

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

Regd Office: 443/A, Road No. 5, Ashok Nagar, Ranchi - 834002 Tel. + 91 651 2247410

Fax : + 91 651 2240952

CIN: U45200JH2009PLC013693

February 14, 2023

To,
Vice President,
Listing Department,
National Stock Exchange of India Limited
'Exchange Plaza', Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Re: Outcome of Board of Directors Meeting held on February 14, 2023

Ref: Listed, Rated, Redeemable, Secured, Non-Convertible Debentures ("NCD") - as per attached Annexure

Dear Sir/ Madam,

Pursuant to the provisions of Regulation 52 read with Part B of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that Board of Directors of the Company at its meeting held on February 14, 2023 has inter alia considered and approved the unaudited Financial Results along with the Limited Review Report for the quarter and nine months ended December 31, 2022 and in this regards please find attached herewith the following documents and information:

Unaudited Financial Results for the quarter and Nine Months ended December 31, 2022 along with the Limited Review Report thereon.

The Board Meeting commenced at 04:00 p.m. and concluded at 04:25 p.m.

You are requested to take the same on record.

Thanking you.

For Jharkhand Road Projects Implementation Company Limited

Parag Phanse
Director
DIN - 08388809

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Shakti Mills Lane (Off Dr E Moses Rd)
Mahalaxmi Mumbai 400 011 India
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LIMITED REVIEW REPORT TO BOARD OF DIRECTORS OF JHARKHAND ROAD PROJECs IMPLEMENTATION COMPANY LIMITED ON THE QUARTERLY UNAUDITED STANDALONE FINANCIAL RESULTS, PURSUANT TO THE REGULATION 52 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

1. We have reviewed the accompanying statement of unaudited standalone financial results of M/s JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED (“the Company”) for the quarter ended December 31, 2022 (the "Statement"). This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the standards on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statements of unaudited financial results prepared in accordance with the applicable Indian Accounting Standards described under Section 133 of Companies Act, 2013 read with the relevant rules issued there under and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

We draw attention to the following matters:

- i) We refer to Note No. 7 to the financial results. The Company has a negative net worth of Rs 12377.78 Lakhs as at December 31, 2022. The New Board of IL&FS has incorporated an infrastructure investment trust (“InvIT”) under the SEBI InvIT regulations and proposes to transfer the stake held by ITNL and IL&FS along with loans and receivables from the Company to the said InvIT, for which approval from NCLT has already been received. In furtherance of the same, ITNL has incorporated a wholly owned subsidiary to act as the Sponsor to the InvIT. Management believes though there has been delay in receipt of annuities from the Authority, the same will be streamlined in near future. All these factors indicate and cast a doubt about the Company’s ability to continue as a ‘Going Concern’. However, management has continued to prepare financial statements on a ‘Going Concern’ basis for the reasons detailed in note no. 7.

Our conclusion is not modified in respect of the above matter.

- ii) We draw your attention to Note no. 4 to the financial results wherein it is mentioned that The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS (ultimate holding company) and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of investigation of affairs of ITNL (the Holding Company), SFIO has also been seeking from ITNL various information including relating to project undertaken by the Company (for which ITNL acted as Development Contractor and promoter). The investigation is in progress, and it is understood that the relevant information is being provided by ITNL to the agency. At this stage, no material impact/ implications had arisen from the aforesaid developments. However, an uncertainty relating to the future outcome of the regulatory actions is not determinable at this stage.

Our conclusion is not modified in respect of the above matter.

For K. S. Aiyar & Co
Chartered Accountants
Firm’s Registration No.100186W
UDIN: 23206784BGVQJF1966

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G C NageswaraRao
Partner
M.No.206784
Place: Hyderabad
Date: 14.02.2023

Jharkhand Road Projects Implementation Company Limited

Registered Office : 443/A , Road No 5 , Ashok Nagar , Ranchi -834002.

<http://www.itnlindia.com/JRPICL-SPV.aspx>

CIN: U45200JH2009PLC013693

Statement of Financial Results for the quarter and Nine months ended December 31, 2022

(Rs. in Lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	December 31, 2022	Sept 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	Mar 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations						
(a) Revenue from operations	7,888	8,064	8,626	24,259	24,985	34,091
(b) Other income	56	75	55	257	58	81
Total income	7,944	8,138	8,681	24,516	25,042	34,171
2 Expenses						
(a) Construction Costs	-	-	-	-	-	-
(b) Operating expenses	1,065	1,160	387	3,730	1,158	2,345
(c) Employee benefits expense	12	11	8	35	24	46
(d) Finance costs (net)	(0)	4,000	4,654	8,033	13,183	17,510
(e) Modification Loss (Refer note 12 below)	2,269	2,648	4,503	5,378	6,790	9,634
(f) Expected Credit Loss	-	-	-	-	-	12,050
(g) Depreciation and amortisation expense	0	0	-	0	0	0
(h) Other expenses	76	34	59	153	217	297
Total expenses	3,422	7,852	9,611	17,328	21,371	41,882
3 Profit before Tax	4,522	286	(930)	7,188	3,671	(7,711)
4 Less : Tax expense						
(1) Current Tax	-	-	-	-	-	-
(2) Deferred Tax	-	-	-	-	-	-
5 Net profit after tax for the period/year	4,522	286	(930)	7,188	3,671	(7,711)
6 Other Comprehensive Income / (Expense) (after tax)						
7 Total comprehensive income (after tax)	4,522	286	(930)	7,188	3,671	(7,711)
8 i Paid-up equity share capital (face value - ₹ 10 per share)	25,950	25,950	25,950	25,950	25,950	25,950
8 ii Paid-up Debt Capital	1,83,590	1,83,590	1,99,155	1,83,590	1,99,155	1,87,979
9 Net worth	(12,378)	(16,900)	(8,184)	(12,378)	(8,184)	(19,566)
10 Debenture Redemption Reserve	9,594	9,594	9,594	9,594	9,594	9,594
11 Earnings per share (of ₹ 10/- each) : (*Not annualised):						
(a) Basic	1.74*	0.11*	-0.36*	2.77*	1.41*	(2.97)
(b) Diluted	1.74*	0.11*	-0.36*	2.77*	1.41*	(2.97)
12 Ratios						
(a) Debt/Equity Ratio (number of times)	(14.83)	(10.92)	(24.34)	(14.83)	(24.33)	(9.61)
(b) Debt Service Coverage Ratio (DSCR) (number of times) (Refer note 11 below)	1.58	0.83	1.77	1.67	1.79	1.80
(c) Interest Service Coverage Ratio (ISCR) (number of times) (Refer note 11 below)	-	1.73	1.77	2.56	1.79	1.80
(d) Assets Coverage Ratio (ACR) (number of times)	1.39	1.36	1.42	1.39	1.42	1.34
(e) Current Ratio (number of times)	2.50	2.72	2.39	2.50	2.39	3.62
(f) Long term debt to working capital	4.05	4.10	4.61	4.05	4.61	4.42
(g) Bad debts to account receivable ratio (number of times)	-	-	-	-	-	-
(h) Current liability ratio (number of times)	0.02	0.02	0.14	0.02	0.14	0.02
(i) Total debts to total assets (number of times)	1.05	1.08	1.00	1.05	1.00	1.10
(j) Debtors turnover (number of times)	-	-	-	-	-	-
(k) Inventory turnover	-	-	-	-	-	-
(l) Operating Margin (in %)	85%	85%	95%	84%	94%	92%
(m) Net Profit Margin (in %)	57%	4%	-11%	29%	15%	-23%
See accompanying Notes 1 to 13 to the financial results						

Notes to the Financial Results for quarter and Nine months ended December 31, 2022

- 1 The above financial results of the Company has been approved by the Board of Directors at their meeting held on February, 14 2023 and has been reviewed by the Statutory Auditor of the Company
- 2 All secured borrowings obtained by the Company are covered under a pari-passu first charge in favour of the Debenture Trustee on the project assets and all tangible and intangible assets, including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds, etc.
- 3 The National Company Law Tribunal ("NCLT"), vide order dated January 1, 2019, had allowed a petition filed by the Union of India, for re-opening of the books of accounts and re-casting the financial statements under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2012-13 to 2017-18, of Infrastructure Leasing & Financial Services Limited ("IL&FS"), and its subsidiaries namely IL&FS Financial Services Limited ("IFIN") and IL&FS Transportation Network Limited ("ITNL"), the holding Company. The Company's financial statement are not subject to any reopening/recasting and it is expected that impact, if any, arising out of the said reopening / recasting would be limited to above mentioned three entities only. Hence, Company is not envisaging any adjustment in financial statement in this regard.
- 4 The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS (ultimate holding company) and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of investigation of affairs of ITNL (the Holding Company), SFIO has also been seeking from ITNL various information including relating to project undertaken by the Company (for which ITNL acted as Development Contractor and promoter). The investigation is in progress and it is understood that the relevant information is being provided by ITNL to the agency. At this stage, no material impact/ implications had arisen from the aforesaid developments. However, an uncertainty relating to the future outcome of the regulatory actions is not determinable at this stage.
- 5 Contractors, who had worked on the 3 projects, of the Company, have raised claims amounting to Rs. 60,956 Lakh against the Company. The Company has raised counter claims against these Contractors with respect to the said 3 Projects amounting to Rs. 39,418 Lakh. The matter of claims against the Company and Counter Claims by the Company is still under arbitration in case of 2 projects. Arbitration Tribunal has passed an award on August 06, 2020 in one case, which was kept in a sealed cover as per NCLAT order of January 28, 2019. However, on request of contractor NCLAT has directed to open the award. As per the award, Rs 7,265 Lakh along with interest is payable by the Company to the contractor against claim of Rs 23,800 Lakh. The Company has filed a petition under Section 34 of the Arbitration & Conciliation Act 1996 to challenge the award.
- 6 The Company is engaged in the business of setting up of infrastructure facility by way of development of infrastructure projects, operation and maintenance of infrastructural facilities. As such, all activities undertaken by the Company are incidental to the main business. There are no separate reportable business segments as per IND AS 108 on "Operating Segment".
- 7 The Company has a negative net worth of Rs 12377.78 Lakhs as at December 31, 2022. The New Board of IL&FS has incorporated an infrastructure investment trust ("InvIT") under the SEBI InvIT regulations and proposes to transfer the stake held by ITNL and IL&FS along with loans and receivables from the Company to the said InvIT, for which approval from NCLT has already been received. In furtherance of the same, ITNL has incorporated a wholly owned subsidiary to act as the Sponsor to the InvIT. Management believes though there has been delay in receipt of annuities from the Authority, the same will be streamlined in near future. Apart from this, considering the restructuring of the debt, management believes that use of the going concern assumption for preparation of these financial results is appropriate.
- 8 During the current financial year, due to amendment in GST Act, the rate of GST on operation and maintenance has been increased from 12% to 18% w.e.f. July 18, 2022, there has been increase in estimated O&M and major maintenance cost. Additionally, there has been delay in receipt of annuities. No annuity received during the current quarter and nine months ended December 31, 2022 except for one annuity of Rs. 3104.98 lakhs. These factors resulted into net modification loss of Rs 5,377.93 lakhs (Previous year : Rs 6789.88 lakhs due to delay in receipt of annuity) in accordance with the principle of IND-AS 109
- 9 No complaints were recorded during the period and no complaint is pending as on December 31, 2022
- 10 Net worth as per Listing Regulations means net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013.
- 11 Details of Credit Rating:
Non-convertible debentures ("NCDs"): CARE D INC, CRISIL D and India Rating IND D.
- 12 During the current quarter ended December 31, 2022, the ultimate holding company (IL&FS), of the Company filed an affidavit with NCLAT to bring on record the recategorization of the Company from "Green entity" to "Red entity" as Company is not able to meet all the operational and financial obligations due to of non-receipt of annuities. In view of an affidavit with NCLAT, Company has not accrued any interest for the quarter ended December 31, 2022.
- 13 The previous due date for the payment of interest and principal was on October 20, 2022, which has not been paid. The next due date as of December 31, 2022 for the payment of interest on NCD and repayment of NCDs was January 20, 2023 which was not paid by the company as no annuity was received during the current quarter and Nine months ended December 31, 2022
- 14 Figures for the previous period /year have been regrouped, reclassified where necessary, to conform to the classification of the current period /year.

For and on behalf of the Board

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Director
Parag Phanse
DIN: 08388809

Place: Mumbai
Date: February 14, 2023

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Sr. No.	ISIN	Series
1	INE746N07010	Series-A
2	INE746N07028	
3	INE746N07AA0	Series-B
4	INE746N07AB8	
5	INE746N07234	
6	INE746N07242	
7	INE746N07259	
8	INE746N07267	
9	INE746N07275	
10	INE746N07283	
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