



INDEPENDENT AUDITOR'S REPORT

**To the Members of
Jaiprakash Engineering and Steel Company Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of **Jaiprakash Engineering and Steel Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of the 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, 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 independence 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 audit opinion on the financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the financial statements:

Note No 1.2 in the financial statements. The company went into Voluntary Liquidation vide resolution passed by the Members on 25th April, 2022, Shri. Kranthi Kumar Kedari, Insolvency Professional, had been appointed as the Liquidator.

Consequently, the Financial Statements for the year ended March 31, 2023, were prepared on Liquidation basis - the values of the Assets are stated at Liquidation Value.





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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance 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.

Responsibility of Management for 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 upto 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.

Report on Other Legal and Regulatory Requirements

1. 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 purpose 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 statement of changes in equity and the cash flow statement dealt by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rules made thereunder and in force for the time being;
- e. on the basis of the written representations received from the directors as on 31st March 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, 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 report in 'Annexure A'; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with 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;

- ii. The company did not, as at March 31, 2023, have any material foreseeable losses relating to long term contracts including derivative contracts.
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended 31st March 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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



[Signature]
Saranga Pani
Proprietor
Membership No. 073178
UDIN: 23073178BGWHBH9563

Place : Hyderabad
Date: 29th April 2023



Annexure A to the Independent Auditor's report (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jaiprakash Engineering and Steel Company Limited of even date)

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, 2023 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 Board of Directors of the Company 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 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 opinion on the internal financial controls system over financial reporting of the Company.

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 controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.

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



Place : Hyderabad
Date: 29th April 2023

Membership No. 073178
UDIN: 23073178BGWHBH9563



Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Jaiprakash Engineering and Steel Company Limited.

- (i) The Company has no fixed assets, hence clause (i) of paragraph 3 of the companies (Audit Report) Order 2020 is not applicable to the company for the year under report.
- (ii) The company does not have any inventory, hence clause (ii) of paragraph 3 of the companies (Audit Report) Order 2020 is not applicable to the company for the year under report.
- (iii) According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) In Our opinion and according to the information and explanation given to us, the provisions of Section 185 and 186 of the Companies Act,2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantees and securities given have been complied with by the Company
- (v) The Company has not accepted deposits and therefore compliance of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the companies Act and the rules framed there under doesn't arise.
- (vi) The company is not engaged in production of goods or providing services and therefore cost records in the terms of section 148(1) of the Act are not required to be maintained.
- (vii) (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, cess and material statutory dues applicable to it.
(b) According to the information and explanation given to us, there are no dues which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.





- (ix) The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) (a) to (f) of the Order is not applicable to the Company.
- (x) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (xi) Based upon the audit procedures performed and according to the information and explanation given to us, we report that no fraud on or by the company has been noticed or reported during the year under report.
- (xii) The Company is not a Nidhi Company. Therefore, paragraph 3(xii) of paragraph 3 of the companies (Audit Report) Order 2020 is not applicable to the company for the year under report.
- (xiii) According to the information and explanation given to us, the Company has complied with Sections 177 and 188 of companies Act 2013 in respect of all related party transactions and have been properly disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him and therefore the clause (xv) of paragraph 3 of the companies (Audit Report) Order 2020 is not applicable to the company for the year under report.
- (xvi) Considering the nature of the business and transactions of the Company, it is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) Based on the overall review of financial statements, the Company has earned / incurred a cash profits/ (loss) in the current financial year and immediately preceding financial year. The details of the same are as follows:

Particulars	March 31, 2023	March 31, 2022
Cash profit/(loss) in the financial year	(4,13,695)	(19,11,62,314)

- (xviii) There has been no resignation of the statutory auditors during the year. Hence, the provisions Stated in paragraph clause 3(viii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realization of financial





assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- (xx) According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.
- (xxi) The provisions stated in paragraph clause 3 (xxi) of the Order are not applicable to the Company.

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



[Signature]
C. Saranga Pani
Proprietor

Membership No. 073178

UDIN: 23073178BGWVHBH9563

Place : Hyderabad
Date: 29th April 2023

JAIPRAKASH ENGINEERING AND STEEL COMPANY LIMITED

Balance Sheet As on Mar 31,2023

Particulars	Note No	As At 31st March, 2023	As At 31st March, 2022
		Amount (Rs)	Amount (Rs)
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment		-	-
b) Capital work-in-progress		-	-
c) Other Intangible Assets		-	-
d) Financial Assets		-	-
(i) Loans and advances	3	-	-
Current Assets			
a) Financial Assets			
(i) Cash and Cash Equivalents	4	10,65,992	2,29,635
(ii) Other Financial Assets	5	-	12,32,852
b) Current Tax Assets (Net)	6	24,059	24,059
Total Assets		10,90,051	14,86,546
EQUITY AND LIABILITIES			
EQUITY:			
(a) Equity Share Capital	7	22,59,72,030	22,59,72,030
(b) Other Equity	8	(23,82,95,712)	(23,78,82,017)
LIABILITIES:			
Non-current Liabilities			
Current Liabilities			
a) Financial Liabilities			
(i) Other Financial Liabilities	9	1,05,74,712	1,05,74,712
b) Other current liabilities	10	28,39,021	28,21,821
c) Provisions			
Total Equity and Liabilities		10,90,051	14,86,546
Corporate Information and Significant Accounting Policies			
	1 and 2	-	-

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 office of the liquidator

(CS Pani)
Proprietor
M.No. 73178
Membership No. 073178
UDIN: 23073178BCW515H9563
Place: Hyderabad
Date: 29th April 2023

Kranthi Kumar Kedari
Liquidator
IBBI/IPA-001/IP-P00173/2017-18/10342




JAI PRAKASH ENGINEERING AND STEEL COMPANY LIMITED
Statement of Profit and Loss for the Period ended Mar 31st,2023

Particulars	Note No	Amount (Rs)	Amount (Rs)
		Period ended 31st March , 2023	Period ended 31st March, 2022
Income			
Other Income	11	17,232	1,41,114
Total Income		17,232	1,41,114
Expenses			
Finance Cost	12	-	70,70,212
Other Expenses	13	4,30,927	28,47,789
Total Exepnses		4,30,927	99,18,001
Profit / (Loss) before exceptional items and tax (III-IV)		(4,13,695)	(97,76,887)
Exceptional Items			
Provision for Doubtful Advances - KIADB		-	18,13,85,427
Loss Before Tax		(4,13,695)	(19,11,62,314)
Tax Expense			-
Loss After Tax		(4,13,695)	(19,11,62,314)
Other Comprehensive Income			-
Total Comprehensive Income		(4,13,695)	(19,11,62,314)
Basic and Diluted		(0.02)	(8.46)
Corporate Information and Significant Accounting Policies	1 and 2		

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 office of the liquidator


C.S. Panji
Proprietor
Membership No. 073178
UDIN:23073178BGWVHBH9563
Place: Hyderabad
Date: 29th April 2023



Kranthi Kumar Kedari
Liquidator
IBBI/IPA-001/IP-P00173/2017-18/10342



JAI PRAKASH ENGINEERING AND STEEL COMPANY LIMITED
Statement of Changes In Equity for the period ended March 31st, 2023

A. Equity Share Capital

Amount In Rs

Balance as at 1st April, 2022	22,59,72,030
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2023	<u>22,59,72,030</u>

B. Other Equity

Amount in ₹

			Reserves and Surplus				Total
	Share	Equity	Capital	Security	General	Retained Earnings	
Balance at 1st April, 2022	-	-	-	-	2,84,877	(23,81,66,894)	(23,78,82,017)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at 1st April 2022	-	-	-	-	2,84,877	(23,81,66,894)	(23,78,82,017)
Total Comprehensive Income for the year.	-	-	-	-	-	(4,13,695)	(4,13,695)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change to be specified	-	-	-	-	-	-	-
Balance at 31st March 2023	-	-	-	-	2,84,877	(23,85,80,589)	(23,82,95,712)

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 office of the liquidator

(C S Pani)
Proprietor
M.No. 73178
Membership No. 073378
UDIN: 23073178BGWHB19568
Place: Hyderabad
Date: 29th April 2023

Kranthi Kumar Kedari
Liquidator
IBBI/IPA-001/IP-P00173/



JAI PRAKASH ENGINEERING AND STEEL COMPANY LTD
Cash Flow Statement for the Period ended Mar 31,2023

	Amount (Rs)	Amount (Rs)
	Year ended 31st March, 2023	Year ended 31st March, 2022
A. Cash Flow from Operating Activities		
Net Profit /(Loss) before Tax	(4,13,695)	(19,11,62,314)
Operating Profit before working capital changes	(4,13,695)	(19,11,62,314)
Adjustments		
Depreciation and Amortisation	-	-
Reversal of Provisions	-	80,000
Provisions for Doubtful Debts / Advances	-	18,13,85,427
Interest Income	(17,232)	61,114
Finance Cost	-	70,70,212
Operating profit before working capital changes	(4,30,927)	(25,65,561)
(Increase)/ Decrease In Other Current Financial Assets	-	4,162
(Increase)/ Decrease in Other Current Tax Assets	-	(6,111)
Increase / (Decrease) in Other Current Liabilities	17,200	26,41,821
Cash Flows from (Used in) Operations	(4,13,727)	74,311
2. Cash Flow from Investing Activities		
Interest Received	17,232	(61,114)
(Increase) / Decrease in Fixed Deposit	12,32,852	(59,165)
Net Cash Flows from (Used in) investing activities	12,50,084	(1,20,279)
3. CashFlow from Financing Activities		
Bank Charges		
Net cash from / (used in) financing activities	-	-
Net Increase/(Decrease) in Cash and Cash equivalents	8,36,357	(45,968)
Cash and cash equivalents as at the beginning of the year	2,29,635	2,75,603
Cash and cash equivalents as on 31st March 2023	10,65,992	2,29,635

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

(C S Pan) 
Proprietor
M.No. 73178
Membership No. 073178
UDIN:23073178665W16H9563
Place: Hyderabad
Date: 29th April 2023

For and on behalf of office of the liquidator



Kranthi Kumar Kedari
Liquidator
IBBI/IPA-001/IP-P00173/2017-18/10342



Jaiprakash Engineering and Steel Company Limited

Notes to Financial Statements for the period ended Mar 31, 2023

1 CORPORATE INFORMATION

- 1.1** 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 Sep 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.

1.2 Voluntary Liquidation Proceedings

Further, the company went into Voluntary Liquidation vide resolution passed by the Members on 25th April, 2022, Shri. Kranthi Kumar Kedari, Insolvency Professional, had been appointed as the Liquidator.

Consequently, the Financial Statements for the year ended March 31, 2023, were prepared on Liquidation basis - the values of the Assets are stated at Liquidation Value. 1.2 Voluntary Liquidation Proceedings

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

- 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.



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Jaiprakash Engineering and Steel Company Limited

Notes to Financial Statements for the period ended Mar 31, 2023

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.

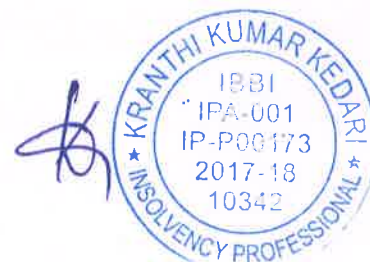
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions 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.



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Jaiprakash Engineering and Steel Company Limited

Notes to Financial Statements for the period ended Mar 31,2023

3. Long Term Loans and Advances (Unsecured)

Security Deposit with KIADB
 Deposit with KIADB - Land (Refer Note No.3.1)
 Less: Provision for Doubtful Advance

Amount in ₹	Amount in ₹
As at Mar 31,2023	As at March 31, 2022
54,38,064	54,38,064
17,59,47,363	17,59,47,363
(18,13,85,427)	(18,13,85,427)
-	-

- 3.1** The Government of Karnataka has passed order No. CI 175 SPI 2011 dated 11-11-2013 cancelling the Land Allotment made to the Company stating that the Company has not implemented the approved projects and advised KIADB to take possession of the remaining land from the Company sighting the condition of repossession provided during approval to take over the said land.

While JESCO has approached the Courts against the above Order, the Government/KIADB has already allocated most of the land to Indian Coast Guard.

Given this development and as per the Company Policy, 100% provision has been made during this financial year in the books of Accounts, for doubtful recovery of the Advance/ Deposit amount lying with KIADB.

However, JESCO reserves its rights and claims on KIADB and shall follow up with respective authorities to recover and realise the above deposit amount.

4. Cash and Cash equivalents

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

As at Mar 31,2023	As at March 31, 2022
10,65,992	2,29,635
10,65,992	2,29,635

5. Other Financial Assets- current portion

Interest accrued on Deposit
 Bank deposits with less than 12 months maturity

As at Mar 31,2023	As at March 31, 2022
-	37,392
-	11,95,460
-	12,32,852

6. Current Tax Assets (Net)

Current tax Assets
 Tax Deducted at Source

As at Mar 31,2023	As at March 31, 2022
24059	24,059
24059	24,059



Jalprakash Engineering and Steel Company Limited

Notes to Financial Statements for the period ended Mar 31,2023

7. Share Capital

	Mar 31,2023		March 31, 2022	
	No. of Shares	₹	No. of Shares	₹
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

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

	Mar 31,2023		March 31, 2022	
	No. of Shares	₹	No. of Shares	₹
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

7.2 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 the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

7.3 Shares held by the holding Company

	Mar 31,2023		March 31, 2022	
	No. of shares	₹	No. of shares	₹
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

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

	Mar 31,2023		March 31, 2022	
	No. of shares		No. of shares	
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 period ended Mar 31,2023

Amount in ₹

8. 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 Mar 31,2023	As at March 31, 2022
2,84,877	2,84,877
-	-
2,84,877	2,84,877
(23,81,66,894)	(4,70,04,580)
(4,13,695)	(19,11,62,314)
(23,85,80,589)	(23,81,66,894)
(23,82,95,712)	(23,78,82,017)

9. Other Financial Liabilities

Other payables

Others

As at Mar 31,2023	As at March 31, 2022
1,05,74,712	1,05,74,712
1,05,74,712	1,05,74,712

The Company has recognised interest payable from the date 9th May 2014 till 31st December 2021 on the loan payable to M/s Amlika Mercantile P Ltd as mutually agreed upon

10. Other Current Liabilities

Statutory Payables

Others

Expenses Payable

As at Mar 31,2023	As at March 31, 2022
-	4,000
28,39,021	28,17,821
28,39,021	28,21,821



Jaiprakash Engineering and Steel Company Limited

Notes to Financial Statemets for the period ended Mar 31,2023

Amount in ₹

	For the Peroid April 2022 to Mar 2023	Year ended 31st March, 2022
11. Other Income		
Interest Income	17,232	61,114
Provisions no longer required		80,000
	17,232	1,41,114

	For the Peroid April 2022 to Mar 2023	Year ended 31st March, 2022
12.Finance Cost		
Interest Paid	-	70,70,212
Bank Charges		
	-	70,70,212

	For the Peroid April 2022 to Mar 2023	Year ended 31st March, 2022
13. Other Expenses		
Rates and Taxes	-	2,650
Professional and Consultancy	25,000	4,000
Filing fees	-	2,900
Other Expenses	14,742	27,91,824
Audltors' remuneration (Refer Note 17)	47,200	46,300
Public announcement	20,370	-
Remuneratiom	2,95,000	-
Secretarail fee	23,600	-
Professional tax	2,500	-
ROC expenditure	1,800	-
Bank Charges	715	115.00
	4,30,927	28,47,789



Jalprakash Engineering and Steel Company Limited

Notes to Financial Statements for the period ended Mar 31,2023

14. Audit Fees inclusive of GST:

S.No	Particulars	Amount in ₹	
		For the Peroid April 2022 to Mar 2023	Year ended 31st March, 2022
1	Fee towards: Statutory Audit*	47,200	46,300
	Total	47,200	46,300

* includes GST Rs 7,200/- (Previous Year Rs. 6,300/-)

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

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

17. 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.

18. 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.

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

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

Notes 1 to 20 above 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

(C S Pani)
Proprietor
Membership No. 073178
UDIN:23073178BGWHBH9568
Place: Hyderabad
Date: 29th April 2023



For and on behalf of office of the liquidator

K. Kranthi Kumar

Kranthi Kumar Kedari
Liquidator
IBBI/IPA-001/IP-P00173/2017-18/10342

