

DIRECTORS' REPORT

To,
The Members

The Directors of your Company are pleased to present the Sixth Annual Report together with the Audited Accounts of the Company for the financial year ended on 31st March, 2014.

STATUS OF THE PROJECT

The Company, Jaypee Ganga Infrastructure Corporation Limited (JGICL) was incorporated as a wholly owned subsidiary of Jaiprakash Associates Limited for implementation of the "Ganga Expressway Project" consisting of the prestigious 1047 km long 8-lane Access-Controlled Expressway connecting Greater Noida with Ghazipur-Ballia along the left bank of river Ganga on Design, Build, Finance and Operate (DBFO) basis together with the development of 12,281 hectares of land parcels at eight different locations in Uttar Pradesh in terms of the Concession Agreement executed between Uttar Pradesh Expressways Industrial Development Authority and JGICL on March 23, 2008.

Preparatory work for the Project was started. Consequent upon the Order of Hon'ble High Court of Allahabad dated 29.05.2009 quashing the environment clearance earlier issued by State Environment Impact Assessment Authority (SEIAA), fresh application for the Environmental Clearance was filed which is still pending. Since there are lot of uncertainties in respect of Environment clearance, due to various developments like farmers unrest etc. and consequent upon the discussion with the Government / Authority, a supplementary agreement was signed with the Authority on 30th November, 2011 and UPEIDA has returned the Bank Guarantee after taking an undertaking from the Company that the Company would revive the Bank Guarantee, when the project gets environmental clearance.

DIVIDEND

The project is under implementation stage hence, no dividend for the year has been recommended.

SHARE CAPITAL

During the period under review there is no change in the authorized and Issued capital of the Company. The Paid up Capital as on March 31, 2014 was Rs. 564,99,00,000 comprising of 27,13,50,000 Equity Shares of Rs. 10/- each and 2,93,64,000 Preference Shares of Rs. 100/- each.

DIRECTORATE

During the period under report, Shri Sunny Gaur, Director resigned from the Directorship of the Company w.e.f. 30th April, 2013. The Board placed on record its appreciation for the valuable contribution and guidance of Shri Sunny Gaur during his tenure as Director of the Company. The Board in its meeting held on 10th September, 2013 appointed Shri Sameer Gaur, Director as Chairman of the Board.

Shri Jaiprakash Gaur, Director of the Company shall retire by rotation at the forthcoming Annual General Meeting of the Company. Proposal for his re – appointment has been included in the Notice of the Annual General Meeting for approval.

AUDIT COMMITTEE

The Audit Committee constituted under section 292A of the Companies Act, 1956, consists of Shri Jaiprakash Gaur, Shri S.K.Jain and Shri Sameer Gaur.

REMUNERATION COMMITTEE

The Remuneration committee comprises of Shri Jaiprakash Gaur, Shri S.K.Jain and Shri Sameer Gaur, Directors. The Remuneration Committee considers and approves the managerial level compensation, incentives, benefits and changes thereto.

AUDITORS

M/s R. Nagpal Associates, Chartered Accountants, the existing Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. In terms of Section 139 of the Companies Act, 2013, they can be appointed for a remaining term of four years starting from the conclusion of the ensuing Annual General Meeting until the conclusion of the Tenth Annual General Meeting of the Company (subject to ratification of their appointment at each Annual General Meeting.)

The Company has received letter from the statutory auditors to the effect that their reappointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for reappointment.



FIXED DEPOSITS

The Company has neither invited nor accepted any deposits during the period under report within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.

PARTICULARS OF EMPLOYEES

No employee was in receipt of remuneration exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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

Since your Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to Conservation of Energy, Research & Development and Technology Absorption, as prescribed under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, are not applicable.

Particulars of Foreign Exchange earnings and outgo are given in Note No. 15. of the Notes to the 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, 2014:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures;
- ii) 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 period ended March 31, 2014 and the expenditure of the Company for that period;
- iii) 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;

- iv) that the Directors had prepared the annual accounts on a going concern basis.

NOTES TO THE FINANCIAL STATEMENT

The Notes to the Financial Statement and Auditors Report are self explanatory. There is no remark, reservation or qualification made by the Auditors in their Report on the Annual Accounts, which requires any explanation by the Board.

EMPLOYEES RELATIONS

The employees relations remained cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the contribution made by employees at all levels.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the whole hearted and continued support extended by all the best wisher of the Company and members which has been a source of inspiration and strength to the Board.

On Behalf of the Board of Directors


SAMEER GAUR
CHAIRMAN

Place: Noida

Date: 29th April, 2014



R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS

B-1/1018, VASANT KUNJ,
NEW DELHI - 110 070
TELEPHONE : 41082626
FAX : 26148150
EMAIL : ravinagpal@vsnl.net
ravinagpal@rnaca.in

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED.**

Report on the Financial Statements

We have audited the accompanying financial statements of JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED which comprises the Balance Sheet as at 31st March, 2014 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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.

Auditor's Responsibility

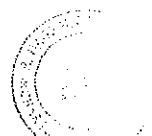
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform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

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedure selected depend on the auditor's judgement including the assessment of the risk of material misstatements of the financial statements, whether due to fraud and error. In making those risk assessment, the auditor consider internal control relevant to the companies preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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.

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:



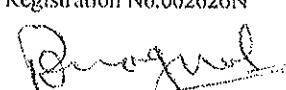
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014,
- ii) in the case of the Statement of Profit & Loss, of the Nil Profit of the Company for the year ended 31st March, 2014,
- iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended 31st March, 2014.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the 'Order') issued by the Central Government of India, in terms of Section 227(4-A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
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 have been kept by the Company as required by law so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement referred to in this report, are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet and Statement of Profit & Loss referred to in this report, comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act, read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

Place : NOIDA
Dated : 29.04.2014

For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No.002626N


(CA R. NAGPAL)
Partner
M.No. 081594

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March 2014 of JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to us, no material discrepancies have been noticed on such physical verification.
- (c) No Fixed assets have been disposed off during the year.
- (ii) As the Company has no inventory, Clause (ii) of Para 4 of the Order is not applicable.
- (iii) The Company has not granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventories & fixed assets. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) Based on the audit procedures applied by us and according to the information and explanations given to us we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act, have been entered into the register required to be maintained under that Section. The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposit from the public during the year.
- (vii) We are of the opinion that during the year under observation, the Company had an internal audit system commensurate with its size & nature of its business wherein it was observed that all transactions are carried out under the personal supervision of senior officials/directors of the Company.
- (viii) As the Company is in the implementation stage, Clause (viii) of Para 4 of the Order is not applicable.
- (ix) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Income-tax, provident fund etc with the appropriate authorities, and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they became payable.

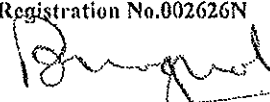
(b) As per records produced before us the dues of Income-tax, Sales-tax, Wealth tax, Service tax, Customs Duty, Excise Duty and cess which have not been deposited on account of any dispute are stated hereunder:

Name of Statute (Nature of dues)	Period to which amount relates	Dispute is pending	Total (In Rs.)
Income Tax-TDS	AY 2010-2011 and AY 2011- 2012	CIT(A) Noida	306.14 Lacs

- (x) As the Company is in the Pre-feasibility/ implementation stage, Clause (x) of Para 4 of the Order is not applicable.
- (xi) As the Company has not issued any debentures nor taken any loans from banks or financial institutions, Clause (xi) of Para 4 of the Order is not applicable.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) In our opinion the Company is not a chit fund or a nidhi/mutual benefit fund/society. Hence, Clause (xiii) of Para 4 of the Order is not applicable.
- (xiv) In our opinion the Company is not dealing in or trading in shares, debentures or other investments. Accordingly, Clause (xiv) of Para 4 of the Order is not applicable.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions; hence Clause (xv) of Para 4 of the Order is not applicable.
- (xvi) The Company has not taken any term loans; hence Clause (xvi) of Para 4 of the Order is not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we find that no funds raised on short term basis have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) As the Company has not issued any debentures, Clause (xix) of Para 4 of the Order is not applicable.
- (xx) As the Company has not raised any money by way of public issues, Clause (xx) of Para 4 of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No.002626N


(CA R. NAGPAL)
Partner
M.No. 081594

Place : NOIDA
Dated : 29.04.2014

JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Balance Sheet as at March 31, 2014

	Note No.	Figures as at the end of Current reporting period March 31, 2014 (In ₹)	Figures as at the end of Previous reporting period March 31, 2013 (In ₹)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	5,649,900,000	5,649,900,000
Reserves and surplus		-	-
Money received against share warrants		-	-
		<u>5,649,900,000</u>	<u>5,649,900,000</u>
Share application money pending allotment		-	-
Non-current liabilities			
Long-term borrowings		-	-
Deferred tax liabilities (Net)		-	-
Other Long term liabilities		-	-
Long-term provisions	4	103,994	589,588
		<u>103,994</u>	<u>589,588</u>
Current liabilities			
Short-term borrowings		-	-
Trade payables	5	12,937,869	13,018,137
Other current liabilities	6	12,716,193	1,295,895
Short-term provisions	7	423,268	658,541
		<u>26,077,330</u>	<u>14,972,573</u>
Total		<u><u>5,676,081,324</u></u>	<u><u>5,665,462,161</u></u>
ASSETS			
Non-current assets			
Fixed assets	8		
- Tangible assets		22,657,944	26,986,106
- Intangible assets		-	-
- Capital work-in-progress		5,329,152,141	5,313,377,077
- Intangible assets under development		-	-
Non-current investments		-	-
Long-term loans and advances	9	204,606,490	204,604,790
Other non-current assets		-	-
		<u>5,556,416,575</u>	<u>5,544,967,973</u>
Current assets			
Current investments		-	-
Inventories		-	-
Trade receivables		-	-
Cash and cash balance	10	1,785,534	2,658,539
Short-term loans and advances	11	117,879,215	117,835,649
Other current assets		-	-
		<u>119,664,749</u>	<u>120,494,188</u>
Total		<u><u>5,676,081,324</u></u>	<u><u>5,665,462,161</u></u>

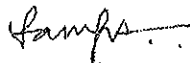
Summary of significant accounting policies 2.1
The accompanying notes are an integral part of the financial statements

As per our report of even date
attached to the Balance Sheet

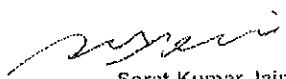
For R. Nagpal Associates
Chartered Accountants
Firm Registration No. 002626N


R. Nagpal
Partner
M.No. 81594

Place : Noida
Date : 29th April, 2014


Sameer Gaur
Chairman

For and on behalf of the Board of Directors


Sarat Kumar Jain
Director


Megha Kainth
Company Secretary

JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED

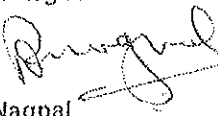
Statement of Profit and loss for the year ended March 31, 2014


	Note No.	Figures as at the end of Current reporting period March 31, 2014 (In ₹)	Figures as at the end of Previous reporting period March 31, 2013 (In ₹)
Income			
Revenue from operations		NIL	NIL
		-	-
Expenses			
Other expenses		NIL	NIL
		-	-
Profit before exceptional and extraordinary items and tax		-	-
Exceptional items		NIL	NIL
Profit before extraordinary items and tax		-	-
Extraordinary Items		NIL	NIL
Profit before tax		-	-
Tax expense of continuing operations			
Current tax		NIL	NIL
Deferred tax		NIL	NIL
Profit (Loss) for the Year from continuing operations		NIL	NIL
Earnings per equity share			
Basic		-	-
Diluted		-	-

Summary of significant accounting policies 2.1
accompanying notes are an integral part of the financial statements

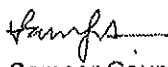
For and on behalf of the Board of Directors

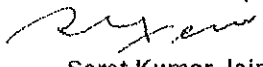
For R. Nagpal Associates
Chartered Accountants
Firm Registration. No.- 002626N


R. Nagpal
Partner
M.No. 81594



Place : Noida
Date : 29th April ,2014


Sameer Gaur
Chairman


Sarat Kumar Jain
Director


Megha Kainth
Company Secretary



JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Cash Flow Statement for the year ended March 31, 2014

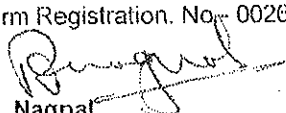
	Figures as at the end of Current reporting period March 31, 2014 (In ₹)	Figures as at the end of Previous reporting period March 31, 2013 (In ₹)
A. CASH FLOW FROM OPERATING ACTIVITIES-		
Net profit before tax and prior period items	-	-
Adjustment for:		
Increase/ (Decrease) in Trade payable & other liabilities	10,619,163	(775,972)
(Increase)/ Decrease in Short-term loans and advances	(43,566)	153,961
(Increase)/ Decrease in Long Term Loans and advances	(1,700)	43,500
Cash from operations	<u>10,573,897</u>	<u>(578,511)</u>
Direct taxes paid (net of refunds)	-	-
Net cash flow from operating activities	<u>10,573,897</u>	<u>(578,511)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of fixed assets (including capital work -in- progress)	(11,446,902)	(22,967,771)
Net cash used in investing activities	<u>(11,446,902)</u>	<u>(22,967,771)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	21,900,000
Net cash flow from financing activities	<u>-</u>	<u>21,900,000</u>
Net Increase /(decrease) in cash and cash equivalents	<u>(873,005)</u>	<u>(1,646,282)</u>
Cash and cash balance at the beginning	2,658,539	4,304,821
Cash and cash balance at the close	1,785,534	2,658,539
	<u>(873,005)</u>	<u>(1,646,282)</u>
Cash and bank balance (as per Note 10 to the Financial Statements)	<u>1,785,534</u>	<u>2,658,539</u>

Notes:

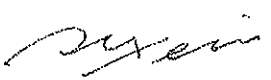
- The Cash Flow Statement has been prepared under the Indirect Method as set out in the accounting standard (AS-3) " Cash Flow Statement ".

For and on behalf of the Board of Directors

For R. Nagpal Associates
Chartered Accountants
Firm Registration. No. 002626N


R. Nagpal
Partner
M.No. 81594


Sameer Gaur
Chairman


Sarat Kumar Jain
Director


Megha Kainth
Company Secretary

Place : Noida
Date : 29th April ,2014

JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

Note 1. Corporate Information

Jaypee Ganga Infrastructure Corporation Limited (JGICL) was incorporated on March 18, 2008 as a wholly owned subsidiary of Jaiprakash Associates Limited for implementation of the "Ganga Expressway Project" consisting of the prestigious 1047 km long 8 lane Access-Controlled Expressway connecting Greater Noida with Ghazipur-Ballia along the left bank of river Ganga together with development of 12,281 hectares of land parcels at eight different locations in Uttar Pradesh. The Ganga Expressway Project was awarded on Design, Build, Finance and Operate (DBFO) basis. After obtaining necessary approvals, the Concession Agreement was executed between Uttar Pradesh Expressways Industrial Development Authority (UPEIDA) and JGICL on March 23, 2008. The project of the company is still in the development stage subject to obtaining of the environmental clearance by UPEIDA under Environment (Protection) Act, 1986 and the Rules & Regulations framed there under. Pursuant to Supplementary Agreement dated 30th November, 2011, UPEIDA has released Bank Guarantee subject to the stipulation that after the environmental clearance is obtained from the Competent Authority, UPEIDA shall inform the Company to resubmit the Bank Guarantee within such time as may be fixed by UPEIDA.

Note 2. Basis of Preparation

The financial statements are based on the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP), comprising of mandatory Accounting Standard notified in Section 211 (3C) and other provisions of the Companies Act, 1956 read together with the General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount 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/ materialise.

(b) Fixed Assets

Fixed Assets are stated at cost of acquisition or construction inclusive of freight, erection and commissioning charges, duties and taxes and other incidental expenses related thereto.

(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) Retirement & Other Employee Benefits

- (i) Provident Fund - 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.



(e) Preliminary Expenditure

Preliminary Expenditure is written off in the year in which it is incurred, in terms of Accounting Standard (AS-26).

(f) Capital Work in Progress

Capital Work-in-Progress represents capital expenditure incurred in respect of Ganga Expressway Project and is carried at Cost. Cost includes land, related acquisition expenses, construction costs, borrowing costs capitalized and other direct expenditure and advances to contractors and others.

(g) Expenditure during Construction Period

Expenditure incurred on projects/assets during construction/implementation is capitalized/ apportioned to projects/assets on commissioning.

(h) Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized 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.

(i) Taxes on Income

Current Tax is determined as per the provisions of the Income Tax Act, 1961 in respect of Taxable Income for the year. Deferred Tax Assets and Deferred Tax Liabilities are computed by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet Date.

(j) Provisions, Contingent Liabilities and Contingent Assets(AS-29)

Provisions involving substantial degree of estimation in measurement are recognized 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 recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements

(k) Cash and cash balance

Cash and cash balance comprise cash and cash on deposit with banks. The Company considers all investments that are readily convertible to known amounts of cash to be cash balance

(l) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(m) Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

Note 3. Share capital	Figures as at the end of Current reporting period March 31, 2014		Figures as at the end of Previous reporting period March 31, 2013	
	No. of shares	In ₹	No. of shares	In ₹
Authorised shares				
Equity shares of ₹10 each	4,000,000,000	40,000,000,000	4,000,000,000	40,000,000,000
Preference Shares of ₹100 each	100,000,000	10,000,000,000	100,000,000	10,000,000,000
		<u>50,000,000,000</u>		<u>50,000,000,000</u>
Issued, Subscribed and Fully Paid-up Shares				
Equity shares of ₹10 each	271,350,000	2,713,500,000	271,350,000	2,713,500,000
12% Non cumulative redeemable Preference Shares of ₹100 each	29,364,000	2,936,400,000	29,364,000	2,936,400,000
		<u>5,649,900,000</u>		<u>5,649,900,000</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	Figures as at the end of Current reporting period March 31, 2014		Figures as at the end of Previous reporting period March 31, 2013	
	No. of shares	In ₹	No. of shares	In ₹
At the beginning of the year	271,350,000	2,713,500,000	271,350,000	2,713,500,000
Issued during the year	-	-	-	-
At the end of the year	<u>271,350,000</u>	<u>2,713,500,000</u>	<u>271,350,000</u>	<u>2,713,500,000</u>
Preference shares				
At the beginning of the year	29,364,000	2,936,400,000	-	-
Issued during the year	-	-	29,364,000	2,936,400,000
At the end of the year	<u>29,364,000</u>	<u>2,936,400,000</u>	<u>29,364,000</u>	<u>2,936,400,000</u>

(b)(i) Terms/ rights attached to Equity shares

The company has equity shares having a par value of ₹10 per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

(ii) Terms of redemption / rights attached to Preference shares

The Company has 12% Non Cumulative Redeemable Preference Shares of ₹100/- each fully paid up for a period of 10 years extendable up to 20 years, redeemable at any time at the option of the Company and including, inter alia that the Preference Share holders shall have priority over equity share holders in the payment of dividend and repayment of capital in case of liquidation of the Company.

(c) Shares held by Holding / ultimate Holding company and / or their Subsidiaries / Associates

Jaiprakash Associates Limited- Holding Company	Figures as at the end of Current reporting period March 31, 2014		Figures as at the end of Previous reporting period March 31, 2013	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹10 each fully paid up	271,350,000	100	271,350,000	100
12% Non cumulative redeemable Preference Shares of ₹100 each fully paid up	29,364,000	100	29,364,000	100

(d) Equity shares in the company held by each shareholder holding more than 5% shares specifying the number of shares held :

Jaiprakash Associates Limited	271,350,000	100	271,350,000	100
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(e) Other clauses of Share Capital are not applicable to the Company.

JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

Note 4. Long-term provisions	Figures as at the end of Current reporting period March 31, 2014	Figures as at the end of Previous reporting period March 31, 2013
	In ₹	In ₹
Provision for employee benefits		
Provision for gratuity	9,092	477,285
Provision for leave benefits	94,902	112,303
	<u>103,994</u>	<u>589,588</u>
Other Provisions		
Provision for wealth tax	-	-
	<u>-</u>	<u>-</u>
	<u>103,994</u>	<u>589,588</u>
	Figures as at the end of Current reporting period March 31, 2014	Figures as at the end of Previous reporting period March 31, 2013
Note 5. Trade payables	In ₹	In ₹
Trade payable (Refer Note 17)	12,937,869	13,018,137
	<u>12,937,869</u>	<u>13,018,137</u>
Note 6 .Other current liabilities		
Other payables		
- TDS payable	117,565	207,592
- PF & ESI payable	31,096	59,322
- Audit fees payable	184,720	224,720
- Related Party	12,000,000	
- Others	382,812	804,261
	<u>12,716,193</u>	<u>1,295,895</u>
Note 7. Short-term provisions		
Provision for employee benefits		
Provision for gratuity	152,849	34,366
Provision for leave benefits	188,526	522,536
	<u>341,375</u>	<u>556,902</u>
Other Provisions		
Provision for wealth tax	81,893	101,639
	<u>81,893</u>	<u>101,639</u>
	<u>423,268</u>	<u>658,541</u>



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JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

Note 8. Fixed Assets

(in ₹)

8(a) . Fixed Assets -Tangible

Description	Gross carrying amount			Depreciation			Net carrying amount		
	As at March 31, 2013	Additions / Adjustments during the year	Sale/Transfer/ Disposal / Discard during the year	As at March 31, 2014	As at March 31, 2013	Provided during the year	Sale/ Adjustment	As at March 31, 2014	As at March 31, 2013
Plant & Machinery	1,359,605	-	-	1,359,605	293,187	64,330		357,517	1,066,418
Furniture and Fixtures	2,590,199	-	-	2,590,199	769,657	163,955		933,612	1,820,542
Vehicles	36,190,531	-	-	36,190,531	15,459,935	3,437,613		18,997,548	20,730,596
Office equipments	3,408,659	-	-	3,408,659	864,199	154,353		1,018,552	2,544,460
Computers	3,161,805	-	-	3,161,805	2,337,714	507,911		2,845,625	824,091
Total	46,710,798	-	-	46,710,798	19,724,692	4,328,162		24,052,854	26,986,106
Previous Year	46,710,798	-	-	46,710,798	15,392,721	4,331,971		19,724,692	26,986,106



JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

	Figures as at the end of Current reporting period March 31, 2014 (in ₹)	Figures as at the end of Previous reporting period March 31, 2013 (in ₹)
8(b). Capital Work-in-Progress -Tangible		
Vehicles	292,648	292,648
	<u>292,648</u>	<u>292,648</u>
8(c). Capital Work-in-Progress - Intangible (Including IEDC)		
1. Road (Right of way)	3,409,325,795	3,409,325,795
	<u>3,409,325,795</u>	<u>3,409,325,795</u>
2.Statement of Incidental Expenditure During Construction (IEDC)		
Opening Incidental Expenditure During Construction	1,903,758,634	1,876,458,892
<u>Addition during the year :</u>		
(a) Employee benefits expense:		
- Salary, Wages and other Benefits	5,930,723	14,083,860
- Contribution to Provident Fund & ESI Expenses	204,491	420,970
- Staff welfare	24,031	141,928
(b) Finance costs	26,181	-
(c) Depreciation expense	4,328,162	4,331,971
(d) Other Expenses		
- Rates & Taxes	132,064	157,289
- Design & Project Consultancy	571,791	2,158,472
- Travelling & Conveyance Expenses	109,780	567,434
- Postage Telephone and Telex	138,957	253,184
- Repair & Maintenance	123,574	346,862
- Vehicle Running & Maintenance	3,219,765	3,471,194
- Power & Electricity Expenses	20,046	109,419
- Rent	234,000	538,000
- Printing & Stationery	114,860	147,401
- Miscellaneous Expenses	370,269	347,038
- Auditors' Remuneration		
(a) Audit Fees	224,720	224,720
(b) Reimbursement of expenses	1,650	-
Total	<u>1,919,533,698</u>	<u>1,903,758,634</u>
Less : Interest Income	-	-
Balance carried to Balance Sheet	<u>1,919,533,698</u>	<u>1,903,758,634</u>
Total of 8 (c)	<u>5,328,859,493</u>	<u>5,313,084,429</u>
Total CWIP - [8 (b)+ 8(c)(1) &(2)]	<u>5,329,152,141</u>	<u>5,313,377,077</u>



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JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

	Figures as at the end of Current reporting period March 31, 2014	Figures as at the end of Previous reporting period March 31, 2013
	(in ₹)	(in ₹)
Note 9. Long Term Loans and Advances		
A) SECURITY DEPOSITS		
Secured, considered good	-	-
Unsecured, considered good	164,475	162,775
	<u>164,475</u>	<u>162,775</u>
B) OTHER LOANS AND ADVANCES		
Secured, considered good	-	-
Unsecured, considered good	-	-
Advance for land purchase (Right of way)	204,442,015	204,442,015
	<u>204,442,015</u>	<u>204,442,015</u>
	<u>204,606,490</u>	<u>204,604,790</u>
Note 10. Cash and Cash Balances		
(a) Cash on hand	78,249	191,382
(b) Balance with Banks in current account	1,707,285	2,467,157
	<u>1,785,534</u>	<u>2,658,539</u>
Note 11. Short Term Loans and Advances		
LOANS AND ADVANCES TO OTHERS		
Unsecured, considered good		
Advance to Suppliers & Others	10,714,529	10,743,885
Prepaid expenses	83,604	76,911
Advance for land Parcels	107,014,853	107,014,853
Staff Imprest & Advances	66,229	-
	<u>117,879,215</u>	<u>117,835,649</u>



JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

Note 12. (a) Provident Fund - Defined Contribution Plan

All employees are entitled to Provident Fund benefits. Amount debited to Statement of Incidental Expenditure During Construction (IEDC) towards this is ₹ 1,59,264 (Previous Year ₹3,61,571) during the year.

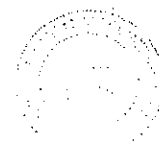
(b) Gratuity

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 Projected Unit Credit method as per AS 15(revised). Jaiprakash Associates Limited {JAL} (the company's holding company) has constituted a Gratuity Fund Trust vide trust deed dated 30th March ,2009 under the name Jaiprakash Associates Employees Gratuity Fund Trust for JAL and its subsidiaries and appointed SBI Life Insurance Co. Ltd for the management of the Trust Funds for the benefits of 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) Leave Encashment - Defined Benefit Plans -

(In ₹)

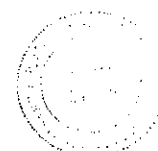
Sl.No.	Particulars	Year Ended 2013-14		Year Ended 2012-13	
		Funded Gratuity	Non-funded Leave Encashment	Funded Gratuity	Non-funded Leave Encashment
I	Expenses recognized in the Statement of Incidental Expenditure During Construction for the Year ended				
	1. Current Service Cost	50,553	63,836	112,587	141,613
	2. Interest Cost	43,770	53,961	53,831	70,696
	3. Expected Return on Plan Assets	(306)	-	(5,955)	-
	4. Employee Contribution	-	-	-	-
	5. Actuarial (Gains)/Losses	(293,727)	(69,713)	(218,081)	(203,900)
	6. Past Service Cost	-	-	-	-
	7. Settlement Cost	-	-	-	-
	8. Total Expenses	(199,710)	48,084	(57,618)	8,409
II	Net Asset/ (Liability) recognized in the Balance Sheet				
	1. Present Value of Defined Benefit Obligation	239,744	283,428	514,946	634,839
	2. Fair Value of Plan Assets	77,803	-	3,295	-
	3. Funded Status [Surplus(Deficit)]	(161,941)	(283,428)	(511,651)	(634,839)
	4. Net Asset/(Liability)	(161,941)	(283,428)	(511,651)	(634,839)



JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

(In ₹)

Sl.No.	Particulars	Year Ended 2013-14		Year Ended 2012-13	
		Funded	Non-funded	Funded	Non-funded
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
III	Change in Obligation during the Year ended				
	1. Present value of Defined Benefit Obligation at the beginning of the year	514,946	634,839	633,304	831,713
	2. Current Service Cost	50,553	63,836	112,587	141,613
	3. Interest Cost	43,770	53,961	53,831	70,696
	4. Settlement Cost	-	-	-	-
	5. Past Service Cost	-	-	-	-
	6. Employee Contributions	-	-	-	-
	7. Actuarial (Gains)/Losses	(293,727)	(69,713)	(220,672)	(203,900)
	8. Benefit Payments	(75,798)	(399,495)	(64,104)	(205,283)
	9. Present Value of Defined Benefit Obligation at the end of the year	239,744	283,428	514,946	634,839
IV	Change in Assets during the Year ended				
	1. Plan Assets at the beginning of the year	3,295	-	64,035	-
	2. Assets acquired on amalgamation in previous year	-	-	-	-
	3. Settlements	-	-	-	-
	4. Expected return on Plan Assets	306	-	5,955	-
	5. Contribution by Employer	150,000	-	-	-
	6. Actual Benefit Paid	(75,798)	-	(64,104)	-
	7. Actuarial Gains/ (Losses)	-	-	(2,591)	-
	8. Plan Assets at the end of the year	77,803	-	3,295	-
	9. Actual Return on Plan Assets	306	-	3,364	-
V	Estimated amount of contribution in the immediate next year	35,852	18,163	120,445	220,359
VI	Major categories of plan assets (as percentage of total plan assets) Funds Managed by Insurer	100%	-	100%	-
VII	Actuarial Assumptions:				
	1. Discount Rate	8.50%	8.50%	8.50%	8.50%
	2. Mortality Table	IALM [2006-08]		IALM [1994-96]	
	3. Turnover Rate:				
	Up to 30 Years	2.00%	2.00%	2.00%	2.00%
	From 31 to 44 years	5.00%	5.00%	5.00%	5.00%
	Above 44 years	3.00%	3.00%	3.00%	3.00%
	4. Future Salary Increase	6.00%	6.00%	6.00%	6.00%
	5. Expected Rate of return on plan assets	9.30%	-	9.30%	-



JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

(In ₹)

Particulars	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Gratuity- Funded					
a) Present Value of Defined benefit obligation	239,744	514,946	633,304	538,675	590,798
b) Fair value of Plan Assets	77,803	3,295	64,035	95,249	161,099
c) Surplus/(Deficit) in the plan	(161,941)	(511,651)	(569,269)	(443,426)	(429,699)
d) Experience gain/(loss) adjustments:					
On Plan Projected Benefit Obligation (PBO)	224,725	188,280	79,586	208,309	3,720
On Plan Assets	-	(2,591)	(1,208)	(70)	554
Leave Encashment -Non Funded					
a) Present Value of Defined benefit obligation	283,428	634,839	831,713	966,605	1,250,017
b) Fair value of Plan Assets					
c) Surplus/(Deficit) in the plan	(283,428)	(634,839)	(831,713)	(966,605)	(1,250,017)
d) Experience gain/(loss) adjustments:					
On Plan PBO	(13,133)	203,900	218,133	(463,290)	118,675



JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

Note 13. Related Party Disclosures as required in terms of "Accounting Standard[AS] – 18" are given below :

Relationships :

(a) Holding Company :

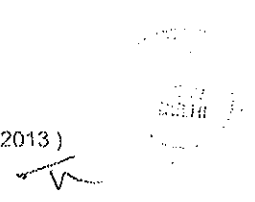
Jaiprakash Associates Limited

(b) Fellow Subsidiary Companies [including their subsidiaries] :

- 1 Jaiprakash Power Ventures Limited
- 2 Jaypee Infratech Limited
- 3 Himalyan Expressway Limited
- 4 Jaypee Sports International Limited
- 5 Bhilai Jaypee Cement Limited
- 6 Gujarat Jaypee Cement & Infrastructure Limited
- 7 Bokaro Jaypee Cement Limited
- 8 Jaypee Agra Vikas Limited
- 9 Jaypee Fertilizers & Industries Limited
- 10 Jaypee Cement Corporation Limited
- 11 Himalyaputra Aviation Limited
- 12 Jaypee Assam Cement Limited
- 13 Jaypee Powergrid Limited (Subsidiary of Jaiprakash Power Ventures Limited)
- 14 Sangam Power Generation Company Limited (Subsidiary of Jaiprakash Power Ventures Limited)
- 15 Prayagraj Power Generation Company Limited (Subsidiary of Jaiprakash Power Ventures Limited)
- 16 Jaypee Meghalaya Power Limited (Subsidiary of Jaiprakash Power Ventures Limited)
- 17 Jaypee Arunachal Power Limited (Subsidiary of Jaiprakash Power Ventures Limited)
- 18 Himachal Baspa Power Company Limited (Subsidiary of Jaiprakash Power Ventures Limited w.e.f. 14.03.2014)
- 19 Himachal Karcham Power Company Limited (Subsidiary of Jaiprakash Power Ventures Limited w.e.f. 14.03.2014)
- 20 Jaypee Healthcare Limited (Subsidiary of Jaypee Infratech Limited)
- 21 Jaypee Cement Cricket (India) Limited (Subsidiary of Jaypee Sports International Limited)
- 22 Jaypee Cement Hockey (India) Limited (Subsidiary of Jaypee Sports International Limited)
- 23 Jaiprakash Agri Initiatives Company Limited (Subsidiary of Jaypee Cement Corporation Limited)
- 24 Jaypee Uttar Bharat Vikas Private Limited (w.e.f. 12.09.2013)
- 25 Kanpur Fertilizers & Cement Limited (Subsidiary of Jaypee Uttar Bharat Vikas Private Limited w.e.f.12.09.2013)

(c) Associate Companies :

- 1 Jaypee Infra Ventures (A Private Company with unlimited liability)(JIV)
- 2 JIL Information Technology Limited (Subsidiary of JIV)
- 3 Jaypee International Logistics Company Private Limited (Subsidiary of JIV)
- 4 Anvi Hotels Private Limited (Subsidiary of JIV)
- 5 Indesign Enterprises Private Limited (Subsidiary of JIV)
- 6 Jaypee Development Corporation Limited (JDCL) (Subsidiary of JIV)
- 7 Andhra Cements Limited (Subsidiary of JDCL)
- 8 Tiger Hills Holiday Resort Private Limited (Subsidiary of JDCL)
- 9 Gaur & Nagi Limited (Subsidiary of JIL Information Technology Limited)
- 10 RPJ Minerals Private Limited
- 11 Sarveshwari Stone Products Private Limited (Subsidiary of RPJ Minerals Private Limited)
- 12 Rock Solid Cement Limited (Subsidiary of RPJ Minerals Private Limited)
- 13 Sonebhadra Minerals Private Limited
- 14 Jaiprakash Kashmir Energy Limited
- 15 MP Jaypee Coal Limited
- 16 MP Jaypee Coal Fields Limited
- 17 Madhya Pradesh Jaypee Minerals Limited
- 18 Jaypee Uttar Bharat Vikas Private Limited (upto 11.09.2013)
- 19 Kanpur Fertilizers & Cement Limited (Subsidiary of Jaypee Uttar Bharat Vikas Private Limited) (upto 11.09.2013)



JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

The following transactions were carried out with Related Parties in the ordinary course of business.

(In ₹)

Description	Holding Company(a)		Fellow Subsidiary Companies (b)		Associate Companies (c)	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Transactions during the year ended :						
Issue of Preference Shares	-	2,936,400,000	-	-	-	-
Balance as at end of the year :						
Amount Payable	12,000,000	-	-	-	-	-

No. 14 . Contingent Liabilities not provided for in the books :

(In ₹)

Particulars	Year Ended 2013-14	Year Ended 2012-13
Income-tax demand *	3,06,13,580	Nil

* The company has received a demand of ₹ 3,06,13,580/- towards TDS assessment for A.Y.2011-12 & 2012-13. The Company has filed an appeal with Commissioner of Income Tax (Appeals) against the above said demand. Based on the advice of the counsels and the interpretation of relevant tax provisions, the Company believes it has strong grounds for success in the appeal. Hence no provisions is considered in the financial statements.

Note 15. Additional information pursuant to Clause (b) of Note 5(viii) of Part-II of Schedule – VI to The Companies Act, 1956.

(in ₹)

Year Ended 2013-14 Year Ended 2012-13

Expenditure in Foreign Currency Nil Nil

Note 16. Details of auditors remuneration charged to incidental expenses during construction .

(in ₹)

	Year Ended 2013-14	Year Ended 2012-13
Audit fee	224,720	224,720
Reimbursement of expenses	1,650	-
	<u>226,370</u>	<u>224,720</u>



JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2014

Note 17 . Disclosure as required under Notification No. G.S.R. 719 (E) dated 16th November, 2007 issued by the Ministry of Corporate Affairs (As certified by the Management)

		(in ₹)	
S.No.	Particulars	As on 31.03.2014	As on 31.03.2013
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 Enterprises 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 year of delay in making payment (which have been paid but beyond the appointed day 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 years, 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 Enterprises Development Act, 2006.	Nil	Nil

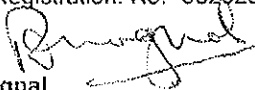
Note 18. Estimated amount of contracts remaining to be executed on capital account (net of advances): ₹30,502.15 Crores (Previous Year ₹ 30,502.15 Crores).

Note 19. Previous year figures have been regrouped/ rearranged wherever necessary to conform to this year's classification .

Note 20. All the figures have been rounded off to the nearest rupee.

As per our report of even date
attached to the Balance Sheet

For R. Nagpal Associates
Chartered Accountants
Firm Registration. No.- 002626N


R. Nagpal
Partner
M.No. 81594

Place : Noida
Date : 29th April ,2014

For and on behalf of the Board of Directors


Sameer Gaur
Chairman


Sarat Kumar Jain
Director


Megha Kainth
Company Secretary