

**JAIPRAKASH ENGINEERING AND STEEL COMPANY LIMITED**

**36<sup>TH</sup> ANNUAL REPORT**

**2020 - 21**

**Board of Directors**

**Uday Shankar Jha**  
Chairman

**K Srinivasa Raju**

**Lalitha Raghuram**  
Independent Director

**Tsalla Srinivas**  
Manager

**Registered Office**

No. 510, 3<sup>rd</sup> A Cross 2<sup>nd</sup>  
Main, 3<sup>rd</sup> Block, Raj Mahal  
Vilas II, Dollars Colony,  
Bangalore – 560 094

**CIN : U00337KA1993PLC014694**

**Auditors**

M/s. Saranga Pani & Co.,  
Chartered Accountants  
Hyderabad

## **NOTICE**

Notice is hereby given that the 36<sup>th</sup> Annual General Meeting of Jaiprakash Engineering and Steel Company Limited will be held at 10.00 a.m. on Wednesday, June 30, 2021 at the registered office of the company at No. 510, 3rd A Cross 2nd main, 3rd Block, Rajmahal Vilas – II Dollars Colony, Bangalore – 560 094, Karnataka to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the 36<sup>th</sup> Annual Report of the company including Financial Statements for the Financial Year ended March 31, 2021 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Uday Shankar Jha (DIN No. 00056510) who retires by rotation and, being eligible, offers himself for re-appointment.

**By Order of the Board**



**K Srinivasa Raju  
Director  
08195200**

Place: Hyderabad  
Date: June 04, 2021

## **NOTES**

- 1) A member entitled to attend and vote at the annual general meeting (“the meeting”) is entitled to appoint a proxy(ies) to attend and vote instead of himself / herself and such a proxy need not be a member of the company.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy should be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.

- 2) Members / Proxyholders and Authorized representatives are requested to bring to the Meeting, the duly filled in attendance slip(s) enclosed herewith along with their copy of Annual Report. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the Board Resolution authorizing representative to attend and vote on its behalf at the Meeting.
- 3) Copies of all documents referred to in the notice and explanatory statement annexed thereto are available for inspection at the Registered Office of the Company during normal business hours on all working days till the date of the Annual General Meeting.
- 4) A route map showing directions to reach the venue of the Annual General Meeting forms part of the Notice.

## **DIRECTORS' REPORT**

Your Directors present the 36<sup>th</sup> Annual Report on the Business and Operations of Jaiprakash Engineering And Steel Company Limited ("JESCO" / "the Company") together with the Audited Financial Statements for the year ended March 31, 2021 and other accompanying reports, notes and certificates.

The Financial Results of the Company for the year ended March 31, 2021 are as under:

### **A. BUSINESS AND FINANCIAL HIGHLIGHTS**

<b>Particulars</b>	<b>(in Rs.)</b>	
	<b>2020 – 2021 Current Year</b>	<b>2019 – 2020 Previous Year</b>
Net sales/income from Operations	-	-
Other Income	73,099	1,19,571
<b>Total Expenditure</b>		
a. Increase/(decrease) in Stock	-	-
b. Cost of materials consumed	-	-
c. Employee benefits expense	-	-
d. Purchase of traded products	-	-
e. Power and fuel	-	-
f. Other expenses	93428	1,52,743
<b>Total</b>		1,52,743
Finance cost	1330	652.26
Depreciation and amortization	-	-
Loss before tax	(21,659)	(33,824)
Provision for tax	-	-
Deferred tax	-	-
Loss after tax	(21,659)	(33,824)
Dividend – equity shares	-	-
Tax on proposed dividend	-	-
Balance c/d to balance sheet	(21,659)	(33,824)
Paid Up equity share capital (Face value of Re.10/- per share)	225972030	225972030
Reserves excluding revaluation reserve	(4,67,19,704)	(46,698,045)
Earnings per share (annualized) – in Rs.		
Basic and Diluted	(0.001)	(0.001)

#### **Financial Summary**

The Loss after tax for the year is Rs.21,659 against loss after tax of Rs.33,824 for the previous year.

#### **Activities of the company**

Your Company is considering implementing the projects related to development of Fertilizers and Chemicals Complex and Integrated Township projects in Kenjar, Thokur and Kulai villages of Mangalore to utilize the available land appropriately and gainfully.

The Company has, during the year 1996 made application to Karnataka Industrial Areas Development Board (KIADB) for allotment of land for the purpose of its integrated steel plant at Mangalore. The Company had paid Rs.30.53 Crore to KIADB towards deposit for acquisition of land (lease hold and free hold). KIADB had given possession of 986.52

acres of land to the Company. Subsequently, the Company has decided to shelve the Project and approached to KIADB for surrender of land allotted and refund the amount deposited. KIADB agreed to reimburse the deposit with a condition that as and when KIADB receive request from any prospective investor, the Company's lands will be offered and upon acceptance by potential investor deposit will be refunded to Company from the sale proceeds so received.

Accordingly, the Company has surrendered 204.96 acres for sale by KIADB to others and 232.86 acres for other uses as ordered by the Govt. of Karnataka and KIADB after which it is in possession of 548.70 acres as at March 31, 2016. After adjusting the amounts received from KIADB and the amounts charged by it towards various expenses, the deposit recoverable stands at Rs.17,59,47,363 as at March 31, 2018 which is shown under Long term Loans and Advances. In the opinion of the management, the realisable value of land in possession is in excess of deposit with KIADB.

In the meantime the Company has applied for approval to implement two projects i.e. Fertilizers and Chemicals Complex and Integrated Township to Karnataka Government during the year in the balance land held by the Company. The Government of Karnataka has approved the same vide GO No. CI 175 SPI 2011, Bangalore dated 18.08.2011, 07.05.2012 and GO No. CI176 SPI 2011 dt.18.08.2011.

The Government of Karnataka has passed order No. CI 175 SPI 2011 Dt. 11-11-2013 cancelling the land allotment made to the Company stating that the Company has not implemented the approved projects and also advised KIADB to resume the balance land from the Company. The Company has filed a writ petition challenging the Order of the Govt. of Karnataka and the Hon'ble High Court of Karnataka has prohibited the Govt. of Karnataka from dispossessing the land in possession of the Company.

The High Court of Karnataka on April 23, 2018 has lifted the stay and permitted the Government of Karnataka from taking possession of 160 acres of land from the Company for handing over the same to prospective applicants.

The stay of the High Court of Karnataka in relation to dis-possession of land in the possession of the Company for 388.70 acres continues. Pending crystallization of plans and considering the above said developments, the Financial Statements of the Company for the year have been prepared on going concern basis, notwithstanding the project initially planned been shelved.

### **Share Capital**

The paid-up equity capital of the company as on March 31, 2021, is Rs.22,59,72,030/- consisting of 2,25,97,203 equity shares of Rs.10/- each.

### **Transfer to Reserves**

There has been no transfer to General Reserves during the Financial Year 2020-21 in view of losses incurred by the Company.

**Dividend**

Considering the operating performance for the financial year ended on March 31, 2021, your Directors do not recommend any dividend for the year.

**Change in the nature of business**

During the year, there was no change in the nature of business of the company

**Subsidiaries, Joint Ventures or Associate Companies**

During the year, there was no subsidiary, Joint Ventures or Associate Companies

**Material changes and commitments**

There is no material change in the Company.

**B. DIRECTORS, BOARD COMMITTEES, KEY MANAGERIAL PERSONNEL AND REMUNERATION****Directors Retiring by Rotation**

In accordance with Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Uday Shankar Jha who is liable to retire by rotation and being eligible, offers himself for re-appointment as Director of the Company, subject to retirement by rotation.

The Board of Directors commend his re-appointment for consideration of the Shareholders.

**Declaration by Independent Directors:**

The Independent Directors have submitted their disclosure to the Board that they fulfill all the requirements of independence so as to qualify as an Independent Director under Section 149(6) of the Companies Act, 2013.

**Key Managerial Personnel:**

The following are the Key Managerial Personnel of the Company as defined under Sections 2(51), 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 as on date of this report:

Mr. Tsalla Srinivas - Manager

**Meetings of the Board**

The Board of Directors of your company, during the period under review met four times on June 30, 2020, August 31, 2020, October 04, 2020 and January 30, 2021

**Personnel**

There are no employees as on date on the rolls of the Company who are in receipt of remuneration which requires disclosures under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **COMMITTEES:**

### **Audit Committee:**

The Audit Committee of the Board of Directors is in compliance with the provisions of Section 177 of the Companies Act, 2013. The terms of reference are in compliance with the provisions of the law.

The Committee meets periodically to review the internal audit report, quarterly financial statements and annual financial statements and recommends its findings to the Board apart from taking action independently whenever required. The Statutory Auditors, the Internal Auditor, Cost Auditors attend and participate in the Audit committee Meetings.

The Audit Committee comprises of:

<b>Name</b>	<b>Designation</b>
Mrs. Lalitha Raghuram	Chairperson
Mr. Uday Shankar Jha	Member
Mr. K Srinivasa Raju	Member

### **Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee was constituted in compliance with the provisions of the Companies Act, 2013.

The Company has formulated the criteria for determining, inter-alia, qualifications, positive attributes and independence of a Director and policy relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management and other employees.

The Nomination and Remuneration Committee comprises of:

<b>Name</b>	<b>Designation</b>
Mrs. Lalitha Raghuram	Chairman
Mr. Uday Shankar Jha	Member
Mr. K Srinivasa Raju	Member

## **DISCLOSURES**

### **Related party transactions**

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. There are no contracts or arrangements entered into by the company with related parties in accordance with the provisions of Section 188(1) of the Companies Act, 2013.

**Particulars of Loans, Guarantees or Investments**

The company has not provided any Loans, Guarantees or made Investments pursuant to Section 186 of the Companies Act, 2013.

**Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

In relation to the information required to be furnished under the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the company is not undertaking any manufacturing activity and accordingly there is no information available pertaining to Conservation of Energy and Technology Absorption. There is no Foreign Exchange Earnings and Outgo.

**Compliance with Secretarial Standards**

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India relating to Meetings of the Board and its Committees and the General Meetings, which have mandatory application during the year under review.

**Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There were no orders passed by Regulators or Courts or Tribunals impacting the going concern status and future business operations of the Company.

**Adequacy of Internal Financial Controls**

The company has established and is maintaining internal controls and procedures. The Board of Directors have evaluated the effectiveness of the company's internal controls and procedures and confirm that they are adequate based on the size and the nature of its business.

**Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government**

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

**Deposits**

The Company has not accepted any deposits falling under the ambit of Chapter V of the Companies Act, 2013 and the Rules framed thereunder, during the year nor are there any unpaid /unclaimed deposits at the end of the year. Accordingly, no disclosure or reporting is required in respect of details relating to deposits.

**C. AUDITORS AND AUDIT REPORT****Appointment of Statutory Auditors**

M/s. Saranga Pani & Co., Chartered Accountants, Hyderabad, were appointed as the Statutory Auditors' for a term of five years commencing from the conclusion of the 32<sup>nd</sup> Annual General Meeting up to the conclusion of the 37<sup>th</sup> Annual General Meeting.

## **Statutory Audit Report**

The Auditors of the company have invited attention to "Emphasis of Matter" in the Auditors Report, in relation to matter pending before the Hon'ble High Court of Karnataka. Emphasis of Matter given in Auditors Report read with Note 3.1 of Notes to Financial Statements for the year ended March 31, 2021 are self-explanatory and do not call for any further comments.

## **D. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby report:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the support and cooperation extended by the Central Government, Government of Karnataka and Nagarjuna Fertilizers and Chemicals Limited.

Hyderabad  
June 04, 2021

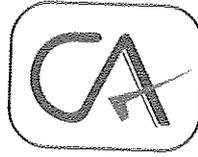
**By Order of the Board**



**Lalitha Raghuram**  
**Director**  
**07161344**



**K. Srinivasa Raju**  
**Director**  
**08195200**



**INDEPENDENT AUDITORS' REPORT**

To

The Members of  
M/s. Jaiprakash Engineering and Steel Company Limited

**Report on the Standalone Financial Statements**

We have audited the accompanying Standalone Ind AS Financial Statements of **Jaiprakash Engineering and Steel Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein referred to as "Standalone Ind AS Financial Statements").

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**





Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the Accounting and Auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Standalone Ind AS Financial Statements.

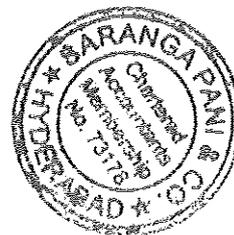
#### **Opinion**

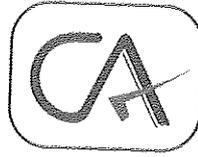
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March 2021, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Emphasis of Matter**

We draw the attention of the members to Note No. 3.1 regarding Standalone Ind AS Financial Statements being drawn up on a going concern basis notwithstanding shelving the project initially planned for the reasons stated in the said note.

Our opinion is not qualified in respect of this matter.





**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the 'Order'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position in Standalone Ind AS Financial Statements.





- ii. The Company did not, as at March 31, 2021, have any material foreseeable losses relating to long-term contracts including derivative contracts.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For Saranga Pani & Co  
Chartered Accountants  
Firm Registration No. 050030S

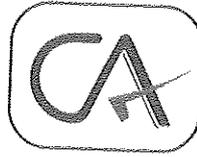
A handwritten signature in black ink, appearing to read 'C S Pani'.

(C S Pani)  
Proprietor

Membership No. 073178  
UDIN: 21073178AAAAOH6476

Place: Hyderabad  
Date: 4th June, 2021



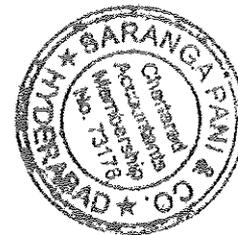


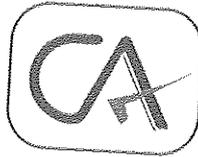
**Re: Jaiprakash Engineering and Steel Company Limited**

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) The Company has no fixed assets, paragraph 3(i) of the Order is not applicable for the current year under report.
- (ii) The Company has no inventory, paragraph 3(ii) of the Order is not applicable for the current year under report.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting under clauses (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable for the current year under report.
- (iv) According to the information and explanations furnished to us, the Company has not granted any loans, nor made any investments or given any guarantees or securities during the year to any of the parties specified in the Sections 185 and 186 of the Companies Act, 2013. Accordingly, reporting under paragraph 3(iv) of the Order is not applicable for the current year under report.
- (v) According to the information and explanations furnished to us, the Company has not accepted any deposits from the public. Accordingly, reporting under paragraph 3(v) of the Order is not applicable for the current year under report.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not commenced any operations. Hence paragraph 3(vi) of the Order is not applicable for the current year under report.





- (vii) According to the information and explanations given to us, in respect of statutory dues, during the year under report:
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities, and there were no amounts payable in respect of the aforesaid undisputed statutory dues in arrears, as at March 31, 2021, for a period of more than six months from the date they became payable.
- (b) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2021 on account of dispute.
- (viii) The Company has not made borrowings or taken loans from financial institutions, banks, government and has not issued debentures. Accordingly, reporting under paragraph 3(viii) of the Order is not applicable for the current year under report.
- (ix) According to the information and explanations furnished to us, the Company has not raised monies by way of initial public offer or further public offer of any of its securities during the year under report. Accordingly, reporting under paragraph 3(ix) of the Order is not applicable for the current year under report.
- (x) According to the information and explanations furnished to us, neither fraud by the Company, nor any fraud on the Company by any of its officers or its employees has been noticed or reported during the year under report. Accordingly, the provisions of paragraph 3(x) of the Order are not applicable to the Company for the current year under report.
- (xi) According to the information and explanations furnished to us, the Company has not paid/provided for managerial remuneration in the books of account. Hence, reporting under paragraph 3(xi) of the Order is not applicable for the current year under report.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, paragraph 3 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations furnished to us, there are no transactions with related parties. Hence, reporting under paragraph 3(xiii) of the Order is not applicable for the current year under report.
- (xiv) According to the information and explanations furnished to us, the Company has not made any preferential allotment or private placement of its shares or fully or partly convertible debentures



*[Handwritten Signature]*



during the year under report. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable for the current year under report.

- (xv) According to the information and explanations given to us and based on examination of records of the Company, the Company has not entered into any non-cash transaction with directors or persons connected with him. Hence paragraph 3(xv) of the Order is not applicable for the current year under report.
- (xvi) According to the information and explanations furnished to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable for the current year under report.

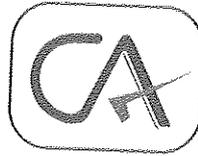
Place: Hyderabad  
Date: 4th June, 2021



For Saranga Pani & Co  
Chartered Accountants  
Firm Registration No. 0500305

(CS Pani)  
Proprietor

Membership No. 073178  
UDIN: 21073178AAAAOH6476



**Re: Jaiprakash Engineering and Steel Company Limited**

**Annexure B to the Independent Auditors' report**

**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 Jaiprakash Engineering and Steel Company Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 whether 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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





### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control over financial reporting and such internal control over financial reporting were operating effectively as at March 31, 2021, based in the internal control over financial reporting criteria established by the Company considering the essential components of internal control state in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad  
Date: 4th June, 2021



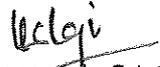
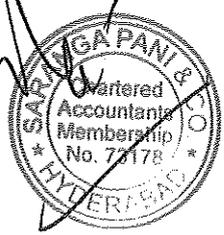
For Saranga Pani & Co  
Chartered Accountants  
Firm Registration No. 0500305

(C S Pani)  
Proprietor

Membership No. 073178  
UDIN: 21073178AAAAOH6476

**JAIPRAKASH ENGINEERING AND STEEL COMPANY LIMITED**

**Balance Sheet As At March 31,2021**

	Particulars	Note No	As At March 31, 2021	As At March 31, 2020
			₹	₹
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
	a) Property, Plant and Equipment		-	
	b) Capital work-in-progress		-	
	c) Other Intangible Assets		-	
	d) Financial Assets			
	(i) Loans and advances	3	18,13,85,427	18,13,85,427
	(ii) Other Financial Assets	4	11,36,295	13,45,515
<b>Current Assets</b>				
	a) Financial Assets			
	(i) Cash and Cash Equivalents	5	2,75,602	73,502
	(ii) Other Financial Assets	6	41,554	47,882
	b) Current Tax Assets (Net)	7	17,948	30,659
	<b>Total Assets</b>		<b>18,28,56,826</b>	<b>18,28,82,985</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY:</b>				
	(a) Equity Share Capital	8	22,59,72,030	22,59,72,030
	(b) Other Equity	9	(4,67,19,704)	(4,66,98,045)
<b>LIABILITIES:</b>				
<b>Non-current Liabilities</b>				
<b>Current Liabilities</b>				
	a) Financial Liabilities			
	(i) Other Financial Liabilities	10	35,04,500	35,04,500
	b) Other current liabilities	11	1,00,000	1,04,500
	<b>Total Equity and Liabilities</b>		<b>18,28,56,826</b>	<b>18,28,82,985</b>
<b>Corporate Information and Significant Accounting Policies</b>			1 and 2	
Accompanying Notes form an integral part of the Financial Statements				
<p>As per our report of even date attached for Saranga Pani &amp; Co Chartered Accountants Firm Registration No. 0500305</p>			<p align="center"><b>For and on behalf of the Board</b></p>	
<p>(C S Pani) Proprietor Membership No. 073178 UDIN 21073178AAAAOH6476 Place: Hyderabad Date: June 4, 2021</p>			<p align="center">                         Kunaparaju Srinivasa Raju    Lalitha Raghuram                      DIN 08195200                      DIN 07161344                      Director                              Director                 </p>	
				

**JAI PRAKASH ENGINEERING AND STEEL COMPANY LIMITED**  
Statement of Profit and Loss for the year ended March 31, 2021

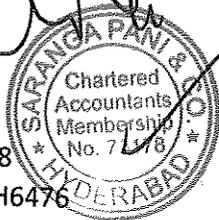
		₹	₹
Particulars	Note No	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Income</b>			
Other Income	12	73,099	1,19,571
<b>Total Income</b>		<b>73,099</b>	<b>1,19,571</b>
<b>Expenses</b>			
Employee Benefits Expense		-	
Finance Cost	13	1,330	652
Other Expenses	14	93,428	1,52,743
<b>Total Exepenses</b>		<b>94,758</b>	<b>1,53,395</b>
<b>Loss Before Tax</b>			
Tax Expense		-21,659	-33,824
<b>Loss After Tax</b>		<b>-21,659</b>	<b>-33,824</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>-21,659</b>	<b>-33,824</b>
<b>Earnings per equity share of face value ₹10/- each</b>			
Basic and Diluted	15	(0.001)	(0.001)
<b>Corporate Information and Significant Accounting Policies</b>	<b>1 and 2</b>		

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached  
for Saranga Pani & Co  
Chartered Accountants  
Firm Registration No. 050030S

For and on behalf of the Board

(C S Pani)  
Proprietor  
Membership No. 073178  
UDIN 21073178AAAAOH6476  
Place: Hyderabad  
Date: June 4, 2021



*Kelgi*  
Kunaparaju Srinivasa Raju  
DIN 08195200  
Director

*Lalitha*  
Lalitha Raghuram  
DIN 07161344  
Director

**JAI PRAKASH ENGINEERING AND STEEL COMPANY LIMITED**  
Statement of Changes in Equity for the period ended March 31, 2021

**A. Equity Share Capital**

Amount in ₹

Balance as at 31st March, 2020	22,59,72,030
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2021	<u>22,59,72,030</u>

**B. Other Equity**

	Share application money pending allotment	Equity component of Compound financial instruments	Reserves and Surplus				Total
			Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings	
Balance at 1st April, 2019	-	-	-	-	2,84,877	(4,69,49,098)	(4,66,64,221)
Profit for the year						(33,824)	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at 1st April 2020	-	-	-	-	2,84,877	(4,69,82,922)	(4,66,98,045)
Total Comprehensive Income for the year	-	-	-	-	-	(21,659)	(21,659)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change to be specified	-	-	-	-	-	-	-
Balance at 31st March, 2021	-	-	-	-	2,84,877	(4,70,04,581)	(4,67,19,704)

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached  
for Saranga Pani & Co  
Chartered Accountants  
Firm Registration No. 0500305

For and on behalf of the Board

(C S Pani)  
Proprietor  
Membership No. 073178  
UDIN 21073178AAAAOH6476  
Place: Hyderabad  
Date: June 4, 2021



*Kunaparaju*  
Kunaparaju Srinivasa Raju  
DIN 08195200  
Director

*Lalitha Raghuram*  
Lalitha Raghuram  
DIN 07161344  
Director

**JAI PRAKASH ENGINEERING AND STEEL COMPANY LTD**  
**Cash Flow Statement for the period ended March 31, 2021**

Amount in Rs

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>A. Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before Tax	(21,659)	(33,824)
Operating Profit before working capital changes	(21,659)	(33,824)
Movements in Working Capital :		
Increase / (Decrease) in Other Current Liabilities	(4,500)	46,250
(Increase) / Decrease in Long Term Loans and Advances	-	-
(Increase) / Decrease in Other Current Assets	6,328	732
Cash generated from / (used in ) operations	(19,831)	13,158
Direct Taxes Paid ( net of refunds )	12,711	(9,083)
<b>Net cash from / (used in) operating activities</b>	<b>(7,120)</b>	<b>4,075</b>
<b>B. Cash Flow from Investing activities</b>		
Fixed Deposit	2,09,220	(82,470)
<b>Net cash from / (used in) investing activities</b>	<b>2,09,220</b>	<b>(82,470)</b>
<b>C. Cash flow from Financing activities</b>		
<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>	<b>2,02,100</b>	<b>(78,395)</b>
Cash and cash equivalents as at the beginning of the year	73,502	1,51,897
Cash and cash equivalents as at the end of the year	2,75,602	73,502
	-	-

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached  
for Saranga Pani & Co  
Chartered Accountants  
Firm Registration No. 0500305

For and on behalf of the Board

(C S Pani)  
Proprietor  
Membership No. 073178  
UDIN 21073178AAAAOH6476  
Place: Hyderabad  
Date: June 4, 2021



*Kunaparaju*  
Kunaparaju Srinivasa Raju  
DIN 08195200  
Director

*Lalitha*  
Lalitha Raghuram  
DIN 07161344  
Director

**1 CORPORATE INFORMATION**

Jaiprakash Associates Constructions Limited was incorporated on September 21, 1984 in the state of Uttar Pradesh with an objective of setting up an integrated steel plant. On May 25, 1992 Company passed Special Resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government is accorded on June 11, 1992 for change of name to Jaiprakash Engineering and Steel Company Limited. Jaiprakash Engineering and Steel Company Limited having by special resolution altered the provisions of its Memorandum of Association with respect to the Place of its registered office by changing it from the state of Uttar Pradesh to the state of Karnataka and such Alteration having been confirmed by an order of Company Law Board registered dated September 01, 1993. Due to various reasons, the Company has shelved the project. As an alternative, the Company has applied to Government of Karnataka approval to implement two projects i.e Fertilizers and Chemicals Complex and Integrated Township during the year 2011-12 and 2012-13. The Government of Karnataka has approved the same. Consequently, the Government of Karnataka also passed order No. CI 175 SPI 2011 Dt. 11-11-2013 cancelling the Land Allotment made to the Company stating that the Company has not implemented the approved projects and also advised KIADB to resume the balance land from the Company. The Company has filed a writ petition challenging the Order of the Govt. and the Hon'ble High Court of Karnataka has prohibited the Govt. of Karnataka from dispossessing the land in possession of the Company. The High Court of Karnataka on April 23, 2018 has lifted the stay and permitted the Government of Karnataka from taking possession of 160 acres of land from the Company for handing over the same to prospective applicants. The stay of the High Court of Karnataka in relation to dis-possession of land in the possession of the Company for 388.70 acres continues.

The company is a wholly owned subsidiary of Nagarjuna Fertilizer and Chemicals Limited.

**2 SIGNIFICANT ACCOUNTING POLICIES**

**2.1. Basis of preparation:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 in line with the decision of the holding company.

The financial statements have been prepared on a historical cost basis and are presented in Indian Rupees ('INR').

**2.2. Current versus non-current classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

**2.3. Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**2.4. Earnings Per Share:**

Basic earnings per equity share is computed by dividing the net profit/loss for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year.

Notes to Financial Statements for the year ended March 31, 2021

**2.5. Taxes:**

- 2.5.1. Current Tax:** Provision for current tax is made based on the taxable income computed for the year under the Income Tax Act, 1961.
- 2.5.2. Deferred Tax:** Deferred tax is recognised on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

**2.6. Provisions, Contingent liabilities, Contingent assets and Commitments:**

Provisions are recognised 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**2.7. Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## Notes to Financial Statements for the year ended March 31, 2021

As at March 31, 2021	Amount in Rs	
	As at March 31, 2020	
Security Deposit with KIADB	54,38,064	54,38,064
Deposit with KIADB - Land (Refer Note No.3.1)	17,59,47,363	17,59,47,363
	<b>18,13,85,427</b>	<b>18,13,85,427</b>

**3. Long Term Loans and Advances (Unsecured)**

- 3.1** The Company has, during the year 1996 made application to Karnataka Industrial Areas Development Board (KIADB) for allotment of land for the purpose of its integrated steel plant at Mangalore. The Company had paid Rs. 30.53 crores to KIADB towards deposit for acquisition of land(lease hold and free hold). KIADB had given possession of 986.52 acres of land to the Company. Subsequently, the Company has decided to shelve the Project and approached to KIADB for surrender of land allotted and refund the amount deposited. KIADB agreed to reimburse the deposit with a condition that as and when KIADB receive request from any prospective investor, the Company's lands will be offered and upon acceptance by potential investor deposit will be refunded to Company from the sale proceeds so received.

Accordingly, the Company has surrendered 204.96 acres for sale by KIADB to others and 232.86 acres for other uses as ordered by the Govt. of Karnataka and KIADB after which it is in possession of 548.70 acres as at March 31, 2016. After adjusting the amounts received from KIADB and the amounts charged by it towards various expenses, the deposit recoverable stands at Rs. 17,59,47,363 as at March 31, 2019 which is shown under Long term Loans and Advances. In the opinion of the management, the realisable value of land in possession is in excess of deposit with KIADB.

In the mean time the Company has applied for approval to implement two projects i.e. Fertilizers and Chemicals Complex and Integrated Township to Karnataka Government during the year in the balance land held by the Company. The Government of Karnataka has approved the same vide GO No. CI 175 SPI 2011, Bangalore dt. 18.08.2011, 07.05.2012 and GO No. CI176 SPI 2011 dt.18.08.2011.

The Government of Karnataka has passed order No. CI 175 SPI 2011 Dt. 11-11-2013 cancelling the Land Allotment made to the Company stating that the Company has not implemented the approved projects and also advised KIADB to resume the balance land from the Company. The Company has filed a writ petition challenging the Order of the Govt. of Karnataka and the Hon'ble High Court of Karnataka has prohibited the Govt. of Karnataka from dispossessing the land in possession of the Company.

The High Court of Karnataka on April 23, 2018 has lifted the stay and permitted the Government of Karnataka from taking possession of 160 acres of land from the Company for handing over the same to properspective applicants. We filed Writ appeal against this modified order. Our WA was disposed. We are filing fresh W.P challenging the allotment of 160 Acres.

The stay of the High Court of Karnataka in relation to dis-possession of land in the possession of the Company for 388.70 acres continues.

Pending crystalization of plans and considering the above said developments , the Financial Statements of the Company for the year have been prepared on going concern basis, notwithstanding the project initially planned been shelved.

As at March 31, 2021	Amount in Rs.	
	As at March 31, 2020	
Bank deposits with more than 12 months maturity	11,36,295	13,45,515
Total	<b>11,36,295</b>	<b>13,45,515</b>

**4. Other Financial Assets**

Bank deposits with more than 12 months maturity  
Total

Notes to Financial Statements for the year ended March 31, 2021

**5. Cash and Cash equivalents**

Cash and Cash equivalents  
 Cash on hand  
 Balances with banks in Current accounts

Amount in Rs.	
As at March 31, 2021	As at March 31, 2020
-	-
2,75,602	73,502
<b>2,75,602</b>	<b>73,502</b>

**6. Other Financial Assets- current portion**

Interest accrued on Deposit

Amount in Rs.	
As at March 31, 2021	As at March 31, 2020
41,554	47,882
<b>41,554</b>	<b>47,882</b>

**7. Current Tax Assets (Net)**

Current tax Assets  
 Tax Deducted at Source

Amount in Rs.	
As at March 31, 2021	As at March 31, 2020
17,948	30,659
<b>17,948</b>	<b>30,659</b>

Jaiprakash Engineering and Steel Company Limited

Notes to Financial Statements for the year ended March 31, 2021

8. Share Capital

	March 31, 2021		March 31, 2020	
	No. of Shares	Rs.	No. of Shares	Rs.
Authorised Equity Shares of ₹ 10/- each	2,30,00,000	23,00,00,000	2,30,00,000	23,00,00,000
Issued, Subscribed and Paid Up Equity Shares of ₹ 10/- each	2,25,97,203	22,59,72,030	2,25,97,203	22,59,72,030

8.1 Reconciliation of the Number of shares outstanding at the beginning and at the end of the period

	March 31, 2021		March 31, 2020	
	No. of Shares	Rs.	No. of Shares	Rs.
Equity Shares of ₹ 10/- each Balance at the beginning of the year	2,25,97,203	22,59,72,030	2,25,97,203	22,59,72,030
Add: Issued during the year Balance at the end of the year	2,25,97,203	22,59,72,030	2,25,97,203	22,59,72,030

8.2 Rights, Preferences and Restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. In liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferences. The distribution will be in proportion to the number of equity shares held by the shareholders.

8.3 Shares held by the holding Company

	March 31, 2021		March 31, 2020	
	No. of shares	Rs.	No. of shares	Rs.
Equity Shares of ₹ 10/- each Nagarjuna Fertilizers and Chemicals Limited	2,25,61,693	22,56,16,930	2,25,61,693	22,56,16,930

8.4 Details of shareholders holding more than 5% of the Shares

	March 31, 2021		March 31, 2020	
	No. of shares	% of Share holding	No. of shares	% of Share holding
Equity Shares of ₹ 10/- each Nagarjuna Fertilizers and Chemicals Limited	2,25,61,693	99.84%	2,25,61,693	99.84%

**Jaiprakash Engineering and Steel Company Limited**

**Notes to Financial Statements for the year ended March 31, 2021**

Amount in Rs.

**9. Other Equity**

General Reserve

Opening Balance

Add: Appropriations

Closing Balance

Deficit in the Statement of Profit and Loss

Opening Balance

Add: Loss after tax for the year

Closing Balance

As at March 31, 2021	As at March 31, 2020
2,84,877	2,84,877
-	-
<b>2,84,877</b>	<b>2,84,877</b>
-4,69,82,922	-4,69,49,098
-21,659	-33,824
<b>-4,70,04,581</b>	<b>-4,69,82,922</b>
<b>-4,67,19,704</b>	<b>-4,66,98,045</b>

**10. Other Financial Liabilities**

Other payables

Others

As at March 31, 2021	As at March 31, 2020
35,04,500	35,04,500
<b>35,04,500</b>	<b>35,04,500</b>

**11. Other Current Liabilities**

Others

Expenses Payable

TDS Payable

As at March 31, 2021	As at March 31, 2020
1,00,000	1,00,500
	4,000
<b>1,00,000</b>	<b>1,04,500</b>

**Jaiprakash Engineering and Steel Company Limited**

**Notes to Financial Statements for the year ended March 31, 2021**

**15. Earnings per share**

<b>S.No</b>	<b>Particulars</b>	<b>Unit of Measurement</b>	<b>2020-21</b>	<b>2019-20</b>
1	Loss after tax	₹	(21,659)	(33,824)
2	Number of Equity shares (fully paid up)	(Numbers)	2,25,97,203	2,25,97,203
3	Earnings per share – Basic and Diluted (Face value of Rs 10/- per share)	[ 1 ] / [ 2 ]	(0)	(0)

**16. Related party transaction:**

**Names of related parties and description of relationship**

Nagarjuna Fertilizers and Chemicals Limited

Holding Company

**Key Managerial Persons**

Sri T Srinivas

Manager with effect from 20th July, 2018

Related party transactions during the period ended March 31, 2021--- Rs. NIL/- (Previous Year Nil)

**Jaiprakash Engineering and Steel Company Limited**

**Notes to Financial Statemets for the year ended March 31, 2021**

Amount in Rs.

**12. Other Income**

Interest Income  
Provision No Longeer required

Year ended 31st March, 2021	Year ended 31st March, 2020
73,099	90,821
-	28,750
<b>73,099</b>	<b>1,19,571</b>

**13. Finance Cost**

Bank Charges

Year ended 31st March, 2021	Year ended 31st March, 2020
1,330	652
<b>1,330</b>	<b>652</b>

**14. Other Expenses**

Rates and Taxes  
Professional and Consultancy  
Filing fees  
Demat Charges  
Miscellaneous Expenses  
Auditors' remuneration (Refer Note 17) (Including GST)

Year ended 31st March, 2021	Year ended 31st March, 2020
2,500	77,500
31,200	2,000
15,100	25,700
-	-
1,928	343
42,700	47,200
<b>93,428</b>	<b>1,52,743</b>

**JAI PRAKASH ENGINEERING AND STEEL COMPANY LIMITED**

**Notes to Financial Statements for the year ended March 31, 2021**

**17. Audit Fees : (Excluding GST)**

S.No	Particulars	Amount in Rs.	
		2020-21	2019-20
1	Fee towards: Statutory Audit*	25,000	25,000
2	Limited Review	15,000	15,000
	Total	40,000	40,000

18. Contingent Liabilities not provided for: Rs. Nil ( Previous Year : Rs. Nil)

19. There are no employees in the Company and therefore no provision is warranted as provided in Ind AS-19 on 'Employee Benefits'.

20. There are no reportable segments as envisaged in Ind AS-108 on ' Operating Segments ' .

21. Based on the information available with the Company, there is no transaction during the year or balance outstanding as at the Balance Sheet date with / to small scale industrial undertakings and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

22. As per Ind AS 12 on Income - Taxes, in the absence of virtual certainty of utilizing the carry forward losses, no deferred tax asset is recognized.

23. Balances in the accounts of various parties appearing in these statements are subject to confirmations and reconciliations.

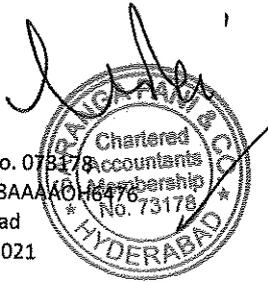
24. Previous year figures have been regrouped / reclassified to conform to current year classification.

**Signatories to Notes '1 to 24'**

As per our report of even date attached  
for Saranga Pani & Co.  
Chartered Accountants

For and on behalf of the Board

(C S Pani)  
Proprietor  
Membership No. 078178  
UDIN 21073178AAAN016476  
Place: Hyderabad  
Date: June 4, 2021



  
Kunaparaju Srinivasa Raju  
DIN 08195200  
Director

  
Lalitha Raghuram  
DIN 07161344  
Director

**JAIPRAKASH ENGINEERING AND STEEL COMPANY LIMITED**

(CIN: U00337KA1993PLC014694)

Reg Office: D. No. 510, 3<sup>rd</sup> A Cross 2<sup>nd</sup> Main, 3<sup>rd</sup> Block, Raj Mahal Vilas II,  
Dollars Colony, Bangalore – 560094

Email Address: [secretarial@nagarjunagroup.com](mailto:secretarial@nagarjunagroup.com)

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**36<sup>th</sup> Annual General Meeting at 10.00 A.M on June 30, 2021 at the registered office  
No. 510, 3rd A Cross 2nd Main, 3rd Block, Raj Mahal Vilas II, Dollars Colony,  
Bangalore – 560 094**

**ADMISSION SLIP**

Name of the Member: \_\_\_\_\_ \*DP ID: \_\_\_\_\_

Regd. Folio No.: \_\_\_\_\_ \*Client ID \_\_\_\_\_

No. of shares held: \_\_\_\_\_

\_\_\_\_\_  
Signature of the Member /  
Proxy

Note: Member / Proxy must hand over the duly signed attendance slip at the venue.  
\*Applicable for the members holding shares in electronic form.

**JAIPRAKASH ENGINEERING AND STEEL COMPANY LIMITED**

(CIN: U00337KA1993PLC014694)

Reg Office: D. No. 510, 3<sup>rd</sup> A Cross 2<sup>nd</sup> Main, 3<sup>rd</sup> Block, Raj Mahal Vilas II,  
Dollars Colony, Bangalore – 560094

Email Address: secretarial@nagarjunagroup.com

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**36<sup>th</sup> Annual General Meeting at 10.00 A.M on June 30, 2021 at the registered office No. 510, 3rd A Cross 2nd Main, 3rd Block, Raj Mahal Vilas II, Dollars Colony, Bangalore – 560 094**

**Proxy Form**

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):

Email Id:

Registered Address:

Folio NO./Client ID\*

DP ID\*:

I/We, being the member(s) of \_\_\_\_\_ shares of Jaiprakash Engineering And Steel Company Limited, hereby appoint:

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email Id : \_\_\_\_\_  
Signature : \_\_\_\_\_ or failing him

2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email Id : \_\_\_\_\_  
Signature : \_\_\_\_\_ or failing him

3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email Id : \_\_\_\_\_  
Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual General Meeting of the company, to be held on the Wednesday, June 30, 2021 at the registered office No. 510, 3rd A Cross 2nd Main, 3rd Block, Raj Mahal Vilas II, Dollars Colony, Bangalore – 560 094

\*\* I / we direct my / our proxy to vote on resolution(s) in the manner indicated below:

<b>Ordinary Business</b>
1. Adoption of Financial Statements for the year ended March 31, 2021 and the Directors Report and Auditors Report thereon
2. Appointment of Mr. Uday Shankar Jha as Director who retires by rotation



Affix Revenue  
Stamp

Signed this \_\_\_\_ day of \_\_\_\_\_ 2021

Signature of shareholder

Signature of Proxy holder(s)

**NOTES:**

- 1) The form should be signed across the stamp as per specimen signature registered with the Company.
- 2) The proxy form should be deposited at least forty-eight hours before the commencement of the meeting at the registered office of the Company.
- 3) A proxy need not be a Member of the Company.
- 4) A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
- 5) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 6) The submission by a Member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.
- 7) Requisitions, if any, for inspection of Proxies shall be submitted to the company in writing at least three days before the commencement of the Meeting. Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.
- 8) In case a member wishes his / her votes to be used differently, he / she should indicate the number of shares under the column "For" or "Against" as appropriate.

\* Applicable for the members holding shares in electronic form.

\*\* This is optional. Please put a tick mark (✓) in the appropriate column against the Resolutions indicated in the Box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate.