

## DIRECTORS' REPORT

To

**The Members,**

The Directors of your Company are pleased to present the 5<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the financial year ended March 31, 2013.

## FINANCIAL RESULTS

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

| Financial Year ended                  | 31.03.2013<br>(₹)     | 31.03.2012<br>(₹)    |
|---------------------------------------|-----------------------|----------------------|
| <b>INCOME</b>                         |                       |                      |
| From Operations                       | 1053,63,47,641        | 946,30,00,311        |
| Other Income                          | 3,45,54,903           | 3,43,55,956          |
| <b>Total Income</b>                   | <b>1057,09,02,544</b> | <b>949,73,56,267</b> |
| <b>EXPENDITURE</b>                    |                       |                      |
| Operating Expenses                    | 734,79,87,724         | 772,75,78,636        |
| Finance Costs                         | 211,25,59,724         | 112,69,69,517        |
| Depreciation & amortization           | 82,29,97,062          | 44,47,40,055         |
| Total Expenditure                     | 1028,35,44,510        | 929,92,88,208        |
| Current Tax (Net)                     | 19,74,436             | -                    |
| Deferred Tax                          | 10,11,87,306          | 607,81,863           |
| Profit/ (Loss) after Tax              | 18,41,96,292          | 13,72,86,196         |
| Profit/ (Loss) b/f from previous year | 6,71,33,348           | (2,01,52,848)        |
| Debenture Redemption Reserve          | (10,00,00,000)        | (5,00,00,000)        |
| Profit for the year                   | 8,41,96,292           | 6,71,33,348          |
| Balance carried to Balance Sheet      | 15,13,29,640          | 6,71,33,348          |

## **PROGRESS OF THE PROJECT / ACTIVITIES**

Your Company has during the year once again successfully hosted Formula One, Grand Prix from 26<sup>th</sup> to 28<sup>th</sup> October, 2012. Many other events to promote sports of motor bike and cycles were conducted at the Buddh International Circuit (BIC) and major events included: Auto Cross Event (21<sup>st</sup> to 23<sup>rd</sup> December, 2012), Gautam Singhanian Track Day (10<sup>th</sup> & 11<sup>th</sup> January, 2013), General Motors Car Launch (22<sup>nd</sup> & 23<sup>rd</sup> January, 2013), Tata Motors Car Launch (27<sup>th</sup> to 29<sup>th</sup> January, 2013), Lamborghini Track Days (22<sup>nd</sup> to 24<sup>th</sup> February, 2013).

The Company has also made significant progress in development of non core area planned for group housing, plots, multi storey flats, commercial area, institutional area, roads, open space and other social activities.

## **OUTLOOK**

After the spectacular success of the Indian Grand Prix 2011, Buddh International Circuit (BIC) is in the process of finalizing other national and international events and fixing its entire attention on generation of revenue for Company by placing BIC as a one stop destination for Exhibition, concerts, product launches and other promotional activities.

During the current year, your Company has projected a good revenue from sale of Developed Plotted areas and also Sale of Flats. The other Infrastructure facilities are rapidly being created and developed so that the plotted and flatted area including Institutional and commercial areas also develop fast.

## **DIVIDEND**

Due to the inadequacy of profit, the Board of Directors have not recommended any dividend for the year 2012-13.

## **DIRECTORATE**

In accordance with the Article No. 84 of Articles of Association and Section 259 of the Companies Act, Shri Pawan Kumar Jain, Shri Harish Kumar Vaid and Shri Sachin Gaur, Directors, would retire by rotation in the forthcoming Annual General Meeting of the Company. They being eligible have offered themselves for reappointment.

The present terms and conditions of appointment of Shri Sameer Gaur as Managing Director & CEO are expiring on 30.10.2013. The Board has approved his re-appointment and the Remuneration Committee has further re-fixed his remuneration w.e.f. 01.11.2013. The resolution proposing the new terms of reappointment are placed in the Notice of ensuing Annual General Meeting, for approval of the Shareholders.

## **AUDITORS**

M/s Dewan PN Chopra & Co., Chartered Accountants, Statutory Auditors of the Company shall retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

## **NOTES ON ACCOUNT**

The observations of Auditors in the Auditors' Report and notes to the accounts are self-explanatory.

## **FIXED DEPOSIT**

The Company did not invite / accept any Fixed Deposit from the public during the year under report.

## **PARTICULARS OF EMPLOYEES**

A statement showing the particulars of employees, pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, is annexed and forms an integral part of this Report.

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

The information required to be disclosed as per Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 with regard to Conservation of Energy and Technology Absorption are not applicable.

The foreign exchange earnings or outgo during the year under report has been given in Note No. 35 to Financial Statement.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the operating management and after due enquiry, confirm in respect of the audited annual accounts for the year ended March 31, 2013:-

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;
2. that the Directors had, in consultation with the Statutory Auditors, selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended March 31, 2012 and the expenditure of the Company for the period;

3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for and gratitude to various departments and undertakings of the Central and State Governments, Financial Institutions and Banks who have helped the Company by extending their best cooperation and support during the year under report, without which, the Company could not have achieved the desired progress.

Your Directors also place on record their appreciation of the whole team of Executives and Staff who worked day and night to make Formula One Indian Grand Prix a great successful event.

Your Directors also wish to place on record their appreciation of the continued support extended by the members, who had always been a source of inspiration to the Board.

**On behalf of the Board**

  
**MANOJ GAUR**  
**CHAIRMAN**

Place: Noida  
Date : 29<sup>th</sup> April, 2013

## **ANNEXURE TO THE DIRECTORS' REPORT**

### **PARTICULARS OF EMPLOYEES**

Information in pursuance to Sub-section 2A of Section 217 of the Companies Act, 1956 is given below:

Name of Employee, Designation/Nature of Duties, Gross Remuneration (Rs.), Qualification, Age (in years), Total Experience (in years), Date of commencement of Employment, Previous Employment.

#### **A. Employed throughout the year and in receipt of remuneration aggregating Rs.60,00,000/- or more per annum**

1. Shri Sameer Gaur, Managing Director & CEO, Rs.1,63,11026/- MBA, 43,17, w.e.f. 01.11.2010, Jaypee Infratech Ltd.

**Note:** Gross remuneration includes Salary, H.R.A. and other perks like Medical Reimbursement, Leave Travel Assistance, Furnishing Allowance and Company's contribution towards Provident Fund and Income Tax borne by the Company etc. but exclude provision for Gratuity & Leave Encashment.

Shri Sameer Gaur is the brother of Shri Manoj Gaur and Smt. Rekha Dixit.

# Dewan P.N. Chopra & Co.

Chartered Accountants

Anil Kumar Chopra  
B.COM. (HONS.), F.C.A.

D-203, Defence Colony  
New Delhi - 110 024  
Tel : +91-11-2464 5891 - 92  
Fax : +91-11-2464 5893  
E-mail : dpnc@dpncindia.com

## INDEPENDENT AUDITOR'S REPORT

To,

The Members

### JAYPEE SPORTS INTERNATIONAL LIMITED

We have audited the accompanying financial statements of JAYPEE SPORTS INTERNATIONAL LIMITED, Sector-128, Noida, which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control 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.

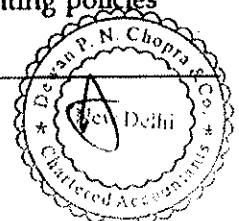
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies

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#### Head Office :

57-H, Connaught Circus, New Delhi - 110 001 (India)  
Phones : +91-11-2332 2359 & 2332 1418 Fax : +91-11-2331 3246  
E-mail : dpnc@dpncindia.com



used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

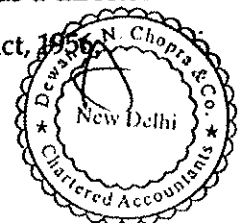
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of cash flows for the year ended on that date.

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order to the extent applicable to the Company.

2. As required by section 227(3) of the Act, we report that:

- a) We have 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 appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.





- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Dewan P. N. Chopra & Co.

Chartered Accountants

FRN No. 000072N

  
Ashwani Kumar Mishra

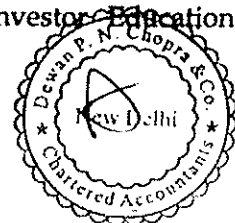
Partner

Membership No. 078668

Date: 29/04/2013

Place: New Delhi

- (iv) In our opinion and according to the information and explanations given to us, there are generally reasonable internal control procedures for the purchase of Inventories, fixed assets & for sale of goods & services commensurate with the size of the company and the nature of its business. No continuing failures to correct major weakness in internal control system were observed.
- (v) (a) As per information & explanations given to us, the contracts and arrangements required to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) As per information & explanations given to us and according to our verification of the records, the company has not entered into any transaction referred to in Sections 297 & 299 of the Act, thus clause regarding reasonableness of prices is not applicable.
- (vi) As per the information & explanations given to us, the company has not accepted any deposits from the public; hence the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under are not applicable.
- (vii) As per information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (ix) (a) As per the records produced before us and according to the information and explanations given by the management, the company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education &



Jaypee Sports International Limited  
Balance Sheet as at 31st March 2013

|                                    | Note No. | March 31, 2013<br>₹          | March 31, 2012<br>₹          |
|------------------------------------|----------|------------------------------|------------------------------|
| <b>(1) EQUITY AND LIABILITIES</b>  |          |                              |                              |
| <b>Shareholders' funds</b>         |          |                              |                              |
| (a) Share capital                  | 2        | 6,920,000,000                | 5,670,000,000                |
| (b) Reserves and surplus           | 3        | 301,329,640                  | 117,133,348                  |
|                                    |          | <u>7,221,329,640</u>         | <u>5,787,133,348</u>         |
| <b>(2) Non-current liabilities</b> |          |                              |                              |
| (a) Long-term borrowings           | 4        | 18,125,748,846               | 21,197,994,011               |
| (b) Deferred Tax Liabilities (net) | 5        | 161,969,169                  | 60,781,863                   |
| (c) Other Long-term liabilities    |          | -                            | -                            |
| (d) Long-term provisions           | 6        | 2,007,563                    | 4,154,612                    |
|                                    |          | <u>18,289,725,578</u>        | <u>21,262,930,486</u>        |
| <b>(3) Current liabilities</b>     |          |                              |                              |
| (a) Short-term borrowings          | 7        | 93,755,597                   | -                            |
| (b) Trade payables                 | 8        | 2,513,465,398                | 1,143,348,955                |
| (c) Other current liabilities      | 9        | 15,091,839,308               | 11,525,570,106               |
| (d) Short-term provisions          | 10       | 101,159,089                  | 43,465,975                   |
|                                    |          | <u>17,800,219,392</u>        | <u>12,712,385,036</u>        |
| <b>Total</b>                       |          | <u><u>43,311,274,610</u></u> | <u><u>39,762,448,870</u></u> |
| <b>ASSETS</b>                      |          |                              |                              |
| <b>(4) Non-current assets</b>      |          |                              |                              |
| <b>Fixed assets</b>                |          |                              |                              |
| (a) Tangible assets                | 11       | 23,500,011,037               | 23,011,101,332               |
| Intangible assets                  | 11       | 10,065,958                   | 12,941,946                   |
| Capital work-in-progress           | 11A      | 49,038,836                   | 48,771,989                   |
| (b) Non-current investments        | 12       | 10,500,000                   | -                            |
| (c) Long-term loans and advances   | 13       | 421,815,640                  | 235,115,095                  |
| (d) Other non-current assets       |          | -                            | -                            |
|                                    |          | <u>23,991,431,471</u>        | <u>23,307,930,362</u>        |
| <b>(5) Current assets</b>          |          |                              |                              |
| (a) Current Investments            |          | -                            | -                            |
| (b) Inventories                    | 14       | 15,367,455,281               | 14,167,996,552               |
| (c) Trade receivables              | 15       | 911,781,048                  | 157,377,741                  |
| (d) Cash and cash equivalents      | 16       | 1,572,711,817                | 689,575,049                  |
| (e) Short-term loans and advances  | 17       | 1,376,724,456                | 1,312,673,994                |
| (f) Other current assets           | 18       | 91,170,538                   | 126,895,172                  |
|                                    |          | <u>19,319,843,140</u>        | <u>16,454,518,508</u>        |
| <b>Total</b>                       |          | <u><u>43,311,274,610</u></u> | <u><u>39,762,448,870</u></u> |

**Significant Accounting Policies**

As per our report of even date annexed

For Dewan P N Chopra & Co.  
Chartered Accountants

*Ashwan*  
Ashwani Kumar Mishra  
Partner  
M.No. 078668  
Firm Regn. No. 000722

Place: Noida  
Dated: 29th April, 2013

For and on behalf of the Board

*Manoj Gaur*  
Manoj Gaur  
Chairman

*Sameer Gaur*  
Sameer Gaur  
Managing Director & CEO

*P N Kumar*  
P N Kumar  
Company Secretary

Jaypee Sports International Limited

Statement of Profit and loss for the year ended 31st March 2013

|  | Note No. | 2012-13<br>₹          | 2011-12<br>₹             |
|--|----------|-----------------------|--------------------------|
| <b>Income</b>  |          |                       |                          |
| Revenue from operations  | 19       | 10,536,347,641        | 9,463,000,311            |
| Other income   | 20       | 34,554,903            | 34,355,956               |
| <b>Total Revenue</b>   |          | <u>10,570,902,544</u> | <u>9,497,356,267</u>     |
| <b>Expenses</b>  |          |                       |                          |
| Cost of sales  | 21       | 6,682,498,742         | -7,272,350,739 ✓         |
| Employees benefits expenses                                      | 22       | 193,006,712           | - 167,062,433 ✓          |
| Finance Costs  | 23       | 2,112,559,724         | 1,126,969,518 ✓          |
| Depreciation & amortisation expenses                             | 11       | 822,997,062           | 444,740,055              |
| Other Expenses   | 24       | 472,482,270           | - 288,165,464 ✓          |
| <b>Total Expenses</b>  |          | <u>10,283,544,510</u> | <u>9,299,288,208</u> → 9 |
| <b>Profit before exceptional and extraordinary items and tax</b> |          | <u>287,358,034</u>    | <u>198,068,059</u>       |
| Exceptional items  |          | -                     | -                        |
| <b>Profit before extraordinary items and tax</b>                 |          | <u>287,358,034</u>    | <u>198,068,059</u>       |
| Extraordinary Items  |          | -                     | -                        |
| <b>Profit before tax</b>   |          | <u>287,358,034</u>    | <u>198,068,059</u>       |
| <b>Tax expense</b>   |          |                       |                          |
| <b>Current tax</b>   |          |                       |                          |
| Minimum Alternate Tax  |          | 59,468,313            | 40,018,778               |
| MAT Credit Entitlement   |          | <u>(57,493,877)</u>   | <u>(40,018,778)</u>      |
| <b>Deferred tax</b>  |          | <u>101,187,306</u>    | <u>60,781,863</u> ✓      |
| <b>Profit for the year</b>                                       |          | <u>184,196,292</u> ✓  | <u>137,286,196</u> ✓     |
| <b>Earnings per Equity Share</b>                                 |          |                       |                          |
|  | 25       |                       |                          |
| Basic  |          | 0.32                  | 0.25                     |
| Diluted  |          | 0.32                  | 0.25                     |
| <b>Significant Accounting Policies</b>                           | 1        |                       |                          |

As per our report of even date annexed

For and on behalf of the Board

For Dewan P N Chopra & Co.  
Chartered Accountants  
*Ashwan*  
Ashwani Kumar Mishra  
Partner  
M.No. 078668  
Firm Regn. No. 000472N

*Manoj Gaur*  
Manoj Gaur  
Chairman

*Sameer Gaur*  
Sameer Gaur  
Managing Director & CEO

*P N Kumar*  
P N Kumar  
Company Secretary

Place: Noida  
Dated: 29th April, 2013

Note 'P'

1.1 Basis of preparation of Financial Statements

- a. The accounts are prepared on historical cost basis and on the principles of a going concern.
- b. Accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles and Accounting Standards notified by the Central Government u/s 211(3C) of the Companies Act, 1956.

1.2 Significant Accounting Policies

A. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/ materialize.

B. Fixed Assets

Fixed assets are stated at cost of acquisition or construction inclusive of freight, erection and commissioning charges, duties and taxes, expenditure during construction period, Interest on borrowings and financing costs upto the date of acquisition / installation less accumulated depreciation.

C. Depreciation

Depreciation on Fixed Assets is provided on Straight Line Method as per the classification and in the manner specified in Schedule – XIV to the Companies Act, 1956.

D. Lease Rentals

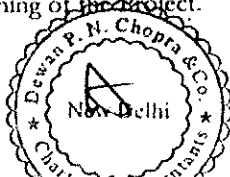
- (i) Operating Leases: Rentals are expensed with reference to lease terms.
- (ii) Financial Leases: The lower of the fair value of the assets or present value of the minimum lease rentals is capitalised as Fixed Assets and corresponding amount shown as Lease Liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the statement of Profit and Loss.

E. Impairment of Assets

If the carrying amount of Fixed Assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of net selling price or the value in use determined by the present value of estimated future cash flows.

F. Expenditure during Construction Period

- (i) Expenditure during construction period, pending allocation, not directly attributable / identifiable to the Core and Non-core activities i.e. development of Sports Project and Real Estate are apportioned to Capital work-in-Progress and Project under Development in the year in which such expenses are incurred in the ratio of 35% and 65%.
- (ii) Expenditure incurred on the Project / Assets during Construction / Implementation is capitalized and apportioned to Project / Assets on commissioning of the Project.



### G. Project under Development

The stock of land and plot of non core area is valued at cost (average cost) or as revalued on conversion to stock-in-trade, as applicable. Cost shall include acquisition cost of land, land development expenses, internal development costs, construction costs, material costs, borrowing costs and cost of services etc.

### H. Capital Work-in-Progress

Capital work-in-progress represents capital expenditure incurred in respect of core activity i.e. development of Sports Project and is carried at cost, which includes land development expenses, internal development charges, construction costs, Cost of Equipment, stores & spares consumed, borrowing costs capitalised, technical consultancy fee and other direct expenditure.

### I. Inventories

The closing stocks are valued on the basis of weighted average cost method.

### J. Investments

Long term Investments are stated at cost and where there is permanent diminution in the value of Investments a provision is made, wherever applicable. Current investments are carried at lower of cost or quoted / fair value. Dividend is accounted for as and when received.

### K. Revenue Recognition:

The Revenue in respect of Real Estate Projects undertaken on or after 1st April, 2012 and also projects which had already commenced but where revenue is being recognised for the first time on or after 1st April, 2012 has been recognised in accordance with the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by The Institute of Chartered Accountants of India.

#### (a) Constructed Properties

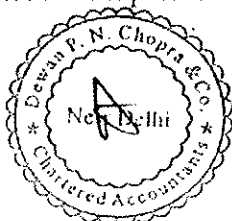
Revenue from real estate development of constructed properties is recognised based on the "percentage of completion method". Total sale consideration as per the legally enforceable agreements to sell entered into with the buyer is recognised as revenue based on the percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being 30 percent or more of the total estimated project cost in respect of projects commenced and / or revenue recognised prior to 1st April, 2012 and atleast 10 percent of the consideration is received, 25 percent of the salable area is secured by agreements with buyers and the minimum expenditure incurred is 25 percent of the construction & development costs in respect of projects undertaken and projects which had already commenced but where revenue is being recognised for the first time on or after 1st April, 2012. Project cost includes cost of land, estimated cost of construction and development of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. Where aggregate of the payment received from customers provide insufficient evidence of their commitment to make the complete payment, revenue is recognized only to the extent of payment received.

#### (b) Undeveloped Land

Revenue from sale / sub-lease of undeveloped land is recognised when full consideration is received against agreement to sell / sub-lease; all significant risks and rewards are transferred to the customer and possession is handed over.

#### (c) Developed Land

Revenue from sale / sub-lease of developed land / plot is recognised based on the "percentage of completion method" when a firm agreement has been entered into and 30 percent or more of the consideration received in respect of projects commenced and / or revenue recognised prior to 1st April, 2012 and atleast 10 percent of the consideration is received, 25 percent of the salable area is secured by agreements with buyers and the minimum expenditure incurred is 25 percent of the development costs in respect of projects undertaken and projects which had already commenced but where revenue is being recognised for the first time on or after 1st April, 2012 and where no significant uncertainty exists regarding the amount of the consideration that will be derived from such sales and it is not unreasonable to expect ultimate collection, and all significant risks and rewards are transferred to the customer.



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#### L. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes substantial period of time to get ready for intended use or sale. All other borrowing costs are charged to revenue.

#### M. Foreign Currency Transactions

(i) Monetary assets and liabilities related to foreign currency transactions and outstanding at the close of the year are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet.

(ii) Transactions in foreign currency are recorded in the books of account in Indian Rupees at the rate of exchange prevailing on the date of transaction.

#### N. Employee Benefits

Employee Benefits are provided in the books as per AS-15 (revised) in the following manner:

(i) Provident Fund and Pension Contribution -- as a percentage of salary / wages is a Defined Contribution Scheme.

(ii) Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of Actuarial Valuation made at the end of each Financial Year. The Actuarial Valuation is made on Projected Unit Credit method.

#### O. Miscellaneous Expenditure

) Preliminary Expenses are written off in the year in which the same are incurred in terms of Accounting Standard (AS-26).

#### P. Segment Reporting

Revenue, operating results, assets and liabilities have been identified to represent separate segments on the basis of their relationship to the operating activities of the segment. Assets, Liabilities, Revenue and Expenses which are not allocable to separate segment on a reasonable basis, are included under "Unallocated".

#### Q. Taxes on Income

(i) Current Tax is determined as per the provisions of the Income Tax Act in respect of the Taxable Income.

(ii) Deferred Tax Liability is computed as per Accounting Standard (AS-22). Deferred Tax Asset and Deferred Tax Liability are computed by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

#### R. Earnings Per Share

) Basic earnings per Equity Share is computed by dividing the net profit or loss after tax by the weighted average number of Equity Shares outstanding during the year.

#### S. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.



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Note '2'

|  | March 31, 2013<br>₹ | March 31, 2012<br>₹ |
|--|---------------------|---------------------|
| <b>Share Capital</b>   |                     |                     |
| <b>Authorised</b>  |                     |                     |
| 750,000,000 Equity Shares (Previous Year: 750,000,000) of ₹ 10/- each                    | 7,500,000,000       | 7,500,000,000       |
| 25,000,000 Redeemable Preference Shares (Previous Year: 25,000,000) of ₹ 100/- each      | 2,500,000,000       | 2,500,000,000       |
|  | 10,000,000,000      | 10,000,000,000      |
| <b>Issued</b>  |                     |                     |
| 567,000,000 Equity Shares of ₹ 10/- each fully paid-up.                                  | 5,670,000,000       | 5,670,000,000       |
| 12,500,000 12% Non Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid-up | 1,250,000,000       | -                   |
|  | 6,920,000,000       | 5,670,000,000       |
| <b>Subscribed &amp; Paid up</b>  |                     |                     |
| 567,000,000 Equity Shares of ₹ 10/- each fully paid-up.                                  | 5,670,000,000       | 5,670,000,000       |
| 12,500,000 12% Non Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid-up | 1,250,000,000       | -                   |
|  | 6,920,000,000       | 5,670,000,000       |

**Note 2.1 Reconciliation of the number of the shares outstanding**

| Particulars                                     | March 31, 2013 |               | March 31, 2012 |               |
|---|----------------|---------------|----------------|---------------|
|   | Number         | ₹             | Number         | ₹             |
| <b>a: Equity Shares of ₹ 10/- each</b>          |                |               |                |               |
| Shares outstanding at the beginning of the year | 567,000,000    | 5,670,000,000 | 552,000,000    | 5,520,000,000 |
| Shares issued during the year                   | -              | -             | 15,000,000     | 150,000,000   |
| Shares outstanding at the end of the year       | 567,000,000    | 5,670,000,000 | 567,000,000    | 5,670,000,000 |
| <b>b: Preference Shares of ₹ 100/- each</b>     |                |               |                |               |
| Shares outstanding at the beginning of the year | -              | -             | -              | -             |
| Shares issued during the year                   | 12,500,000     | 1,250,000,000 | -              | -             |
| Shares outstanding at the end of the year       | 12,500,000     | 1,250,000,000 | -              | -             |

**Note 2.2: The Rights attached to the each class of shares**

(I) Each Equity shareholder holding equity shares of ₹ 10/- each is eligible for one vote per share and is entitled for dividend.

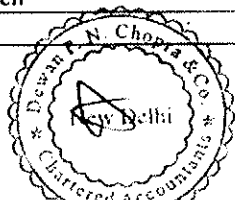
(II) Preference Share holder is entitled for dividend at a fixed rate of 12% p.a. Non-Cumulative Redeemable Preference Shares (NCRPS) are redeemable at par at the end of 10th year from the date of allotment i.e. 30th March, 2013 and in the event of liquidation of the company, the holders of NCRPS will have priority in the payment of dividend and re-payment of capital over Equity Share holders of the company.

**Note 2.3 The shares held by the holding company and its Associates**

| Name of the shareholders   | Nature of Relationship          | March 31, 2013 | March 31, 2012 |
|--|---------------------------------|----------------|----------------|
| <b>a: Equity Shares of ₹ 10/- each</b>                             |                                 |                |                |
| Jaiprakash Associates Limited                                      | Holding company                 | 514,877,000    | 514,877,000    |
| Jaypee Development Corporation Limited                             | Subsidiary of Associate company | 50,000,000     | 50,000,000     |
| Jaypee Infra Ventures (A private company with unlimited liability) | Associate Company               | 2,110,000      | 2,110,000      |
| <b>b: Preference Shares of ₹ 100/- each</b>                        |                                 |                |                |
| Jaiprakash Associates Limited                                      | Holding company                 | 12,500,000     | -              |

**Note 2.4 The shares held by the shareholders more than 5% of the aggregate shares in the company.**

| Name of the shareholders                    | March 31, 2013        |              | March 31, 2012        |              |
|---|-----------------------|--------------|-----------------------|--------------|
|   | Number of shares held | % of holding | Number of shares held | % of holding |
| <b>a: Equity Shares of ₹ 10/- each</b>      |                       |              |                       |              |
| Jaiprakash Associates Limited               | 514,877,000           | 90.81        | 514,877,000           | 90.81        |
| Jaypee Development Corporation Limited      | 50,000,000            | 8.82         | 50,000,000            | 8.82         |
| <b>b: Preference Shares of ₹ 100/- each</b> |                       |              |                       |              |
| Jaiprakash Associates Limited               | 12,500,000            | 100.00       | -                     | -            |



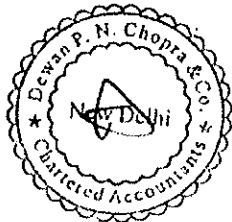


Note '3'.

| Reserves & Surplus                                 | March 31, 2013       |                    | March 31, 2012      |
|--|----------------------|--------------------|---------------------|
|  | ₹                    |                    | ₹                   |
| <b>Debenture Redemption Reserve</b>                |                      |                    |                     |
| As per last balance sheet                          | 50,000,000           |                    |                     |
| Add :- Provided during the year                    | <u>100,000,000</u>   | 150,000,000        | 50,000,000          |
| <b>Surplus</b>                                     |                      |                    |                     |
| Profit / (Loss) brought forward from previous year | 67,133,348           | (20,152,848)       |                     |
| Add: Profit for the year                           | 184,196,292          | 137,286,196        |                     |
| Less : Transfer to Debenture Redemption Reserve    | <u>(100,000,000)</u> | <u>151,329,640</u> | <u>(50,000,000)</u> |
|  |                      | <u>301,329,640</u> | <u>117,133,348</u>  |

Note '4' Long- term Borrowings

|  |              |                       |                       |
|--|--------------|-----------------------|-----------------------|
| <b>A. Secured Loans</b>                            |              |                       |                       |
| Term Loans from Banks & Financial Institutions     |              | <u>7,711,000,934</u>  | <u>8,717,162,580</u>  |
| <b>B. Unsecured Loan</b>                           |              |                       |                       |
| Term Loans from Bank                               |              | <u>250,000,000</u>    | <u>1,000,000,000</u>  |
| <b>C. Other unsecured assistance</b>               |              |                       |                       |
| i. Debentures                                      |              |                       |                       |
| (10,000 Redeemable debentures of ₹. 1,00,000 each) |              | 1,000,000,000         | 1,000,000,000         |
| ii. Facility from Bank                             |              | <u>2,500,000,000</u>  | <u>2,500,000,000</u>  |
|  | <b>Total</b> | <u>3,500,000,000</u>  | <u>3,500,000,000</u>  |
| <b>D. Deferred payment for land</b>                |              | <u>6,664,747,912</u>  | <u>7,980,831,431</u>  |
| <b>Total (A+B+C+D)</b>                             |              | <b>18,125,748,846</b> | <b>21,197,994,011</b> |



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4.1 Security and terms of repayment for Long Term Borrowings

- (i) Term loans of ₹ 768,71,82,463/- outstanding as on 31.03.2013 (Previous year: ₹ 841,87,22,815/-), SBI.C ₹ 239,93,28,805/- (Previous year: ₹ 234,45,32,593.65) and Bank Guarantee ₹ 100 crore (Previous year ₹ 100 crore) sanctioned by Banks & Financial Institution are secured / to be secured by first charge ranking pari-passu on all immovable and movable fixed assets pertaining to the core area sports infrastructure project (both present and future) and second pari-passu charge on all current assets including receivables pertaining to the aforesaid sports infrastructure project, subject to first charge of the working capital lenders and personal guarantees of Shri Manoj Gaur, Chairman & Shri Sameer Gaur, MD & CEO.

**Terms of repayment :** Repayable in 24 equal quarterly instalments commenced from October, 2012. Last instalment due in second quarter (July - September) of FY 2018-19.

- (ii) Term loan of ₹ 150 crore (Previous year Nil) from ICICI Bank Limited, secured / to be secured by mortgage of non core area land admeasuring 25 Acres, second charge on all immovable & movable assets of core area sports infrastructure project and Corporate Guarantee of Jaiprakash Associates Limited, the holding company.

**Terms of repayment :** Repayable in 51 equal monthly instalments commencing from 5th April, 2013.

- (iii) Term loan of ₹ 100 crore (Previous year ₹ 100 crore) from Yes Bank Limited, secured by subservient charge on current assets of core area Infrastructure Project, corporate guarantee of Jaiprakash Associates Limited, the holding company and personal guarantees of Shri Manoj Gaur, Chairman & Shri Sameer Gaur, MD & CEO.

**Terms of repayment :** Repayable in twelve equal quarterly instalments from the date of first disbursement, after moratorium period of two years, commencing from 23.09.2013. In case put option is exercised by a bank at the end of two years from the date of first disbursement, repayable in four equal quarterly instalments commencing from 23.09.2013.

4.2 Terms of repayment of Unsecured Loan

Term loan of ₹ 100 crore (Previous year ₹ 100 crore) from Punjab & Sind Bank, secured by Corporate Guarantee of Jaiprakash Associates Limited, the holding company and personal guarantees of Shri Manoj Gaur, Chairman & Shri Sameer Gaur, MD & CEO.

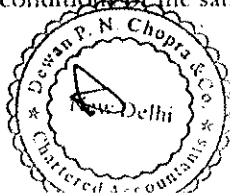
**Terms of repayment :** Repayable in four equal quarterly instalments from the date of first disbursement, after moratorium period of two years, commencing from 22.09.2013.

4.3 Terms of repayment of Other unsecured assistance

- (i) Compulsorily Convertible Debentures (CCDs) of ₹ 100 crore (Previous year ₹ 100 crore) are secured by pledge of 15.2 crore equity shares of ₹ 10/- each by Jaiprakash Associates Limited and personal guarantees of Shri Manoj Gaur, Chairman & Shri Sameer Gaur, MD & CEO.

**Terms of Redemption :** Redeemable at the end of 14th, 15th & 16th quarters from date of draw down i.e. 27.09.2011, in case put option is exercised by IFCI Limited. The said CCDs can be redeemed at the end of 12th & 16th quarter from initial subscription if call option is exercised by the company.

- (ii) Unsecured facility of ₹ 250 crore (Previous year ₹ 250 crore) from ICICI Bank Limited by way of Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS). Jaypee Infratech Limited, a fellow subsidiary company, has given an undertaking to ICICI Bank Limited to exercise the option to purchase the outstanding amount of the said facility after five years or under the circumstances as stipulated in the terms & conditions of the sanction.



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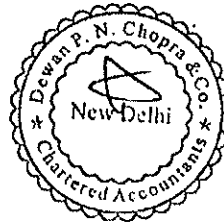
4.1 Deferred payment for land

Land admeasuring 1085.3327 hectares (previous year: 1085.3327 Ha.) (Inclusive of 99.9320 ha for Village Development and Abadi Extension, as per terms of allotment) has been allotted to the Company by Yamuna Expressway Industrial Development Authority (YEA). Lease Deeds in respect of 966.7345 ha (Previous year: 966.7345) have been executed and lease Deeds for the balance 18.6662 ha are being executed, whereas land about 14.5993 ha is expected to be allotted shortly.

Principal amount amounting to ₹ 666,47,47,912/- (previous year: ₹ 798,08,31,431/- payable in half yearly instalments for land admeasuring 1066.6665 hectare in respect of which Lease Deeds have been executed (inclusive of 99.9320 ha) for Village Development & Abadi Extension payable to YEA in twenty half yearly instalments alongwith interest on reducing balance @ prevailing SBI PLR. Last instalment shall be due in December, 2020.

| Note '5' Deferred Tax Liabilities (Net) | March 31, 2013     | March 31, 2012    |
|---|--------------------|-------------------|
|   | ₹                  | ₹                 |
| Deferred Tax Liabilities                | 1,044,321,600      | 631,424,700       |
| Less : Deferred Tax Assets              | 882,352,431        | 570,642,837       |
|   | <u>161,969,169</u> | <u>60,781,863</u> |

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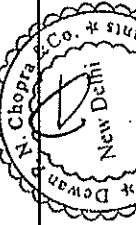
|   | March 31, 2013<br>₹   | March 31, 2012<br>₹   |
|---|-----------------------|-----------------------|
| <b>Note '6' Long Term Provisions</b>      |                       |                       |
| Provision for Employee Benefits           |                       |                       |
| Leave Encashment                          | 2,007,563             | 4,154,612             |
|   | <u>2,007,563</u>      | <u>4,154,612</u>      |
| <b>Note '7' Short-Term Borrowings</b>     |                       |                       |
| Working Capital Facilities                | 93,755,597            | -                     |
|   | <u>93,755,597</u>     | <u>-</u>              |
| <b>Note '8' Trade Payables</b>            |                       |                       |
| Sundry Creditors                          | 261,920,398           | 1,143,348,955         |
| Other Payables                            | 2,251,545,000         | -                     |
| (Also Refer Note No. 36)                  | <u>2,513,465,398</u>  | <u>1,143,348,955</u>  |
| <b>Note '9' Other current liabilities</b> |                       |                       |
| Current maturities of long-term debts     | 5,833,656,585         | 2,905,242,444         |
| Interest accrued but not due              | 2,122,180,585         | 1,120,635,804         |
| Advances from Customers                   | 2,473,402,505         | 4,662,108,988         |
| Creditors for capital expenditure         | 1,365,345,695         | 1,020,578,336         |
| Overdrawn bank balances                   | -                     | 218,276,178           |
| Other payables - Related Parties          | 2,850,897,567         | 1,501,810,634         |
| Other payables - Employees                | 9,362,921             | 10,668,130            |
| Other payables                            | 436,993,450           | 86,249,591            |
|   | <u>15,091,839,308</u> | <u>11,525,570,106</u> |
| <b>Note '10' Short term provisions</b>    |                       |                       |
| Income Tax                                | 99,910,007            | 42,513,033            |
| Provision for Employee Benefits           |                       |                       |
| Leave encashment                          | 1,249,082             | 952,942               |
|   | <u>101,159,089</u>    | <u>43,465,975</u>     |

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Note 'II' FIXED ASSETS

| PARTICULARS  | GROSS BLOCK           |                              |                                    |                       |                    | DEPRECIATION       |                         |                                       |                       |                       | NET BLOCK             |  |
|--|-----------------------|------------------------------|------------------------------------|-----------------------|--------------------|--------------------|-------------------------|---------------------------------------|-----------------------|-----------------------|-----------------------|--|
|  | As On<br>01.04.2012   | Additions during<br>the year | Sale /<br>Adjustment /<br>Transfer | As On<br>31.03.2013   | Upto<br>31.03.2012 | For the year       | Tfd to Pre<br>Operative | On Sale /<br>Adjustment /<br>Transfer | Upto<br>31.03.2013    | As On<br>31.03.2013   | As On<br>31.03.2012   |  |
| <b>A. Tangible Assets</b>                            |                       |                              |                                    |                       |                    |                    |                         |                                       |                       |                       |                       |  |
| Leasehold Land                                       | 7,335,589,095         | -                            | -                                  | 7,335,589,095         | -                  | -                  | -                       | -                                     | -                     | 7,335,589,095         | 7,335,589,095         |  |
| Purely Temporary<br>Fixations                        | 167,168,703           | -                            | -                                  | 167,168,703           | 83,584,352         | 83,584,351         | -                       | 167,168,703                           | 167,168,703           | 83,584,352            | 83,584,352            |  |
| Buildings  | 5,168,501,880         | 635,977,112                  | -                                  | 5,804,478,992         | 86,313,981         | 180,667,751        | -                       | 266,981,712                           | 266,981,712           | 5,082,187,898         | 5,082,187,898         |  |
| Race Track   | 5,849,125,274         | 650,504,193                  | -                                  | 6,499,629,467         | 138,916,725        | 201,090,832        | -                       | 430,007,557                           | 430,007,557           | 6,069,621,910         | 5,710,208,549         |  |
| Plant & Machinery                                    | 4,182,916,774         | 18,482,318                   | -                                  | 4,201,399,092         | 101,359,631        | 199,093,773        | -                       | 300,453,404                           | 300,453,404           | 3,900,945,688         | 4,081,551,143         |  |
| Furniture & Fixtures                                 | 96,958,389            | 1,780,795                    | -                                  | 98,719,184            | 3,829,974          | 6,468,630          | -                       | 10,298,604                            | 10,298,604            | 88,420,580            | 93,108,113            |  |
| Office Equipments                                    | 395,022,446           | 1,047,599                    | 2,281,500                          | 398,788,545           | 11,676,422         | 18,981,487         | 98,771                  | 30,559,138                            | 363,229,407           | 383,316,074           | 383,316,074           |  |
| Computers  | 219,149,708           | 1,295,350                    | -                                  | 220,445,058           | 19,917,957         | 35,613,584         | -                       | 55,531,541                            | 164,913,517           | 199,231,132           | 199,231,132           |  |
| Motor Vehicles                                       | 46,838,437            | 2,215,890                    | 104,662                            | 48,949,665            | 4,550,332          | 4,620,687          | 14,914                  | 9,156,105                             | 39,793,560            | 42,288,105            | 42,288,105            |  |
| <b>Total</b>   | <b>23,461,250,706</b> | <b>1,311,303,257</b>         | <b>2,386,162</b>                   | <b>24,770,167,802</b> | <b>450,149,374</b> | <b>820,121,074</b> | <b>-</b>                | <b>1,270,156,764</b>                  | <b>23,500,011,037</b> | <b>23,011,101,332</b> | <b>23,011,101,332</b> |  |
| Previous Year  | 7,094,731,269         | 16,366,519,437               | -                                  | 23,461,250,706        | 5,390,271          | 443,302,061        | 1,457,043               | 450,149,374                           | 23,011,101,332        | 23,011,101,332        | 23,011,101,332        |  |
| <b>B. Intangible Assets</b>                          |                       |                              |                                    |                       |                    |                    |                         |                                       |                       |                       |                       |  |
| Computer Softwares                                   | 14,379,940            | -                            | -                                  | 14,379,940            | 1,437,994          | 2,875,988          | -                       | 4,313,982                             | 10,065,958            | 12,941,946            | 12,941,946            |  |
| Previous Year  | -                     | 14,379,940                   | -                                  | 14,379,940            | 1,437,994          | 1,437,994          | -                       | 1,437,994                             | 12,941,946            | 49,038,836            | 48,771,989            |  |
| <b>Capital work-in-Progress (Refer Note No. 11A)</b> |                       |                              |                                    |                       |                    |                    |                         |                                       |                       |                       |                       |  |



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Note '11A' Capital Work in-Progress

|  | March 31, 2013<br>₹ | March 31, 2012<br>₹   |
|--|---------------------|-----------------------|
| Opening Balance  | 48,771,989          | 5,490,027,642         |
| Construction Costs   |                     | 4,671,483,966         |
| Plant & Machinery  | -                   | 507,228,133           |
| Project Expenses   | -                   | 792,981,433           |
| Cricket Stadium  | 266,847             | 43,165,344            |
|  | <u>49,038,836</u>   | <u>11,504,886,518</u> |
| Incidental Expenditure during Construction<br>(Refer Note no. 11B) | -                   | 303,743,953           |
|  | <u>49,038,836</u>   | <u>11,808,630,471</u> |
| Less: Capitalised during the year                                  | -                   | 11,759,858,482        |
|  | <u>49,038,836</u>   | <u>48,771,989</u>     |

Note '11B' Incidental Expenditure during construction, pending allocation

|   |   |                    |
|---|---|--------------------|
| Opening Balance   | - | 106,041,034        |
| Salary, Wages, Bonus and other Benefits                     | - | 90,384,309         |
| Contribution to Provident Fund                              | - | 1,395,892          |
| Rent  | - | 1,154,297          |
| Rates & Taxes   | - | 1,402,337          |
| Travelling & Conveyance                                     | - | 15,234,401         |
| Vehicle Running & Maintenance                               | - | 1,414,841          |
| Consultancy & Professional Fee                              | - | 55,753,987         |
| Insurance   | - | 1,288,974          |
| Postage & Telephone   | - | 1,423,691          |
| Bank Charges & Guarantee Commission                         | - | 5,497,286          |
| Security Service Expenses                                   | - | 13,290,187         |
| Electricity & Power Charges                                 | - | 2,971,415          |
| Repair & Maintenance  | - | 2,552,758          |
| Printing & Stationery                                       | - | 1,933,548          |
| Miscellaneous   | - | 547,954            |
| Depreciation  | - | 1,457,043          |
| Transferred to Capital Work in Progress (Refer to Note 11A) | - | <u>303,743,953</u> |

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|  | March 31, 2013        | March 31, 2012        |
|--|-----------------------|-----------------------|
|  | ₹                     | ₹                     |
| <b>Note '12' Non - Current Investments</b>   |                       |                       |
| Investments in subsidiaries  |                       |                       |
| In Equity Shares- Un-quoted, fully paid-up   |                       |                       |
| 1,000,000 equity shares of ₹ 10/- each fully paid-up of Jaypee Cement Hockey (India) Limited (Previous Year: Nil). | 10,000,000            | -                     |
| 50,000 equity shares of ₹ 10/- each fully paid-up of Jaypee Cement Cricket (India) Limited (Previous Year: Nil).   | 500,000               | -                     |
|  | <u>10,500,000</u>     | <u>-</u>              |
| <b>Aggregate cost of:</b>  |                       |                       |
| Quoted investment in Equity Shares   | -                     | -                     |
| Un-quoted investment in Equity Shares  | 10,500,000            | -                     |
|  |                       |                       |
| <b>Note '13' Long Term Loans And Advances</b>  |                       |                       |
| <b>(Unsecured, considered good)</b>  |                       |                       |
| Advance for land   | 204,726,587           | 179,696,183           |
| MAT Credit Entitlement   | 97,512,655            | 40,018,778            |
| Claims and Refunds Receivables   | 101,936,648           | 898,384               |
| Security Deposits:   |                       |                       |
| With Govt. Department & Public Bodies  | 10,710,000            | 10,700,000            |
| With Others  | 6,929,750             | 3,801,750             |
|  | <u>421,815,640</u>    | <u>235,115,095</u>    |
|  |                       |                       |
| <b>Note '14' Inventories</b>   |                       |                       |
| <b>(As per inventories taken, valued and certified by the Management)</b>  |                       |                       |
| Stores & Spares (at weighted average cost)   | 116,481,497           | 116,693,056           |
| Project Under Development (at Cost)  | 15,250,973,785        | 14,051,303,496        |
| (Refer Note No. 14A)   | <u>15,367,455,281</u> | <u>14,167,996,552</u> |
|  |                       |                       |
| <b>Note '14A' Project Under Development</b>  |                       |                       |
| Opening Balance  | 14,051,303,496        | 14,249,696,593        |
| Land   | 953,792,819           | 1,044,876,057         |
| Lease Rent   | 152,614,982           | 147,804,675           |
| Construction Expenses  | 2,333,185,573         | 1,670,594,712         |
| Consultancy Fee  | 8,988,800             | 15,883,200            |
| Interest and Financial Charge  | 910,103,558           | 527,293,641           |
| Subvention Discount  | 84,090,696            | 168,562,483           |
| Apportionment of 65% being Common Expenses   | 224,459,187           | 130,552,618           |
|  | <u>18,718,539,111</u> | <u>17,955,263,979</u> |
| <b>Less: Cost of Sales taken to Profit &amp; Loss A/c (Refer Note No. 21)</b>                                      | <u>3,467,565,326</u>  | <u>3,903,960,482</u>  |
|  | <u>15,250,973,785</u> | <u>14,051,303,496</u> |
|  |                       |                       |
| <b>Note '15' Trade Receivable</b>  |                       |                       |
| Secured, Considered good   |                       |                       |
| Unsecured, Considered good   |                       |                       |
| Over Six Months  | 8,549,668             | -                     |
| Others   | 903,231,380           | 157,377,741           |
|  | <u>911,781,048</u>    | <u>157,377,741</u>    |



| Note '16' Cash And Cash Equivalents   | March 31, 2013        | March 31, 2012       |
|---|-----------------------|----------------------|
|   | ₹                     | ₹                    |
| Cash in hand  | 1,210,400             | 1,313,576            |
| Cheques / Drafts in hand  | 55,000,000            | 46,201,020           |
| Balances with Scheduled Banks   |                       |                      |
| In Current Accounts   | 1,246,515,397         | 81,947,361           |
| In Fixed Deposit Accounts   | 269,986,020           | 560,113,092          |
| (In No-Lien Account (previous year: ₹ 250,113,092/-))                             |                       |                      |
|   | <u>1,572,711,817</u>  | <u>689,575,049</u>   |
| <b>Note '17' Short Term Loans And Advances<br/>(Unsecured, considered good)</b>   |                       |                      |
| Advances to suppliers, contractors & others                                       | 838,815,330           | 1,193,495,686        |
| Advances to Related Parties   | 155,775,213           | 101,035,800          |
| Advances to employees   | 385,218               | 801,539              |
| Claims and Refunds Receivables  | 321,639,880           | -                    |
| Payment of Income Tax (inclusive of TDS)  | 60,108,815            | 17,340,969           |
|   | <u>1,376,724,456</u>  | <u>1,312,673,994</u> |
| <b>Note '18' Other Current Assets</b>   |                       |                      |
| Interest accrued on Fixed Deposits  | 3,482,905             | 5,238,585            |
| Prepaid expenses  | 87,687,632            | 121,656,586          |
|   | <u>91,170,538</u>     | <u>126,895,172</u>   |
| <b>Note '19' Revenue from Operations</b>  | 2012-13               | 2011-12              |
|   | ₹                     | ₹                    |
| Sports Events   | 764,508,641           | 1,402,043,873        |
| Real Estate   | 9,771,839,000         | 8,060,956,438        |
|   | <u>10,536,347,641</u> | <u>9,463,000,311</u> |
| <b>Note '20' Other Income</b>   |                       |                      |
| Interest from Banks   | 34,554,903            | 34,355,956           |
|   | <u>34,554,903</u>     | <u>34,355,956</u>    |
| <b>Note '21' Cost of Sales</b>  |                       |                      |
| Sports Event Expenses *   | 3,214,933,416         | 3,368,390,257        |
| Real Estate Expenses  | 3,467,565,326         | 3,903,960,482        |
|   |                       |                      |
| *(Inclusive of promotion fee ₹ 2,251,545,000/- (previous year ₹ 1,977,015,716/-)) |                       |                      |
|   | <u>6,682,498,742</u>  | <u>7,272,350,739</u> |
| <b>Note '22' Employees Benefits Expenses</b>                                      |                       |                      |
| Salary, Wages, Bonus & Other Benefits   | 183,134,723           | 147,689,107          |
| Contribution to Provident Fund  | 6,030,184             | 3,604,436            |
| Staff Welfare Expenses  | 3,841,805             | 15,768,890           |
|   | <u>193,006,712</u>    | <u>167,062,433</u>   |
| <b>Note '23' Finance Costs</b>  |                       |                      |
| Interest  | 2,102,241,026         | 1,066,607,630        |
| Other Financing Charges   | 10,318,698            | 60,361,888           |
|   | <u>2,112,559,724</u>  | <u>1,126,969,518</u> |






|   | 2012-13<br>₹       | 2011-12<br>₹       |
|---|--------------------|--------------------|
| <b>Note '24' Operating &amp; Other Expenses</b> |                    |                    |
| Rent  | 108,714,637        | 61,292,405         |
| Rates & Taxes                                   | 19,343,179         | 19,658,357         |
| Travelling & Conveyance                         | 7,079,509          | 15,348,222         |
| Vehicle Running & Maintenance                   | 4,454,760          | 1,414,841          |
| Consultancy & Professional Fee                  | 54,163,376         | 48,385,914         |
| Insurance                                       | 3,586,519          | 2,837,755          |
| Electricity, Power & Fuel Charges               | 128,197,051        | 10,328,536         |
| Security Service Charges                        | 61,045,880         | 72,319,964         |
| Repair & Maintenance                            | 39,002,448         | 6,050,839          |
| Foreign Exchange Fluctuations                   | 2,875,952          | 430,440            |
| Bank Charges & Guarantee Commission             | 34,644,502         | 44,625,413         |
| Loss on Sale/Disposal/Write-off of Assets (Net) | 315,529            | -                  |
| Postage & Telephone                             | 6,267,537          | 2,991,276          |
| Printing & Stationery                           | 1,647,459          | 1,933,548          |
| Miscellaneous                                   | 1,143,931          | 547,954            |
|   | <u>472,482,270</u> | <u>288,165,464</u> |

**Note '25' Earnings Per Equity Share (EPS) in accordance with Accounting Standard (AS-20)**

|   |             |             |
|---|-------------|-------------|
| Net Profit After Tax  | 184,196,292 | 137,286,196 |
| Weighted average number of Equity Shares for earnings per share computation |             |             |
| Number of Equity Shares at the beginning of the year                        | 567,000,000 | 552,000,000 |
| Number of Equity Shares allotted during the year                            | -           | 15,000,000  |
| Weighted average number of Equity Shares allotted during the year           | -           | 81,967      |
| Weighted average number of Equity Shares at the end of the year             | 567,000,000 | 552,081,967 |
| Earnings per Share  |             |             |
| Basic (₹)   | 0.32        | 0.25        |
| Diluted (₹)   | 0.32        | 0.25        |

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**Note '26'**

Contingent liabilities not provided for in respect of:

(a) Irrevocable standby letters of credit for (US \$ 40,900,000 & Euro 20,99,500) ₹ 239,93,28,805/- (previous year: (US \$ 44,136,532.26) ₹ 234,45,32,593.65).

(b) Outstanding amount of Bank Guarantees: ₹ 100.01 crore (Previous year: ₹ 100.93 crore)

**Note '27'**

In the opinion of Board of Directors, the "Current Assets, Loans and Advances" have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.

**Note '28'**

Project under Development represents expenditure incurred in respect of Non-core activity i.e. development of Real Estate, which includes acquisition cost of land, land development expenses, internal development costs, construction costs, material costs, borrowing costs and cost of services etc. : ₹ 1525,09,73,785/- (previous year : ₹ 1405,13,03,496/-).

**Note '29'**

Interest received ₹ 3,45,54,903/- (TDS ₹ 24,99,947/-) on temporary placement of funds in Fixed Deposit with Banks (previous year: ₹ 3,43,55,956/- (TDS ₹ 33,30,376/-).

**Note '30'**

Balances of some of the Creditors, Loans and Advances are subject to confirmation from the respective parties. The management does not expect any material difference affecting the Financial Statements for the year.

**Note '31'**

Current maturities of long term debts include overdue amount of ₹ 128,00,73,399/-

**Note '32'**

Provision for Income Tax of ₹ 5,94,68,313/- (Previous Year: ₹ 4,00,18,778/-) towards minimum alternative tax (MAT) as tax payable u/s 115 JB of Income Tax Act, 1961 has been made. The MAT paid by the company for the year is allowed to be carried forward for a period upto next 10 years to be adjusted against the normal tax payable, if any, in those years. Therefore the same has been shown as MAT credit entitlement for the current year as per revised Schedule VI.

**Note '33'**

The provision for Wealth Tax ₹ 2,12,082/- (previous year – ₹ 3,21,500/-).

**Note '34'**

|                        | 2012-13          | 2011-12          |
|------------------------|------------------|------------------|
|                        | ₹                | ₹                |
| Auditors' Remuneration |                  |                  |
| Audit Fee              | 1,404,500        | 1,123,600        |
| Taxation Matters       | 898,880          | 2,068,125        |
| Travelling Expenses    | 411,211          | 231,054          |
|                        | <u>2,714,591</u> | <u>3,422,779</u> |

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Note '35'

a) Value of imports on CIF basis

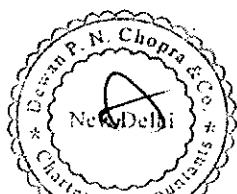
|                   | 2012-13           | 2011-12            |
|-------------------|-------------------|--------------------|
|                   | ₹                 | ₹                  |
| Capital Equipment | 24,643,945        | 374,670,007        |
| Others            | 37,019,613        | 8,642,782          |
|                   | <u>61,663,558</u> | <u>383,312,789</u> |

b) Expenditure in foreign currency

|                          |                      |                      |
|--------------------------|----------------------|----------------------|
| Promotion fee of F1 Race | 2,251,545,000        | 1,977,015,716        |
| Technical fees           | 230,404,396          | 122,301,667          |
| Foreign Travel           | 2,028,500            | 5,304,377            |
| Computer Software        | -                    | 10,297,758           |
| Advertisement            | 1,886,509            | 2,345,651            |
| Others                   | 49,734,947           | 15,882,039           |
|                          | <u>2,535,599,352</u> | <u>2,133,147,208</u> |

c) Other Income in foreign currency

|   |                    |                    |
|---|--------------------|--------------------|
| Sharing of Contribution to National Sports Development Fund | 55,173,483         | 48,939,519         |
| Circuit Rights Fee  | 57,480,983         | 51,420,000         |
| Fees for marketing of Paddock Club tickets                  | 57,480,983         | 51,420,000         |
| Revenue from Real Estate                                    | 4,179,614          | 6,744,439          |
| Hire Charges of equipments                                  | 79,758,386         | 55,818,007         |
| Sale of F1 Race Tickets                                     | 373,103            | 11,608,571         |
| Miscellaneous   | 54,155,514         | 12,043,119         |
|   | <u>308,602,066</u> | <u>237,993,655</u> |

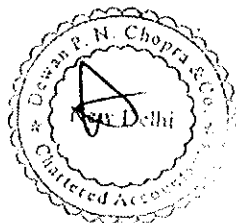


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Note '36'

Disclosure as required under Notification No. G.S.R. 719 (E) dated 16<sup>th</sup> November, 2007 issued by the Department of Company Affairs (as certified by the Management):

| S.No. | Particulars  | As on<br>31.03.2013 | As on<br>31.03.2012 |
|-------|--|---------------------|---------------------|
| a)    | The principal amount and interest due thereon remaining unpaid to any supplier   |                     |                     |
|       | -Principal Amount  | Nil                 | Nil                 |
|       | -Interest Amount   | Nil                 | Nil                 |
| b)    | The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day.  | Nil                 | Nil                 |
| c)    | The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed date during the year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006.  | Nil                 | Nil                 |
| d)    | The amount of interest accrued and remaining unpaid  | Nil                 | Nil                 |
| e)    | The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | Nil                 | Nil                 |



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Note '37'

Related Party Disclosures, as required in terms of Accounting Standard [AS] '18' are given below:

(I) Relationships:

(a) Holding Company:

Jaiprakash Associates Limited.

(b) Subsidiary Companies:

(i) Jaypee Cement Cricket (India) Limited (w.e.f. 20.10.2012)

(ii) Jaypee Cement Hockey (India) Limited (w.e.f. 05.11.2012)

(c) Fellow Subsidiary Companies (including their subsidiaries):

(i) Jaiprakash Power Ventures Limited.

(ii) Jaypee Infratech Limited.

(iii) Jaypee Fertilizers & Industries Limited.

(iv) Jaypee Cement Corporation Limited.

(v) Bhilai Jaypee Cement Limited.

(vi) Bokaro Jaypee Cement Limited.

(vii) Gujarat Jaypee Cement & Infrastructure Limited.

(viii) Himalayan Expressway Limited.

(ix) Jaypee Arunachal Power Limited (subsidiary of Jaiprakash Power Ventures Limited).

(x) Sangam Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited).

(xi) Prayagraj Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited).

(xii) Jaypee Meghalaya Power Limited (subsidiary of Jaiprakash Power Ventures Limited).

(xiii) Jaypee Powergrid Limited (subsidiary of Jaiprakash Power Ventures Limited).

(xiv) Jaypee Ganga Infrastructure Corporation Limited.

(xv) Jaypee Agra Vikas Limited.

(xvi) Jaypee Assam Cement Limited

(xvii) Himalayaputra Aviation Limited

(xviii) Jaypee Healthcare Limited (w.e.f. 30.10.2012)

(xix) Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Cement Corporation Limited) (w.e.f. 25.03.2013)

(d) Associate Companies:

(i) Jaypee Infra Ventures (A private company with unlimited liability)

(ii) JIL Information Technology Limited (subsidiary of Jaypee Infra Ventures).

(iii) Jaypee Development Corporation Limited (subsidiary of Jaypee Infra Ventures).

(iv) Indesign Enterprises Pvt. Limited (subsidiary of Jaypee Infra Ventures)

(v) Anvi Hotels Private Limited (subsidiary of Jaypee Infra Ventures)

(vi) Jaypee International Logistics Company Private Limited (subsidiary of Jaypee Infra Ventures).

(vii) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited).

(viii) Tiger Hills Holiday Resort Private Limited (subsidiary of Jaypee Development Corporation Limited).

(ix) RPJ Minerals Private Limited

(x) Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals Private Limited).

(xi) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited).

(xii) Jaypee Uttar Bharat Vikas Private Limited.

(xiii) Kanpur Fertilizers & Cement Limited (subsidiary of Jaypee Uttar Bharat Vikas Private Limited).

(xiv) Sonbhadra Minerals Private Limited.

(xv) Madhya Pradesh Jaypee Minerals Limited.

(xvi) Jaypee Mining Ventures Private Limited.

(xvii) MP Jaypee Coal Limited.

(xviii) MP Jaypee Coal Fields Limited.

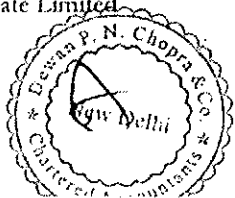
(xix) Jaiprakash Kashmir Energy Limited.

(xx) Jaypee Hotels Limited.

(xxi) Milestone Home Finance Company Private Limited (subsidiary of Jaypee Hotels Limited)

(xxii) Jaypee Technical Consultants Private Limited.

(xxiii) Ceekay Estate Private Limited.



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- (xxiv) Jaiprakash Exports Private Limited  
 (xxv) Bhami Estate Developers Private Limited  
 (xxvi) PAC Pharma Drugs and Chemicals Private Limited  
 (xxvii) Andhra Cements Limited. (subsidiary of Jaypee Development Corporation Limited).  
 (xxviii) Jaypee Jan Sewa Sansthan ('Not for Profit' Private Limited Company) (w.e.f. 12.06.2012)

(e) Key Management Personnel:

- (i) Shri Manoj Gaur, Chairman  
 (ii) Shri Sunil Kumar Sharma, Vice Chairman  
 (iii) Shri Sameer Gaur, Managing Director & CEO.

(f) Relative of Key Management Personnel, where transactions have taken place

Shri Manu Bhaskar Gaur

(II) Transactions carried out with related parties referred to above in ordinary course of business:

(In ₹)

| Nature of Transactions     | Referred in (a)<br>above         | Referred in (b)<br>above | Referred in (c)<br>above  | Referred in (d)<br>above  | Referred in (e)<br>& (f) above |
|----------------------------|----------------------------------|--------------------------|---------------------------|---------------------------|--------------------------------|
| <b>Receipts</b>            |                                  |                          |                           |                           |                                |
| Share Capital              | 1,250,000,000<br>(150,000,000)   | -                        | -                         | -                         | -                              |
| Sales                      | 3,543,750,142<br>(3,994,499,370) | -                        | 5,269,842<br>(31,594,000) | -                         | -                              |
| Interest                   | -                                | -                        | (1,037,671)               | -                         | -                              |
| Advances                   | 44,200,000<br>(2,045,700,000)    | -                        | -                         | -                         | -                              |
| <b>Expenditure</b>         |                                  |                          |                           |                           |                                |
| Managerial Remuneration    | -                                | -                        | -                         | -                         | 16,311,025<br>(15,888,703)     |
| Salaries & other amenities | -                                | -                        | -                         | -                         | 1,535,100                      |
| Contract Expenses          | 2,314,536,943<br>(1,669,082,919) | -                        | -                         | -                         | -                              |
| Purchases                  | 167,895,472<br>(230,471,604)     | -                        | -                         | -                         | -                              |
| Expenses                   | 31,375,082<br>(10,758,425)       | -                        | -                         | 15,565,152<br>(7,332,283) | -                              |
| Other Transactions         | -                                | -                        | (175,000,000)             | -                         | -                              |
| Equity Share Capital       | -                                | 10,500,000               | -                         | -                         | -                              |
| <b>Outstanding</b>         |                                  |                          |                           |                           |                                |
| Receivable                 | 270,105,720<br>(100,371,300)     | 60,204,993               | 664,500<br>(664,500)      | -                         | -                              |
| Advances                   | -                                | -                        | -                         | 400,790,548<br>(907)      | -                              |
| Payable                    | 2,450,107,019<br>(1,501,809,727) | -                        | -                         | -                         | -                              |

Previous year figures are given in brackets.



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NOTES '38' SEGMENT INFORMATION

(in ₹)

| Particulars  | Business Segment |                  | Unallocated  | Total            |
|--|------------------|------------------|--------------|------------------|
|  | Sports           | Real Estate      |              |                  |
| a) Segment Revenue   | 764,508,641      | 9,771,839,000    | 34,554,903   | 10,570,902,544   |
|  | (1,402,043,873)  | (8,060,956,438)  | (34,355,956) | (9,497,356,267)  |
| b) Segment Results   |                  |                  |              |                  |
| Profit / (Loss) before Finance Costs & Tax                             | (3,938,910,819)  | 6,304,273,674    | 34,554,903   | 2,399,917,758    |
|  | (2,462,168,050)  | (3,752,849,671)  | (34,355,956) | (1,325,037,577)  |
| Less: Finance Costs  |                  |                  |              | (2,112,559,724)  |
|  |                  |                  |              | (1,126,969,518)  |
| Profit before Tax  |                  |                  |              | 287,358,034      |
|  |                  |                  |              | (198,068,059)    |
| c) Other Information   |                  |                  |              |                  |
| Provision for tax  |                  |                  |              |                  |
| Current tax  |                  |                  |              | (1,974,436)      |
| Deferred tax   |                  |                  |              | (101,187,306)    |
|  |                  |                  |              | (60,781,863)     |
| Profit after tax   |                  |                  |              | 184,196,292      |
|  |                  |                  |              | (137,286,196)    |
| Segment assets   | 27,896,856,924   | 15,414,417,686   |              | 43,311,274,610   |
|  | (25,567,684,549) | (14,194,764,321) |              | (39,762,448,870) |
| Segment liabilities  | 32,518,640,980   | 10,792,633,630   |              | 43,311,274,610   |
|  | (27,249,482,527) | (12,512,966,343) |              | (39,762,448,870) |
| Capital expenditure during the year including Capital Work-in-Progress |                  |                  |              | 1,311,570,104    |
|  |                  |                  |              | (16,424,064,721) |
| Depreciation   |                  |                  |              | 822,997,062      |
|  |                  |                  |              | (444,740,055)    |
| Non cash expenditure other than Depreciation                           |                  |                  |              | 3,256,645        |
|  |                  |                  |              | (5,107,554)      |

- a Segment have been identified in accordance with accounting standards on Segmental Reporting (AS -17) taking into account the organisation structure as well as differential risk and returns of these segments.
- b Types of products in Business Segment  
Real Estate : Real Estate Development  
Sports : Holding of sports events
- c Segment Revenues, Operating Results, Assets & Liabilities includes the amount identifiable to each segment and amounts allocated on a reasonable basis.
- d Segment liabilities exclude deferred tax liability
- e Previous year figures are given in brackets.

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Note '39'

(a) **Provident Fund - Defined Contribution Plan:**

All employees are entitled to Provident Fund benefits as per law. Amount debited to statement of Profit and Loss during the year ₹ 60,30,184/- (Previous year ₹ 50,00,328/- (inclusive of ₹ 13,95,892/- debited to Incidental Expenditure during Construction)).

(b) **Gratuity** - The liability for Gratuity is provided on the basis of Actuarial Valuation made at the end of each financial year. The actuarial valuation is made on the projected unit credit method as per AS-15 (revised). Jaiprakash Associates Limited (JAL) (the holding company) has constituted a Gratuity Fund Trust under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March, 2009 for JAL and its subsidiaries. SBI Life Insurance Company Limited has been appointed for management of the Trust Funds for the benefits of the employees. As a subsidiary of JAL, the company is participating in the Trust Fund by contributing its liability accrued upto the close of each financial year to the Trust Fund:

(c) Provision for Gratuity and Leave Encashment has been made as per actuarial valuation:

|            |   | 2012-13           |                               | 2011-12           |                               |
|------------|---|-------------------|-------------------------------|-------------------|-------------------------------|
| Sl.No.     | Particulars   | Gratuity (Funded) | Leave Encashment (Non-Funded) | Gratuity (Funded) | Leave Encashment (Non-Funded) |
| <b>I</b>   | <b>Expenses recognised in the Financial Statements for the Year ended 31<sup>st</sup> March 2013.</b> |                   |                               |                   |                               |
|            | 1. Current Service Cost.  | 949,176           | 1,314,620                     | 1,640,320         | 2,878,520                     |
|            | 2. Interest Cost  | 273,299           | 434,142                       | 130,409           | 242,659                       |
|            | 3. Expected Return on Plan Assets   | (327,886)         | -                             | (299,987)         | -                             |
|            | 4. Employee Contribution  | -                 | -                             | -                 | -                             |
|            | 5. Actuarial (Gains)/Losses   | (1,017,708)       | (2,105,658)                   | (89,669)          | (688,808)                     |
|            | 6. Past Service Cost  | -                 | -                             | -                 | -                             |
|            | 7. Settlement Cost  | -                 | -                             | -                 | -                             |
|            | 8. Total Expenses   | (123,119)         | (356,896)                     | 1,381,073         | 2,432,371                     |
| <b>II</b>  | <b>Net Asset/ (Liability) recognised in the Balance Sheet as at 31<sup>st</sup> March 2013.</b>       |                   |                               |                   |                               |
|            | 1. Present Value of Defined Benefit Obligation.   | 2,538,094         | 3,256,645                     | 3,215,282         | 5,107,554                     |
|            | 2. Fair Value of Plan Assets  | 3,446,681         |                               | 3,525,657         |                               |
|            | 3. Funded Status [Surplus(Deficit)]   | 908,587           | (3,256,645)                   | 310,375           | (5,107,554)                   |
|            | 4. Excess of actual over estimated  | (8,753)           |                               |                   |                               |
|            | 5. Net Asset/(Liability) as at 31 <sup>st</sup> March, 2013.  | 908,587           | (3,256,645)                   | 310,375           | (5,107,554)                   |
| <b>III</b> | <b>Change in Obligation during the Year ended 31<sup>st</sup> March, 2013.</b>                        |                   |                               |                   |                               |
|            | 1. Present value of Defined Benefit Obligation at the beginning of the year.                          | 3,215,282         | 5,107,554                     | 1,534,222         | 2,854,817                     |
|            | 2. Current Service Cost.  | 949,176           | 1,314,620                     | 1,640,320         | 2,878,520                     |





|            |  |                   |                   |                   |                   |
|------------|--|-------------------|-------------------|-------------------|-------------------|
|            | 3. Interest Cost   | 273,299           | 434,142           | 130,409           | 212,659           |
|            | 4. Settlement Cost   | -                 | -                 | -                 | -                 |
|            | 5. Past Service Cost.  | -                 | -                 | -                 | -                 |
|            | 6. Employee Contributions  | -                 | -                 | -                 | -                 |
|            | 7. Actuarial (Gains)/Losses  | (1,026,461)       | (2,105,658)       | (89,669)          | (688,808)         |
|            | 8. Benefit Payments  | (873,202)         | (1,494,013)       | -                 | (179,634)         |
|            | 9. Present Value of Defined Benefit Obligation at the end of the year.     | 2,538,094         | 3,256,645         | 3,215,282         | 5,107,554         |
| <b>IV</b>  | <b>Change in Assets during the Year ended 31<sup>st</sup> March, 2013.</b> |                   |                   |                   |                   |
|            | 1. Plan Assets at the beginning of the year.                               | 3,525,657         | -                 | 3,225,670         | -                 |
|            | 2. Settlements   | -                 | -                 | -                 | -                 |
|            | 3. Expected return on Plan Assets  | 327,886           | -                 | 299,987           | -                 |
|            | 4. Contribution by Employer  | -                 | -                 | -                 | -                 |
|            | 5. Actual Benefit Paid   | (398,109)         | -                 | -                 | -                 |
|            | 6. Actuarial Gains/ (Losses)   | (8,753)           | -                 | -                 | -                 |
|            | 7. Plan Assets at the end of the year.                                     | 3,446,681         | -                 | 3,525,657         | -                 |
|            | 8. Actual Return on Plan Assets  | -                 | -                 | -                 | -                 |
| <b>V</b>   | <b>Assets/Liabilities</b>  |                   |                   |                   |                   |
|            | <b>As on</b>   | <b>31.03.2013</b> | <b>31.03.2012</b> | <b>31.03.2011</b> | <b>31.03.2010</b> |
|            | <b>Gratuity - Funded</b>   |                   |                   |                   |                   |
| a)         | PBO (C)  | 2,538,094         | 3,215,282         | 1,534,222         | 643,791           |
| b)         | Plan Assets  | 3,446,681         | 3,525,657         | 3,250,591         | 110,607           |
| c)         | Net Assets/(Liabilities)   | 908,587           | 310,375           | 1,716,369         | (533,184)         |
|            | <b>Leave Encashment - Non Funded</b>                                       |                   |                   |                   |                   |
| a)         | PBO (C)  | 3,256,645         | 5,107,554         | 2,854,817         | 1,391,447         |
| b)         | Plan Assets  | -                 | -                 | -                 | -                 |
| c)         | Net Assets/(Liabilities)   | (3,256,645)       | (5,107,554)       | (2,854,817)       | (1,391,447)       |
| <b>VI</b>  | <b>Experience on actuarial Gain/(Loss) for BPO and Plan Assets:</b>        |                   |                   |                   |                   |
|            | <b>Gratuity - Funded</b>   |                   |                   |                   |                   |
| a)         | On Plan PBO  | 617,993           | 81,998            | 74,554            | (5,587)           |
| b)         | On Plan Assets   | (8,753)           | 9,677             | (9,955)           | 430               |
|            | <b>Leave Encashment - Non Funded</b>                                       |                   |                   |                   |                   |
| a)         | On Plan PBO  | 2,105,658         | 674,534           | 401,603           | 122,180           |
| b)         | On Plan Assets   | -                 | -                 | -                 | -                 |
| <b>VII</b> | <b>Estimated amount of contribution during next year</b>                   | <b>1,567,714</b>  | <b>1,727,935</b>  | <b>2,136,271</b>  |                   |

**VIII Actuarial Assumptions:**

- |       |                        |  |
|-------|------------------------|--|
| (i)   | Discount Rate          | 8.50%  |
| (ii)  | Mortality              | LIC [1994-96]  |
| (iii) | Turnover Rate          | Upto 30 years - 4%, 31 - 44 years: 4%, Above 44 years - 4% |
| (iv)  | Future Salary Increase | 8.50%  |

*Am* *g*



Note '40'

All the figures have been rounded off to the nearest rupee.

Note '41'

Figures for the previous year have been regrouped / recast / rearranged wherever considered necessary.

As per our report of even date annexed

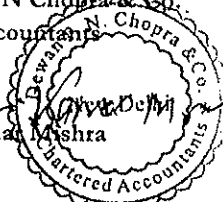
For and on behalf of the Board

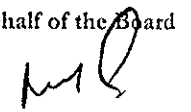
For Dewan P N Chopra & Co.  
Chartered Accountants

  
Ashwani Kumar Mishra  
Partner

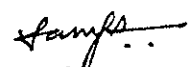
M.No. 078668

Firm Regn. No. 000472N

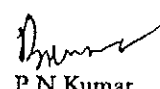




Manoj Gaur  
Chairman



Sameer Gaur  
Managing Director & CEO



P N Kumar  
Company Secretary

Place: Noida

Dated: 29th April, 2013

Jaypee Sports International Limited

Cash Flow Statement for the year ended 31st March, 2013

|   | March 31, 2013<br>₹    | March 31, 2012<br>₹     |
|---|------------------------|-------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>                                   |                        |                         |
| Net profit before tax as per statement of Profit                                | 287,358,034            | 198,068,059             |
| <b>Add Back:</b>  |                        |                         |
| Depreciation and amortisation   | 822,997,062            | 444,740,055             |
| Loss on Sale of Assets  | 315,529                |                         |
| Finance Costs   | 2,112,559,724          | 1,126,969,518           |
| <b>Deduct:</b>  |                        |                         |
| Interest Income   | (34,554,903)           | (34,355,956)            |
| <b>Operating profit before working capital changes</b>                          | <u>3,188,675,447</u>   | <u>1,735,421,676</u>    |
| Increase in trade payables  | 1,370,116,443          | 668,788,151             |
| Increase in other current liabilities   | 3,566,269,203          | 5,637,229,887           |
| Increase in provision for employee benefits                                     | (1,850,909)            | 2,252,737               |
| Increase in Long term loans and advances  | (129,206,668)          | (80,134,400)            |
| (Increase) / Decrease in Inventories  | (1,199,458,729)        | 81,700,041              |
| (Decrease) / Increase in Trade receivables                                      | (754,403,306)          | (157,377,741)           |
| Increase in Short term loans and advances                                       | (21,282,616)           | (279,740,347)           |
| Decrease in other current assets  | 35,724,634             | 5,731,408               |
| <b>Deduct:</b>  |                        |                         |
| Direct taxes paid (net of refunds)  | (44,839,185)           | (12,783,006)            |
| <b>Net cash flow from operating activities</b>                                  | <u>6,009,744,313</u>   | <u>7,601,088,406</u>    |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>                                  |                        |                         |
| Acquisition of fixed assets (including capital work in progress)                | (1,309,613,156)        | (10,832,145,649)        |
| Investments in subsidiaries   | (10,500,000)           | -                       |
| Interest received   | 34,554,903             | 34,355,956              |
| <b>Net cash used in investing activities</b>                                    | <u>(1,285,558,253)</u> | <u>(10,797,789,693)</u> |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>                                  |                        |                         |
| Proceeds from issue of debentures   | -                      | 1,000,000,000           |
| Proceeds from issue of share capital  | 1,250,000,000          | 150,000,000             |
| Refund of share application money   | -                      | (900,000,000)           |
| Increase in short term borrowings   | 93,755,597             | -                       |
| Decrease in long term borrowings (Net of repayments)                            | (3,072,245,165)        | 3,089,560,231           |
| Finance Costs   | (2,112,559,724)        | (1,126,969,518)         |
| <b>Net cash flow from financing activities</b>                                  | <u>(3,841,049,293)</u> | <u>2,212,590,714</u>    |
| <b>Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)</b>            | <u>883,136,768</u>     | <u>(984,110,574)</u>    |
| <b>Cash and cash equivalents at the beginning of the year (Opening Balance)</b> | 689,575,049            | 1,673,685,623           |
| <b>Cash and cash equivalents at the end of the year (Closing Balance)</b>       | <u>1,572,711,817</u>   | <u>689,575,049</u>      |
|   | <u>883,136,768</u>     | <u>(984,110,574)</u>    |

As per our report of even date annexed

For and on behalf of the Board

For Dewan P N Chopra & Co.  
Chartered Accountants

Ashwani Kumar Mishra  
Partner  
M.No. 078668  
Firm Regn. No. 000472N

Place: Noida

Dated: 29<sup>th</sup> April, 2013

Manoj Gaur  
Chairman

Sameer Gaur  
Managing Director & CEO

P N Kumar  
Company Secretary

Annexure to the Balance Sheet as at 31st March, 2013  
Statement Pursuant to section 212 of the Companies Act, 1956  
Relating to Company's interest in the subsidiary companies

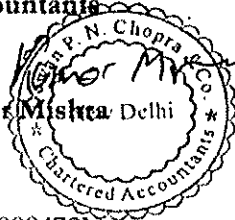
| 01  | Name of the Subsidiary Company   | Jaypee Cement<br>Cricket (India)<br>Limited | Jaypee Cement<br>Hockey (India)<br>Limited |
|-----|--|---|--|
| 02  | Financial year of the subsidiary company ended on  | ☆   | -  |
| 03  | Number of the Shares hold by Jaypee Sports International Limited and its nominees in the subsidiary companies at the end of the Financial Year of the Subsidiary Company |   |  |
| i.  | Equity shares of Rs. 10/- each fully paid-up   | 50,000                                      | 1,000,000                                  |
| ii. | Extent of Holding  | 100%  | 100%                                       |
| 04  | Date from which it became subsidiary company   | 20.10.2012                                  | 05.11.2012                                 |
| 05  | The net aggregate of profit/(Loss) of the subsidiary companies as for as it concerns the members of the holding companies:   |   |  |
| i.  | Not dealt with in the holding company's Accounts:  |   |  |
| a.  | For the financial year of the subsidiary   | NA  | NA   |
| b.  | For the previous financial year since it became the holding company's subsidiary   |   |  |
| ii. | Dealt with in the holding company's Accounts:  |   |  |
| a.  | For the financial year of the subsidiary   | -   | -  |
| b.  | For the previous financial year since it became the holding company's subsidiary   | NA  | NA   |

☆ Jaypee Cement Cricket (India) Limited and Jaypee Cement Hockey (India) Limited were incorporated on 20.10.2012 & 05.11.2012 respectively, hence first accounting year of both the companies will end during FY 2013-14

For and on behalf of the Board

For Dewan P N Chopra & Co.  
Chartered Accountants

*Ashwani*  
Ashwani Kumar Mishra  
Partner  
M.No. 078668  
Firm Regn. No. 000472N



Place: Noida

Dated: 29<sup>th</sup> April, 2013

*Manoj Gaur*

Manoj Gaur  
Chairman

*Sameer Gaur*

Sameer Gaur  
Managing Director & CEO

*P N Kumar*

P N Kumar  
Company Secretary