECTION 178(3)**

In terms of Section 178(3) of the Companies Act, 2013 read with Rules framed thereunder, the Board on recommendation of Nomination and Remuneration Committee adopted a Nomination & Remuneration Policy which, inter-alia, enumerates directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided therein.



**9.6 COMMENT ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE (IF ANY)-**

**a. by the Auditor in Notes to Accounts**

Management's explanation to the observations/ qualifications of the Statutory Auditors are given in **Point No. 7A.**

**b. by the Company Secretary in Practice in Secretarial Audit Report**

The observations of Secretarial Auditor are self-explanatory and do not require any clarification.

**9.7 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not given any loan, given any guarantee, provided any security and made any investments as prescribed under Section 186 of the Companies Act, 2013.

**9.8 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013**

The Audit Committee and the Board of Directors have approved the Related Party Transactions Policy and all the related party transactions have been entered in accordance thereof and were in the ordinary course of business and at arm's length. Form AOC- 2, pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is annexed as **Annexure-III** to this Report.

Disclosure of transactions with related parties for which omnibus approval was granted and which are required to be disclosed in terms of Ind AS 24 is set out in Note No. 51 (ii) of the Financial Statements.

**9.9 THE STATE OF COMPANY'S AFFAIRS**

The State of Company's Affairs is given in paragraph nos. 1 and 2 above.

**9.10 THE AMOUNTS, IF ANY, WHICH COMPANY PROPOSES TO CARRY TO RESERVES**

During the year under Report, your Company has not transferred any amount to General Reserve.

**9.11 THE AMOUNT, IF ANY, WHICH COMPANY RECOMMENDS SHOULD BE PAID BY WAY OF DIVIDEND**

The amount that the Company recommends for payment of dividend is Nil.

**9.12 MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes and commitments have occurred after the end of the Financial Year 2019-20, till the date of this Report, which may affect the financial position of the Company.

**9.13 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure- IV** to this Report

**9.14 STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY**

The Company has in place mechanism to identify, assess, monitor and mitigate various risks associated with the business. It regularly analyses and takes corrective actions for managing / mitigating the same, the Company has formally framed the Risk Management Policy to identify

and assess the key risk areas, monitor effectiveness of the policies and procedures.

The Company has introduced several improvements to the Internal Controls Management and Assurance framework and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities.

In the opinion of the Board, there is no risk which may threaten the existence of the Company.

**9.15 DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR**

Since, the Company does not fall within the ambit of the eligibility criteria as specified under Section 135(1), the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

**9.16 STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

A performance evaluation of the Board, its Committees and individual Directors including the Independent Directors was carried out by the Board of Directors, pursuant to the provisions of the Companies Act, 2013, on the criteria and framework adopted by the Board.

The Board of Directors evaluated the performance of the Board, as a whole and of its Committees after seeking inputs from the Directors and from the members of the Committee(s) respectively, on the composition and structure, effectiveness of processes, information and functioning, etc. Further, the Board (excluding the Director being evaluated) evaluated the performance of individual directors on criteria such as participation/ contribution at the Board/Committee Meetings; general understanding of the Company's business dynamics etc. The Board noted satisfactory performance of the Board, its Committees and the individual Directors.

In addition to the criteria of evaluation for all Directors which is common for evaluation of both Independent and Non-executive Directors, an Independent Director was also evaluated on parameters including, exercise of objective independent judgment in the best interest of Company; ability to contribute and monitor corporate governance practice; and adherence to the code of conduct by Independent Directors. The evaluation for the year under Report has been completed.

**9.17 THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under Report, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

**9.18 DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has put in place an adequate system of internal financial controls with reference to its financial statements. During the year under Report, no material or serious observation has been received from the Internal Auditor of the Company for insufficiency or inadequacy of such controls.

**9.19 DETAILS PERTAINING TO REMUNERATION AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

As the Company is not a listed Company, Rule 5(1) is not applicable.

**9.20 DETAILS PERTAINING TO REMUNERATION AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

During the year under report, none of the employees was in receipt of remuneration in excess of limits prescribed under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission form any of its subsidiaries.

## **COMMITTEES OF THE BOARD**

Composition of various committees of the Board is given below :

### **A) AUDIT COMMITTEE**

1. Shri S.C.K. Patne, Chairman
2. Shri R.B. Singh, Member
3. Shri S Rangani, Member

### **B) FINANCE COMMITTEE**

1. Shri R.B. Singh, Chairman
2. Shri S.C.K. Patne, Member
3. Shri M. Biswas, Member

### **C) ALLOTMENT & SHARE TRANSFER COMMITTEE**

1. Shri S.C.K. Patne, Chairman
2. Shri R.B. Singh, Member
3. Shri S. Rangani, Member

### **D) NOMINATION & REMUNERATION COMMITTEE**

1. Shri S.C.K. Patne, Chairman
2. Shri R.B. Singh, Member
3. Shri Neeraj Sharma, Member

### **E) CORPORATE & SOCIAL RESPONSIBILITY COMMITTEE**

1. Shri S.C.K. Patne, Chairman
2. Shri R.B. Singh, Member
3. Shri Neeraj Sharma, Member

**ACKNOWLEDGEMENT**

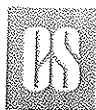
The Board of Directors express their gratitude for the valuable support extended by the Government of Madhya Pradesh, Chhattisgarh and Central Government for their valuable support and co-operation. The Board places on record its appreciation to the team work, commitment and unstinting efforts of the employees of all levels for the successful operations of the Company.

**For and on behalf of the Board**

Place : Noida

Date : 29<sup>th</sup> October, 2020

**MANOJ GAUR  
CHAIRMAN  
DIN : 00008480**



SGS ASSOCIATES

Company Secretaries, First Floor, 14, Rani Jhansi Road, New Delhi – 110055

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UDIN: U26940CT2007PLC020250

FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,  
M/s Bhilai Jaypee Cement Limited  
Bhilai Jaypee Grinding Plant  
Bhilai Steel Plant Premises  
Slag Road, Bhilai-490001  
District- Durg, Chattisgarh.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhilai Jaypee Cement Limited (hereinafter called the 'Company'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Bhilai Jaypee Cement Limited books, papers, minute, books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 has complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Bhilai Jaypee Cement Limited ("the Company"), electronically, *(inspection of relevant physical records and registers was not possible due to Covid-19 pandemic, the same shall be undertaken as and when possible)* for the financial year ended in 31<sup>st</sup> March, 2020 according to the provisions of:

- i. The Companies Act, 2013
- ii. The depositories Act, 1996 and the regulations and bye-laws framed there under;
- iii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



- iv. Other specific Applicable Laws for Babupur and Bhilai Plant:
- a. Water (Prevention and Control of Pollution) Act, 1974 and Rules, 1975
  - b. Water (Prevention and Control of Pollution) Cess Act, 1977 and Rules, 1978
  - c. Air(Prevention and Control of Pollution)Act, 1981 & Rules, 1982
  - d. Enviroment Protection Act, 1986 & Rules 1986 (Amended 2005)
  - e. Hazardous Wastes (Management, Handling and Tranboundary Movement) Rules, 2008
  - f. Bio-Medical Wastes (Management and Handling) Rules, 1998 (Amendment Rules 2003)
  - g. The Noise Pollution (Regulation and Control) Rules 2000 (Amended 2002)
  - h. Batteries(Management and Handling) Rules 2001
  - i. The Petroleum Act 1934 and Rules 2002
  - j. Gas Cylinder Rules 2004 (framed under the Explsives Act, 1884)
  - k. Static And Mobile Pressure Vessels (Unfired) Rules 1981(framed under the Explosives Act, 1884)
  - l. Electricity Act, 2003 and Rules, 2005
  - m. Motor Vehicles Act, 1988 and Rules , 1989
  - n. The Mines Act, 1952 and Rules, 1955
  - o. The Metalliferous mines Regulation, 1961
  - p. Minerals Conservation & Development Rules, 1988
  - q. Mines Vocational Training Rules, 1966
  - r. Energy Conservation Act, 2001
  - s. The Explosive Act, 1884 & Rules 2008
  - t. The Legal Metrology Act, 2009 & Rules 2011
  - u. Hazardous Chemicals Rules 1989 (Amended 2000)
  - v. E-Waste Management & Handling Rules 2011
  - w. MP Vat Act
  - x. CG Vat Act
  - y. CST Act
  - z. MP Entry Tax Act
  - aa. CG Entry Tax Act
  - bb. Professional Tax Act
  - cc. Excise and Custom Duty Act, 1970
  - dd. Service tax Act
  - ee. MP Mining Act
  - ff. Cement Cess Rules

We have also examined compliance with applicable clauses of the following:

- i. The Secretarial Standards; and
- ii. The Company is not listed with any Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executives Directors and the Independent Directors. The changes in the





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SGS ASSOCIATES

Company Secretaries, First Floor, 14, Rani Jhansi Road, New Delhi – 110055

composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice along with detailed agenda were given to all the directors for the Board Meetings and a system exists for seeking and obtaining further information and clarification on agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes maintained by the Company for the Board/ Committee and Shareholders, we noticed that most of the decisions were approved by the respective Board/ Committee and Shareholders without any dissent note.

We further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We also report that the compliances of other applicable laws as listed in Para (ii) above are based on the management certifications and further reporting the Board through agenda papers.

**FOR SGS ASSOCIATES**  
Company Secretaries

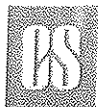
*dpgupta*

D.P Gupta  
M. No. FCS- 2411  
C.P.No. - 1509

Date: 25<sup>th</sup> May, 2020  
Place: New Delhi

UDIN:

Note; This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of the Report.



SGS ASSOCIATES

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Company Secretaries, First Floor, 14, Rani Jhansi Road, New Delhi - 110055

Annexure - A

To,

The Members  
Bhilai Jaypee Cement Limited  
Bhilai Jaypee Grinding Plant  
Bhilai Steel Plant Premises  
Slag Road, Bhilai-490001  
District- Durg, Chattisgarh.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of the laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SGS ASSOCIATES

Company Secretaries

*dpgupta*

D.P. Gupta

Date: 25<sup>th</sup> May 2020

Place: - New Delhi

M N FCS 2411

C P No. 1509

Email: [support@dpgupta.com](mailto:support@dpgupta.com) Contact: +91-11-41524497 Mobile - 9871007801

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**as on Financial Year ended on 31.03.2020**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.**

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U26940CT2007PLC020250
ii	Registration Date	11/4/2007
iii	Name of the Company	Bhilai Jaypee Cement Limited
iv	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
v	Address of the Registered office & contact details	Bhilai Jaypee Grinding Plant Bhilai Steel Plant Premises, Slag Road Bhilai, Chhattisgarh – 490001
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s Alankit Assignments Limited 205-208, Anarkali Complex, Jhandewalan Extn. New Delhi-110055 Tel- 011-42541234/23541234 Email- info@alankit.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% age to total turnover of the company
1	Portland Slag Cement / GGBS	23942	3.13
2	Clinker	23941	96.87

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Jaiprakash Associates Limited Sector-128, District Gautam Budh Nagar, Noida-201304	L14106UP1995PLC019017	Holding	74.00%	2(46)

\* Percentage of Shares based on exercise of controls more than one half of the total voting power of the Company.

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-Wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2019				No. of Shares held at the end of the year i.e. 31.03.2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual	752	188	940	-	752	188	940	0	-
b) Central Govt. or State Govt.	0	0	0	-	0	0	0	0	-
c) Bodies Corporates	280966000	98717860	379683860	100.00	280966000	98717860	379683860	100.00	-
d) Bank/FI	0	0	0	-	0	0	0	0	-
e) Any other(specify)- Trusts - Wherein Company is Beneficiary*	0	0	0	-	0	0	0	0	-
<b>Sub Total:-(A) (1)</b>	<b>280966752</b>	<b>98718048</b>	<b>379684800</b>	<b>100.00</b>	<b>280966752</b>	<b>98718048</b>	<b>379684800</b>	<b>100.00</b>	-
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>Sub Total:-(A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>280966752</b>	<b>98718048</b>	<b>379684800</b>	<b>100.00</b>	<b>280966752</b>	<b>98718048</b>	<b>379684800</b>	<b>100.00</b>	-
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-

e) Venture Capital Fund	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-
<b>Sub Total-(B)(1):</b>								
<b>(2) Non Institutions</b>								
a) Bodies corporates	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-
i) Non residents Indians	-	-	-	-	-	-	-	-
ii) Trusts	-	-	-	-	-	-	-	-
iii) OCB	-	-	-	-	-	-	-	-
iv) Foreign Body Corporate	-	-	-	-	-	-	-	-
<b>Sub Total-(B)(2):</b>								
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>								
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>280966752</b>	<b>98718048</b>	<b>379684800</b>	<b>100.00</b>	<b>280966752</b>	<b>98718048</b>	<b>379684800</b>	<b>100.00</b>

## (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2019			Shareholding at the end of the year i.e. 31.03.2020			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of shares of the company	% of shares pledged/ encumbered to total shares	
	<b>A. Body Corporate</b>							
1	Jaiprakash Associates Limited	280,966,000	74.00	-	280,966,000	74.00	-	0
2	Steel Authority of India Limited	98,717,860	26.00		98,717,860	26.00		0
	<b>B. Individuals</b>							
1	Shri Sunny Gaur*	188	0	-	188	0.00	-	0
2	Shri Rahul Kumar*	188	0	-	0	0.00	-	0
3	Shri Alok Gaur *	0	0	-	188	0.00	-	0
4	Late Shri Sunil Joshi*	188	0	-	188	0.00	-	0
5	Shri R.B.Singh*	188	0	-	188	0.00	-	0
6	Shri Sanjay Kumar **	188	0	-	188	0.00	-	0
	<b>Sub-Total (B)</b>	<b>940</b>	<b>0.00</b>		<b>940</b>	<b>0.00</b>		<b>0</b>
	<b>Total(A+B)</b>	<b>379,684,800</b>	<b>100.00</b>		<b>379,684,800</b>	<b>100.00</b>		<b>0</b>

\* Beneficial interest held by Jaiprakash Associates Limited

\*\* Beneficial interest held by Steel Authority of India Limited

## (iii) Change in Promoters' Shareholding (Specify, if there is no change)

Sl. No.		Share holding at the beginning of the Year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Share holding during the year (2019-20)
		No. of Shares	% of total shares of the company				No. of shares % of total shares of the
	<b>A. Body Corporate</b>						
	No Change						
	<b>B. Individuals</b>						
	Shri Rahul Kumar	188		20.12.2019	188	Transfer	0
	Shri Alok Gaur	0		20.12.2019	188	Transfer	188

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)

Sl. No	Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01.04.2019		Cumulative Shareholding during the year (2019-20)	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
		NIL			

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl.No.	Name	Shareholding at the beginning of the year i.e 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year i.e 2019-20	
		No. of shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Shri Manoj Gaur Chairman	Nil	0.00	-	-	-	Nil	0.00
2	Ram Bahadur Singh* Director	188	0.00	-	-	-	188	0.00
3	Shri Sunny Gaur* Director	188	0.00	-	-	-	188	0.00
4	Shri Sunil Joshi*	188	0.00				188	
5	Ms Simi Gaur Director	Nil	0.00	-	-	-	Nil	0.00
6	Shri Ashok Kumar Jain Director	Nil	0.00	-	-	-	Nil	0.00
7	Shri V.P. Nayak Additional Director	Nil	0.00	-	-	-	Nil	0.00
8	Shri Vivek Gupta Additional Director	Nil	0.00				Nil	0.00
9	Shri Sanjay Kumar Additional Director	Nil	0.00				Nil	0.00

10	Shri Satish Charan Kumar Patne Director	Nil	0.00	-	-	-	-	Nil	0.00
11	Shri Neeraj Sharma** Director	Nil	0.00	-	-	-	-	Nil	0.00
12	Shri S.C.K. Patne Director	Nil	0.00	-	-	-	-	Nil	0.00
13	Shri Suresh Rangani** Director	Nil	0.00	-	-	-	-	Nil	0.00
14	Shri M. Biswas** Director	Nil	0.00	-	-	-	-	Nil	0.00
15	Shri Sushil Babu Pant Chief Financial Officer	Nil	0.00	-	-	-	-	Nil	0.00
16	Shri B.K. Sharma*** Chief Executive Officer	Nil	0.00	-	-	-	-	Nil	0.00
17	Mr. C. Stephen Company Secretary	Nil	0.00	-	-	-	-	Nil	0.00

\* Shri Sunny Gaur resigned from the Board w.e.f 22nd July, 2019;

Shri Sanjay Kumar and Shri V.P. Nayak resigned from the Board w.e.f 26th July, 2019;

Shri Vivek Gupta resigned from the Board w.e.f 2nd September, 2019;

Shri Sunil Joshi ceased to be Director w.e.f 18th March, 2020 due to his demise.

\*\* Shri Suresh Rangani and Shri Neeraj Sharma were appointed as an Additional Director w.e.f 4th September, 2020 and Shri M. Biswas was appointed as an Additional Director on 7th November, 2019.

\*\*\* Shri B.K. Sharma ceased to be Chief Executive Officer w.e.f 10th December, 2019.



**V INDEBTEDNESS :**

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Indebtedness of the Company including interest outstanding/accrued but not due for payment					(In Rs.Crores)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
<b>Indebtedness at the beginning of the Financial Year i.e. 01.04.2019</b>					
i) Principal Amount	44.24	-	5.45	49.69	
ii) Interest due but not paid	-	-	-	-	
iii) Interest accrued but not due	-	-	-	-	
<b>Total (i+ii+iii)</b>	<b>44.24</b>	<b>-</b>	<b>5.45</b>	<b>49.69</b>	
<b>Change in Indebtedness during the financial</b>					
Additions	-	-	-	-	
Reduction	9.41	-	0.41	9.82	
<b>Net Change</b>	<b>(9.41)</b>	<b>-</b>	<b>(0.41)</b>	<b>(9.82)</b>	
<b>Indebtedness at the end of the financial year i.e. 31.03.2020</b>					
i) Principal Amount	34.14	-	5.04	34.14	
ii) Interest due but not paid	0.69	-	-	0.69	
iii) Interest accrued but not due	-	-	-	-	
<b>Total (i+ii+iii)</b>	<b>34.83</b>	<b>-</b>	<b>5.04</b>	<b>39.87</b>	

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. Remuneration to Managing Director, Whole-time Director and/or Manager: NIL**

Sl.No	Particulars of Remuneration	Name of MD/ WTD/ Manager	(Amount in Rs.)
			Total
1	<b>Gross salary</b>	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c ) Profits in lieu of salary under section	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	-	-
	Ceiling is Rs. 1.20 cr for each director (In terms of Schedule V of the Companies Act, 2013)		

**B. Remuneration to other Directors:**

Sl.No	Particulars of Remuneration	Name of the Directors									
		Shri S.C.K. Patne	Shri Manoj Gaur	Shri Sunny Gaur	Shri R.B. Singh	Shri Sunil Joshi	Ms. Simmi Gaur	Shri Neeraj Sharma	Shri Suresh Rangani	Shri M. Biswas	Total
1	(a) Fee for attending Board/ Committee Meetings by Independent Directors	110,000	-	-	-	-	-	-	-	-	110,000
	(b) Commission										
	(c ) Others, please specify										
	<b>Total (1)</b>	110,000	-	-	-	-	-	-	-	-	110,000
2	(a) Fee for attending Board /Committee Meetings by Non Executive Directors	-	-	-	-	-	-	-	-	-	-
	(b) Commission										
	(c ) Others, please specify										
	<b>Total (2)</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total (B)=(1+2)*</b>	110,000	-	-	-	-	-	-	-	-	110,000
	<b>Total Managerial Remuneration (A+B)</b>										110,000
	<b>Overall Ceiling as per the Act.*</b>										Rs. 1,00,000 can be paid to each director per meeting.

Rs. 1,00,000 can be paid to each director per meeting.

\* Total Remuneration to Managing Director, and other Directors (being total A+B)

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD**

Sl. No	Particulars of Remuneration	Key managerial Personnel			
		Shri B.K. Sharma (CEO)	Shri S.B. Pant (CFO)	Shri C. Stephen (CS)	Total
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	2,208,309.67	1,088,709.68	3,999,000.00	7,296,019.35
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	291,000.00	174,000.00	465,000.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	2,208,309.67	1,379,709.68	4,173,000.00	5,552,709.68

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

MANOJ GAUR  
CHAIRMAN  
DIN: 00008480

Place: Noida  
Date: 29th October, 2020

## ANNEXURE - III

## FORM – AOC 2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

**A) Details of Contracts or Arrangements or Transactions not at Arm's Length Basis - NIL**

S. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	-
b)	Nature of Contracts/Arrangements/Transactions	-
c)	Duration of the Contracts / Arrangements/ Transactions	-
d)	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	-
e)	Justification for entering into such Contracts or Arrangements or Transactions	-
f)	Date(s) of approval by the Board	-
g)	Amount paid as advances, if any:	-
h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188	-

**B) Details of Material Contracts or Arrangement or Transactions at Arm's Length Basis**

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	-
b)	Nature of Contracts/Arrangements/Transactions	-
c)	Duration of the Contracts / Arrangements/ Transactions	-
d)	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	-
e)	Date(s) of approval by the Board	-
f)	Amount paid as advances, if any:	-

**For and on behalf of the Board**

Place : Noida

Date : 29<sup>th</sup> October, 2020

**MANOJ GAUR**  
**CHAIRMAN**  
**DIN : 00008480**

**Information pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming the part of Report of Directors for the period from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020**

**CLINKERISATION PLANT AT BABUPUR**

**A. Conservation of Energy**

(i) Following steps were taken in connection with conservation of energy:-

- Replaced 20Nos. 400 Watt HPSV fittings street lights with 45 watt LED street lights. The saving of power consumption was 0.007 Lacs Kwh and Rs. 0.049 Lacs per annum
- Replacement of 75 No 36 watt Fluorescent tube lights with 19 watt LED tube light .The saving of power consumption was 0.0110 lacs KWH and Rs 0.072 Lacs per annum.
- Providing additional fresh air damper in Raw mill air circuit for saving Bag house fan motor Power .The saving of power consumption was 0.36 lacs KWH and Rs 2.7 Lacs per annum.

**B. Technology absorption, adoption and innovation**

Initiatives were taken to implement innovative ideas and benefits derives from it are as follows:-

- 1) Installation of new pressure roller in 331BC2 tail pulley to reduce wear and tear of Return roller .
- 2) Addition of extra suction line in Raw mill inlet to reject hopper to arrest leakage of fine dust from diverters
- 3) Addition of new slide gate above RABH inlet rotary air lock to avoid plant stoppage during rotary air lock jamming.
- 4) Modification of Reverse air fan base to minimize vibration.
- 5) Additional fresh air damper provided in RABH inlet to reduce bag house temperature.
- 6) Addition of return idlers in magnetic separators to increase magnetic separator efficiency.
- 7) Modification of Auto sampler tail pulley to reduce jamming.
- 8) Addition of Weigh Bridge in truck loading system in clinker silo.
- 9) Alternate arrangement for removing clinker during spout jamming while rake loading.

**GRINDING PLANT AT BHILAI****A. CONSERVATION OF ENERGY**

- (i) Following steps were taken for conservation of energy and their impact.

SR No	Section	Energy Conservation Proposals	Benefits/Saving Achieved
1	Plant Electricity Bill	To reduce billing cost by optimization of maximum demand	Installed maximum demand transducer at incomer panel & by logic incorporation we reduced 100KVA in maximum demand it will save Rs.35000/- in monthly bill.
2	Plant Lighting	Reduce loading of plant lighting by replacing convention tube rod and bulb with LED light in offices.	Conventional rod wattage was 40W and LED rod wattage is 19W. Saving is 20W per light.
			50 No LED rod replaced till Mar.2020, taking average running 10hr, total saving $(20 \times 50 \times 10) / 1000 = 10\text{Kw}$ per day

- (ii) No capital investment in last financial year.

**B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION**

The efforts made towards technology absorption:-

1. Connected Cement Mill-1 rotary feeder floor to bag house-I Airside floor by adjoining it with MS platform for ease and convenient path to overcome lag time in operational troubleshooting
2. Fire hydrant pipe line adjacent to cement mill 2 reject elevator has been modified & shifted from ground to top so that any HEM equipment can pass safely.
3. Cooling water pipe line of CM-I Roller no 4 has been taken out and it connected with nearest water line to minimize pressure loss & workplace safety improvement

4. 562BC1 gallery has extended and one stair case added to Mill floor for passersby going to hydraulic room ease and convenient path for man movement without any hindrances

### **C. Quality Management System**

Surveillance Audit of ISO 9001:2015 has been successfully completed by BSI India in Nov'2019.

**For and on behalf of the Board**

Place : Noida

Date : 29<sup>th</sup> October, 2020

**MANOJ GAUR**  
**CHAIRMAN**  
**DIN : 00008480**



# CHATURVEDI & PARTNERS

## Chartered Accountants

501, Devika Tower 6, Nehru Place, New Delhi - 110019

Phone.: +91 11 41069164

E-mail : cpartners.delhi@gmail.com

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### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF BHILAI JAYPEE CEMENT LIMITED

#### Report on the Audit of the Financial statements

##### 1. Qualified Opinion

We have audited the accompanying financial statements of **Bhilai Jaypee Cement 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 then ended and notes to the financial statement including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 the matters described under paragraph 2(a), 2(b) and 2(c) in the Basis for Qualified Opinion paragraph mentioned below, the aforesaid 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, its losses including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### 2. Basis for Qualified Opinion

We refer to:

- (a) Note 36 to the financial statements, In respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. During the year, the Company has incurred a Net Loss of Rs. 9,198.63 lakhs resulting into accumulated losses of Rs. 50,077.24 lakhs against equity capital of Rs. 37,968.48 lakhs and complete erosion of net worth as at March 31, 2020. Further, the Company's current liabilities exceed its current assets. These matters require the company to generate additional cash flow to fund the operations as well as payment to lender, creditors and the statutory obligations. The appropriateness of assumption of going concern is dependent upon generation of additional cash flow and financial support from the holding company to fund the operations and meet its obligations and implementation of business plan which are critical to the Company's ability to continue as going concern. These conditions along with matters described below indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as going concern and therefore the company may be unable to realize its assets and discharge its liabilities in the normal course of business.
- (b) Note 35 to the financial statements, in respect of recognition of deferred tax assets (net) on account of unused tax losses carried forward and other tax deductible temporary differences aggregating to Rs. 13,664.50 lakhs as at March 31, 2020. In our opinion, sufficient future taxable income may not be available against which such deferred tax assets (net) can be realized. Hence, such recognition is not in accordance with Indian Accounting Standard 12 "Income Taxes" (Ind AS 12). Had the aforesaid deferred tax assets not been recognized, loss after tax for the year ended on March 31, 2020 would have been higher by Rs. 13,664.50 lakhs and other equity would have been lower by Rs. 13,664.50 lakhs.



- (c) Note 32(II) to the financial statements, the Company had not provided compensation for short lifting of annual agreed quantity of Granulated Slag of Rs. 6,741.29 lakhs upto March 31, 2020 (including Rs. 4,065.98 lakhs upto September 30, 2018 already demanded by the supplier). The Company has, however, disputed the claim on various grounds such as deficient/inadequate supply of slag during the financial year 2011-12 to 2013-14, inordinate delay of 9 months on part of the supplier in furnishing bank guarantee for renewal of mining operation at ILQ Santa etc. and the company also have filed counter claim with the party for contribution loss suffered by the Company. The same being under negotiation, the company has not provided any expenses during the year ended March 31, 2020. We are unable to comment to the extent to which this liability will be settled.

We conducted our audit of the 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 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 ethical requirements that are relevant to our audit of the 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 qualified opinion on the financial statements.

### 3. Emphasis of Matters

- a) As Stated in Note no. 14.5 of the financial statements, Jaiprakash Associates Ltd. (JAL), the holding company had pledged 30% of the shares of the company and also agreed and signed a Non-Disposal Undertaking (NDU) for the remaining 44% shares in favor of Yes Bank Ltd. (YBL) as a collateral security against the loan facility of Rs. 46,500 lakhs availed by Jaypee Cement Corporation Ltd. (JCCL), a wholly-own subsidiary of JAL. YBL assigned the same in the favor of Assets Care and Reconstruction Enterprise Limited (ACRE). The ACRE informed about the transfer of entire pledged/NDU shares of the company in its name. However, JAL continues to show the investment in its books of accounts as the shareholders agreement with Steel Authority of India (SAIL), the JV partner in the company, provides that a purported transfer not in accordance with the terms of Shareholder Agreement shall be null and void. The company has therefore maintained status quo ante of the shareholding in its Books of Accounts though Depository has transferred the shares in the name of ACRE. Moreover, JAL had filed the case (Dairy no.- 1348241) in Hon'ble high Court of Delhi on March 06, 2020 but its status has not yet been updated due to COVID-19.
- b) As Stated in Note no. 37 of the financial statements, no provision has been considered necessary by the management against Entry Tax amounting to Rs. 3,408.62 lakhs (including interest) as demanded by the Commercial Tax Department. The company has filed the Writ Petition in Hon'ble High Court of Chhattisgarh against the order of Commercial Tax Department. Further, the company had filed for the exemption certificate regarding payment of entry tax which was rejected by the Department of Commerce & Industries, Chhattisgarh. During the previous year, the company has filed an appeal before the State Appellate Forum, Department of Commerce and Industries, (Government of Chhattisgarh) against the order of the Department of Commerce & Industries, Chhattisgarh. The Management is confident for favorable outcome in both the above-mentioned cases. Moreover, Rs.684.35 lakhs have been deposited against the entry tax demand till date and shown as part of other non-current assets which is in the opinion of the management is good and recoverable.
- c) As Stated in Note no. 38 of the financial statements, State Bank of India has sanctioned vide letter dated September 20, 2019, One Time Settlement (OTS) under SBI Scheme for One Time Settlement of NPAs & AUCAs (SBI OTS 2019) for Rs. 3,760.64 lakhs against principal outstanding of Rs. 4,424.28 lakhs as on March 31, 2019 whose last installment was due on March 20, 2020 but the same was extended upto June 30, 2020. The Company has not given any impact of the OTS in the books of account for the reason stated therein.

Our Opinion is not modified in respect of these matters.



#### 4. Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including its Annexures and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### 5. Responsibilities of Management and Those Charged with Governance 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 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 accounting principles generally accepted in India including the Accounting Standards specified section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

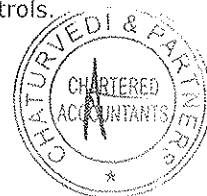
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### 6. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes 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 any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## 7. Other Matter

As stated in Note No. 31 to the financial Statement, which describes the assessment of uncertainties and the impact of Covid-19 pandemic on the Company's operations and performance by the management. Further due to Covid-19 related lock down restrictions, management was able to perform year end physical verification of inventory at certain locations, subsequent to the year end. Also, we were not able to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternative procedures to audit the existence of Inventory as per the guidance provided in SA -501 "Audit Evidence- Specific considerations for Selected Items".

Our Opinion is not modified in respect of this matter

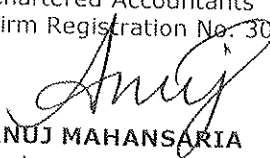
## 8. Report on Other Legal and Regulatory Requirements

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, based on our audit we report that:
  - a) We have sought and except for the effect/possible effects of the matters described in the "Basis for Qualified Opinion" paragraph obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Except for the effect/possible effects of the matters described in the "Basis for Qualified Opinion" paragraph, 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) Except for the effect/possible effects of the matters described in the "Basis for Qualified Opinion" paragraph, in our opinion, the aforesaid financial statements comply with the Ind-AS specified under Section 133 of the Act, read with rules issued thereunder.



- e) The matters described in the "Basis for Qualified Opinion" paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
- f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the "Basis for Qualified Opinion" paragraph;
- h) 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". Our report expresses Qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the company has not paid or provided any managerial remuneration covered under section 197 of the Act to its directors during the year.
- j) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position to the extent ascertained, in its financial statements (Refer note 32);
  - Except for the effects/possible effects of matters described under basis for qualified opinion paragraph, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any derivative contracts.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

  
**ANUJ MAHANSARIA**  
Partner  
Membership No. 500819



Place: New Delhi  
Date: May 25, 2020

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

- i
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The fixed Assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. According to the information and explanations given to us, discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
  - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, lease deeds of the leasehold and title deeds of the freehold immovable properties are in the name of the company.
- ii The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. Further, physical verification of inventory has been carried out by the management subsequent to year end due to lockdown restriction imposed by the Government of India consequent to the outbreak of COVID-19 for which roll back procedures have been performed to determine the existence as at year end. The discrepancies noticed on verification between physical stocks and book records were not material and have been properly dealt with in the books of account.
- iii According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, LLP firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the clause iii (a), (b) and (c) of paragraph 3 of the Order are not applicable to the Company.
- iv According to the information and explanation given to us, the company has neither given any loan, guarantee and security nor made any investment in respect of which section 185 or 186 of the Companies Act, 2013 is applicable. Accordingly, the clause iv of paragraph 3 of the Order is not applicable to the Company.
- v According to the information and explanations given to us, the Company has not accepted any deposits during the year within the meaning of Sections 73 to 76 of the Companies Act, 2013, and the rules framed there under to the extent notified. Accordingly, the clause v of paragraph 3 of the Order is not applicable to the Company.
- vi We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.
- vii
  - (a) According to information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues in respect of provident fund and income tax deducted at source with the appropriate authorities except royalty, excise duty, infrastructure tax, entry tax, sales tax, value added tax, property tax, goods and service tax and employee's state insurance which have been deposited with considerable delays. Further, there is no statutory dues as on last day of the financial year concerned outstanding for more than six months from the date, they became payable except as given in **Appendix-1** to this report.
  - (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues outstanding in respect of income tax, goods and service tax, sales tax, service tax, duty of excise and value added tax which have not been deposited on account of any dispute except given in **Appendix-2** to this report.
- viii According to the information and explanations given to us and on the basis of our examination of records of the company, there was default in respect of Cash credit loan from a bank for which the concerned bank has approved One Time Settlement (OTS) and has rescheduled the repayment plan as mentioned in Note 38 to the Financial Statements. The company has neither obtained any loan from financial institution and government nor issued any debentures.

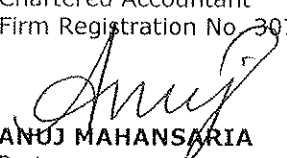


- ix According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the clause ix of paragraph 3 of the Order is not applicable to the Company.
- x According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees have been noticed or reported during the year.
- xi According to the information and explanations given to us, the company has not paid or provided any managerial remuneration covered under section 197 of the Act to its directors during the year. Accordingly, the clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii The company is not a Nidhi Company. Accordingly, the clause xii of paragraph 3 of the Order is not applicable to the Company.
- xiii According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Accordingly, the clause xiv of paragraph 3 of the Order is not applicable to the Company.
- xv According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them as per section 192 of Companies Act, 2013.
- xvi According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

**For CHATURVEDI & PARTNERS**

Chartered Accountant

Firm Registration No. 307068E

  
**ANUJ MAHANSARIA**

Partner

Membership No. 500819



Place: New Delhi  
Date: May 25, 2020

**Annexure "B" to the Independent Auditors' Report of even date on the Financial Statements of Bhilai Jaypee Cement Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Bhilai Jaypee Cement 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 for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance 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 qualified 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 authorization 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.

### Basis for Qualified Opinion

In our opinion according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2020:

The Company did not have appropriate internal financial controls over (a) Assessment of recoverability of deferred tax assets, (b) Assessment of penalty due to non-fulfilment of committed contract for raw material and (c) assessment of tax liability due to pending litigations.

The inadequate supervisory and review control over Company's process in respect of its aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in preparation and presentation of financial statement including the profit/loss after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

### Qualified opinion

In our opinion, except for the effects/possible effects of material weaknesses described in "Basis for Qualified Opinion" paragraph above, 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 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended on March 31, 2020, and these material weaknesses have affected our opinion on the financial statements of the Company and we have issued a qualified opinion on the financial statements.

**For CHATURVEDI & PARTNERS**

Chartered Accountant

Firm Registration No. 307068E

**ANUJ MAHANSARIA**

Partner

Membership No. 500819

Place: New Delhi

Date: May 25, 2020



## Appendix-1 As referred to in para vii (a) of the Annexure A to the Independent Auditor's Report

Name of the Statue	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which amount relates	Due Date	Date of payment
Mines and Mineral Development and Regulation Amendment Act, 2015	National Mineral Exploration Trust	37.44	Upto March, 2019	19th of 3rd Month	-
		1.29	April 19	July 19, 2019	-
		1.69	May 19	August 19, 2019	-
		1.45	June 19	September 18, 2019	-
	Interest	13.96	Upto September 30, 2019	-	-
Mines and Mineral Development and Regulation Amendment Act, 2015	District Mineral Foundation	405.52	Upto March, 2019	19th of 3rd Month	-
		19.38	April 19	July 19, 2019	-
		25.39	May 19	August 19, 2019	-
		21.74	June 19	September 18, 2019	-
	Interest	50.51	Upto September 30, 2019	-	-
Mineral Concession Rules, 1960	Royalty	490.00	- 2018-19	20th of 3rd Month	-
		64.60	April 19	20th of 3rd Month	-
		84.64	May 19	20th of 3rd Month	-
		72.46	June 19	20th of Next Month	-
	Interest	541.54	Upto September 30, 2019	-	-
Chhattisgarh Value Added Tax, 2003	Work Contract Tax	3.31	May 17	June 10, 2017	-
		4.45	June 17	July 10, 2017	-
Chhattisgarh Value Added Tax, 2003	Value Added Tax	30.09	April 17	May 10, 2017	-
		33.78	May 17	June 10, 2017	-
		26.79	June 17	July 10, 2017	-
	Interest	32.40	Upto September 30, 2019	-	-
The Central Sales Tax Act, 1956	Central Sales Tax	0.79	June 17	July 10, 2017	-
		6.25	June 17	July 10, 2017	-
Goods and Services Tax Act, 2017	Interest	190.74	Upto March 31, 2019	-	-
		52.71	From April to September 2019	-	-
Building and other Construction Worker Welfare Cess Act, 1996	Labour Cess	55.81	2009-10	Advance Payment	-
Madhya Pradesh Gramin Avasanrachna Tatha Sadak Vikas Adiniyan- 2005	Infrastructu re Tax	116.05	Upto 2018-19	April 30 Every Year	-
Entry Tax Act, 1976	Entry tax and interest thereon	179.52	2015-16	10 <sup>th</sup> of next Month	-
		12.71	2017-18	10 <sup>th</sup> of next Month	-
Madhya Pradesh Muncipal Corporation Act, 1956	Property Tax	41.51	2016-17	July 2016	-
		35.38	2017-18	July 2017	-
		35.38	2018-19	July 2018	-
		37.29	2019-20	July 2019	-
The Central Excise Act, 1944	Demand for Excise Duty	10.18	Upto March 2019	Immediate	-



## Appendix-2 As referred to para vii(b) of the Annexure A to the Independent Auditor's Report:

Name of the Statute	Nature of Dues	Amount involved (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending	Amount Deposited (Rs. in Lakhs), if any.
MP VAT, 2002	Demand for VAT	161.81	2009-10	Commercial Tax Tribunal, Bhopal	161.81
	Demand for VAT	20.45	2011-12	Commercial Taxes Appellate Board	20.45
	Demand for CST	2.87	2013-14	Addl. Commissioner Sales Tax	0.29
Entry Tax Act, 1976	Demand for Entry Tax	12.82	2010-11	Commercial Tax Tribunal, Bhopal	12.82
	Demand for Entry Tax	125.42	November 2014 to June 2017	High Court	125.42
	Entry tax and interest thereon	723.87	2012-13	High Court	108.58
	Entry tax and interest thereon	928.89	2011-12	To be tagged with WPT 239/2018 & 250/2018	544.36
	Entry tax and interest thereon	209.40	2010-11	High Court	31.41
	Entry tax and interest thereon	577.87	2013-14	High Court	-
	Entry tax and interest thereon	968.59	2014-15	Assessment pending	-
The Central Excise Act, 1944	Demand for Excise Duty	44.68	2009-10	Excise Tribunal	-
		57.98	2009-10	Excise Tribunal	-
		2.20	2009-10	Commissioner of Excise	-
		8.88	2009-10	Commissioner of Excise	-
Building and other Construction Worker Welfare Cess Act, 1996	Demand on account of Cess	222.19	2009-10	Asst. Labour Commissioner	-
West Bengal Value Added Tax Act, 2003	Demand for VAT and Purchase Tax	3.92	2012-13	Revision Board	-
	Demand for Penalty	5.59	2013-14	Revision Board	-
Orissa Value Added Tax, 2004	Demand for VAT, Interest and Penalty	219.85	2012-13	Addl. Commissioner Sales Tax	14.59
Jharkhand Value Added Tax Act, 2005	Demand for VAT	331.22	2015-16	Commissioner Commercial Taxes, Ranchi	-
The Custom Act, 1962	Demand for Customs Duty	614.00	2016-17	Tribunal	217.06
The Central Sales Tax Act, 1956	Demand for CST	2.87	2013-14	Addl. Commissioner, Commercial Tax, Jabalpur	0.43
		1.50	2014-15	Deputy Commissioner, Commercial Tax, Satna	0.15
		7.41	2012-13	Chhattisgarh Commercial Tax Tribunal, Raipur	2.37
		22.71	2011-12	Additional Commissioner, Commercial Tax, Jabalpur	2.28
		54.70	2012-13	Additional Commissioner, Commercial Tax, Jabalpur	5.48
Chhattisgarh Value Added Tax, 2003	Demand for VAT	19.88	2012-13	Chhattisgarh Commercial Tax Tribunal, Raipur	6.36
		305.39	2011-12	Chhattisgarh Commercial Tax Tribunal	109.86
		15.03	2011-12	Chhattisgarh Commercial Tax Tribunal	4.81
The Finance Act, 1994	Demand for Service Tax	14.21	2012-15	Commissioner Appeal	1.07



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**BHILAI JAYPEE CEMENT LIMITED**  
CIN: U26940CT2007PLC020250  
BALANCE SHEET AS AT MARCH 31, 2020

(Rs. in Lakhs)				
S. No.	PARTICULARS	NOTE	As at March 31, 2020	As at March 31, 2019
<b>I</b>	<b>ASSETS</b>			
<b>[1]</b>	<b>NON CURRENT ASSETS</b>			
(a)	Property, Plant and Equipment	3	48,881.52	52,614.56
(b)	Capital Work-in-Progress		197.10	203.40
(c)	Intangible Assets	3	10.23	12.33
(d)	Right of Use Assets	3	9.62	-
(e)	Financial Assets			
	-Others Financial Assets	4	437.54	393.89
(f)	Deferred Tax Assets [Net]	5	13,664.50	15,863.30
(g)	Non Current Tax Assets [Net]	6	23.47	29.19
(h)	Other Non Current Assets	7	2,018.94	1,970.12
			<b>65,242.92</b>	<b>71,086.79</b>
<b>[2]</b>	<b>CURRENT ASSETS</b>			
(a)	Inventories	8	2,017.31	1,799.71
(b)	Financial Assets			
	(i) Trade Receivables	9	851.86	649.53
	(ii) Cash and Cash Equivalents	10	333.40	560.30
	(iii) Bank Balances other than (ii) above	11	0.68	0.68
	(iv) Others Financial Assets	12	5.95	6.66
(c)	Other Current Assets	13	1,292.07	1,559.90
			<b>4,501.27</b>	<b>4,576.78</b>
	<b>TOTAL</b>		<b>69,744.19</b>	<b>75,663.57</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>[1]</b>	<b>EQUITY</b>			
(a)	Equity Share Capital	14	37,968.48	37,968.48
(b)	Other Equity	15	(45,787.37)	(36,588.74)
			<b>(7,818.89)</b>	<b>1,379.74</b>
<b>[2]</b>	<b>LIABILITIES</b>			
<b>[A]</b>	<b>NON CURRENT LIABILITIES</b>			
(a)	Financial Liabilities			
	-Other Financial Liabilities	16	2.34	544.65
(b)	Provisions	17	763.85	723.21
			<b>766.19</b>	<b>1,267.86</b>
<b>[B]</b>	<b>CURRENT LIABILITIES</b>			
(a)	Financial Liabilities			
	(i) Borrowings	18	4,424.28	4,424.28
	(ii) Trade Payables	19		
	- Total outstanding dues to Micro Enterprise and Small Enterprise		14.33	14.81
	- Total outstanding dues of creditors other than Micro Enterprise and Small Enterprise		10,297.84	6,481.72
	(iii) Other Financial Liabilities	20	3,662.96	4,636.17
(b)	Other Current Liabilities	21	58,346.01	57,421.86
(c)	Provisions	22	51.47	37.13
			<b>76,796.89</b>	<b>73,015.97</b>
	<b>TOTAL</b>		<b>69,744.19</b>	<b>75,663.57</b>

The accompanying notes are an integral part of these financial statements.

1 to 54

As per our Report of even date attached.

**For CHATURVEDI & PARTNERS**  
Chartered Accountants  
Registration No. 307068E

Anuj Mahansaria  
Partner  
M No 500819



For and on behalf of the Board of Directors

Manoj Gaur  
Chairman  
DIN 00008480

R B Singh  
Director  
DIN 00229692

S B Pant  
CFO

C Stephen  
Company Secretary

Place : New Delhi  
Dated : May 25, 2020

**BHILAI JAYPEE CEMENT LIMITED**  
**CIN: U26940CT2007PLC020250**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020.**

(Rs. in lakhs)			
PARTICULARS	NOTE	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
I. Revenue From Operations	23	22,904.34	27,644.35
II. Other Income	24	71.60	347.77
<b>III. Total Income(I+II)</b>		<b>22,975.94</b>	<b>27,992.12</b>
<b>IV. Expenses</b>			
Cost of Materials Consumed	25	3,086.29	3,395.32
Changes In Inventories of finished goods and work-in-progress	26	(159.34)	420.08
Employee Benefits Expense	27	3,127.79	2,888.41
Finance Cost	28	1,442.97	1,209.13
Depreciation & Ammortization Expenses	3	3,769.27	3,868.77
Other Expenses	29	18,715.47	20,109.57
<b>Total Expenses (IV)</b>		<b>29,982.45</b>	<b>31,891.28</b>
<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>(7,006.51)</b>	<b>(3,899.16)</b>
Exceptional item			
<b>V. Profit/(Loss) before tax</b>		<b>(7,006.51)</b>	<b>(3,899.16)</b>
<b>VI. Tax Expenses</b>			
Current Tax			
Deferred Tax	43(a)	(2,197.06)	(252.00)
Tax related to earlier year			(13.50)
<b>Total Tax Expense(VI)</b>		<b>(2,197.06)</b>	<b>(265.50)</b>
<b>VII. Profit/(Loss) for the year(V+VI)</b>		<b>(9,203.57)</b>	<b>(4,164.66)</b>
<b>VIII. Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss			
-Remeasurement of defined benefit plans	42b(iii)	6.68	2.44
-Income tax relating to items that will not be reclassified to profit or loss	43(d)	(1.74)	(0.76)
<b>IX. Total Comprehensive Income for the year(VII+VIII)</b>		<b>(9,198.63)</b>	<b>(4,162.98)</b>
<b>Earning per share (Face Value of Rs. 10 each)</b>	53		
Basic		(2.42)	(1.10)
Diluted		(2.42)	(1.10)

The accompanying notes are an integral part of these financial statements.

1 to 54

As per our Report of even date attached.

**For CHATURVEDI & PARTNERS**

**Chartered Accountants**

**Registration No. 307068E**

Anuj Mahansaria  
Partner  
M No 500819



**For and on behalf of the Board of Directors**

Manoj Gaur  
Chairman  
DIN 00008480

R B Singh  
Director  
DIN 00229692

S B Pant  
CFO

C Stephen  
Company Secretary

Place : New Delhi  
Dated : May 25, 2020

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BHILAI JAYPEE CEMENT LTD.  
U26940CT2007PLC020250

STATEMENT OF CASH FLOWS STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>A. Cash flow from operating activities</b>		
(Loss)/Profit Before Tax	(7,006.51)	(3,899.16)
<b>Adjustment for:</b>		
Depreciation and Amortisation Expense	3,769.27	3,868.77
Interest Income	(24.45)	(23.08)
Excess provision written back	(23.58)	(224.56)
Loss on Sale /discard of Property, plant and equipment	1.18	18.84
Advance/ Receivables written off	11.83	237.69
Allowance for bad debts	47.25	-
Finance Costs	1,442.97	1,209.13
<b>Operating Profit / (Loss) before working capital changes</b>	<b>(1,782.04)</b>	<b>1,187.63</b>
<b>Changes in Working Capital :</b>		
(Increase)/decrease in Inventories	(217.60)	229.98
(Increase)/decrease in Trade Receivables	(204.33)	(5.70)
(Increase)/decrease in Other financial assets	(43.65)	154.96
(Increase)/decrease in Other Current & Non Current Assets	209.67	30.93
Increase/(decrease) in trade payable	3,839.22	1,266.44
Increase/(decrease) in other financial liabilities	(1,529.88)	(2,010.95)
Increase/(decrease) in Other current liabilities and provision	813.63	8.41
<b>Cash (used in) / generated from Operations</b>	<b>1,085.02</b>	<b>861.70</b>
Net Income Tax Refund / (paid)	5.72	(2.33)
<b>Cash (used in) / generated from operations</b>	<b>1,090.74</b>	<b>859.37</b>
<b>B. Cash flow from investing activities</b>		
Capital Expenditure on Fixed Assets (including Capital Advances)	(79.43)	(2.80)
Proceeds from sale of property, plant and equipments	0.22	-
Net investment in Bank Fixed Deposit	-	45.72
Interest Received	25.16	31.83
<b>Net cash used in investing activities</b>	<b>(54.05)</b>	<b>74.75</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from Short Term Borrowings ( net of repayments)	-	(48.96)
Payment of Lease Liabilities	(30.50)	-
Interest and Finance Charges Paid	(1,233.09)	(883.03)
<b>Net cash generated from financing activities</b>	<b>(1,263.59)</b>	<b>(931.99)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(226.90)</b>	<b>2.13</b>
Cash and cash equivalents at the beginning of the year	560.30	558.17
Exchange differences on translation of foreign currency cash and cash equivalent	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>333.40</b>	<b>560.30</b>
1. Cash flow statement has been prepared under the Indirect method as set out in Ind AS 7, specified under section 133 of the Companies act, 2013.		
Figures in bracket represents cash outflow.		
3. Cash & cash equivalents includes:		
Cash in Hand	5.25	3.13
Balance with Banks	-	-
- In Current Accounts	168.15	557.17
- Term Deposit having original maturity less than 90 days	160.00	-
	<b>333.40</b>	<b>560.30</b>

The accompanying notes are an integral part of these financial statements.  
As per our Report of even date attached.

1 to 54

For CHATURVEDI & PARTNERS  
Chartered Accountants  
Firm Registration No. 307068E

ANUJ MAHANSARIA  
Partner  
Membership No. 500819



For and on behalf of the Board of Directors

Manoj Gaur  
Chairman  
DIN 00008480

R B Singh  
Director  
DIN 00229692

S B Pant  
CFO

C Stephen  
Company Secretary

Place : New Delhi  
Date : May 25, 2020

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**BHILAI JAYPEE CEMENT LIMITED**  
U26940CT2007PLC020250

**Statement of Changes in Equity for the year ended March 31, 2020**

**A. Equity Share Capital**

Particulars	Number of shares	(Rs. in Lakhs)
		Amount
As at April 1, 2018	37,96,84,800	37,968.48
Changes in equity share capital during the year	-	-
As at March 31, 2019	37,96,84,800	37,968.48
Changes in equity share capital during the year	-	-
As at March 31, 2020	37,96,84,800	37,968.48

**B. Other Equity**

Particulars	Capital reserve	Retained earnings	Other comprehensive income	(Rs. in Lakhs)
				Total
As at April 1, 2018	4,289.87	(36,700.13)	(15.50)	(32,425.76)
Profit/(loss) for the year	-	(4,164.66)	-	(4,164.66)
Remeasurement of the net defined benefit (liabilities)/Assets	-	-	1.68	1.68
As at March 31, 2019	4,289.87	(40,864.79)	(13.82)	(36,588.74)
Profit/(loss) for the year	-	(9,203.57)	-	(9,203.57)
Remeasurement of the net defined benefit (liabilities)/Assets	-	-	4.94	4.94
As at March 31, 2020	4,289.87	(50,068.36)	(8.88)	(45,787.37)

The accompanying notes are an integral part of financial statements

1 to 54

As per our report of even date attached

**For CHATURVEDI & PARTNERS**  
Chartered Accountants  
Registration No. 307068E

Anuj Mahansaria  
Partner  
M No 500819



**For and on behalf of the Board of Directors**

Manoj Gaur  
Chairman  
DIN 00008480

R B Singh  
Director  
DIN 00229692

S.B. Pant  
CFO

C Stephen  
Company Secretary

Place : New Delhi  
Dated : May 25, 2020

## 1. Company Overview

Bhilai Jaypee Cement Limited (the Company) having its registered office at Bhilai Jaypee Grinding Plant, Bhilai Steel Plant Premises, Slag Road, Bhilai -490001, District Durg, Chhattisgarh, India, is a Public Limited Company domiciled in India and is incorporated in India under the provisions of Companies Act, 1956. The company is engaged in the business of manufacture and sale of Cement and Clinker. The company has its manufacturing facilities in India and sale of product in India and outside India.

## 2. Significant Accounting policies

### 2.1 Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provisions of Companies Act, 2013 as applicable.

### 2.2 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and presentation requirements of Division II to Schedule III to the Act under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 2.3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based upon the management's best knowledge of current events, actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Critical Judgments** In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

**Discount rate used to determine the carrying amount of the Company's defined benefit obligation:** In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

**Contingences and commitments:** In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, company treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the company do not expect them to have a materially adverse impact on the financial position or profitability.





**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**Income taxes:** The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions and adjustment of deferred tax assets against future taxable income.

**Useful lives of property, plant and equipment:** The Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

**Allowances for doubtful debts/advances:** The Company makes allowances for doubtful debts/advances based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgment and estimates.

**2.4 Operating Cycle and Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when it (a) Expected to be realised or intended to be sold or consumed in normal operating cycle; (b) Held primarily for the purpose of trading; or (c) Expected to be realized within twelve months after the reporting period, or (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

**2.5 Revenue recognition**

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery.

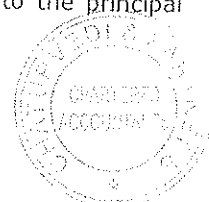
Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

**Cost to obtain a contract**

The Company pays sales commission to its selling agents for contracts that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in selling and distribution expense under other expenses).

Costs to fulfill a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

**Interest income** Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.



**Dividends** Dividend income from investments is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Profit/Loss on sale of units of Mutual funds/Bonds/Shares are accounted on transfer of ownership.

## 2.6 Segment Reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation. Operating Segment are reported in a manner consistent with the internal reporting provided to accounting policies are in line with the internal reporting provided to the Chief Operating Decision maker.

## 2.7 Foreign Currencies

**Functional and presentation Currencies:** The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**Transactions and translations:** Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

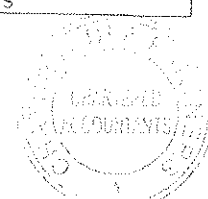
## 2.8 Property, plant and equipment

Property, plant and equipment (PPE) are initially recognized at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight-line method ("SLM") in the manner prescribed in schedule II to the Act. Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the useful lives of the assets as considered by the company reflect the periods over which these assets are expected to be used. Such classes of assets and their estimated useful lives are as under:

S. No.	Nature of Asset/Component of an Assets	Useful life of assets/components of assets
1	Building	30-60 years
2	Plant and Equipment	25 years
3	Electrical Equipment	10 years



4	Power Generation Unit	40 years
5	Furniture and Fixtures	10 years
6	Office Equipment	5 years
7	Vehicles	8-10 years
8	Computer Software	6 years

Cost of leasehold Land is being amortized over the period of lease term.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss. Fully depreciated assets still in use are retained in financial statements.

## 2.9 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

## 2.10 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The Company amortizes intangible assets with a finite useful life using the straight-line method over the useful lives determined by the terms of the agreement /contract. The estimated useful life is reviewed annually by the management.

## 2.11 Impairment of Assets

**Financial assets:** The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

**PPE and intangibles assets:** Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.



## 2.12 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

**Current tax:** Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**Deferred tax:** Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

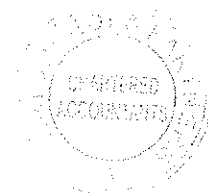
## 2.13 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract 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 the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Company's lease assets primarily consist of leases for land and buildings.

### The Company as a Lessee:

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a 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.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### 2.14 Provisions and Contingent Liabilities:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### 2.15 Inventories

Raw Materials and stores and parts are valued at lower of cost on Weighted Average Cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished product in which they will be incorporated/ use are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on weighted average cost method.

Work in progress and finished goods are valued at lower of cost on Weighted Average Cost and net realizable value. Cost includes direct material, labor, cost of conversion and other overheads incurred in bringing the inventory to their present location and condition.

Saleable scrap, whose cost is not identifiable, is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion/costs necessary to make the sale.



## 2.16 Non-derivative financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### a. Investments and Financial assets

**Cash and cash equivalents:** The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

**Trade Receivables and Loans:** Trade receivables and loans are initially recognized at fair value. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**Debt Instruments:** Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

**Equity Instruments:** All investments in equity instruments classified under financial assets are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

### b. Investments and Financial assets – Subsequent measurement

**Financial assets at amortized cost:** Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these 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.

**Financial assets at fair value through other comprehensive income (FVTOCI):** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

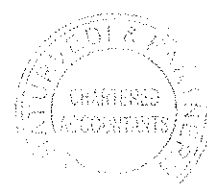
**Financial assets at fair value through profit or loss (FVTPL):** Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

### c. Financial liabilities

**Loans and borrowings:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost on accrual basis.

### d. Financial liabilities – Subsequent measurement

Financial liabilities are measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, carrying amounts approximate the fair value due to the short maturity of these instruments.



**e. Derecognition of financial instrument**

The Company de-recognizes 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 financial liabilities) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**f. Off-setting of financial instruments**

Financial assets and financial liabilities are set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**g. Impairment of financial assets**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the equity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**2.17 Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

**2.18 Employee Benefits**

Employee benefits consist of contribution to employee's state insurance, provident fund, gratuity fund and compensated absences.

**Post-employment benefit plans**

**Defined Contribution plans**

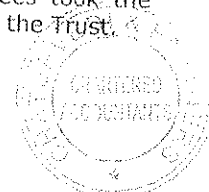
Contributions to defined contribution schemes such as employees' state insurance, labor welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

**Defined benefit plans:**

The Company operates defined benefit plan in the form of gratuity. The liability or asset recognized in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest expenses are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognized in the Statement of Profit and loss.

The Company fully contributes all ascertained liabilities to the Trust and Trustees took the policy from Life Insurance Corporation of India to administer contributions made to the Trust.



Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in other comprehensive income (OCI) in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

### **Compensated Absences**

The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company. The liability towards such unutilized leave as at the year end is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

The classification of the company's net obligation into current and non-current is as per the actuarial valuation report.

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where the Company has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability.

### **2.19 Impairment of non-financial assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of such reporting period.

### **2.20 Borrowings**

Borrowings are initially recognized at net of transition costs incurred and measured at amortized cost. Any difference between the prospects (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowing using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividend on these preference shares is recognized in Statement of Profit and Loss as finance costs.

### **2.21 Manufacturing and operating expenses**

The Company classifies separately manufacturing and operating expenses which are directly linked to manufacturing and service activities of the company.

### **2.22 Earnings per share (EPS)**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. --Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.





## 2.23 Fair Value Measurement:-

The Company, if need be, measures certain 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.



NOTE 3  
PROPERTY, PLANT AND EQUIPMENTS INCLUDING RIGHT TO USE OF ASSETS AND INTANGIBLE ASSETS

Particulars	TANGIBLE ASSETS												GRAND TOTAL		
	LAND FREEHOLD	LAND LEASEHOLD	LAND LEASEHOLD RIGHT TO USE ASSETS	BUILDINGS	PLANT & MACHINERY	ELECTRICAL INSTALLATION	WATER TANK, PIPE LINE & INSTALLATIONS	RAILWAY SIDING	VEHICLES	FURNITURE AND FIXTURES	OFFICE EQUIPMENTS	TOTAL		RIGHT TO USE- ASSETS	INTANGIBLE ASSETS
														BUILDING	MINING RESTORATION ASSETS
<b>Gross Block</b>															
As at April 1, 2018	1,382.62	1,240.79	-	5,327.62	75,484.72	321.93	37.48	4,580.73	141.86	172.86	500.46	89,194.07	-	41.98	
Additions during the year	6.07	-	-	-	-	-	-	-	0.30	0.30	5.84	11.41	-	11.41	
Depreciations during the year	-	-	-	-	(15.80)	(0.52)	(1.63)	-	(9.76)	(23.52)	(26.34)	(77.57)	-	(77.57)	
As at March 31, 2019	1,388.69	1,240.79	-	5,327.62	75,468.92	321.41	35.85	4,580.73	135.10	149.64	479.16	89,127.91	-	41.98	
Reclassified to Right to Use Assets*	-	(1,240.79)	1,240.79	-	-	-	-	-	-	-	-	-	-	-	
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Depreciations during the year	-	-	-	-	(1.00)	-	-	-	(13.85)	(1.30)	(11.87)	(28.02)	-	(28.02)	
As at March 31, 2020	1,388.69	0.00	1,240.79	5,327.62	75,467.92	321.41	35.85	4,580.73	121.25	148.34	473.98	89,106.58	38.46	41.98	
<b>Accumulated Depreciation &amp; Amortisation</b>															
As at April 1, 2018	-	255.94	-	1,721.55	28,224.30	120.03	15.29	1,734.51	129.20	141.68	367.38	32,709.88	-	27.56	
Depreciation/Amortisation for the year	-	72.43	-	316.97	3,135.88	27.52	3.05	272.73	3.66	11.93	22.53	3,865.67	-	21.0	
Deductions/other adjustments	-	-	-	-	(7.16)	(0.49)	(0.78)	-	(9.27)	(22.12)	(23.38)	(63.20)	-	(63.20)	
As at March 31, 2019	-	328.37	-	2,038.52	31,352.99	147.06	17.56	2,007.24	123.59	131.49	366.53	36,513.35	-	29.06	
Reclassified to Right to Use Assets	-	(328.37)	328.37	-	-	-	-	-	-	-	-	-	-	-	
Depreciation/Amortisation for the year	-	-	-	286.40	3,052.17	25.54	2.86	272.73	3.61	7.22	15.31	3,738.32	-	21.0	
Deductions/other adjustments	-	-	-	-	(0.95)	(0.95)	-	-	(13.16)	(1.30)	(11.21)	(26.62)	-	(26.62)	
As at March 31, 2020	-	-	400.80	2,324.92	34,405.16	171.65	20.42	2,279.97	114.04	137.46	370.63	40,225.06	28.84	31.76	
<b>Net Block</b>															
As at March 31, 2020	1,388.69	-	839.99	3,002.70	41,062.76	149.76	15.43	2,300.76	7.21	10.88	103.35	48,881.52	9.62	10.23	
As at March 31, 2019	1,388.69	912.42	-	3,289.10	44,115.93	174.35	18.29	2,573.49	11.51	18.15	112.63	52,614.56	-	12.33	
*Right of Use Assets include the reclassified assets and transitional impact on account of adoption of Ind AS 116 "Leases". (Refer note 41)														52,626.88	

\* Right of Use Assets include the reclassified assets and transitional impact on account of adoption of Ind AS 116 "Leases". (Refer note 41)



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PARTICULARS	(Rs. in lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>NOTE 4</b>		
<b>OTHERS FINANCIAL ASSETS</b>		
<b>Non Current Assets</b>		
<b>(Unsecured, considered good)</b>		
Security Deposits	437.54	393.89
<b>Total</b>	<b>437.54</b>	<b>393.89</b>
<b>NOTE 5</b>		
<b>DEFERRED TAX ASSETS [Net] (Refer Note 35 &amp; 43 (d))</b>		
<b>Deferred Tax Assets</b>		
Carry Forward Losses	20,779.83	25,335.05
Temporary Differences	1,008.22	619.78
	<b>21,788.05</b>	<b>25,954.83</b>
<b>Deferred Tax Liabilities</b>		
Depreciation	(8,123.55)	(10,091.53)
	<b>(8,123.55)</b>	<b>(10,091.53)</b>
<b>Deferred Tax Assets (net)</b>	<b>13,664.50</b>	<b>15,863.30</b>
<b>NOTE 6</b>		
<b>NON CURRENT TAX ASSETS [Net]</b>		
Advance Tax and Tax Deducted at Source (Refer Note 43(c))	23.47	29.19
<b>Total</b>	<b>23.47</b>	<b>29.19</b>
<b>NOTE 7</b>		
<b>OTHER NON CURRENT ASSETS</b>		
<b>(Unsecured, considered good)</b>		
Capital Advances	626.17	547.13
Security Deposits	23.19	23.19
Deposit under protest with Government Authorities (Refer Note 32 & 37)	1,369.58	1,399.80
<b>Total</b>	<b>2,018.94</b>	<b>1,970.12</b>
<b>NOTE 8</b>		
<b>INVENTORIES</b>		
<b>(As taken, valued &amp; certified by the Management)</b>		
<b>(Refer Note 18.1)</b>		
Raw Materials	78.68	278.43
Stores & Spare Parts	1,506.30	1,248.29
Finished Goods	6.05	-
Work-in-Process	426.28	272.99
<b>Total</b>	<b>2,017.31</b>	<b>1,799.71</b>
<b>NOTE 9</b>		
<b>TRADE RECEIVABLES (Refer Note 18.1 and 51)</b>		
Trade Receivables, Considered good- Secured	-	-
Trade Receivables, Considered good- Unsecured	851.86	649.53
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- Credit Impaired	19.29	17.29
	871.15	666.82
Less: Allowance for doubtful trade receivables	(19.29)	(17.29)
<b>Total</b>	<b>851.86</b>	<b>649.53</b>
<b>The movement in allowance for doubtful trade receivables</b>		
Balance at the beginning of the year	17.29	17.29
Allowance for doubtful trade receivables during the year	2.00	-
Balance at the end of the year	<b>19.29</b>	<b>17.29</b>
<b>NOTE 10</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash on hand	5.25	3.13
Balances with Banks		
In Current Accounts	168.15	557.17
Term Deposits having original Maturity less than 90 days	160.00	-
<b>Total</b>	<b>333.40</b>	<b>560.30</b>



PARTICULARS	(Rs. in lakhs)	
	As at March 31, 2020	As at March 31, 2019

**NOTE 11**

**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Term Deposits with remaining Maturity more than 12 months*	0.68	0.68
<b>Total</b>	<b>0.68</b>	<b>0.68</b>
*Under lien for issue of bank guarantees		

**NOTE 12**

**OTHER FINANCIAL ASSETS**

**Current Assets**

Interest accrued on Term and Security Deposits	5.95	6.66
<b>Total</b>	<b>5.95</b>	<b>6.66</b>

**NOTE 13**

**OTHER CURRENT ASSETS**

**(Unsecured, Considered good)**

**Advances to Suppliers, Contractors & Others (Refer Note 51)**

Considered good	518.91	792.01
Considered doubtful	45.25	-
	564.16	792.01
Less: Allowance for doubtful advances	(45.25)	-
	518.91	792.01
Advance to employees	148.73	127.92
Balances with government authorities	559.70	564.22
Prepaid Expenses	64.73	75.75
<b>Total</b>	<b>1,292.07</b>	<b>1,559.90</b>

**The movement in Allowance for Doubtful Advances to Supplier, Contrator & Others**

Balance at the beginning of the year	-	-
Allowance for doubtful advances during the year	45.25	-
Balance at the end of the year	<b>45.25</b>	-

**NOTE 14**

**EQUITY SHARE CAPITAL**

**Authorised**

380,000,000 Equity Shares of Rs. 10/- each (2018-19 - 380,000,000 Shares of Rs.10/-)	38,000.00	38,000.00
<b>Total</b>	<b>38,000.00</b>	<b>38,000.00</b>

**Issued, Subscribed and Paid-up**

379,684,800 Equity Shares of Rs.10/- each fully paid-up	37,968.48	37,968.48
(2018-19, 379,684,800 Shares of Rs.10/- each fully paid-up)		
<b>Total</b>	<b>37,968.48</b>	<b>37,968.48</b>

**Note 14.1: The Rights, preferences and restrictions attached to the equity shares**

The Company has only one class of equity shares having a face value of Rs.10 per share and each holder of equity shares is entitled to one vote per share. All equity Share holders are having right to get dividend in proportion to paid up value of the each equity share, as and when declared.

In the event of liquidation each shareholder carries equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the company after making preferential payments.

**Note 14.2. Reconciliation of the number of the equity shares outstanding**

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	379684800	37,968.48	379684800	37,968.48
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>379684800</b>	<b>37,968.48</b>	<b>379684800</b>	<b>37,968.48</b>

**Note 14.3 The shares held by the holding company (Refer Note- 14.5)**

280,966,752 Equity Shares of Rs.10 each fully paid up are held by Jaiprakash Associates Limited, the holding company. ( 2018-19, 280,966,752 Equity shares)

**Note 14.4 Details of shareholders holding more than 5% equity shares:**

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	Percentage	No. of Shares	Percentage	No. of Shares
Jaiprakash Associates Limited (Refer Note- 14.5)	74.00%	280966752	74.00%	280966752
Steel Authority of India Ltd.	26.00%	98718048	26.00%	98718048



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PARTICULARS	(Rs. in lakhs)	
	As at March 31, 2020	As at March 31, 2019

**Note 14.5:** Jaiprakash Associates Ltd.(JAL), the holding company had pledged 30% of the shares of the company and also agreed and signed a Non-Disposal Undertaking (NDU) for the remaining 44% shares in favour of Yes Bank Ltd. (YBL) as a collateral security against the loan facility of Rs.465 crore availed by Jaypee Cement Corporation Ltd. (JCCL), a wholly-own subsidiary of JAL.

YBL, unilaterally on its own without intimating JAL and in conjunction with Assets Care and Reconstruction Enterprises Ltd. (ACRE), assigned the loan alongwith security in favour of ACRE, who converted the balance 44% of shares pledged and invoked the pledge and transferred the entire pledged shares in its favour. JAL has neither taken cognizance of the assignment of the loan and security by YBL in favour of ACRE nor conversion of NDU into pledge and invocation of pledge and transfer of shares in its name. JAL continues to show the investment in its books of accounts as the shareholders agreement with SAIL, the JV partner in the company, provides that a purported transfer not in accordance with the terms of Shareholder Agreement shall be null and void.

The company has therefore maintained status quo ante of the shareholding in its Books of Accounts though Registrar has transferred the shares in the name of ACRE. Further, JAL had filed a case (Diray no.- 1348241) in honourable High court of Delhi on March 06, 2020 but its status has not been updated due to Covid-19.

**Note 14.6: Shares allotted as fully paid up without payment being received in cash:**

**Pursuant to contract**

52,509,600 shares had been allotted as fully paid up to "Steel Authority of India Limited" pursuant to agreement dated 11.06.2007 out of which 4,091,785 shares were allotted for consideration otherwise than in cash.

**By way of Bonus Shares**

During the Financial Year 2012-13, 46,208,448 Equity Shares and 131,516,352 Equity Shares of Rs. 10 each have been issued as bonus shares to Steel Authority of India Ltd. & Jaiprakash Associates Ltd. respectively.

#### NOTE 15

##### OTHER EQUITY

Capital reserve	4,289.87	4,289.87
Retained earnings	(50,068.36)	(40,864.79)
Other comprehensive income	(8.88)	(13.82)
<b>Total</b>	<b>(45,787.37)</b>	<b>(36,588.74)</b>

##### Nature and purpose of reserves

###### Capital Reserve

Capital Reserve represents funding of cost overrun by Jaiprakash Associates Limited upto March 31, 2013 in the terms of Shareholders Agreement. This reserve is not freely available for distribution to the shareholders.

###### Retained Earnings

Retained Earnings are the profit or loss that the company has earned till date, less any transfers to General Reserve, Dividend or other distributions paid to shareholders.

###### Other Comprehensive Income:

Other Comprehensive Income represents recognized remeasurement gains/ (loss) on defined benefit plans in Other Comprehensive Income. These changes are accumulated within the Other Comprehensive Income under Other Equity.

#### NOTE 16

##### OTHER FINANCIAL LIABILITIES

###### Non current liabilities

Security Deposit	-	544.65
Lease liabilities (Refer Note 41)	2.34	-
<b>Total</b>	<b>2.34</b>	<b>544.65</b>

#### NOTE 17

##### PROVISIONS

###### Non Current Liabilities

Mining Restoration Liability (Refer Note 17.1)	243.33	217.27
<b>For employee benefits</b>		
Gratuity (Refer Note 42)	321.86	309.83
Compensated Absences (Refer Note 42)	198.66	196.11
<b>Total</b>	<b>763.85</b>	<b>723.21</b>

###### Note - 17.1 : Mining Restoration Liability

At the beginning of the Year	217.27	193.99
Unwinding Interest	26.07	23.28
At the end of the Year	<b>243.33</b>	<b>217.27</b>

#### NOTE 18

##### BORROWINGS

###### Secured Loans

###### Working Capital Loans from Banks(Refer Note 38)

Loans from Bank (Cash Credit)	4,424.28	4,424.28
<b>Total</b>	<b>4,424.28</b>	<b>4,424.28</b>

18.1- Cash credit loan carries interest at the rate of 3.75% above base rate and is Secured against First Charge on all the current Assets of the company and personal Guarantee of Sh. Manoj Gaur (Director of the Company)

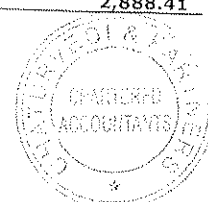


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PARTICULARS	(Rs. in lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>NOTE 19</b>		
<b>TRADE PAYABLES</b>		
Total outstanding dues of Micro Enterprise and Small Enterprise (Refer Note 40)	14.33	14.81
Total outstanding dues of creditors other than Micro Enterprise and Small Enterprise (Refer Note 51)	10,297.84	6,481.72
<b>Total</b>	<b>10,312.17</b>	<b>6,496.53</b>
<b>NOTE 20</b>		
<b>OTHER FINANCIAL LIABILITIES</b>		
<b>Current liabilities</b>		
Interest accrued and due on borrowing(Refer Note 38)	1,123.15	1,125.12
Security Deposits	504.33	-
Interest Payable-MSME Outstandings (Refer Note-40)	22.17	15.72
Lease Liabilities(Refer Note 41)	7.53	-
<b>Other Payables</b>		
Salary, wages and benefits payable	402.46	355.83
Other payables	170.20	5.90
Capital Creditors	64.96	60.71
Due to Related Parties (Refer Note 51)	1,368.16	3,072.89
<b>Total</b>	<b>3,662.96</b>	<b>4,636.17</b>
<b>NOTE 21</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Statutory Dues payable	5,747.27	3,910.65
Advances from Customers (Refer note 51)	52,598.74	53,511.21
<b>Total</b>	<b>58,346.01</b>	<b>57,421.86</b>
<b>NOTE 22</b>		
<b>PROVISIONS</b>		
<b>Current Liabilities</b>		
<b>For employee benefits</b>		
Gratuity (Refer Note 42)	28.03	19.78
Compensated Absences (Refer Note 42)	23.44	17.34
<b>Total</b>	<b>51.47</b>	<b>37.13</b>



Particulars	For the Year ended March 31, 2020	(Rs. In lakhs) For the year ended March 31, 2019
<b>NOTE 23</b>		
<b>REVENUE FROM OPERATIONS</b>		
<i>Sale of Product(Refer Note 49)</i>	22,888.75	27,630.40
<i>Other Operating Revenue</i>		
Scrap sale	15.59	13.41
Miscellaneous	-	0.54
	15.59	13.95
<b>Total</b>	<b>22,904.34</b>	<b>27,644.35</b>
<b>NOTE 23.1</b>		
<b>Disaggregation of Revenue</b>		
<i>A) Revenue based on Geography</i>		
Domestic	16,758.32	13,680.04
Export	6,146.02	13,964.31
<i>Revenue from Operations</i>	<b>22,904.34</b>	<b>27,644.35</b>
<i>B) Revenue based on Business segment</i>		
<i>The company is exclusively engaged in the business of cement and its related products, hence there is no reportable operating segment.</i>		
<b>NOTE 23.2</b>		
<b>Reconciliation of Revenue from operations with contract price</b>		
<i>Products- Cement/Clinker</i>		
Contract Price	23,976.81	28,527.75
Less: Swap Sales	(426.97)	(135.67)
Cash discounts, freight on ex-factory sale and other rebates	(645.50)	(747.73)
<i>Revenue from operation</i>	<b>22,904.34</b>	<b>27,644.35</b>
<b>NOTE 24</b>		
<b>OTHER INCOME</b>		
Interest Income	24.45	23.08
Excess provision written back	23.58	224.56
Miscellaneous income	23.57	100.13
<b>Total</b>	<b>71.60</b>	<b>347.77</b>
<b>NOTE 25</b>		
<b>COST OF MATERIALS CONSUMED</b>		
(Refer Note-47 and 48)		
Limestone	2,683.56	3,005.55
Laterite / Iron ore	181.27	218.00
Gypsum	19.01	6.35
Slag	196.76	115.81
Clinker	432.66	185.28
Less : Swap sale	(426.97)	(135.67)
	5.69	49.61
<b>Total</b>	<b>3,086.29</b>	<b>3,395.32</b>
<b>NOTE 26</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>		
<b>OPENING STOCKS</b>		
Finished goods	272.99	693.07
Work-in-process	272.99	693.07
<b>LESS: CLOSING STOCKS</b>		
Finished goods	(6.05)	-
Work-in-process	(426.28)	(272.99)
	(432.33)	(272.99)
<b>Total</b>	<b>(159.34)</b>	<b>420.08</b>
<b>NOTE 27</b>		
<b>EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, wages & other benefits	2,820.09	2,616.78
Contribution to provident & other funds (Refer Note 42)	171.50	157.86
Gratuity/Compensated absence Expenses (Refer Note 42)	79.81	79.71
Staff welfare	56.39	34.06
<b>Total</b>	<b>3,127.79</b>	<b>2,888.41</b>



Particulars	(Rs. In lakhs)	
	For the Year ended March 31, 2020	For the year ended March 31, 2019
<b>NOTE 28</b>		
<b>FINANCE COST</b>		
<i>Interest Expenses</i>		
Interest on borrowings & others	1,414.99	1,185.85
Unwinding Interest	26.07	23.28
Interest on Lease liabilities (Refer Note -41)	1.91	-
<b>Total</b>	<b>1,442.97</b>	<b>1,209.13</b>
<b>NOTE 29</b>		
<b>OTHER EXPENSES</b>		
<i>Manufacturing Expenses</i>		
Packing materials consumed	82.20	47.84
	82.20	47.84
Stores & spares consumed (Refer Note 47)	518.09	563.21
Repairs & maintenance of machinery	270.26	294.86
Machinery hire charges	17.44	21.94
	805.79	880.01
<i>Power and Fuel</i>		
Electricity and others	4,723.25	5,060.25
Coal consumed	10,142.83	12,187.23
	14,866.08	17,247.48
<b>Sub-Total (A)</b>	<b>15,754.07</b>	<b>18,175.33</b>
<i>Selling &amp; Distribution Expenses</i>		
Loading , transportation & other charges	1,720.57	289.22
Commission on sales	18.55	45.56
Sales promotion	2.74	1.50
<b>Sub-Total (B)</b>	<b>1,741.86</b>	<b>336.28</b>
<i>Establishment Expenses</i>		
Repair and Maintenance	212.58	229.90
Safety and Security Expenses	557.59	522.15
Rent	33.72	68.38
Rates and Taxes	162.34	204.44
Indirect Taxes	-	133.45
Insurance	41.28	46.20
Travelling Expenses	21.67	15.80
Postage, Telephone and Internet	16.55	19.32
Legal and Professional Expenses	56.54	30.81
Vehicle Hire and Running Charges	26.20	18.93
Bank Charges	0.07	2.33
Payment to Auditors :		
- Statutory Audit Fee (Refer Note 30)	9.47	4.54
- Tax Audit Fee	0.25	0.25
Printing and Stationery	2.31	2.26
Miscellaneous Expenses	18.71	42.67
Claim/Debit balance written off	11.83	237.69
Allowances for doubtful debts/Advances	47.25	-
Loss on sale of Property, plant and equipment	1.18	18.84
<b>Sub-Total (C)</b>	<b>1,219.54</b>	<b>1,597.96</b>
<b>Total (A + B + C)</b>	<b>18,715.47</b>	<b>20,109.57</b>
<b>NOTE 30</b>		
<b>Payment to Auditors</b>		
- Audit Fee	4.75	4.00
- Limited Review Fee	3.00	-
- Reimbursements of Expenses	1.72	0.54
	<b>9.47</b>	<b>4.54</b>





31. The operation and Financial performance of the company during the financial year ended March 31, 2020 are marginally impacted due to the shutdown of the company's plants under the lockdown announced by the state/central Governments after the outbreak of Covid-19 pandemic on March 22, 2020. The company has since resumed its operations on April 20, 2020 conforming to the guidelines of the Government. All necessary precautions relating to Hygiene, Sanitization, social distancing, care and protection of the employees would continue to be followed.

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, Plants and Equipment, Inventories, Receivables and Other current Assets. In developing the assumptions relating to the possible future uncertainties in the economic condition because of this pandemic, the company as at the date of approval of these Financial statements has used internal and external sources on the expected future performance of the company. The Company has performed analysis on the assumptions used and based on current indicators of Future Economic conditions, the company expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the Business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact on the company's assets and performance in future may differ from that estimated as at the date of approval of these Financial statements.

32. **Contingent Liabilities not provided for in respect of:**

(Rs. in lakhs)

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
I	<b>Disputed Demands</b>		
	VAT/Entry Tax/Excise duty/CST/BOCW Cess (includes amount stated in Note 37)	5,686.23	5,686.23
	Property Tax	-	-
	Workman Compensation	1.94	1.94
	Amount deposited against above	1,369.58	1,369.58

- II As per Supply agreement, Compensation for short lifting of annual agreed quantity of Granulated Slag works out to be Rs. 6,741.29 lakhs upto March 31, 2020 (including Rs. 4,065.98 lakhs upto September 30, 2018 already demanded by the supplier) (Previous Year: Rs.5,457.48 lakhs). The Company has, however, disputed the claim on various grounds such as deficient/inadequate supply of slag during the financial years 2011-12 to 2013-14, inordinate delay of 9 months on part of the supplier in furnishing bank guarantee for renewal of mining operation at ILQ Santa etc. and the company also have filed counter claim with the party for contribution loss suffered by the Company. The same being under negotiation, the company is not providing any expenses in this regard.

33. **Capital Commitment**

(Rs. in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated value of contracts to be executed on capital account (Net of advances)	542.17	542.17

34. The company is exclusively engaged in the business of cement and cement related products (i.e. clinker) as per Ind AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013, hence, there are no reportable business segments. However, Geographical segment is applicable as company is exporting clinker to Nepal.

The company could not conduct smooth operation at Bhilai plant due to bad market conditions and financial crunch, therefore management had decided to sale intermediate product (Clinker), substantial part of this sale attribute to Nepal. Revenues from external customers attributed to foreign country are Rs. 6,146.02 lakhs (Previous year Rs. 13,964.31 lakhs). Non-current assets located in foreign country Rs. NIL (Previous year RS. NIL).



35. Deferred tax assets on account of unused tax losses carried forward and other tax-deductible temporary differences aggregating to Rs. 13,664.50 lakhs as at March 31, 2020 (previous year Rs. 15,863.30 lakhs) have been recognized on the basis of business plan prepared by the management. The management believes that, growth in operations of the company will results in its revenue and profitability and consequently sufficient future taxable income will be available against which such deferred tax assets will be realized.
36. During the year, the Company has incurred a net loss of Rs. 9,198.63 lakhs resulting into accumulated losses of Rs. 50,077.24 lakhs against equity share capital of Rs. 37,968.48 lakhs and erosion of net worth as at March 31, 2020. Further, The Company had obligations towards fund based borrowings aggregating to Rs. 5,547.43 lakhs and the company's current liabilities exceeded its current assets. These matters require the Company to generate additional cash flows to fund the operations as well as payment to lender, creditors and statutory obligations notwithstanding the current lower level operating activities. The company is exploring various opportunities to reduce and control cost according to its business plan for increase in revenue and consequently profitability and net worth of the Company and meet obligations/liabilities. Hence the financial statements have been prepared on the going concern basis.
37. The company has filed the Writ Petition in Hon'ble High Court of Chhattisgarh against the order of Commercial Tax Department. Further, the company had filed for the exemption certificate regarding payment of entry tax which was rejected by the Department of Commerce & Industries, Chhattisgarh. During the previous year, the company has filed an appeal before the State Appellate Forum, Department of Commerce and Industries, (Government of Chhattisgarh) against the order of the Department of Commerce & Industries, Chhattisgarh. The Management is confident for favorable outcome in both the above-mentioned cases. Hence the company has not made any provision against entry tax amounting to Rs. 3,408.62 lakhs (including interest) pertaining to financial year ended March 31, 2011 to March 31, 2015. Further, Rs. 684.35 lakhs has been deposited against the entry tax demand till date and shown as part of "Other Non-current Assets" has been considered as good and recoverable.
38. State Bank of India has sanctioned vide letter dated September 20, 2019, One Time Settlement (OTS) under SBI Scheme for One Time Settlement of NPAs & AUCAs (SBI OTS 2019) for Rs. 3,760.64 lakhs against principal outstanding of Rs. 4,424.28 lakhs as on March 31, 2019 which has been accepted by the Company. The Company however continues to provide for interest on the outstanding amount till the final payment of OTS amount. The total outstanding of loan as per books of account is Rs. 5,547.43 lakhs (including interest) as on March 31, 2020. The Company had paid 5% upfront of Rs. 188.10 lakhs and second instalment (i.e. 20%) of Rs. 753 lakhs on September 20, 2019 and November 19, 2019 respectively. The lender has extended the due dates under OTS scheme upto June 30, 2020. Pending final settlement, no impact has been given in the books of account as on March 31, 2020.

**39. CIF Value of Imports:**

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Capital Goods	-	-
Stores and Spares	-	-

40. The Company has certain dues to suppliers registered under as 'micro' and 'small' under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(Rs. in Lakhs)			
	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A.	Dues remaining unpaid as at Balance Sheet date		
	Principal Amount	14.33	14.81
	Interest Amount	22.17	15.72
B.	Interest paid in terms of section 16 of the Act, along with the amount of payment made to the supplier and service providers beyond the appointed day during the period	-	-
C.	Interest due and payable for the period of delay in making payment (which has been paid beyond the appointed day during	-	-



	period) but without adding the interest specified under the Act		
D.	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-
E.	Interest accrued and remaining unpaid as at Balance sheet date	22.17	15.72

**Note:** Disclosure of amounts due to Micro, Small and Medium enterprises is based on information available with the Company regarding the status of the suppliers as defined under 'The Micro, Small and Medium Enterprises Development Act, 2006' (MSMED). This has been relied upon by the auditors.

#### 41. Ind AS 116 - Leases

Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method along with the transition option to recognise Right of Use Assets at an amount equal to the Lease Liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

The Company has taken lands on lease from "Steel Authority of India". The Company had treated the same as finance lease as on March 31, 2019 and reclassified to Right of Use Assets.

The Company has taken buildings on lease for staff residence, Bachelor Hostel, Guest House, Labour Camps and Offices.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous year to depreciation cost for the Right of Use Assets and finance cost for interest accrued on lease liability.

The Company has used the following practical expedients when applying Ind AS 116:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognize Right of Use Assets and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the Right of Use Assets at the date of application.

#### (i) Amounts recognized in the Statement of Profit and Loss:

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2020	
	Land	Building
Depreciation Expenses	72.43	28.44
Interest Expenses	-	1.91
Rent	-	33.72
<b>Total</b>	<b>72.43</b>	<b>64.07</b>



- (ii) The break-up of current and non-current lease liabilities as at March 31, 2020 is as under :

Particulars	(Rs. in lakhs) Amount
Current lease liability	7.53
Non-current lease liability	2.34
<b>Total</b>	<b>9.87</b>

- (iii) The movement in lease liabilities during the year ended March 31, 2020 is as under:

Particulars	(Rs. in lakhs) Amount
Balance at the beginning of the year	-
Additions	38.46
Finance cost accrued during the period	1.91
Deletions	-
Payment of lease liabilities	30.50
<b>Balance at the end of the year</b>	<b>9.87</b>

Actual cash flow during the year is Rs. 30.50 lakhs of lease liabilities.

- (iv) The details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis is given below:

Particulars	(Rs. in lakhs) Amount
Less than one year	7.90
One to five year	2.42
More than five year	-
<b>Balance at the end</b>	<b>10.32</b>

The Company have significant liquidity risk with regard to its lease liabilities as the Company's current liabilities exceed current assets.

42. Details of Employees Benefits as required by the Ind AS 12 "Employee Benefits" are given below :

a) Defined contribution plans:

The company has recognized the following amounts in the Statement of Profit and Loss (included in Contribution to provident and other funds):

Particulars	For the year ended March 31, 2020	(Rs. in Lakhs) For the year ended March 31, 2019
Contribution to provident fund	171.25	157.73
Contribution to Employees State Insurance Fund	0.25	0.13

b) Post Retirement Benefit Plan

- (i) Amount recognized in the Balance Sheet

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
Present value of plan liabilities	377.47	222.10	329.62	213.45
Fair value of plan assets	27.58	-	(5.90)	-
<b>Deficit/(Surplus) of funded plans</b>	<b>349.89</b>	<b>222.10</b>	<b>335.52</b>	<b>213.45</b>
Unfunded plans	-	-	-	-
<b>Net plan liabilities/(Assets)</b>	<b>349.89</b>	<b>222.10</b>	<b>335.52</b>	<b>213.45</b>



(ii) Movements in plan assets

Particulars	(Rs. in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
	Gratuity	Gratuity
Fair value of plan assets at the beginning of the year	(5.90)	4.79
Actual return on plan assets	-	-
Employer contribution	45.00	-
Fund management charges	(0.56)	-
Benefits paid	(10.96)	(10.67)
Fair value of plan assets at the end of the year	27.58	(5.90)

(iii) Amount recognized in the Statement of Profit and Loss as Employee Benefit Expenses

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
Current service cost	39.83	25.49	38.89	26.87
Interest cost	25.22	16.33	21.49	14.70
Past service cost	-	-	-	-
Expected return on plan assets	0.45	-	(0.36)	-
Actuarial (Gains)/Losses	(6.68)	(1.85)	(2.44)	(0.78)
<b>Total expenses</b>	<b>58.82</b>	<b>39.97</b>	<b>57.57</b>	<b>40.79</b>

(iv) Assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
Unquoted	-	-	-	-
Government Debt Instruments	-	-	-	-
Corporate Bonds	-	-	-	-
Insurer managed funds	100%	-	100%	-
Others	-	-	-	-
<b>Total</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>

(v) Assumptions

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Financial Assumption</b>		
Discount rate	6.80	7.65
Salary Escalation Rate#	4.00	5.50
<b>Demographic Assumptions</b>		
Retirement age (Years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)
Attrition at ages		
- Up to 30 years	2.00	2.00
- From 31 to 44 years	5.00	5.00
- Above 44 years	3.00	3.00

# The estimate of rate of escalation is salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.



(vi) Sensitivity

(Rs. in Lakhs)

	As at March 31, 2020			As at March 31, 2019		
	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities
<b>Gratuity:</b>						
Discount rate	0.50 %	(17.88)	19.35	0.50 %	(16.28)	17.67
Salary Escalation Rate	0.50 %	19.80	(18.43)	0.50 %	17.95	(16.67)
<b>Compensated Absence:</b>						
Discount rate	0.50 %	(10.47)	11.31	0.50 %	(10.46)	11.32
Salary Escalation Rate	0.50 %	11.57	(10.79)	0.50 %	11.51	(10.71)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

c) The defined benefit obligations shall mature after year end March 31, 2020 as follows:

(Rs. in Lakhs)

	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
2020	-	-	19.78	17.34
2021	28.03	23.44	18.86	14.13
2022	16.54	9.31	14.17	11.28
2023	14.47	8.18	14.32	7.37
2024	18.02	15.50	11.80	13.54
2025	19.36	14.53	18.17	13.47
2026	20.84	12.13	-	-
6 year onwards	260.22	139.01	232.51	136.32

The above information is as certified by the actuary.

43. Income Tax Expense

a) Tax expense recognized in the Statement of Profit and Loss:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Current tax</b>		
Current tax on taxable income for the year	-	-
<b>Total Current tax expense</b>	-	-
<b>Deferred tax</b>		
Deferred tax charge/(credit)	(2197.06)	(252.00)
MAT credit (taken)/utilized		
<b>Total deferred income tax expense/(benefit)</b>	(2197.06)	(252.00)
Tax in respect of earlier years	-	(13.50)
<b>Total income tax expense</b>	(2197.06)	(265.50)



- b) A reconciliation of the Income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Particulars	(Rs. in Lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Enacted income tax rate in India applicable to the company	26.00%	26.00%
Profit/(Loss) before tax	(7,006.51)	(3,899.16)
Current tax expense on profit/(loss) before tax expense at the enacted income tax rate in India	(1,821.69)	(1,013.78)
Impact of Timing difference including Carry forward losses and change in tax rate on Deferred tax	4,018.75	1,265.78
Income Tax Expense recognized in the Statement of Profit & Loss	2,197.06	252.00

- c) Tax assets and liabilities

Particulars	(Rs. in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Current tax assets (net)	23.47	29.19

- d) Deferred tax assets and liabilities

Particulars	As at April 1 2019	Credit / charged in statement of profit and loss	Credit / charged directly in OCI	(Rs. In Lakhs) As at March 31 2020
Depreciation	10,091.53	(1,967.98)	-	8,123.55
Deferred Tax Liability (A)	10,091.53	(1,967.98)	-	8,123.55
Carry forward losses	25,335.05	(4,555.22)	-	20,779.83
Temporary differences	619.78	390.18	(1.74)	1,008.22
Deferred tax Assets (B)	25,954.83	(4,165.04)	(1.74)	21,778.05
Deferred tax Assets (net) (B-A)	15,863.30	(2,197.06)	(1.74)	13,664.50

Particulars	As at April 1 2018	Credit / charged in statement of profit and loss	Credit / charged directly in OCI	(Rs. In Lakhs) As at March 31 2019
Depreciation	(10,181.17)	(89.64)	-	10,091.53
Deferred Tax Liability (A)	(10,181.17)	(89.64)	-	10,091.53
Carry forward losses	25,882.84	(547.79)	-	25,335.05
Temporary differences	414.40	206.14	(0.76)	619.78
Deferred tax Assets (B)	26,297.24	(341.65)	(0.76)	25,954.83
Deferred tax Assets (net) (B-A)	16,116.07	(252.00)	(0.76)	15,863.30

#### 44. Financial instruments

##### 44.1 Financial Instruments by Category

The carrying value and fair value of financial instruments by categories as at March 31, 2020 are as follows:

Particulars	At amortised cost	At fair value through profit and loss	At fair value through OCI	Total carrying value	(Rs. in Lakhs) Total fair value
<b>Assets</b>					
Cash and cash equivalents	333.40	-	-	333.40	333.40
Bank balance other than cash & cash equivalent	0.68	-	-	0.68	0.68
Trade receivable	851.86	-	-	851.86	851.86
Other financial assets	443.49	-	-	443.49	443.49
<b>Liabilities</b>					
Borrowings	4,424.28	-	-	4,424.28	4,424.28
Trade payables	10,312.17	-	-	10,312.17	10,312.17
Other financial liability	3,665.30	-	-	3,665.30	3,665.30



The carrying value and fair value of financial instruments by categories as at March 31, 2019 are as follows:

Particulars	At amortised cost	At fair value through profit and loss	At fair value through OCI	(Rs. in Lakhs)	
				Total carrying value	Total fair value
<b>Assets</b>					
Cash and cash equivalents	560.30	-	-	560.30	560.30
Bank balance other than cash and cash equivalent	0.68	-	-	0.68	0.68
Trade receivable	649.53	-	-	649.53	649.53
Other financial assets	400.55	-	-	400.55	400.55
<b>Liabilities</b>					
Borrowings	4,424.28	-	-	4,424.28	4,424.28
Trade payables	6,496.53	-	-	6,496.53	6,496.53
Other financial liability	5,180.82	-	-	5,180.82	5,180.82

#### 44.2 Fair Values Hierarchy

'Fair value measurement includes both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Hence, the disclosures of fair value hierarchy are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

#### 45. Financial risk management objectives and policies

'The risk management policies of the Company are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

##### 45.1 Credit risk on financial assets

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of dealing with creditworthy customers.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as actual or expected significant adverse changes in business, operating results, financial or economic conditions, credit risk on other financial instruments and third party collateral guarantees or credit.





Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables based on historical trend, available external and internal credit risk factors such as financial condition, ageing of accounts receivable etc., industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

#### 45.2 Market risk

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

#### 45.3 Interest rate risk

The interest rate risk exposure is mainly from changes in fixed and floating interest rates. The interest rates are disclosed in the respective notes to the financial statement of the Company. The following table analysis the breakdown of the financial assets and liabilities by type of interest rate:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>Financial assets</b>		
<b>Non-interest bearing</b>		
Cash and cash equivalent	333.40	560.30
Others Financial Assets	59.94	61.82
Trade receivable	851.86	649.53
<b>Interest bearing</b>		
Bank Balances (fixed deposit)	0.68	0.68
Others Financial Assets	383.55	338.73
<b>Financial liabilities</b>		
<b>Non-interest bearing</b>		
Trade Payable	10,312.17	6,496.53
Other Financial Liabilities	2,045.59	3,520.03
<b>Interest bearing</b>		
Borrowing (including interest)	5,547.43	5,549.40
Other Financial Liabilities	496.56	535.67

#### 45.4 Currency Risk

The company does not have any currency risk exposure as there is no foreign currency obligations/receivable.

#### 45.5 Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The trade payable and other payables are having short-term durations. The carrying amounts are assumed to be a



reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

Particulars	(Rs. in Lakhs)			
	Less than 1 Year / On demand	1 to 5 years	> 5 years	Total
<b>As at March 31, 2020</b>				
Borrowing (including interest)	5,547.43	-	-	5,547.43
Trade payable	10,312.17	-	-	10,312.17
Lease liabilities	7.90	2.42	-	10.32
Other financial liabilities (Current)	2,532.28	-	-	2,532.28
				<b>18,402.20</b>
<b>As at March 31, 2019</b>				
Borrowing (including interest)	5,549.40	-	-	5,549.40
Trade payable	6,496.53	-	-	6,496.53
Other financial liabilities (Current)	4,055.70	-	-	4,055.70
				<b>16,101.63</b>

#### 46. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	(Rs. in lakhs)	
	As at March 31, 2020	As at March 31, 2019
Borrowings	4,424.28	4,424.28
Trade Payable	10,312.17	6,496.53
Other financial liabilities	3,665.30	5,180.82
Less: cash and cash equivalents	(333.40)	(560.30)
Net debt (A)	<b>18,068.35</b>	<b>15,541.33</b>
Total equity(B)	(7,818.89)	1,379.74
Equity plus Net debt (C)	<b>10,249.46</b>	<b>16,921.07</b>
Gearing ratio (%) (A/C)	176.26	91.85

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.



47. Value of consumption of Raw Material and Stores & Spares consumed during the year:

Particulars	(Rs. in lakhs)	
	Year ended March 31, 2020	
	Value	%
<b>Raw Material Consumed</b>		
Indigenous*	3,513.26	100%
Imported	-	-
<b>Total</b>	<b>3,513.26</b>	<b>100%</b>
<b>Stores and spares consumed</b>		
Indigenous	518.09	100%
Imported	-	-
<b>Total</b>	<b>518.09</b>	<b>100%</b>

\* Includes swap purchase of clinker amounting to Rs. 426.97 Lakhs (Previous year - Rs. 135.67 Lakhs)

48. Raw material consumption:

Particulars	(Rs. in lakhs)			
	Quantity (in MT) Year Ended March 31, 2020	Quantity (in MT) Year Ended March 31, 2019	Value for the year ended March 31, 2020	Value for the year ended March 31, 2019
<b>Limestone</b>	11,88,546	13,31,306	2683.56	3,005.55
<b>Laterite/Iron ore</b>	16,909	19,661	181.27	218.00
<b>Gypsum</b>	696	260	19.01	6.35
<b>Slag</b>	24,913	13,204	196.76	115.81
<b>Clinker*</b>	16,147	9,044	432.66	185.28
<b>Total</b>			<b>3513.26</b>	<b>3,530.99</b>

\* Includes swap purchase of clinker amounting to Rs. 426.97 Lakhs (Previous year - Rs. 135.67 Lakhs)

49. Turnover during the year:

Particulars	(Rs. in lakhs)			
	Quantity (in MT) Year Ended March 31, 2020	Quantity (in MT) Year Ended March 31, 2019	Value for the Year Ended March 31, 2020	Value for the year ended March 31, 2019
<b>Clinker*</b>	7,95,851.19	8,89,433.07	22,174.93	26,912.52
<b>Cement/GGBFS</b>	39,360.96	26,870.92	1,140.79	853.55
<b>Total</b>			<b>23,315.72</b>	<b>27,766.07</b>

\* Includes swap sales of clinker amounting to Rs. 426.97 Lakhs (Previous year - Rs. 135.67 Lakhs)

50. Expenditure and Earning in Foreign Currency: Nil (Previous Year: Nil)

51. Related Party disclosures as required by Ind AS -24 are as under:

i) List of Related Parties and relationships.

A. Holding Company: Jaiprakash Associates Limited (JAL)

B. Fellow Subsidiary Companies:

1. Jaypee Infratech Limited
2. Himalyan Expressway Limited
3. Gujarat Jaypee Cement & Infrastructure Limited
4. Jaypee Agra Vikas Limited
5. Jaypee Fertilizers & Industries Limited
6. Jaypee Cement Corporation Limited



7. Himalyaputra Aviation Limited
8. Jaypee Assam Cement Limited
9. Jaypee Infrastructure Development Limited (formerly known as Jaypee Cement Cricket India Ltd.)
10. Jaypee Healthcare Limited (subsidiary of JIL)
11. Jaypee Cement Hockey (India) Limited
12. Jaypee Ganga Infrastructure Corporation Ltd.
13. Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL)
14. Yamuna Expressway Tolling Limited (subsidiary w.e.f. 20.04.2017)
15. Jaypee Uttar Bharat Vikas Private Limited (subsidiary of JFIL w.e.f.26.07.2017)
16. Kanpur Fertilizers & Cement Limited (subsidiary of JUBVPL w.e.f. 26.07.17)

**C. Companies in which Holding company have significant influence:**

1. Jaiprakash Power Ventures Limited (JPVL)
2. Jaypee Powergrid Limited (subsidiary of JPVL)
3. Jaypee Arunachal Power Limited (subsidiary of JPVL)
4. Sangam Power Generation Company Limited (subsidiary of JPVL)
5. Prayagraj Power Generation Company Limited (subsidiary of JPVL upto 18.12.2017)
6. Jaypee Meghalaya Power Limited (subsidiary of JPVL)
7. Bina Power Supply Limited (subsidiary of JPVL)
8. Jaypee Infra Ventures (A Private Company With Unlimited Liability)
9. Jaypee Development Corporation Limited
10. JIL Information Technology Limited (JILIT)
11. Gaur & Nagi Limited
12. Indesign Enterprises Private Limited (IEPL)
13. Sonebhadra Minerals Private Limited
14. RPJ Minerals Private Limited (RPJMPL)
15. Tiger Hills Holiday Resort Private Limited
16. Sarveshwari Stone Products Private Limited
17. Rock Solid Cement Limited
18. Jaypee International Logistics Company Private Limited
19. Jaypee Hotels Limited
20. Yamuna Expressway Tolling Private Limited (formerly known as Jaypee Mining Ventures Pvt. Ltd. (associate co. till 24.03.2017)
21. Ceekay Estates Private Limited
22. Jaiprakash Exports Private Limited
23. Bhumi Estate Developers Private Limited (BEDPL)
24. Jaypee Technical Consultants Private Limited
25. Jaypee Uttar Bharat Vikas Private Limited (associate Co. till 25.07.2017)
26. Kanpur Fertilizers & Cement Limited (associate Co. till 25.07.2017)
27. Madhya Pradesh Jaypee Minerals Limited
28. MP Jaypee Coal Limited
29. MP Jaypee Coal Fields Limited
30. Andhra Cements Limited
31. Jaypee Jan Sewa Sansthan ('Not For Profit' Private Limited Company)
32. Think Different Enterprises Private Limited
33. JC World Hospitality Private Limited
34. Ibonshourne Limited ( w.e.f. 11.01.16)
35. JC Wealth & Investments Private Limited
36. CK World Hospitality Private Limited
37. Librans Venture Private Limited
38. Librans Real Estate Private Limited
39. Samvridhi Advisors LLP



40. Jaiprakash Kashmir Energy Limited
41. Anvi Hotels Private Limited (dissolved w.e.f. 16.07.16)
42. Pac Pharma Private Limited
43. Kram Infracon Private Limited (KIPL)
44. First Light Estates Private Limited

Companies mentioned at Sl. No. 1 to 7 became an Associate Company in place of subsidiary w.e.f. 18.02.2017

**D. Company having significant influence on the Company:**

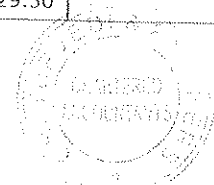
Steel Authority of India Limited (holding 26% of the paid-up equity share capital )

**E. Key Managerial Personnel:**

Shri Manoj Gaur  
Shri Sunny Gaur  
Shri Ram Bahadur Singh  
Shri Satish Charan Kumar Patne  
Ms Simi Gaur  
Shri Sunil Joshi (till 18.03.2020)  
Shri Sanjay Kumar ( till 26.07.2019)  
Shri B.P. Nayak (till 26.07.2019)  
Shri Vivek Gupta ( till 02.09.2019)  
Shri Neeraj Sharma  
Shri S. Rangani  
Shri M. Biswas  
Shri Ashok Kumar Jain  
Shri Jaiprakash Gaur (KMP of JAL)  
Shri Sunil Kumar Sharma (KMP of JAL )  
Shri Suresh Chand Rathi, (LIC Nominee) (KMP of JAL) (till 30.08.2019)  
Shri Raj Narayan Bhardwaj (KMP of JAL)  
Ms. Homai A. Daruwalla (KMP of JAL)  
Shri Kailash Nath Bhandari (KMP of JAL) (till 09.07.2019)  
Shri Chandra Prakash Jain (KMP of JAL) (till 09.07.2019)  
Shri Keshav Prasad Rau (KMP of JAL)  
Shri Tilak Raj Kakkar (KMP of JAL)  
Shri Pankaj Gaur (KMP of JAL)  
Shri Ranvijay Singh (KMP of JAL)

**ii) Transactions with related parties:**

S. No.	Nature of Transaction	Related Party	2019-20		2018-19	
			Amount	Balance	Amount	Balance
1 (i)	Purchase of Spares	Jaiprakash Associates Limited	1.31	49,292.41 Cr.	4.23	52,749.16 Cr.
(ii)	Purchase of Pet Coke		-		119.66	
(iii)	Sale of clinker		1,511.57		-	
(iv)	Fund received for Repayment of Working Capital loan		941.10		-	
(v)	Refund of Advances (Net)		2,233.85		1,773.54	
(vi)	Balance transfer to/from and payment received/made on behalf of holding company		684.85		-	
(vii)	Consent fees payment on behalf of company		-		38.85	
(viii)	AMC of SAP Software		-		32.19	
(ix)	Sale of Pet Coke		-		29.50	



**BHILAI JAYPEE CEMENT LIMITED (CIN U26940CT2007PLC020250)**  
Notes to financial statements for the year ended March 31, 2020

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2 (i)	Rent & Water Charges.		48.30		44.28	
(ii)	Track sharing maintenance	Steel Authority of India Limited	-	409.63 Cr.	-	439.50 Cr.
(iii)	Slag Purchased		173.00		142.19	
3	Safety & security/ Medical service	Jaypee Development Corporation Limited	531.54	272.20 Cr.	501.73	212.10 Cr.
4 (i)	IT Service	JIL Information Technology Limited	0.66		0.51	
(ii)	Purchase of IT Spare		0.80	0.06 Cr.	0.09	0.28 Cr.
5 (i)	Purchases/Repairing Stores & Spares of	Jaypee Cement Corporation Ltd. (Jaypee Hi-Tech Casting & H.E.W.)	192.88	592.51 Cr.	96.27	407.71 Cr.
(ii)	Sale of Scrap		8.09		8.44	
6	Sale of Spares	Jaypee Cement Corporation Ltd	-	407.58 Cr.	-	407.58 Cr.
7	Sale of Coal	Andhra Cement Limited	-	772.27 Cr.	115.78	772.02 Cr.
8	Payments on behalf of Company	Jaypee Power Venture Limited	-	527.72 Dr.	0.32	528.43 Dr.
9	Personal Guarantee given	Manoj Gaur	-	5,547.43 Cr.	-	5,549.40 Cr.

52. Certain balances of Trade Receivable, Advances to suppliers, Trade Payable etc. are subject to confirmations. In the opinion of the management, no major adjustment will be required to be made in the accounts on receipt of these confirmations and subsequent to their reconciliations.

**53. Earnings per Share (EPS)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net profit for the period (before OCI)(Rs. in lakhs)	(9,203.57)	(4,164.66)
Weighted average no. of Equity Shares	379,684,800	379,684,800
Diluted average no. of Equity Shares	379,684,800	379,684,800
Basic earnings per share (in Rs.)	(2.42)	(1.10)
Diluted earnings per share (in Rs.)	(2.42)	(1.10)
Face value of each shares (in Rs.)	10.00	10.00

54. All financial information presented in Indian rupees and all values are rounded to the nearest lakh upto two decimals except where otherwise stated. Figures in brackets represent corresponding previous year figures. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our separate report of even date attached.

For CHATURVEDI & PARTNERS  
Chartered Accountants  
Registration No. 307068E

Anuj Mahansaria  
Partner  
M No 500819



For and on behalf of the Board

Manoj Gaur  
Chairman  
DIN 00008480

R B Singh  
Director  
DIN 00229692

Place : New Delhi  
Dated : May 25, 2020

S B Pant  
C F O

C Stephen  
Company Secretary