

Annual Report 2013-14



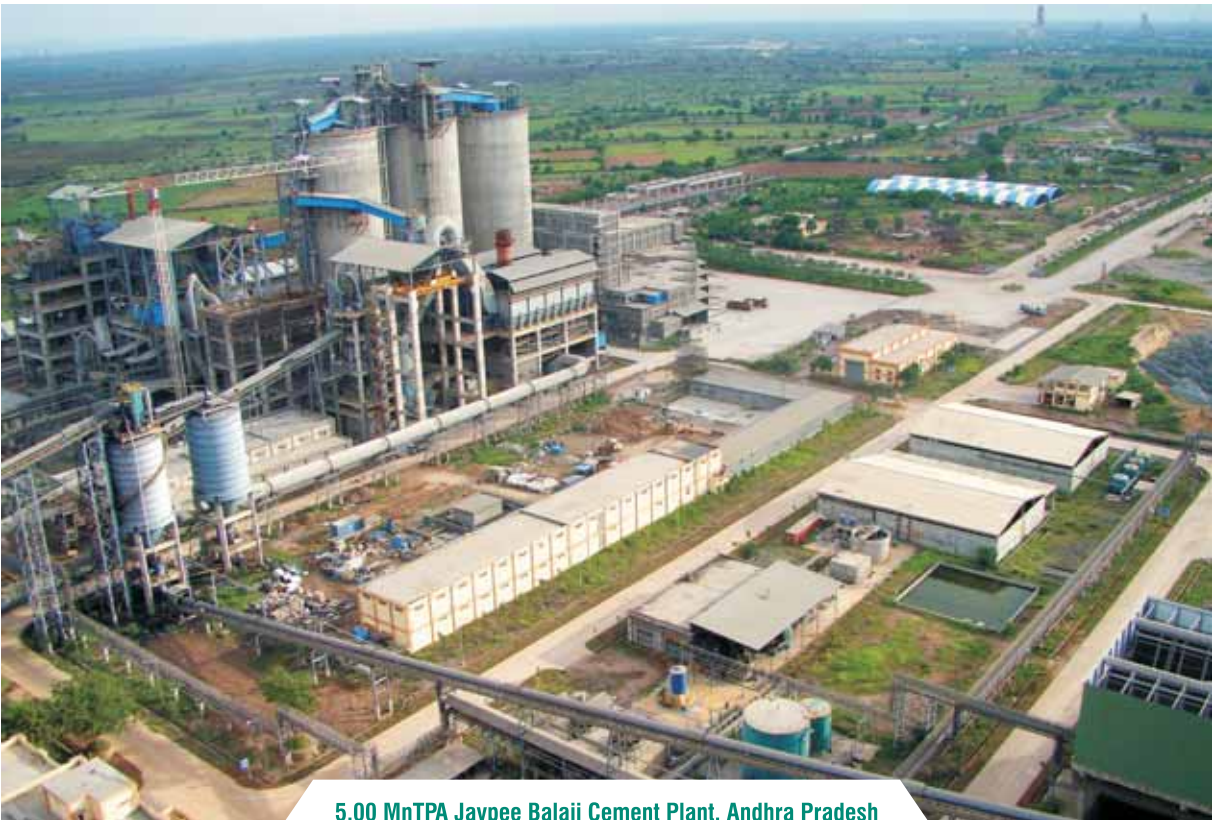
JAIPRAKASH
ASSOCIATES LIMITED



3 MnTPA Rewa Cement
Complex, Jaypee Nagar,
Rewa, M.P



2 MnTPA Dalla Cement Factory, Uttar Pradesh



5.00 MnTPA Jaypee Balaji Cement Plant, Andhra Pradesh

Company Secretary
Harish K. Vaid

Sr. President (Corporate Affairs) & Company Secretary

Auditors

 M/s. M.P. Singh & Associates,
 New Delhi

Bankers

Allahabad Bank
 Andhra Bank
 Axis Bank Limited
 Bank of Baroda
 Bank of Bhutan
 Bank of India
 Bank of Maharashtra
 Canara Bank
 Central Bank of India
 Citi Bank N.A.
 Druk PNB Bank Ltd.
 Export Import Bank of India
 HDFC Bank Limited
 HSBC Ltd.
 ICICI Bank Limited
 Indian Overseas Bank
 IDBI Bank Ltd.
 Karur Vysya Bank
 Kotak Mahindra Bank
 Oriental Bank of Commerce
 Punjab National Bank
 Punjab & Sind Bank
 Rafidian Bank
 Royal Bank of Scotland
 Standard Chartered Bank
 State Bank of India
 State Bank of Hyderabad
 State Bank of Indore
 State Bank of Mysore
 State Bank of Patiala
 State Bank of Sikkim
 State Bank of Travancore
 State Bank of Bikaner & Jaipur
 Syndicate Bank
 The Jammu & Kashmir Bank Limited
 The South Indian Bank Limited
 UCO Bank
 Union Bank of India
 United Bank of India
 Vijaya Bank
 Yes Bank Limited

Jaiprakash Associates Limited

CIN L14106UP1995PLC019017

Registered & Corporate Office
 Sector 128, NOIDA 201 304 (U.P.)
 Tel : +91 (120) 4609000, 2470800
 Fax: +91 (120) 4609464,4609496

Delhi Office
 JA House, 63, Basant Lok
 Vasant Vihar
 New Delhi 110 057

Founder Chairman
Jaiprakash Gaur
Board of Directors

Manoj Gaur, Executive Chairman & CEO
Sunil Kumar Sharma, Executive Vice Chairman
Sarat Kumar Jain, Vice Chairman
S.C. Rathi (LIC Nominee)
R. N. Bhardwaj, Independent Director
S. C. Bhargava, Independent Director
V. K. Chopra, Independent Director
Homai A. Daruwalla, Independent Director
B. K. Goswami, Independent Director
Dr. B. Samal, Independent Director
K.N. Bhandari, Independent Director
Sunny Gaur, Managing Director (Cement)
Pankaj Gaur, Jt. Managing Director (Construction)
Ranvijay Singh, Whole-time Director
Rahul Kumar, Whole-time Director & CFO
Shiva Dixit, Whole-time Director
S.D. Nailwal, Whole-time Director (upto 30-06-2014)

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DIRECTORS' REPORT

To

The Members,

The Directors of your Company are pleased to present the 17th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2014.

WORKING RESULTS

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

(₹ in crore)

Financial year ended	31.03.2014	31.03.2013
Gross Revenue	13,327.02	13,514.41
Profit before Interest, Depreciation & Tax	3,865.77	3,488.23
Less: Finance Costs	2,752.07	2,011.35
Less : Depreciation	773.55	726.13
Profit before Tax	340.15	750.75
Less : Provision for Tax		
• Current Tax	44.72	139.17
• Deferred Tax	(118.46)	128.95
• Excess Provision for Income Tax in Earlier Years reversed	- 73.74	(18.65)
Profit after Tax	413.89	501.28
Add :		
• Profit brought forward from Previous Year	4,260.46	3,148.48
Profit available for appropriation	4,674.35	3,649.76
Less : Transferred to :		
• Debenture Redemption Reserve	-	7.65
• General Reserve	-	51.00
Add :		
• Provision for Dividend Distribution Tax written -back	18.00	9.37
• Final Dividend Transferred from Trusts (in which Company is sole beneficiary)	9.47	9.47
• Transfer from Reserve for Premium on FCCBs	-	779.46
• Transfer from Debenture Redemption Reserve	259.30	286.77
Less: Dividend		
• Proposed Final Dividend	-	110.95
• Tax on Proposed Final Dividend	-	18.00
Balance carried to Balance Sheet	4,961.12	4,260.46
Basic Earning Per Share [Face value ₹ 2 per share] before/after Extraordinary Items in Rupees	1.87	2.34
Diluted Earnings Per Share [Face value ₹ 2 per Share] before / after Extraordinary Items in Rupees	1.94	2.29

In line with its publically stated policy, your Company remains focussed and committed on reduction of debt through sale of some of its assets, to de-leverage its Balance Sheet and enhance shareholders' value. The details of steps taken in this regard are given elsewhere in this Report. The Restructuring Committee, which includes two of the Independent Directors on the Board continues to consider various options to achieve the aforesaid objectives.

DIVIDEND

Keeping in view the need to conserve the resources of the Company, the Board has decided not to recommend any dividend for the financial year 2013-14.

CHANGES IN SHARE CAPITAL

During the year under report, there is no change in the Paid up Share Capital of the Company and the same stood at ₹ 4,438,167,118 divided into 2,219,083,559 Equity Shares of ₹ 2 each as on March 31, 2014.

FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBs)

The Company has presently only one series of outstanding FCCBs i.e. FCCB-IV issued on September 7, 2012 (total size USD 150 million) due date September 8, 2017 with an outstanding size of USD 110.40 million.

The particulars about conversion, outstanding amount, coupon, listing etc. of all past and present FCCBs are detailed in para 27 of the Corporate Governance Report forming part of this Report.

EMPLOYEE STOCK PURCHASE SCHEME

As the Members are aware, "Jaypee Group ESPS, 2009 Trust" was created in 2009 for administering the Stock Purchase Scheme of the Company namely "Jaypee Employee Stock Purchase Scheme, 2009" for the ultimate benefit of the employees (including Directors) of the Company and its subsidiaries.

In terms of the Scheme, the Company issued and allotted 1.25 Crores Equity Shares of ₹2 each @ ₹ 60 per share (including premium of ₹ 58 per share) to the said Trust on December 14, 2009. The said Trust was also allotted 62,50,000 Equity Shares as Bonus Shares on its holding, in terms of the Bonus Issue made by the Company December 19, 2009.

Since inception, the 'Jaypee Group ESPS, 2009 Trust' has allocated/ transferred Equity Shares to the eligible persons under the scheme, as under:

Particulars	No. of Eligible Persons	No. of original Shares (excluding Bonus)	No. of Bonus Shares	Total no. of shares (including Bonus)
Total Shares available under ESPS Scheme		12,500,000	6,250,000	18,750,000
Transferred/ allocated during 2010-11	8,032	11,263,706	5,631,852	16,895,558
Transferred/ allocated during 2011-12	4	3550	1775	5,325
Transferred/ allocated during 2012-13 & 2013-14	-	-	-	-
Balance shares as on 31.03.2014		1,232,744	616,373	1,849,117

During 2013-14, no further shares were allocated/ transferred by the Trust.

Thus, a balance of 1,849,117 Equity Shares (including bonus shares) are still lying with the Trust for transfer to the eligible persons in due course.

It is confirmed that:

- (a) there is no employee who has been issued shares in any year amounting to 5% or more shares issued during that year; and
- (b) there is no employee who is entitled to shares under the Scheme equal to or exceeding 1% of the issued capital of the Company.

OPERATIONS

1.0 ENGINEERING DIVISION

1.1.1 Prequalifications / Bids Under submission

During the year, your Company submitted prequalification applications for the following Works:

- (i) Execution of Civil, Hydro-Mechanical and Electro-Mechanical Works of 390MW Kirthai-I Hydroelectric Project in Jammu & Kashmir. The application has been submitted by the Consortium with JAL as lead member.
- (ii) Diversion Tunnel, Concrete Gravity Dam, Intake, Silt Excluder Arrangement, Pressure Shafts, Underground Power House and Tail Race Tunnels (Kiru Civil: Lot-1) for 660MW Kiru Hydroelectric Project in Jammu & Kashmir.
- (iii) Construction of Head Race Tunnels (from RD 1780 onwards), Adit 2, Surge Shafts, Pressure Shafts, Underground Power House, Transformers Hall, Tail Race Tunnels and Pothead Yard etc. [Teesta-IV : LOT-2] of 520 MW Teesta Hydroelectric Project (Stage-IV) in the District North Sikkim in the State of Sikkim.
- (iv) Execution of Agra to Lucknow Expressway (in 5 Packages) in Uttar Pradesh
 - Agra to Firozabad (village Gurha) (km -1.8 to 0.0 to 53.5) Access Controlled Expressway
 - Firozabad (village Gurha) to Etawah (village Moonj) (km 53.5 to km 115.5) Access Controlled Expressway
 - Etawah (village Moonj) to Kannauj (village Narmau) (km 115.5 to km 172.5) Access Controlled Expressway
 - Kannauj (village Narmau) to Unnao (village Neval) (km 172.5 to km 236.5) Access Controlled Expressway

- Unnao (village Neval) to Lucknow (km 236.5 to km 299.5) Access Controlled Expressway
- (v) Design, Execution and Completion of the Contract Package CP1 Works: Expansion of Karkh Sewage Treatment Plant including Operation and Maintenance Services during the Defects Notification Period for Baghdad Sewerage Facilities Improvement Project in Iraq.
 - (vi) Design, Execution and Completion of the Contract Package CP2 Works: Rehabilitation of Pumping Stations (RQ, Kadissiya and PN) including Operation and Maintenance Services during the Defects Notification Period for Baghdad Sewerage Facilities Improvement Project, in Iraq. and
 - (vii) Design, Execution and Completion of the Contract Package CP3 Works: Rehabilitation of Pumping Stations (P5,P2, N3, N2 and TC1) including Operation and Maintenance Services during the Defects Notification Period Baghdad for Sewerage Facilities Improvement Project in Iraq.

1.1.2 Your Company has been prequalified to participate in the tenders/ bids for the following works:

- (i) Construction of Diversion Tunnel, Cofferdam, Concrete Gravity Dam, Intake Structure and Diversion Tunnel Gates and Hoist, Desilting Chambers, Head Race Tunnels up to RD 1780m etc. [Teesta-IV : LOT-1] of 520 MW Teesta Hydroelectric Project (Stage-IV) in the District North Sikkim in the State of Sikkim.
- (ii) Construction of Civil Works for Dam, River Diversion, Intake, Adit-1, HRT upto RD 9500m including Pranmati Nallah Crossing and Diversion Tunnel Gates (PACKAGE-I) of 252 MW Devasari Hydroelectric Project, District Chamoli, Uttarakhand; and
- (iii) Construction of Civil Works of Adits-2, 3 & 4, HRT from RD 9500m to RD 17906m, Pressure Shaft, Penstocks, Surge Shaft, Valve House, Power House Complex and Tail Race Tunnel (PACKAGE-II) of 252 MW Devasari Hydroelectric Project, District Chamoli, Uttarakhand.

1.2 Works in Progress

The Company is presently executing the heavy earth engineering projects listed below and the status of works is given below:

Sl. No.	Name of the Work/Project under Execution	Location of the Work/ Project	Contract Price (Base Value) (₹ in crores)	Nature of Work/ Project	Value of work completed* as on 31.03.2014 (₹ in crores)
Works pertaining to :					
1.	Sardar Sarovar (Narmada) Project	Gujarat	624 (Revised)	1200 MW Power Generation	487
2.	Baglihar –II HEP	Jammu & Kashmir	504 (Revised)	450 MW Power Generation	463
3.	Turnkey construction of Srisailem Left Bank Canal Tunnel Scheme including Head Regulator etc. of Alimineti Madhava Reddy Project	Andhra Pradesh	1,925	Irrigation Tunnels	1,132
4.	Ganga Expressway (eight lane & 1047 km long) Connecting Greater Noida & Ballia and related activities.	Uttar Pradesh	30,000	Expressway Project	-
5.	Widening and facelifting of Varindavan Parikarma Marg and construction of Kesi Ghat Bridge on Varindavan Parikarma Marg	Uttar Pradesh	32	Road and Bridge works	18
6.	Construction of Diversion Tunnel, Dam, Intake and Desilting Arrangement including Hydro-mechanical works and Highway Tunnel (Contract Package C-1) of Punatsanchhu – II Hydroelectric Project,	Bhutan	1224	990 MW Power Generation	481
7.	Construction of Head Race Tunnel (from Surge Shaft end), Surge Shaft, Butterfly Valve Chamber, Pressure Shafts, Power House and Tail Race Tunnel including Hydro-Mechanical works (Contract Package C-3) of Punatsanchhu – II Hydroelectric Project.	Bhutan	856	990 MW Power Generation	184
8.	Construction of Diversion Tunnel, Dam, Spillway & Cofferdams, Intake Structure, Intake Tunnels, Branch HRT, Silt Flushing Tunnels, Vertical Shaft and 2 nos. Desilting Chambers (Contract Package-C-1) of Mangdechhu Hydro Project.	Bhutan	597	720 MW Power Generation	136
9.	Construction of Surge Shaft, 2 nos. Pressure shafts, Bifurcation Pressure shafts, cable cum ventilation tunnel, Underground power house & transformer caverns including bus duct, pot-head yard , TRT, branch tunnel & outlet portals for TRT (Contract Package- C-3) of Mangdechhu Hydroelectric Project, and Construction of part HRT and Adit-5	Bhutan	316	720 MW Power Generation	87
			49		1
Projects being Executed by Jaiprakash – Gayatri Joint Venture					
1.	Polavaram Project Right Main Canal Package – 4	Andhra Pradesh	301	Irrigation Canal	193
2.	Veligonda Feeder and Teegaleru Canal Project-2	Andhra Pradesh	343 (Revised)	Irrigation Canal	236
3.	Rajiv Sagar Lift Irrigation Project (Dummugudem)	Andhra Pradesh	282	Lift Irrigation Project	227
4.	GNSS Main Canal from km. 119.000 to km 141.350 including construction of CM & CD works	Andhra Pradesh	112	Irrigation Canal	-
Total			37,165	3,360 MW	3,645

*Excluding escalation and extra items.

The progress of work on various projects is satisfactory except for the project at Sl. No. 4 which is awaiting environmental clearance.

2.0 CEMENT DIVISION

Operations

The production and sale of Cement/ Clinker during the year, as compared to the previous year, are as under:-

	2013-14 (MT)	2012-13 (MT)
Cement Production (MT)	12,870,840	13,523,676
Clinker Production (MT)	10,157,991	10,800,353
Cement and Clinker Sale (MT) (including Self-Consumption)	14,014,577	14,468,856

The total capacity of the Group as a whole is 38.30 MTPA (including 4.75 MTPA under implementation).

Plant in West Zone with a capacity of 4.80 MTPA is under the process of demerger by Jaypee Cement Corporation Limited (JCCL), a wholly owned subsidiary of the Company through a Scheme of Arrangement to UltraTech Cement Limited, a company of Aditya Birla Group.

Further, the Company has signed an agreement on 24th March, 2014 with Dalmia Cement (Bharat) Ltd. for sale of its entire 74% stake (9,89,01,000 equity shares owned by it) in Bokaro Jaypee Cement Limited, a Joint Venture between the Company (JAL) and Steel Authority of India Limited (SAIL), having the Plant with operating capacity of 2.10 MTPA, which is subject to the approval of SAIL and other requisite approvals.

Zone-wise operating Capacity and capacity under implementation of Cement and Captive Power Plants in the Cement Division of the Company are as under:

JAL CAPACITY-

ZONE	OPERATING CEMENT CAPACITY	CAPACITY UNDER IMPLEMENTATION	TOTAL CAPACITY	CAPTIVE THERMAL POWER
	MTPA	MTPA	MTPA	MW
CENTRAL ZONE	11.45	-	11.45	244**
UP ZONE	4.00	1.75	5.75	244**
NORTH ZONE	6.20	-	6.20	-
EAST ZONE	2.10	-	2.10	-
TOTAL	23.75*	1.75	25.50	488

*Includes 4.30 MTPA of two JVs (with SAIL) of Jaiprakash Associates Limited.

** Includes 60 MW capacity at Sidhi and 180 MW at Churk under implementation.

JCCL CAPACITY -

ZONE	OPERATING CEMENT CAPACITY	CAPACITY UNDER IMPLEMENTATION	TOTAL CAPACITY	CAPTIVE THERMAL POWER
	MTPA	MTPA	MTPA	MW
WEST ZONE	4.80	-	4.80	65
SOUTH ZONE	5.00	3.00	8.00	120*
TOTAL (JCCL)	9.80	3.00	12.80	185
GRAND TOTAL (JAL INCL JVs & JCCL)	33.55	4.75	38.30	673

* Includes 25 MW capacity at Jagyapet (shifted from West Zone) and 60 MW at Shahabad under implementation.

2.1 Operational Performance (JAL)

During the year, the Company has commenced operation of Unit-II and 60MW CPP at Jaypee Sidhi Cement Plant, Bhagwar.

During the financial year 2013-14, Productivity Indices of the operating units of JAL (except JCCL & JV) were as under:

Sl No.	Indices	Lime stone Crushing	Raw meal Grinding	Clinker Production	Cement Grinding	Cement Despatch including clinker sale
	UNIT	(MT)	(MT)	(MT)	(MT)	(MT)
1	Jaypee Rewa Plant, Rewa (MP)	35,24,368	35,63,489	23,71,646	23,09,320	24,27,682
2	Jaypee Bela Plant, Bela (MP)	25,81,056	26,53,119	17,68,967	21,28,151	20,11,103
3	Jaypee Ayodhya Grinding Operations, Tanda (UP)	-	-	-	4,84,646	4,86,045
4	Jaypee Cement Blending Unit, Sadva Khurd (UP)	-	-	-	4,69,478	4,69,295
5	Jaypee Cement Grinding Unit, Panipat (Haryana)	-	-	-	6,33,597	6,44,661
6	Chunar Cement Grinding Unit, Chunar (UP)	-	-	-	24,54,933	2,461,391
7	Dalla Cement Factory, Dalla (UP)	31,00,217	31,67,265	21,16,375	4,01,011	11,52,453

Sl No.	Indices	Lime stone Crushing	Raw meal Grinding	Clinker Production	Cement Grinding	Cement Despatch including clinker sale
	UNIT	(MT)	(MT)	(MT)	(MT)	(MT)
8	Jaypee Sidhi Cement Plant, Baghwar (MP)*	25,19,493	26,39,835	17,53,724	13,40,907	13,24,898
9	Jaypee Himachal Cement Plant - Baga	36,41,647	38,72,272	25,64,846	7,28,045	7,33,219
10	Jaypee Himachal Cement Plant - Bagheri	-	-	-	15,59,300	15,71,929
11	Jaypee Roorkee Grinding Unit	-	-	-	7,26,796	7,39,575
12	Jaypee Sikandrabad Grinding Unit	-	-	-	5,52,155	5,52,533
	TOTAL	1,53,66,781	1,58,95,980	1,05,75,558	1,37,88,339	1,45,74,784

* figures are inclusive of Trial Run.

3.0 HOTELS DIVISION

The Company owns and operates five luxury hotels in the Five Star category, the finest Championship Golf Course, Integrated Sports Complex and Town Centre strategically located for discerning business and leisure travellers Jaypee Vasant Continental with 119 rooms and Jaypee Siddharth with 94 rooms in New Delhi. Jaypee Palace Hotel and Convention Centre is the largest property located at Agra with an inventory of 341 rooms with luxurious Presidential Suites and Jaypee Residency Manor at Mussoorie has 94 rooms with new 45 rooms in Valley View Tower overlooking Doon Valley. Jaypee Greens Golf & Spa Resort, Greater Noida is a prestigious & Luxury Resort with 170 state of art rooms overlooking the Championship 18 hole Greg Norman Golf Course.

Jaypee Greens Golf & Spa Resort hosted several prestigious conferences from India and abroad. The Resort hosted the conferences like Asian Development Bank Conference 2013 in which Prime Ministers, Deputy Prime Ministers and Finance Ministers of various countries participated alongwith Heads of the National and International Banks. ONGC Petronet Conference was held in which the Cabinet Ministers and Oil Ministers of different countries attended the conference and stayed in the hotel. RSSIDC Conference was held for Doctors from all over the world. The leaders of the Automobile Industry from all over the world stayed to participate in the Auto Expo Mart held at Expo Centre, Greater Noida. Besides this, Prestigious car companies like Audi, Mercedes, Porsche, Tata Motors etc. organized car launch events and conferences at Jaypee Greens Golf & Spa Resort. The Formula One Management, F-1 Race Drivers and renowned celebrities from across the world during the Formula-1 and related events patronize the world-class services at Jaypee Greens Golf & Spa Resort, Atlantis-The Club & Jaypee DelCourt in October, 2013.

Jaypee Palace Hotel and Convention Centre, Agra has been conferred the award by Hon'ble Shri Shashi Tharoor, the then Minister of State (Human Resource Development) under the category "Best Hotel Based Meeting Venue" at The National Tourism Award 2012-13 by Ministry of Tourism, Government of India. The award is aimed to recognize the world class hospitality and tourism facilities in India.

Jaypee Hotels being the division of the Company was conferred 2nd Prize at the National Energy Conservation Award by Hon'ble President of India Shri Pranab Mukherjee in the august presence of Shri Jyotiraditya Madhavrao Scindia, the then Minister of State for Power. The award

is the recognition of the implementation of the energy conservation measures with perfection at Jaypee Vasant Continental.

"Atlantis-The Club", an integrated sports complex located at Jaypee Greens offers world class facilities for International and National sporting events & tournaments with rooms & conference halls. Atlantis has emerged as Sports Academy Destination. **Yuvraj Singh, Cricket for Excellence (YSCE), Cricket Academy** under the supervision of celebrity Mr. Yuvraj Singh conducting coaching for more than 100 students. **Bhaiching Bhutia Football School (BBFS), the Soccer Academy** under the supervision of Mr. Bhaiching Bhutia, Former Captain – Indian Soccer Team conducting coaching on Soccer.

"Jaypee DelCourt", A Town Centre offers well appointed rooms for corporate entrepreneurs, expats, business and leisure stays.

The Company's Hotels at New Delhi, Agra and Mussoorie have been accredited with ISO 9001 for Quality Management System (QMS), ISO 14001 for Environment Management System (EMS), ISO 22000 for Food Safety Management System (FSMS) and Hazard Analysis and Critical Control Point (HACCP).

Global economic recovery has been very gradual with the Eurozone volatility continuing during the year, albeit at a lower intensity. The Eurozone countries continued to adopt austerity measures, as part of the fiscal adjustment.

The International tourist arrivals, worldwide have grown to 1087 billion in 2013, and are forecast to grow at moderate pace of 3% to 4% in 2014.

Foreign tourist arrivals in India during 2013 was 68.48 Lacs as against 65.78 Lacs in 2012. The Foreign exchange earnings from tourism grew by 1.6% in 2013 registering a growth of 4% in tourist arrivals in 2013.

Indian economic growth in 2013 had slowed down to 4.5%-5% which is the lowest in a decade. The high borrowing cost to combat inflation coupled with lower private consumption, low investment in infrastructure and other sectors were responsible for this.

The low economic growth appears to have bottomed out and a gradual increase in economic activity is expected from the middle of 2014.

The business of the Hotel Division is poised for sustained growth and the outlook is bright. The Company is confident to achieve better quotient of customers' satisfaction and to

achieve higher growth coupled with optimization of the resource utilization.

4.0 REAL ESTATE DIVISION

Jaypee Greens, Greater Noida

The Company's prestigious project - Jaypee Greens, Greater Noida spread across 452 acres is the maiden golf centric residential development. The project integrates Luxury villas and Apartments with an 18 Hole Greg Norman Signature golf course, 9 Hole chip & putt golf course, landscaped parks and lakes along with an integrated sports complex, 60 acre Nature Reserve Park, a 5 star spa resort in collaboration with Six Senses Spa of Thailand, Town Centre, etc. The project has received an overwhelming response and majority of the launched units have been sold.

Jaypee Greens Wish Town Noida

Second real estate project – Jaypee Greens Noida - being developed by the Jaypee Group is a benchmark for extraordinary lifestyle experiences. Spread over 1063 acres, it has been designed as a new exciting place to Live-Work-Play. It offers wide range of residential options ranging from independent homes to high-rise apartments and penthouses, along with host of other amenities such as a 18+9 hole Graham Cooke designed golf facilities, a 525 bed Super specialty Hospital, educational facilities including the already operational Jaypee Public school and JIIT, landscaped parks and lakes, various recreational facilities and entertainment hubs and commercial centers.

During the year the Company offered possession in Pavilion Court towers and completed construction of couple of its projects launched in the earlier years and further consolidated its position in the premium residential segment with the launch of new Projects like Pavilion Court Royale and Tiara Tower.

Jaypee Greens AMAN

Jaypee Greens third residential project Jaypee Greens Aman at Sector 151, Noida is located on the Noida-Greater Noida Expressway and offers 2 & 3 BHK apartments. Spread over 89 acres, the project also comprises of Chip & Putt golf course, Gardens, Walkways, Fountains, Sports facilities, Social amenities like Shopping Complex, Social Club with Swimming pools, Gymnasiums, Primary and Senior Secondary Schools, Creche, Kid's play area, etc.

The Project is being developed at a fast pace and is expected to be completed soon.

Jaypee Greens Sports City

Jaypee Greens Sports City located on the Yamuna Expressway spread over 5,000 acres, is the latest project launched by Jaypee Greens and comprises of India's first International Motor racing track, International standard cricket stadium, a long green boulevard and much more. The Project owned by Jaypee Sports International Ltd., a subsidiary of your company successfully hosted the India's First F1 race in October, 2011 followed by two more races in October, 2012 and 2013. The development of Sports City inter-alia comprises of various thematic districts offering residential, sports, commercial and institutional facilities. The commercial zone will offer well defined areas for elaborate financial and civic centers, along with Residential Districts which will have a vast range of products including villas, town homes, residential plots and mid to high rise apartment blocks, with regular water supply and 24 hours electric power supply, to suit the requirements of all.

While the Projects already launched by the Company, viz., Kasia, Kove, Krowns and Country Home-I & II, Greencrest

Homes and Budd Circuit studios are being developed at a faster pace, the Company has during the year launched new products: Naturvue Apartments, Udaan - low & high rise apartments and Aman-III for the affordable housing segment, all of which received a very encouraging response from the Customers.

Backed by a strong team of Architects, Engineers and Sales and Marketing professionals the Company is poised to launch many more new projects in the coming years.

DIVERSIFICATION

A. WIND POWER PROJECT

The Company has been operating Wind Power Project of 49 MW (40.25 MW in Maharashtra and 8.75 MW in Gujarat). Out of the aggregate capacity of 49 MW, 16.25 MW (13 generators each of 1.25 MW) was commissioned during December 2006 to March 2007 at Dhule in Maharashtra. The remaining 32.75 MW was commissioned at Sangli, Maharashtra (24 MW- 16 generators each of 1.5 MW) during September 2007 to March 2008 and at Kutchh, Gujarat (8.75 MW- 7 generators each of 1.25 MW) in March 2008. The electricity generated from the project is being sold to Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) in Maharashtra and Gujarat Urja Vikas Nigam Limited (GUVNL) in Gujarat. The energy sold and the revenue from sale of electricity during the year under report were 89.41 Million units and ₹ 37.15 crores against 94.74 Million units and ₹ 38.19 crores respectively in the year 2012-13.

B. DEVELOPMENT OF COAL BLOCKS IN MADHYA PRADESH

The Company had been awarded rights for mining of coal in Mandla (North) Coal Block in Distt Chhindwara (MP). Necessary steps have been taken to obtain various clearances including Environment Clearance. Coal from this Block shall be available for captive consumption for Cement Division of the Company.

Besides the above, the Company has entered into three separate Joint Venture Agreements (JVAs) with Madhya Pradesh State Mining Corporation Limited (MPSMCL) for development and mining of coal from coal blocks allotted to MPSMCL. All these three Joint Venture Companies (JVCs) have identical shareholding ratio of 51:49 between MPSMCL and your Company and as such these companies are Government companies, with the management control being vested with your Company.

The first JVC namely Madhya Pradesh Jaypee Minerals Limited (MPJML) is developing a coal block at Amelia (North) at Singrauli District in the State of Madhya Pradesh.

The second JVC namely MP Jaypee Coal Limited (MPJCL) is in the process of developing a coal block at Dongri Tal-II also at Singrauli in Madhya Pradesh.

Coal from these coal blocks shall be mined for supply to the 2 x 660 MW super-critical thermal power plant at Nigrie, Madhya Pradesh being set-up by Jaiprakash Power Ventures Limited (JPVL), a subsidiary of the Company.

The third JVC i.e. MP Jaypee Coal Fields Limited (MPJCFCL) has been incorporated for mining and sale of coal from Mandla (South) coal block in District Chhindwara, Madhya Pradesh.

Mining of coal has since started from Amelia (North) Coal Block and that from Dongri Tal – II coal block is expected to start by August, 2014. Work on other coal blocks is progressing as per schedule.

C. REFUSE DERIVED FUEL (RDF) FROM MUNICIPAL SOLID WASTE (MSW) AT CHANDIGARH

The Plant is operating successfully taking daily garbage of the city of Chandigarh as per agreement. The plant is serving the twin purpose of keeping the city clean and to conserve the energy resources available in the form of producing fuel called Refuse Derived Fuel (RDF). RDF (in fluff form), the final product of the plant, is being disposed off commercially as a good substitute of conventional fuel in the industries and Power plants located around Chandigarh.

D. DIVERSIFICATION INITIATIVES

Company's other diversification initiatives included setting-up of pit-head based Thermal Power Station, construction of Expressways, development of Sports Complex, Fertilizer business, Aviation project, Healthcare and Agri business, which are being implemented through different subsidiaries of the Company. The Company is also in nascent stage of diversifying and setting up of a Semi Conductor Fabrication facility in association with IBM Corporation, U.S. and Tower Semi Conductor Limited, Israel. Details of the initiatives being implemented through subsidiaries are furnished under the heading 'Subsidiaries'.

SUBSIDIARIES

As on 31st March, 2014, in terms of the provisions of Companies Act 1956, your Company had following 24 subsidiaries which are engaged in different business activities:

1. Jaiprakash Power Ventures Limited
2. Jaypee Arunachal Power Limited
3. Jaypee Powergrid Limited
4. Sangam Power Generation Co. Limited
5. Prayagraj Power Generation Co. Limited
6. Jaypee Meghalaya Power Limited
7. Himachal Baspa Power Company Limited (w.e.f 14.03.14)
8. Himachal Karcham Power Company Limited (w.e.f 14.03.14)
9. Bhilai Jaypee Cement Limited
10. Bokaro Jaypee Cement Limited
11. Gujarat Jaypee Cement & Infrastructure Limited
12. Jaypee Cement Corporation Limited
13. Jaypee Assam Cement Limited
14. Jaypee Infratech Limited
15. Jaypee Ganga Infrastructure Corporation Limited
16. Himalyan Expressway Limited
17. Jaypee Agra Vikas Limited
18. Jaypee Sports International Limited
19. Jaypee Cement Cricket (India) Limited
20. Jaypee Cement Hockey (India) Limited
21. Jaypee Fertilizers & Industries Limited
22. Himalyaputra Aviation Limited
23. Jaypee Healthcare Limited
24. Jaiprakash Agri Initiatives Company Limited (w.e.f 25.03.2013)

Note : Himachal Baspa Power Company Limited and Himachal Karcham Power Company Limited were incorporated on 14th March 2014 and their first accounting year would close on 31st March 2015; their accounts have not been consolidated with Accounts of the Company (JAL) since there were no material figures therein. Accordingly, the accounts of remaining 22 subsidiaries have been consolidated with the accounts of your Company. Further, Jaypee Uttar Bharat Vikas Private Limited (JUBVPL) and Kanpur Fertilizers & Cement Limited (KFCL) have been treated as joint ventures of JAL as per Companies Act, 1956.

The status of the aforesaid subsidiaries is as under:

POWER AND RELATED BUSINESS

1. JAIPRAKASH POWER VENTURES LIMITED (JPVL)

OPERATIONS

JPVL has three operative Hydro Power Plants, and one operative Thermal Power Plant namely:

- i) 300 MW Jaypee Baspa-II Hydro Power Plant in Himachal Pradesh;
- ii) 400 MW Jaypee Vishnuprayag Hydro Power Plant in Uttarakhand;
- iii) 1091 MW Jaypee Karcham Wangtoo Hydro Power Plant in Himachal Pradesh; and
- iv) 500 MW Jaypee Bina Thermal Power Plant in Madhya Pradesh.

JPVL is also implementing 1320 MW (2 x 660 MW) Jaypee Nigrie Super Thermal Power Project in Nigrie, Distt. Singrauli, Madhya Pradesh.

Under the Jaypee Nigrie Super Thermal Power Project in Nigrie, the Jaypee Nigrie Cement Grinding Unit with capacity of 4 MTPA is also under implementation consisting of Two Lines-1 & 2, having the Scheduled Commissioning dates as August, 2014 & July, 2015 respectively.

The Plant Availability and Energy Generation of each of the Hydro Power Plants & Thermal Power Plants for the Financial Year 2013-14 were as under:

Plant	Plant Availability (%)	Net Saleable Energy Generation (M. U.)
Jaypee BASPA-II (300 MW)	99.98	1178.41
Jaypee Vishnuprayag (400 MW)*	92.11*	1566.83*
Jaypee Karcham Wangtoo (1091MW)	99.76	4056.26
500 MW – Phase I (of 1200 MW) Jaypee Bina Thermal Power Plant	94.86	1416.47

* Deemed Plant Availability.

*Generation of Jaypee Vishnuprayag HEP was suspended since 16th June, 2013 due to Force Majeure event. Capacity charges and Energy charges during this period due to Force Majeure are admissible as per PPA (Power Purchase Agreement).

* Generation of 1566.83 MUs includes deemed generation of 1186.98 MUs.

300 MW Jaypee Baspa-II Hydro Power Plant

The average tariff for Baspa-II Plant for the year under report, as per the Multi Year Tariff (MYT) Order dated 15th July, 2011 and Order dated 6th September, 2012 and in accordance with the Power Purchase Agreement (PPA), works out to ₹ 2.75 per unit. The total generation of energy during the year was 1,345.34 MUs including 12% free Power to State Electricity Board/ Government of Himachal Pradesh and also auxiliary consumption/ transformer losses. The Net Saleable Energy during the year was 1,178.41 MUs, out of which 1,056.92 MUs was Primary Energy and 121.49 MUs was Secondary Energy.

400 MW Jaypee Vishnuprayag Hydro Power Plant

The total generation of energy during the year was 1566.83 MUs (including 1186.98 MUs deemed generation) out of which Primary Energy was 1545.88 MUs and Secondary Energy was 20.95 MUs.

Generation of 400 MW Jaypee Vishnuprayag H.E.P was suspended since 16th June, 2013 due to Force Majeure event. Generation of power resumed w.e.f. 12th April, 2014 (07:45 A.M.).

1091 MW Jaypee Karcham Wangtoo Hydro Power Plant

The average tariff for the year under report works out to ₹ 3.04 per unit. The total generation of energy during the year was 4653.24 MUs including 596.98 MUs free Power to State Government and also auxiliary consumption/ transformer losses. The Net Saleable Energy was 4056.26 MUs.

The performance of the Company's operative Hydro Power Plants, their plant availability and the Energy Generation during the year under report was satisfactory.

500 MW JAYPEE BINA THERMAL POWER PLANT

The 500 MW coal based Jaypee Bina Thermal Power Plant (comprising of two units of 250 MW each) located at Village Sirchopi, Distt. Sagar (M.P.) has already been fully commissioned.

Based on the tariff petition filed by the Company, MPERC has approved provisional tariff for Unit-I on 12th December, 2012 and for Unit-II on 29th June, 2013.

JPVL is supplying 70% of the installed capacity on long term basis to Government of Madhya Pradesh/ Madhya Pradesh Power Management Company Ltd. in terms of the Power Purchase Agreement executed with them and balance of installed capacity is being sold on merchant power basis.

The plant performance of 500 MW Jaypee Bina Thermal Power Plant from 1st April, 2013 to 31st March, 2014 was as under:

(Million Units)

FY 2013-14	Actual Generation				
	Gross	Net Saleable	Aux %	PLF %	PAF %
Total 2013-14 (Cumulative)	1562.64	1416.47	9.35	36.31	94.86

AWARDS

JPVL was conferred with the undermentioned "National Awards for the Meritorious Performance in the Power Sector" by the then Hon'ble Union Minister of State for Power on 4th February, 2014:

1. Gold Shield for the year 2012-13 for Baspa-II Hydro Electric plant in the category of 'Performance of Hydro Power Stations'.
2. Gold Shield for the year 2011-12 for Baspa-II Hydro Electric plant in the category of 'Performance of Hydro Power Stations'.
3. Gold Shield for the year 2011-12 for Unit-IV of Karcham Wangtoo Hydro Electric plant in the category of 'Early completion of Hydro Power Projects'.
4. Silver Shield for the year 2011-12 for Unit-II of Karcham Wangtoo Hydro Electric plant in the category of 'Early completion of Hydro Power Projects'.

1320 MW JAYPEE NIGRIE SUPER THERMAL POWER PROJECT

The implementation of 1320 MW (2 X 660 MW) Jaypee Nigrie Super Thermal Power Project in Nigrie, Distt. Singrauli in Madhya Pradesh is progressing satisfactorily to achieve commissioning of both the units in August, 2014 and December' 2014 respectively. Supplies from L&T- MHI Boilers Private Limited and Larsen & Toubro Limited for Steam Generator and Steam Turbine Generator are being timely received. All major statutory approvals required at the current stage of the project are in place. Entire requirement of 5 Million MTPA coal for the project will be met from dedicated coal mines at Amelia (North) and Dongri Tal-II.

The Financial Closure of the project has already been achieved. As on 31st March, 2014, Project Cost has been re-appraised at ₹ 10450 crores by ICICI Bank acting as the Facility Agent and the entire additional debt has been underwritten by them.

For 400 kV D/C Transmission Line, Forest Clearance including clearance of Hon'ble Supreme Court for Wild Life Son-Ghariyal Sanctuary has been obtained. The Line profile of entire 161 kms route has been completed. Approval for the energisation of 400 kV Bays at Satna Substation has been received from Central Electricity Authority (CEA).

The overall progress of implementation of the Project continues to be satisfactory to achieve the Target COD. First unit of the Project has been successfully synchronised with the grid on 7th May, 2014.

As on 31st March, 2014 an amount of approx. ₹ 9294.56 crore has been incurred on the Project.

4 MTPA CEMENT GRINDING UNIT AT NIGRIE (M.P.)

With a view to optimally utilize the fly ash to be generated by its thermal plants, JPVL is implementing 4 MTPA Cement Grinding Unit at Nigrie, Distt. Singrauli in Madhya Pradesh with its Project Cost estimated at ₹ 550 crores. An Expenditure of approx. ₹ 217.38 crores has been incurred on the project till 31st March, 2014.

In Principle Approval for the tie up of entire debt has been arranged. Some of the statutory approvals and

RTC approval for Railway Siding have already been obtained with Consent to Establish being in place for 4 MTPA and rest of the approvals are under process. The Work Order related to the Railway Siding has been awarded and the work is under progress. Civil works of the Project are progressing satisfactorily and orders for main machinery and for BoP packages have been placed for Line-1 & 2.

VERIFIED/CERTIFIED EMISSION REDUCTIONS (VERs/ CERs)

1091 MW Jaypee Karcham Hydro Power Plant has already been registered by UNFCCC as a CDM project w.e.f 12th April, 2012 for ten years. Action for issuance of CERs for the first period from 12th April, 2012 to 31st July, 2012 is in progress.

Final Report on Compliance with World Commission on Dams (WCD) Recommendations was issued by TUV NORD JI/ CDM Certification Programme, Germany on 21st March, 2014.

Details regarding VERs of Jaypee Baspa-II Hydro Power Plant and Jaypee Vishnuprayag Hydro Power Plant are as under:

	No. of VERs sold	Amount realized (₹ crore)
Baspa-II	34,79,664	28.95
Vishnuprayag	94,90,684	213.24

PROPOSED DIVESTMENT OF HYDRO POWER PROJECTS

With a view to deleverage its Balance Sheet and also to enhance Shareholders' value, JPVL's Board in its meeting held on 1st March, 2014 approved a Scheme of Arrangement, subject to statutory and regulatory approvals and sanction of the Scheme by the relevant High Court, for hiving off 300 MW Baspa-II HEP and 1091 MW Karcham Wangtoo HEP to two separate wholly owned subsidiaries and eventual transfer of ownership of the said wholly owned subsidiaries to the prospective buyer. Necessary action is in progress.

2. JAYPEE ARUNACHAL POWER LIMITED (JAPL)

Jaypee Arunachal Power Limited (JAPL), a wholly owned subsidiary of the JPVL is implementing the 2700 MW Lower Siang and 500 MW Hironng H.E. Projects in the State of Arunachal Pradesh. Your Company alongwith its associates will ultimately hold 89% of the Equity of JAPL and the balance 11% will be held by the Government of Arunachal Pradesh.

For the 2700 MW Lower Siang Hydro-Electric Project, CEA approval was obtained in February, 2010 and revalidation of DPR is being in process with Central Electricity Authority (CEA). Land acquisition is in progress. Seismic data upto 31st March, 2013 has been collected and the Ministry of Environment and Forest (MoEF) Clearance Case is under scrutiny with Nodal officer, Itanagar.

In-Principle Approval has been granted and Power Purchase Agreements (PPAs) are to be submitted for final approval with respect to the Mega Power Project. Draft Rehabilitation & Resettlement Plan has been submitted to the State Government.

For 500 MW Hironng Hydro Power Project, CEA has accorded Techno-Economic Concurrence on 10th April,

2013. For the Environmental/ Forest Clearance of the Project, the EIA & EMP report has been submitted to MoEF.

3. JAYPEE POWERGRID LIMITED (JPL)

Jaypee Powergrid Limited (JPL), a joint venture of Jaiprakash Power Ventures Limited (74%) and Power Grid Corporation of India Limited (a Central Government Power Utility Undertaking) (26%) has set up 217 Kms long 400 kV Quad Bundle Conductor Double Circuit Transmission Line for evacuation of Power from the pothead yard of 1091 MW Karcham Wangtoo Plant in the State of Himachal Pradesh to Abdullapur in the State of Haryana and LILO with the existing Baspa-Jhakri Double circuit line, which is operational since April, 2012.

The cumulative availability of transmission system for FY 2013-14 was 99.97%. During the Financial Year 2013-14, JPL earned aggregate transmission tariff of ₹ 196.89 crores.

JPL has declared a total dividend (interim and final) of 15.50% during FY 2013-14.

4. SANGAM POWER GENERATION COMPANY LIMITED (SPGCL)

Sangam Power Generation Company Limited (SPGCL), a wholly owned subsidiary of JPVL, was acquired from Uttar Pradesh Power Corporation Limited (UPPCL) through competitive bidding process, for the implementation of 1980 MW (3 x 660 MW) Thermal Power Project in Tehsil Karchana of district Allahabad, Uttar Pradesh. Conveyance Deed of land was executed but physical possession is yet to be handed over. As reported last year, Hon'ble High Court of Judicature at Allahabad has quashed the notification issued by Uttar Pradesh State Government for acquisition of land for the project subject to the deposit of compensation, if any, received by the land owners. SPGCL is in the process of amicable settlement for closing the Power Purchase Agreement(s) and payment of dues with UPPCL.

5. PRAYAGRAJ POWER GENERATION COMPANY LIMITED (PPGCL)

Prayagraj Power Generation Company Limited (PPGCL), a wholly owned subsidiary of JPVL, was acquired from Uttar Pradesh Power Corporation Limited through competitive bidding process, is implementing 1980 MW (3x660 MW) Thermal Power Project (with permission to add two additional generation units of 660MW each) in Tehsil Bara of district Allahabad, Uttar Pradesh.

Fuel Supply Agreement between PPGCL & NCL has been executed on 29th August, 2013, for Coal linkages for Phase-I. All Statutory/ Regulatory approvals required for the project are in place. Financial Closure has already been achieved. The supplies from BHEL for Boiler, Turbine and Generator for Phase-I of the Project are in progress. All major packages have been awarded except a few items relating to blending terminal and environmental monitoring system. Supply of materials is in progress. The progress on the implementation of the project is satisfactory.

An expenditure of approx. ₹ 8,680.24 crores has been incurred on the implementation of the project upto March, 2014.

6. JAYPEE MEGHALAYA POWER LIMITED (JMPL)

Jaypee Meghalaya Power Limited (JMPL) was incorporated by JPVL as its wholly owned subsidiary to implement 270 MW Umngot H.E.P. in the Umngot River Basin of Meghalaya and 450 MW Kynshi-II Hydro-Electric Power Projects in the Kynshi River Basin on BOOT (Build, Own, Operate and Transfer) basis. Your Company alongwith its associates will ultimately hold 74% of the equity of JMPL and the balance 26% will be held by the Government of Meghalaya.

With respect to 450 MW Kynshi HEP, the field work of survey & investigation and EIA studies have already been completed. Drilling and drifting in Power house area have been completed. The revised proposal for Kynshi-II HEP with involvement of lesser forest area has been submitted to State Government and Ministry of Environment and Forest. The control levels i.e. FRL & TWL for Kynshi-II Project have been approved by State Government. Approval of Central Electricity Authority has been accorded to the water availability series for power potential studies.

With respect to the 270 MW Umngot H.E.P, the State Government has advised that the project will not be operationalized as per MoA till further orders. The matter is being pursued with the State Government for permission to resume the works.

7. HIMACHAL BASPA POWER COMPANY LIMITED (HBPCL)

Himachal Baspa Power Company Limited (HBPCL) was incorporated by JPVL as its wholly owned subsidiary on 14th March, 2014, which received the Certificate of Commencement of business on 24th March, 2014.

In terms of the proposed Scheme of Arrangement 300 MW Baspa-II H.E.P of JPVL would be hived-off to HBPCL for eventual transfer of its ownership to the prospective buyer.

8. HIMACHAL KARCHAM POWER COMPANY LIMITED (HKPCL)

Himachal Karcham Power Company Limited (HKPCL) was incorporated by JPVL as its wholly owned subsidiary on 14th March, 2014, which received the Certificate of Commencement of business on 24th March, 2014.

In terms of the proposed Scheme of Arrangement 1091 MW Karcham Wangtoo H.E.P of JPVL would be hived-off to HKPCL, for eventual transfer of its ownership to the prospective buyer.

Accordingly, these two companies have no business operations at present.

CEMENT BUSINESS

9. BHILAI JAYPEE CEMENT LIMITED (BJCL)

The Clinkerisation plant of BJCL, a joint venture between JAL & SAIL at Satna continued to function satisfactorily. During the period under report, the Company has achieved a gross turnover of ₹ 787 crore, as against ₹ 454 crore during the Financial Year 2012-13 which comprised a period of 6 months.

The working results of the Company for the year resulted in an operating profit of ₹ 55.62 crore as against ₹ 55.46 crore during the previous year. After taking into account the impact of interest (₹ 53.56

crore), the Cash profit comes to ₹ 2.06 crore during the Financial Year 2013-14 as against Cash profit of ₹ 26.43 crore in the previous year. After considering depreciation of ₹ 44.54 crore, the Company has incurred loss of ₹ 42.48 crore before tax.

10. BOKARO JAYPEE CEMENT LIMITED (BOJCL)

The Grinding Unit of BOJCL a joint venture between JAL & SAIL, at Bokaro, Jharkhand. During the year under report slag supply position though improved compared to the previous year, it was less than the overall requirement for achieving the targeted production. The Company was, therefore, constrained to regulate its targeted production according to the quantity of slag received from Bokaro Steel Plant (BSL). Resultantly, the Company could not reach its targeted production and the capacity utilization was limited to only 72%.

Despite under utilization of its installed capacity, the Company, backed by a strong brand image and resultant higher realization for its product, has achieved a gross turnover of ₹ 740.20 crore during the year under report. The turnover registered a growth of 18% over previous year. In the period under report, the Company earned an operating profit of ₹ 148.41 crore as against ₹ 174.89 crore in the last year. After taking into account the impact of interest (₹ 38.95 crore), there is a cash profit of ₹ 109.46 crore during the financial year 2013-14, as against cash profit of ₹ 137.80 crore in the previous year. The net profit during the year, after considering depreciation of ₹ 23.77 crore, comes to ₹ 85.69 crore (before tax). The net profit after tax is ₹ 30.20 crore. The Company proposes to transfer a sum of ₹ 6.85 crore to the General Reserve.

11. GUJARAT JAYPEE CEMENT & INFRASTRUCTURE LIMITED (GJCL)

Gujarat Jaypee Cement & Infrastructure Limited (GJCL), a Joint Venture between Jaiprakash Associates Limited (JAL) and Gujarat Mineral Development Corporation Limited (GMDC) was incorporated, inter-alia, to implement a 2.4 Million tones per annum capacity cement plant in District Kutch, Gujarat.

Out of approximately 484 hectares of land required for setting up the Project, 27 hectares are Private land and 457 hectares are Government land. Major part of Private land (22 hectares) has been purchased by the Company. However pending necessary approval from the Government of Gujarat, the Government land is yet to be acquired by the Company.

The Board is examining various options in the way forward for the Company.

12. JAYPEE CEMENT CORPORATION LIMITED (JCCL)

Jaypee Cement Corporation Limited (JCCL), a wholly owned subsidiary of your Company, is setting up an integrated cement plant with a 3.0 Mn tpa cement grinding capacity alongwith captive power plant at Shahabad district Gulbarga, Karnataka.

The project is scheduled to be commissioned by 1st October, 2014.

JCCL's Plant in West Zone with a capacity of 4.8 MTPA is under the process of demerger through a Scheme of Arrangement pursuant to Section 391-394 of the Companies Act, 1956 to UltraTech Cement Limited,

a company of Aditya Birla Group. The transaction is scheduled to be consummated by 12th June, 2014.

13. JAYPEE ASSAM CEMENT LIMITED (JACL)

Jaypee Assam Cement Limited (JACL) was incorporated, as a special purpose vehicle, initially as a wholly-owned subsidiary of Jaiprakash Associates Limited (JAL) for the purpose of setting up a 2 Mn tpa capacity Cement Plant in the North Cachar Hills Distt of Assam, in Joint Venture with Assam Mineral Development Corporation Ltd. (AMDC). The same shall be converted as a Joint Venture Company (JVC) between JAL and Assam Mineral Development Corporation Ltd. (AMDC) as JV partners having a shareholding ratio of 82:18 between themselves, as per the Shareholders' Agreement (SHA). While JAL shall hold the shares for cash consideration, shares shall be allotted to AMDC in consideration of the exclusive mining rights of the mineral block identified for this Company. Under the SHA, the management and control of the JVC is vested in JAL.

As reported last year, prior to incorporation of JACL, 750 bighas of land were allotted by Dima Hasao Autonomous Council (DHAC) on 30 years lease basis to Jaiprakash Associates Limited (JAL) for the project of the Company. Necessary payment in this regard to DHAC was made by JAL as a promoter of the Company. An agreement was also executed between DHAC and JAL.

Besides the payment of ₹ 3.77 crore for the above land, JAL had also paid ₹ 10 crore to DHAC in advance as the share of royalty on limestone for a period of one year as per the Agreement executed between JAL and DHAC.

The Company had deployed necessary resources for setting-up the 2 million tonnes per annum cement plant with a 35 MW captive power plant. The Company started expeditious collection of data and preparation of Environmental Impact Assessment/Environmental Management Plan Reports for submission to Government of India, Ministry of Environment & Forest.

The Company, however, had to suspend all project activities since January, 2012 due to adverse security situation in the vicinity of the project, as reported earlier. The Company is in regular touch with concerned authorities for resumption of project activities as and when the security situation is improved.

EXPRESSWAYS AND RELATED BUSINESS

14. JAYPEE INFRASTRUCTURE LIMITED (JIL)

The Yamuna Expressway had commenced its commercial operation and was opened for Public w.e.f. 9th August, 2012 and the toll collection commenced from 16th August 2012. The vehicular movements and revenue generation till date is satisfactory. The average daily traffic (ADT) has registered 69% increase and the Toll collection Revenue has registered an increase of 44% during the F.Y.2013-14.

JIL has also been provided the right to develop 25 million square meters of land for commercial, amusement, industrial, institutional & residential purposes etc. across five different locations along the Yamuna Expressway—one in Noida, two locations in District Gautam Budh Nagar (part of NCR) and one

location in each of District Aligarh & District Agra, Uttar Pradesh. JIL has commenced development of its land parcels at Noida, Mirzapur, and Agra in U.P. JIL has launched approx. 108.06 million sq.ft. area and has sold approx. 101.20 million sq. feet area till 31st March, 2014 at an aggregate sale value of ₹ 20,067 Crores.

15. JAYPEE GANGA INFRASTRUCTURE CORPORATION LIMITED (JGICL)

The Jaypee Ganga Infrastructure Corporation Limited (JGICL) was incorporated as a wholly owned subsidiary of Jaiprakash Associates Limited for implementation of the 1047 Km long 8-lane Access- Controlled "Ganga Expressway Project" 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., 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 JGICL that the Company would revive the Bank Guarantee, when the project gets environmental clearance.

16. HIMALYAN EXPRESSWAY LIMITED (HEL)

Himalyan Expressway Ltd. was incorporated as a Special Purpose Vehicle for implementing the Zirakpur-Parwanoo Expressway project in the States of Punjab, Haryana and Himachal Pradesh. The Expressway connecting the three states became operational and the toll collection started from 6th April, 2012. Being the first in the country with Radio Frequency Identification Device (RFID) technology based electronic toll collection system, it has provided a seamless travel to long journey road users while saving cost and time. During the year under report, the toll collection at the Expressway has shown an increase.

17. JAYPEE AGRA VIKAS LIMITED (JAVL)

Jaypee Agra Vikas Limited (JAVL) was incorporated as a Special Purpose Vehicle for implementing Project for development of Inner Ring Road at Agra and other infrastructure facilities, under Integrated Urban Rejuvenation Plan on Design, Build, Finance, Operate and Transfer basis. The Company signed a Concession Agreement on 4th February, 2010 with Agra Development Authority (ADA).

The project could not progress as Agra Development Authority has not been able to fulfill its obligation in respect of 'Conditions Precedent'. As per the decision

taken by ADA, the Company has received part refund of the advance given to ADA for acquisition of land and balance amount is expected to be received by September, 2014.

SPORTS AND RELATED BUSINESS

18. JAYPEE SPORTS INTERNATIONAL LIMITED (JSIL)

Jaypee Sports International Limited (JSIL) was incorporated on 20th October, 2007. It was allotted around 1100 Ha. of land for development of Special Development Zone (SDZ) with sports as a core activity by Yamuna Expressway Industrial Development Authority (YEA). This area is inclusive of 100 Ha of land to be used for Abadi Development. This core activities are Motor Race Track, suitable for Holding Formula One race and setting up a Cricket stadium of International Standard to accommodate above 1,00,000 spectators and others.

The Motor Race Track known as Buddh International Circuit (BIC) was completed well in time and JSIL successfully hosted the three Indian Grand Prix held in October, 2011, October, 2012 & October, 2013. The success of the event was acknowledged by winning of many awards and accolades.

JSIL is trying its best to generate revenue by placing Buddh International Circuit (BIC) as one stop destination for various games, launching promotional activities like motor cars, bikes and other products.

JSIL 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.

19. JAYPEE CEMENT CRICKET (INDIA) LIMITED (JCCIL)

Jaypee Cement Cricket (India) Limited (JCCIL) was incorporated on 20th October, 2012, as a wholly owned subsidiary of Jaypee Sports International Limited for the purpose of managing activity relating to Cricket playing in any format by way of franchise or otherwise. It obtained the certificate of commencement of business on 23rd October, 2012. The first financial year of JCCIL has closed on 31st March, 2014.

20. JAYPEE CEMENT HOCKEY (INDIA) LIMITED (JCHIL)

Jaypee Cement Hockey (India) Limited (JCHIL) was incorporated on 5th November, 2012, as a wholly owned subsidiary of Jaypee Sports International Limited (JSIL) to undertake the business of Hockey Sport. It obtained the certificate of commencement of business on 12th November, 2012. The first financial year of JCHIL has closed on 31st March, 2014.

JCHIL entered into the Franchise Agreement with Hockey India League [HIL] for the Team "Jaypee Punjab Warriors". HIL was conducted between 14th January - 10th February, 2013 in the five cities namely Delhi, Jalandhar, Ranchi, Mumbai & Lucknow & between 25th January, 2014 to 23rd February, 2014 in six cities namely New Delhi, Chandigarh, Ranchi, Mumbai, Bhuvneshwar and Lucknow. The performance of the team was well appreciated.

FERTILIZER AND RELATED BUSINESS

21. JAYPEE FERTILIZERS & INDUSTRIES LIMITED (JFIL)

Jaypee Fertilizers & Industries Limited (JFIL) was

incorporated as a wholly owned subsidiary of Jaiprakash Associates Limited to undertake the business of fertilizers and chemicals. The Company had participated as a strategic investor in the Rehabilitation Scheme (Scheme) of fertilizer undertaking of Duncans Industries Ltd. (DIL) which was approved by the Board for Industrial & Financial Reconstruction (BIFR) in January, 2012.

Pursuant to the Scheme, the said fertilizer undertaking (famous for 'Chand Chhap' Urea) stands vested in Kanpur Fertilizers & Cement Limited (KFCL), in which your Company is making investments through Jaypee Uttar Bharat Vikas Private Limited (JUBVPL).

JUBVPL held 99.73% (approx.) equity shares of KFCL as on 31st March 2014. JUBVPL is a joint venture company (with equal participation) of your Company and ISG Traders Limited, an investment arm of DIL.

During the year under report, KFCL has converted feed stock from Naphtha to Natural Gas. Gas Supply Agreement has been entered into with Gail (India) Limited (GAIL) for supply of RLNG from Kanpur Terminal & CFA Kanpur and a Gas Transportation Agreement has also been signed with GAIL. Indian Oil Corporation has agreed to meet the 100% requirement of other POL products from its Plant at Kanpur such as HSD/MS/lubricants/greases, etc. The work for gas receiving station at the plant premises has already been completed.

Approval of the Ministry of fertilizer, Government of India has already been received in March, 2013 to commence production of Urea with Gas as feedstock.

After completion of NG conversion and Energy saving schemes, all three streams of the plant have started manufacturing Urea since December, 2013 onwards. Capital expenditure of ₹ 911.40 Crore towards revamping the plant has been incurred upto 31st March, 2014.

AVIATION BUSINESS

22. HIMALYAPUTRA AVIATION LIMITED (HAL)

Himalyaputra Aviation Limited (HAL) was incorporated as a wholly-owned subsidiary of your Company, to undertake the civil aviation business. HAL has obtained initial NOC from Ministry of Aviation to operate Non-Scheduled Air Transport Services.

During the year, HAL has taken steps to acquire more flying machines and other assets for its business operations.

HEALTHCARE BUSINESS

23. JAYPEE HEALTHCARE LIMITED (JHL)

Jaypee Healthcare Limited (JHCL) was incorporated on 30th October, 2012 as a wholly owned subsidiary of the Jaypee Infratech Limited (JIL) for the establishment of "Jaypee Hospital" with the vision of promoting world-class healthcare amongst the masses by providing quality and affordable medical care with commitment.

The Jaypee Hospital the flagship hospital of Jaypee Group, is located at Village Shahpur Bangur, NOIDA, U.P., which heralds the group's noble intention to enter the healthcare space.

This hospital has been planned and designed as a 1200 bedded tertiary care multi-speciality facility and is currently in the process of building and commissioning 525 beds in the first phase. It shall be operational by the second quarter of 2014. The first financial year of JHL has closed on 31st March, 2014.

AGRI BUSINESS

24. JAIPRAKASH AGRI INITIATIVES COMPANY LIMITED (JAICO)

Jaiprakash Agri Initiatives Company Limited (JAICO), was acquired by Jaypee Cement Corporation Limited, a wholly owned subsidiary of the Company on 25th March, 2013 to diversify into agri business.

The Company had set up soya and mustard processing plant at Rewa, Madhya Pradesh. Jaypee Oilseeds Processing Complex is unique in its approach and has facilities to handle all types of products and by-products from Soya and Mustard. However, in the current scenario, the production activities of Soya/ Mustard Oil have been suspended.

JAICO has also launched a dairy project which sources milk from villages along the Yamuna Expressway, that is, across Gautam Budh Nagar, Bulandshahr, Aligarh, Mathura and Agra. Work has begun on a milk-processing plant at Tappal. With the operation of this plant, JAICO will have its own brand of dairy products, including packaged milk, flavoured milk, long shelf-life milk, curd, drinkable yogurt, cheese spreads, ghee and butter.

CONSOLIDATED FINANCIAL STATEMENTS

The statement as required under Section 212 of the Companies Act, 1956, in respect of the subsidiaries of the Company is annexed and forms an integral part of this Report. The consolidated financial statements of the Company and its subsidiary companies, prepared in accordance with Accounting Standards AS-21 "Consolidated Financial Statements" prescribed by the Institute of Chartered Accountants of India, form part of the Annual Report and Accounts.

In terms of the general exemption granted under Section 212 (8) of the Companies Act, 1956 by the Ministry of Corporate Affairs vide its General Circular No. 2/2011 dated February 8, 2011, the Audited Balance Sheets as at March 31, 2014 of the subsidiaries of the Company have not been attached to the Balance Sheet of the Company. However, the requisite information in aggregate for each subsidiary including subsidiaries of subsidiaries has been disclosed in the consolidated Balance Sheet of the Company.

The annual accounts of the subsidiary companies and the related detailed information will be made available to the shareholders of the Company and subsidiary companies seeking such information. The annual accounts of the subsidiary companies will also be kept for inspection by any shareholders in Company's Head Office and also that of the subsidiaries. Further, the Company shall furnish a hardcopy of annual accounts of subsidiaries to any shareholder on demand. The Company has also uploaded the details of the accounts of individual subsidiary companies on its website i.e. www.jalindia.com.

The Directors are of the opinion that the subsidiaries and Joint Ventures of your Company have promising future.

OUTLOOK

Keeping in view the performance and future prospects of the Company's business, the expansions and diversifications being undertaken and the business of its subsidiaries coupled with the Company's resolve to reduce the debt, your Company is committed to enhance the shareholders' value.

DIRECTORATE

A. Cessation of Directorships:

Shri A.K. Sahoo, a nominee of LIC ceased to be on the Board of the Company w.e.f. May 23, 2013, consequent upon the withdrawal of his nomination by LIC.

In place of **Shri A.K. Sahoo**, LIC nominated **Shri R.R. Dash** as their nominee on the Board of the Company, who was co-opted as a Director w.e.f. July 29, 2013. However, **Shri R.R. Dash** ceased to be a Director due to his sad demise on October 22, 2013.

Shri B.K. Taparia, Independent Director ceased to be a Director on Board due to his sad demise on September 5, 2013.

Shri S.C. Gupta, Independent Director and **Shri R.K. Singh** resigned from Directorship of the Company w.e.f. February 10, 2014 and May 27, 2014 respectively, due to their personal reasons.

Shri S.D. Nailwal, Whole-time Director of the Company has requested to step down from the office of Director on expiry of his current term i.e. w.e.f. June 30, 2014. Accordingly, he shall cease to be a Director on June 30, 2014 (afternoon).

The Board places on record its appreciation for the valuable contribution of the above Directors during their respective tenure on the Board of the Company.

B. Appointments of Directors:

Shri S.C. Rathi was appointed as a Nominee of LIC w.e.f. February 10, 2014 in place of **Shri R.R. Dash**.

Shri K.N. Bhandari was appointed as an Independent Director of the Company, liable to retire by rotation, w.e.f. February 10, 2014, in the casual vacancy caused due to cessation of **Shri B.K. Taparia**.

Shri Shiva Dixit was appointed as an Additional Director & Whole-time Director of the Company w.e.f. May 27, 2014. As **Shri Shiva Dixit** holds office of Director upto ensuing Annual General Meeting and the proposal for his appointment as a Director has been received from a shareholder, the same has also been included in the Notice of the Annual General Meeting for your approval.

Shri Sunil Kumar Sharma (Executive Vice Chairman), **Shri Pankaj Gaur** [Jt. Managing Director (Construction)] and **Shri Sunny Gaur** [Managing Director (Cement)] were re-appointed as such for a further period of five years w.e.f. March 18, 2014, July 1, 2014 and December 31, 2014 respectively. The proposed re-appointment and remuneration of Whole-time Directors is subject to approval of the shareholders which would be sought.

Appointment of Independent Directors:

The Board of Directors in their meeting held on May 27, 2014, based on the recommendation of the Nomination & Remuneration Committee, decided to seek approval of the shareholders to the

reappointment of all the seven Independent Directors namely: Shri R.N. Bhardwaj, Dr. B. Samal, Shri V.K. Chopra, Ms. Homai A. Daruwalla, Shri S.C. Bhargava, Shri B.K. Goswami and Shri K.N. Bhandari on the Board of the Company as Independent Directors for a period of three consecutive years from the date of their appointment by the shareholders, the proposals whereof have been included in the Notice of the Annual General Meeting for your approval.

Such Independent Directors will not be liable to retire by rotation in view of the provisions of the Companies Act, 2013 and Rules framed there under.

C. Retirement by rotation:

Shri Rahul Kumar and Shri S.K. Jain, Directors would retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The proposals for their re-appointment have also been included in the Notice of the Annual General Meeting for your approval.

DEPOSITS

Fixed deposits received from the shareholders and the public as on March 31, 2014 stood at ₹ 2157.38 Crores. Deposits of ₹ 23.73 Crores due for repayment on maturity remained unclaimed by the Depositors as on March 31, 2014, most of which were subsequently claimed. In view of the provisions of newly enforced Companies Act, 2013, the Company has, for the present, decided not to accept fresh Deposits/renew existing Deposits but repay the same.

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.

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

Particulars with respect to conservation of energy, technology absorption, foreign exchange earnings & outgo, pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended March 31, 2014 are annexed and form an integral part of this Report.

NOTES ON ACCOUNTS

The observations of Auditors and Notes on Accounts are self-explanatory.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS:

M/s. M.P. Singh & Associates, Chartered Accountants, Auditors of the Company shall retire at the conclusion of the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. Based on the recommendations of the Audit Committee, the Board recommends their appointment as Company's Auditors for a term of three consecutive financial years i.e. for 2014-15, 2015-16 & 2016-17. If appointed, they shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the Annual General Meeting of the Company to be held in the year 2017, subject to ratification by the shareholders at every Annual General Meeting.

SECRETARIAL AUDITORS:

As a measure of good Corporate Governance practices being followed by the Company, M/s Chandrasekaran Associates, Company Secretaries, were voluntarily appointed to conduct the Secretarial Audit for the financial year 2013-14. The Secretarial Audit Report for the financial year ended March 31, 2014 forms part of the Annual Report.

Based on the recommendations of the Audit Committee, the Board has further re-appointed M/s Chandrasekaran Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2014-15 in compliance of the provisions of Section 204 of the Companies Act, 2013, which has made it mandatory for certain companies to appoint a Secretarial Auditor.

COST AUDITORS:

For the financial year 2013-14, the Board of Directors of the Company had re-appointed, on recommendations of the Audit Committee, M/s. J.K. Kabra & Co., Cost Accountants, (Firm's Registration No. 2890), as Cost Auditors, subject to the approval of the Central Government, for auditing the cost accounts in respect of 'Cement Product' and 'Wind Power'. Their appointment was approved by the Central Government. In terms of The Companies (Cost Audit Report) Rules 2011 read with Ministry of Corporate Affairs' General Circular No. 15/2011 [File No. 52/5/CAB-2011] dated April 11, 2011, the cost audit report relating to the 'Cement Products' & 'Wind Power' for the financial year ended March 31, 2013, alongwith the Compliance Report, as applicable, had been filed with the Cost Audit Branch of the Ministry of Corporate Affairs on 13th November, 2013 by the Cost Auditor against the due date of filing 27th September, 2013.

Based on the recommendations of the Audit Committee, the Board of Directors of the Company have re-appointed, M/s. J.K. Kabra & Co., as Cost Auditors of the Company for auditing the cost accounts in respect of applicable businesses of the Company for the financial year 2014-15. The requisite approval of the shareholders will be sought for the remuneration of the Cost Auditors.

CORPORATE GOVERNANCE

Report on Corporate Governance and Management Discussion & Analysis Report, in terms of Clause 49 of the Listing Agreement are annexed and form part of this Annual Report. A certificate from the Auditors confirming compliance with the conditions of Corporate Governance is also annexed.

The Company is complying with the Corporate Governance norms laid down in Clause 49 of the Listing Agreement. The Company would also comply with the revised Clause 49 of the Listing Agreement as applicable from 1st October, 2014.

BUSINESS RESPONSIBILITY REPORT

In terms of Clause 55 of the Listing Agreement, a Business Responsibility Report (BRR), in the prescribed format, is annexed and forms part of this Annual Report describing the initiatives taken by the Company from an environmental, social and governance perspective, towards adoption of responsible business practices. The BRR as well as the Company's Policy on Sustainable Development are accessible on the Company's website www.jalindia.com.

EMPLOYEE RELATIONS

Employee relations continued to be cordial throughout the year. Your Directors wish to place on record their sincere

appreciation for the excellent spirit with which the entire team of the Company worked at all sites and other offices and achieved commendable progress.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representation received from the operating management, certifications by the CEO and CFO to the Board of Directors 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 had 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 year ended March 31, 2014 and the profit 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.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for and gratitude to various Departments and Undertakings of the Central and State Governments, Industrial Development Bank of India, The Life Insurance Corporation of India, General Insurance Corporation of India and its Subsidiaries, IFCI Limited, ICICI Bank Ltd., Axis Bank Limited, Export-Import Bank of India and Consortium of Banks and valued customers, for their valuable support and co-operation.

Your Directors also wish to place on record their appreciation of the wholehearted and continued support extended by the Shareholders and Investors, which had always been a source of strength for the Company.

On behalf of the Board

MANOJ GAUR
Executive Chairman

May 27, 2014

ANNEXURE TO THE DIRECTORS' REPORT

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

Name of Employees, Designation/ Nature of Duties, Gross Remuneration (₹), 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 ₹ 60,00,000/- or more per annum

1. Shri Manoj Gaur, Executive Chairman & CEO, ₹ 60,945,194, B.E. (Civil Hons.), 50, 29, November 1, 1985, Jaiprakash Industries Limited.

2. Shri Sunil Kumar Sharma, Executive Vice-Chairman, ₹ 40,304,350, B.Sc., 54, 36, January 1, 1986, Jaiprakash Industries Limited.
3. Shri Sunny Gaur, Managing Director(Cement), ₹ 21,434,739, Graduate, 45, 23, February 1, 1992, Jaiprakash Industries Limited.
4. Shri Pankaj Gaur, Joint Managing Director (Construction), ₹ 19,942,703, B.E (Instrumentation), 43, 21, March 12, 2004, Jaiprakash Industries Limited.
5. Shri S.D. Nailwal, Whole-time Director, ₹ 12,250,798, B.A.(Com.), F.C.S., 66, 48, July 1, 1986, Jaypee Hotels Limited.
6. Shri Ranvijay Singh, Whole-time Director, ₹ 17,199,175, B.E. (Civil), 48, 26, December 14, 2007, Gujarat Anjan Cement Limited.
7. Shri Rahul Kumar, Whole-time Director & C.F.O., ₹ 14,845,382, F.C.A., 46, 21, November 1, 2006, Jaiprakash Enterprises Limited.
8. Dr. Yajulu Medury, Chief Operating Officer (Education), ₹ 11,730,988, Ph.D (Engineering Mechanics), 56, 29, December 15, 2001, Educational Consultants India Limited.
9. Shri Harish K. Vaid, Sr. President (Corporate Affairs) & Company Secretary, ₹ 12,764,861, B.Com., D.C.P. LL.B, F.C.S., 60, 41, January 1, 1986, Jaiprakash Industries Limited.
10. Shri Ram Bahadur Singh, C.F.O. (Cement), ₹ 14,008,757, F.C.A., 64, 41, July 15, 1993, THDC Limited.
11. Shri Alok Gaur, Executive President, ₹ 9,091,475, B.E.(Electrical), 51, 28, December 1, 2009, Gujarat Anjan Cement Limited.
12. Shri Vijay Kumar Jain, Chief Technology Officer(Cement), ₹ 14,125,354, B.E.(Mechanical), 63, 43, June 2, 1999, Prism Cement Limited.
13. Shri Naveen Kumar Singh, Executive President, ₹ 18,599,081, B.Com, 39, 16, September 1, 1997, Jaypee Cement Limited.
14. Shri Amit Sharma, Executive President, ₹ 10,301,412, B.E. (Instrumentation) & M.B.A., 45, 23, April 1, 2011, MP Jaypee Minerals Limited.
15. Shri C.S Jain, Sr. President, ₹ 6,661,480, Chartered Accountant, 65, 40, April 1, 2006, Maihar Cement.
16. Shri Ashok Kumar Sharma, Executive President, ₹ 9,486,150, M.Sc 60, 40, April 1, 1995, Jaypee Technical Consultants Private Limited.
17. Shri Ajay Sharma, Executive President, ₹ 13,079,206, LLB, MBM (HR) 58, 35, April 26 1986, J.K. Synthetics Limited.
18. Shri Bhanwar Lal Saini, Senior President, ₹ 7,809,434, Dipl. In Mechanical, AMIE 66, 47, October 25 2005, Kesoram Industries Limited.
19. Shri G.V. Bhat, Senior President, ₹ 7,690,417, B.Sc. Engg. (Mechanical), 71, 48, July 10 1995, Rajasthan Beverages.
20. Shri K.V. Rajendran, Sr.President (HR), ₹ 9,060,609, B.Sc.(Physics),PG Diploma in Radiological Physics, 61, 34, February 1, 2013, Dalmia (Bros) Private Limited.
21. Shri Ravinder Mohan Bhardwaj, Chief Operating Officer (Central Zone), ₹ 10,531,653 B.Tech

(Mechanical), PG Diploma in Management, 63, 43, January 7, 2013 Reliance Cementation Private Limited.

22. Dr. Vikram Singh Raghuvanshi, Chief Executive (Health Care), ₹ 11,991,846 MBBS, PGDHA, MBA-HCA 45, 20, May 7, 2012, Self Employed.
23. Shri Surinder Kumar Bagai, President, ₹ 6,349,009, B.E, MBA, 65, 42, August 7, 2008, Aditya Birla Group.
24. Shri Virender Singh Bajaj, President (Co-ordination), ₹ 6,741,822 B.Sc, Engineering (Chemical) 62, 26, October 1, 2011, Jaiprakash Associates Limited.

B. Employed for part of the year and in receipt of remuneration aggregating ₹ 5,00,000/- or more per month.

1. Shri B.P.S Kwatra, Advisor (Marketing Co-ordination), ₹ 1,616,448, M.Sc (AG), 71, 46, January 2, 2003, Prism Cement Limited.

Notes:

1. Gross remuneration includes Salary, House Rent and other perks like Medical Reimbursement, Leave Travel Assistance, Furnishing Allowance, Company's contribution towards Provident Fund etc. but excludes provision for Gratuity & Leave Encashment.
2. Shri Manoj Gaur, Executive Chairman is brother of Shri Sunny Gaur, Managing Director (Cement). Shri Ranvijay Singh is brother of Shri Naveen Kumar Singh.
3. Executive Chairman, Executive Vice-Chairman and Whole-time Directors hold their respective offices for a period of five years from the date of their appointment/ re-appointment.
4. The nature of employment of employees is regular and is governed as per service rules of the Company. They perform such managerial duties in their respective area of expertise as assigned from time to time.
5. The other terms & conditions of each of the above persons are as per the contract/ letter of appointment / resolution and rules of the Company.

Information pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the report of the Board of Directors for the year ended March 31, 2014

A. CONSERVATION OF ENERGY

The Company is engaged in the business of Integrated Engineering Construction and operates at the locations of its clients and uses electric energy for implementation of various projects undertaken by it.

Besides, the Company is also engaged in the business of manufacture and marketing of Cement and owns five star hotels at New Delhi, Mussoorie and Agra and a Golf Course with associated recreational and residential facilities at Greater Noida as part of its Real Estate Business.

The Company ensures that all possible measures are taken to conserve energy including identification of potential areas of saving energy, installation of energy efficient equipment such as capacitor control panels to improve power factor and use of energy efficient lamps and compact florescent lamps, wherever possible.

The energy conservation measures undertaken by the Company ensure savings in energy costs and thereby improving operational efficiency. There are no specific

additional investments or proposed investments for reduction of consumption of energy since the primary investments decisions are always taken such that energy is spent to the minimum level. In particular, the Company has taken following measures for conservation of energy:

Form A prescribed under the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 in respect of Cement Business is appended.

CONSERVATION OF ENERGY

ENERGY CONSERVATION MEASURES :

AT JAYPEE REWA PLANT :

- i Unit-I Kiln Nose ring fan motor 37 Kw changed with higher efficiency motor.
- ii Nose ring fan cable shifted from MCC-11 to MCC-9 to reduce line losses.
- iii Lighting supply source connected to concerned areas for LC-1 & LC-3 to reduce line losses.
- iv Unit-2 coling tower fan (15 Kw motor) made off as not required from Nov-13 to Feb-14.

AT JAYPEE BELA PLANT :

Installation of Capicitors in 6 No's. Compressor Motors used in utility. Power Factor improved from 0.93 to 0.96. Energy Saving of 28000 units per month is achieved.

AT JAYPEE SIDHI PLANT :

- i 391-AS4 airslide inclination was increased from 6.5 to 9 degree to avoid jamming resulting in reduced power consumption by stopping extra airslide blower
- ii Stacker belt take-up was modified for smooth operation & maintenance by removing 5 no. pulleys also resulting in improved power consumption (around 6-8 KWh reduction)

AT JAYPEE HIMACHAL CEMENT PLANT : BAGHA

- i Use of carbon black as fuel instead of imported coal consumption to Reduced coal consumption cost per ton of clinker
- ii Reduction in sieve size on crusher product from 100 mm to 75 mm from 10.00 % to 2.6 % to increase raw mills production and reduce specific power consumption.

AT JAYPEE ROORKEE CEMENT GRINDING UNIT :

- i Stopping of 2 x 2.2 kW Air Slide Blowers by doing the aeration of Fine Air Slide through Reject Air Slide aeration blowers.
- ii Stopping of 2 x 0.75 kW Drive by removal of Wet Fly Ash Spillage Conveyor below Apron Conveyor.

AT JAYPEE HIMANCHAL CEMENT GRINDING & BLENDING UNIT BAGHERI :

- i Power Factor is maintained yearly average at 0.99 by installing Additional Capacitor Banks. Additional Capacitor Banks installed which improved power factor from 0.96 Average to 0.99 Average.
- ii Auto switching of External Lights during dark only by applying timer.

AT JAYPEE CEMENT GRINDING UNIT - PANIPAT :

- i Extra capacity margin available in Clinker Transport Bagfilter 512 BF-6 for 512 BC-6 belt conveyor .Its extra

capacity to be utilized for 512 BC-7 belt conveyor and its bagfilter fan 512 FN-6 has been stopped..

- ii Cooling Tower fan (Drive:-30 KW) stopped for winter season.

AT JAYPEE CHUNNAR CEMENT UNIT :

- i To avoid idle running of cement silo air slide blowers its motor feeders circuit modified with two nos. relay & contactor in MCC feeder: Saving 0.08 Kwh/ Mt of cement.
- ii To avoid idle running of axillaries drives of cement mills its motor feeders circuit modified with on delay timer & contactor at MCC: Saving 0.10Kwh/ Mt of cement.
- iii Grinding media optimization: Saving 1.20 Kwh/ Mt of cement.
- iv Relocation of wagon loading machines & belt conveyor drive system. Power saving of 0.05 Kwh/MT of cement.

AT JAYPEE DALLA CEMENT UNIT :

- i Coal mill vent fan (L41FN1) VFD installation.
- ii Reduce both silo blowers RPM by 10% by replacing bigger size Pulley.
- iii Old & julgul Crusher Compressor RPM reduce by 20% as loading of Compressors was 70% only.
- iv Bag House RA fan stopped when bag house DP is low in auto mode.

AT JAYPEE SIKANDRABAD CEMENT GRINDING UNIT :

- i Installed Capacitor Bank 6.6 KV. 500 KVAR with a cost of ₹ 2 Lacs. Saving of ₹ 1.5 Lacs per month has been achieved.
- ii Cooling Tower Fan operation has been put on automatic mode, controlled by supply waters temperature, total operation and it has given a saving of ₹ 4 Lacs per annum.

B. RESEARCH AND DEVELOPMENT

Research and Development work in respect of new engineering techniques for achieving higher efficiencies is a continuous process in the company.

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

For efficient execution of contracts awarded to the company, it imports various items of equipments in order to ensure use of contemporary technology.

The company has, inter-alia, taken the following steps towards technology absorption, adoption and innovation:

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION.

AT JAYPEE REWA PLANT :

TECHNOLOGY ALREADY ABSORBED

IKN cooler upgradation from 2 fans circuit to 3 fans circuit for better air flow control in kid's area.

AT JAYPEE BELA PLANT :

TECHNOLOGY ALREADY ABSORBED

- i Modification of Separator rotor to sealing arrangement providing one extra vertical sealing ring

to avoid short circuiting of coarse particle to increase fineness resulting in increase of Mill Output.

- ii UPS supply to Packer Machines has been provided to prevent malfunctioning of indicators overflow of material to enable continuous operation of Packer machine.

TECHNOLOGY UNDER ABSORPTION.

- i Installation of CBA (Cross Belt Analyzer) for online analysis of incoming coal by determining the Ash %, moisture and net calorific value.
- ii Upgradation of cooler ESP to meet the requirement of Pollution Control Board.

AT JAYPEE SIDHI PLANT :

TECHNOLOGY ALREADY ABSORBED

- i 391 CV 4 (enmass Conveyor) has been removed by making discharge of 391 CV 3 directly in to surge bin elevator.
- ii Magnetic separator installed in 212-BC4.

TECHNOLOGY UNDER ABSORPTION.

- i Raw mill gravel gate discharge chute to be modified to avoid jamming.
- ii Raw Mill 1 reject recirculation system to be installed.
- iii Bag filter discharge flap valves to be replaced with Rotary Airlock for better sealing resulting power saving.
- iv 311-Belt Conveyor -5 discharge to be directly connect to Lime stone hoppers and to avoid 311-Belt Conveyor 6 & Belt Conveyor- 7.

AT JAYPEE HIMANCHAL CEMENT PLANT : BAGHA

TECHNOLOGY ALREADY ABSORBED

- i Additional temperature measurement point at booter fan inlet for avoiding cement mill stoppages and increase fly ash consumption.
- ii Jet Air Blower (Stand By) to be operated through VVFD to regulate speed / reduce energy consumption.
- iii Extra Cooling line arrangement for burner pipe cooling jacket to increase the life of burner pipe.

TECHNOLOGY UNDER ABSORPTION.

- i Assessing the use of higher version of basic refractory in Cooling and Upper transition zone of Kiln to increase the availability of Kiln.
- ii One belt bucket elevator to be installed near Coal Mill to feed directly coal from ground to Mill hopper (Use in case of problem in Coal feeder system.)
- iii Cross Belt Analyzer for Raw Coal Analysis. This is helpful in analysis of moisture and ash in received raw coal.
- iv Installation of modified HBFA weigh Feeder and HBFA is being fed into mill with desired accuracy.

AT JAYPEE HIMANCHAL CEMENT GRINDING & BLENDING UNIT BAGHERI :

TECHNOLOGY ALREADY ABSORBED

- i Installation of VVF Drive at Cement Mill Vent Fan saving 25 KW / Hr, Power saving of ₹ 625,522/- in 2013-14.

- ii Installation of VVF Drive at FLY ASH SEPERATOR CLASSIFIER VENT Fan saving 35 KW / Hr, Power saving for ₹ 290,020/- in 2013-14.(USED FROM CPP, P&M-224)
 - iii Installation of VVF Drive at ROLL PRESS Vent Fan saving 8 KW / Hr, Power saving of ₹ 182,250/- in 2013-14.
 - iv Installation of Pneumatic Flow Control Gates saving 10 KW / Hr, Power saving for ₹ 36450/- in 2013-14.
- iii CFD study done to increase the operational efficiency of K#4 Raw Mill ESP
 - iv Grinding media changed from Hyper steel to Hi-Chrome to reduce GM consumption from 400 to 100 gm/mt for grinding of coal.

TECHNOLOGY UNDER ABSORPTION:**TECHNOLOGY UNDER ABSORPTION.**

- i Slip power Recovery system for 1100kW BAG HOUSE FAN under procurement
 - ii New Water Pump of 30KW to be Install Separate For Packing Plant Compressor. Presently 75KW Water Pump is used for Both Packing Plant and Grinding Section Compressor. By this we can save 30 KW/Hr(approx.).
- i Trail run of Red Mud an industrial waste from M/s Hindalco in place of additive in raw mix to reduce cost has been completed and shall be used after permission from Pollution control board for commercial use.
 - ii Feasibility study for waste heat recovery system for power generation completed and negotiations with suppliers are under way on boot basis.
 - iii Installation of high flame momentum FLS DUOFLEX burner for better operational and thermal efficiency.
 - iv Use of Refratherm bricks in preburning zone to Reduce kiln shell radiation & Sp.Heat of clinker.
 - v To install modified drive (geared motor) for coal mill classifier to increase the Rotor rpm for reduction of residue at 90µ during pet coke grinding.
 - vi Reduction in length of drying chamber by shifting diaphragm to increase grinding chamber length for higher raw mill output.

AT JAYPEE ROORKEE CEMENT GRINDING UNIT :**TECHNOLOGY UNDER ABSORPTION**

- i Variable Frequency Drive panels to be installed in Cement Mill to regulate the speed results in Power Consumption.
- ii All pendulam flap is to be replaced by Rotary Air Lock for better efficiency of bag filters.

JAYPEE CEMENT GRINDING UNIT, PANIPAT :**TECHNOLOGY ALREADY ABSORBED**

- i Installation of VFD in 523 FN6 Cement mill vent Fan motor-75 KW- VFD Panel Installed on dated 24/01/2013 in Cement Mill vent fan for Energy conservation.
- ii Roller Press NDE side bearing temperature running higher side so increased the outlet water line diameter for increase the water flow.
- iii Capacitors were connected at motor termination of 573BE1 & 593BE1.
- iv Clinker feeding elevator (512BE1 & BE2) current display unit was installed at dump hopper to control feeding of clinker by monitoring elevator current to avoid under load running of elevator.

TECHNOLOGY UNDER ABSORPTION

Installation of low capacity (30 KWH), high pressure compressor instead of 160 KWH compressors presently running for packing plant to save power consumption.

AT JAYPEE CHUNNAR CEMENT UNIT :**TECHNOLOGY ALREADY ABSORBED**

Installation of continuous ambient air quality monitoring system.

AT JAYPEE DALLA CEMENT UNIT :**TECHNOLOGY ALREADY ABSORBED**

- i Installation of clinker and gypsum weigh feeder for Cement Mill -1 to increase output of the mill.
- ii Installation of raw pet coke storage hopper with feeding system to the mill to avoid mixing of pet coke and normal coal during pet coke grinding.

AT JAYPEE SIKANDRABAD CEMENT GRINDING UNIT :**TECHNOLOGY ALREADY ABSORBED**

- i Installation of Magnetic Separation of first belt of Clinker. This has enabled the segregation of all metallic scrap and protected the circuit of belts Weigh Feeders
- ii Recirculation hot air duct has been fabricated and installed an Ball Mill circuit. This has increased the gas temperature of Ball Mill in the range of 20 C to 25 C and improved the performance of Mill during rainy season and winter season.

TECHNOLOGY UNDER ABSORPTION:

- i Compressor rpm are to be reduced to optimize the capacity.
- ii RAL to be replaced by pendulum flap at Dump Hopper Bag Filter to achieve energy saving.
- iii Root Blower rpm to be reduce to optimize the capacity.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

The activities related to exports are as under:

1. Export of cement
2. Export income from hospitality business
3. Export income from real estate business

The Company is making continuous effort to explore and develop the existing as well as new export markets for its products. However, there is no specific export plan for the same.

Particulars of Foreign Exchange earnings and outgo are given in Notes to the Accounts under Note No. 46(C), (D) & (E).

FORM A

A: POWER & FUEL CONSUMPTION	CURRENT YEAR 31.03.2014	PREVIOUS YEAR 31.03.2013
I. ELECTRICITY		
(a) PURCHASED		
UNITS (KWH)	349,603,359	375,332,557
TOTAL AMOUNT (₹)	2,114,311,497	1,994,574,987
RATE PER UNIT (₹)	6.05	5.31
(b) OWN GENERATION		
(i) THROUGH DIESEL GENERATION		
UNITS (KWH)	3,067,811	7,838,045
UNITS PER LITRE OF- -DIESEL & FURNANCE OIL (KWH)	3.36	3.48
COST PER UNIT (₹)	30.82	19.07
(ii) THROUGH THERMAL GENERATION		
UNITS (KWH)	792,453,671	824,002,843
UNITS PER TON OF COAL (KWH)	879.56	906.56
COST PER UNIT (₹)	4.94	4.57
(iii) THROUGH THERMAL GENERATION (TRIAL RUN)		
UNITS (KWH)	46,419,948.71	57,690,932.00
UNITS PER TON OF COAL (KWH)	806.86	803.93
COST PER UNIT (₹)	4.44	4.46
II. (a) COAL FOR KILN QUALITY	GRADE SLACK/STEAM/PET COKE/IMPORTED COAL	GRADE SLACK/STEAM/ PET COKE/IMPORTED COAL
WHERE USED	A,B,C,D & RB1 CALCINISING OF RAW MEAL	A,B,C,D & RB1 CALCINISING OF RAW MEAL
QUANTITY USED (M.T.)	1,255,277	1,395,733
TOTAL COST	9,732,855,768	10,236,504,813
AVERAGE RATE PER M.T./₹	7,753.55	7,334.14
(b) COAL FOR CPP QUALITY	GRADE SLACK/STEAM ROM ,C D & F	GRADE SLACK/STEAM ROM ,C D & F
WHERE USED	BOILER	BOILER
QUANTITY USED (M.T.)	954,128	980,675
TOTAL COST	3,594,996,430	3,425,194,223
AVERAGE RATE PER M.T./₹	3,767.83	3,492.69
III FURNACE OIL	N/A	N/A
IV OTHERS/INTERNAL GENERATION	N/A	N/A
B: CONSUMPTION PER UNIT OF PRODUCTION		
PRODUCT	CEMENT	CEMENT
UNIT	M.T.	M.T.
ELECTRICITY (KWH)	86.69	85.49
FURNACE OIL	N/A	N/A
COAL PER M.T. OF CLINKER	0.124	0.129
COAL QUALITY		
-AVERAGE ASH CONTENTS (%)	21.44	23.08
AVERAGE UHV (Kcal/Kg)	5,673	5,487

FORM B

[See rule 2]

Form for disclosure of particulars with respect to absorption**Research and development (R & D)**

1. Specific areas in which R & D carried out by the Company.
2. Benefits derived as a result of the above R & D.
3. Future plan of action.
4. Expenditure on R & D:
 - (a) Capital
 - (b) Recurring
 - (c) Total
 - (d) Total R & D expenditure as a percentage of total turnover.

R & D is a part of continuous process in the Company.

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:
 - (a) Technology imported.
 - (b) Year of import
 - (c) Has technology been fully observed?
 - (d) If not fully observed, areas where this has not taken place, reasons therefor and future plans of action

Information is part of the details given under the head 'Information pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the report of the Board of Directors for the year ended March 31, 2014.

NIL

SECRETARIAL AUDIT REPORT

To
The Board of Directors,
Jaiprakash Associates Limited,
Sector – 128,
Noida - 201304,
Uttar Pradesh

We have examined the registers, records and documents of Jaiprakash Associates Limited (the Company) for the financial year ended 31st March, 2014 in the light of the provisions contained in-

- The Companies Act, 1956 and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulation made thereunder;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 1992 and
- The listing agreement with the Stock Exchanges having nation-wide trading terminals.

A. Based on our examination and verification of the records made available to us and according to the clarifications and explanations given to us by the Company, we report that the Company has, in our opinion, complied with the applicable provisions of the Companies Act, 1956 and the rules made thereunder and of the various Acts and the Rules, Regulations and Guidelines made thereunder, listing agreement as mentioned above and of the Memorandum and Articles of Association of the Company, with regard to:

1. Maintenance of various statutory and non-statutory registers and documents and making necessary changes therein as and when the occasion demands.
2. Filing with the Registrar of Companies the Forms, returns and resolutions.
3. Service of the requisite documents by the Company on its members, Registrar and Stock Exchanges.
4. Composition of the Board, appointment, retirement and resignation of directors.
5. Remuneration of executive and non executive directors.
6. Service of notice and agenda of Board Meetings and Meetings of the committee of directors.
7. Meeting of the Board and its committees.
8. Holding Annual General Meeting and production of the various registers thereat.

9. Recording the minutes of proceedings of board meetings, committee meetings and General Meetings.

10. Appointment and remuneration of Auditors.

11. The Company has declared dividend and paid to the eligible shareholders in compliance with the provisions of section 205 of the Act during the year.

12. The Company has transferred the unclaimed/unpaid dividend to Investor Education and Protection Fund in compliance with the provisions of section 205C of the Act during the year.

13. Registration of transfer of shares held in physical mode.

14. Dematerialisation and Rematerialisation of shares.

15. Execution of contracts, affixation of common seal, registered office and the name of the Company.

16. Requirement of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) regulations 2011.

17. Requirement of the Securities and Exchange Board of India (Prohibition of Insider Trading regulations) 1992

18. Requirements set out in the listing agreement with the Stock Exchanges having nation-wide trading terminals.

B. We further report that-

The Company has complied with various requirements relating to disclosures, declarations made by the Directors with respect to directorships, memberships of committees of the Board of Companies of which they are directors, their shareholding and interest of concern in the contracts entered into by the Company in the pursuing its normal business.

For **Chandrasekaran Associates**
Company Secretaries

Dr. S Chandrasekaran
Senior Partner

FCS: 1644
CP : 715

Place: New Delhi
Date: May 5, 2014

CORPORATE GOVERNANCE REPORT

In the fast changing business scenario, good Corporate Governance helps in achieving long term Corporate Goals of enhancing Stakeholders' value. Corporate Governance focuses on commitment to values adhering to ethical business practices. This includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Any Corporate strategy needs to be dynamic, vibrant, responsive to the changing economic scenario and flexible enough to absorb environmental and fiscal fluctuations. It must harness the inherent strengths of available human resources and materials have the capacity to learn from success or failure and more importantly, ensure growth with human face. This has always been the guiding philosophy in the Company and will continue to be so in future.

The historic structural reforms initiated by the Government in early 90s have irrevocably transformed the Indian business environment landscape. Deregulation and decontrol, dismantling of trade barriers, partial convertibility and encouragement of foreign investment pose challenges to the industry but simultaneously have opened up new avenues for growth.

The current scenario is both vibrant and optimistic. Response, or lack of it, can make or mar a company. The Company has accepted the challenges. Its strengths viz. involvement in the construction of river valley projects, engagement in the business of cement – an essential input for infrastructure sector which is on sharp focus today, its large net worth and its wealth of dedicated human resources are channelised to great

advantage in entering new ventures in the core sector, thus paving the way for sustained growth and through it enhance the stakeholders' value continually.

The Company's philosophy on Corporate Governance aims at attaining the highest level of transparency, accountability towards its stakeholders, including shareholders, employees, the Government and lenders and to maximize returns to shareholders through creation of wealth on sustainable basis.

2. BOARD OF DIRECTORS

The constitution of the Board aims at ensuring Directors commitment to participate in the affairs of the Company with understanding and competence to deal with current and emerging business issues.

The Company's policy does not prescribe any pre-determined or specific tenure for Directors (except Whole-time Directors who are appointed for a term of five years) as this has the inherent advantage of not losing valuable contribution from the Directors who, over the years, have developed insight into the Company and its affairs. However, the Companies Act, 2013 now provides for fixed tenure of Independent Directors.

As per Clause 49 of the Listing Agreement, in case where the Chairman of the Board is an Executive Chairman, at least half of the Board should comprise of Independent Directors. Our Board, which is headed by Executive Chairman, has 18 Directors as on March 31, 2014 out of which 9 are Independent Directors, thus, is in compliance of Clause 49 of the Listing Agreement.

Details regarding the category of Directors, attendance of Directors at Board Meetings and the last Annual General Meeting (AGM), number of other Directorships and Committee positions held by them in Companies as on **March 31, 2014**, are given below:

Name & Designation of the Directors	Category	Position	Last Annual General Meeting Attended	No. of Board Meetings attended against 5 meetings held during the year	No. of other Directorships (note i)	Committee Positions held (including in JAL)	
						Chairman	Member
Shri Manoj Gaur, Executive Chairman & CEO	Executive	Promoter	Yes	5	12	-	-
Shri Sunil K. Sharma, Executive Vice-Chairman	Executive	Promoter	Yes	5	12	5	1
Shri Sarat Kumar Jain, Vice Chairman	Non-executive	Promoter	Yes	4	2	1	1
Shri Sunny Gaur, MD – Cement	Executive	Promoter	Yes	3	13	1	3
Shri Pankaj Gaur, Jt. MD - Construction	Executive	Promoter	No	1	6	1	-
Shri Viney Kumar (IDBI Nominee)	Non-executive	Independent	No	3	4	-	1
Shri A.K Sahoo (LIC Nominee)(upto 23.05.2013) (note ii)	Non-executive	Independent	N.A	1	-	-	1

Name & Designation of the Directors	Category	Position	Last Annual General Meeting Attended	No. of Board Meetings attended against 5 meetings held during the year	No. of other Directorships (note i)	Committee Positions held (including in JAL)	
						Chairman	Member
Shri R.R Dash (LIC Nominee) (w.e.f. 29.07.2013 upto 22.10.2013) (note iii)	Non-executive	Independent	N.A	-	-	-	-
Shri S.C Rathi (LIC Nominee) (w.e.f. 10.02.2014) (note iv)	Non-executive	Independent	N.A	2	-	-	-
Dr. B. Samal	Non-executive	Independent	No	3	9	3	3
Shri R.N. Bhardwaj	Non-executive	Independent	No	4	11	2	9
Shri B. K. Goswami	Non-executive	Independent	Yes	5	7	1	3
Shri S. C. Bhargava	Non – executive	Independent	Yes	4	10	1	7
Shri V. K. Chopra	Non-executive	Independent	Yes	4	12	4	5
Ms. Homai A. Daruwalla	Non-executive	Independent	Yes	4	7	3	4
Shri B.K Taparia (upto 05.09.2013) (note v)	Non-executive	Independent	Yes	1	-	-	-
Shri Kailash Nath Bhandari (w.e.f.10.02.2014) (note vi)	Non-executive	Independent	N.A	1	11	1	3
Shri S. C. Gupta (upto 10.02.2014) (note vii)	Non-executive	Independent	Yes	3	-	-	-
Shri Ranvijay Singh	Executive	Promoter	No	1	2	-	-
Shri R.K Singh (upto 27.05.2014) (note viii)	Non-executive	Professional	No	0	3	-	1
Shri S. D. Nailwal Singh (note ix)	Executive	Professional	Yes	5	5	-	5
Shri Rahul Kumar (Wholetime Director & CFO)	Executive	Promoter	Yes	5	8	3	3
Shri Shiva Dixit (w.e.f.27.05.2014)(note x)	Executive	Promoter	N.A.	-	-	-	-

Notes:

- i) Directorships in other Companies have been considered in terms of the provisions of the Companies Act, 1956.
- ii) Shri A.K. Sahoo, a nominee of LIC ceased to be on the Board of the Company w.e.f. 23.05.2013 consequent upon the withdrawal of his nomination by LIC.
- iii) Shri R.R. Dash was nominated by LIC as their nominee on the Board of the Company in place of Shri A.K. Sahoo who was co-opted as a Director w.e.f. 29.07.2013. However, Shri R.R. Dash ceased to be a Director due to his sad demise on 22.10.2013.
- iv) Shri S.C. Rathi was appointed as a Nominee of LIC w.e.f. 10.02.2014 in place of Shri R.R. Dash.
- v) Shri B.K Taparia, ceased to be Director of the Company w.e.f 05.09.2013 due to his sad demise.
- vi) Shri K.N. Bhandari was appointed as a Director of the Company, w.e.f. 10.02.2014, in the casual vacancy caused due to the demise of Shri B.K. Taparia.
- vii) Shri S.C Gupta ceased to be Director of the Company w.e.f 10.02.2014.
- viii) Shri R.K Singh ceased to be Director of the Company w.e.f 27.05.2014.
- ix) Shri S.D Nailwal's request to step down from the office of Director on the expiry of his current tenure as Whole-time Director on 30.06.2014, was accepted by the Board in its meeting held on 27.05.2014.
- x) Shri Shiva Dixit was appointed as an Additional Director & Whole-time Director of the Company both w.e.f. 27.05.2014.
- xi) Number of shares and convertible instruments held by Non-executive Directors as on March 31, 2014 are tabulated below:

S. No.	Name of Non-executive Directors	No. of Equity Shares held	No. of convertible instruments held
1.	Shri Sarat Kumar Jain	54,48,016	NIL
2.	Shri S. C. Bhargava	21,000	NIL
3.	Shri B.K.Goswami	5,000	NIL
4.	Shri Viney Kumar (IDBI Nominee)	NIL	NIL
5.	Shri S.C Rathi (LIC Nominee)	NIL	NIL
6.	Dr. B. Samal	NIL	NIL
7.	Shri R. N. Bhardwaj	NIL	NIL
8.	Shri V. K. Chopra	NIL	NIL
9.	Ms. Homai A. Daruwalla	NIL	NIL
10.	Shri R. K. Singh	NIL	NIL
11.	Shri K.N Bhandari	NIL	NIL

NUMBER OF BOARD MEETINGS HELD AND DATES THEREOF:

During the financial year 2013-14, **Five meetings** of the Board of Directors were held as against the requirement of four meetings. The meetings were held on **May 04, 2013, July 29, 2013, November 14, 2013, February 10, 2014 and March 24, 2014.**

The maximum time gap between two meetings was not more than four calendar months.

INFORMATION PLACED BEFORE THE BOARD

Information placed before the Board of Directors broadly covers the items specified in Clause 49 of the Listing Agreement and such other items which are necessary to facilitate meaningful and focused deliberations on issues concerning the Company and taking decision in an informed and efficient manner.

Besides, the Directors on the Board have complete access to all information of the Company, as and when necessary.

3. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all the Board Members and Senior Management personnel of the Company. The Code of Conduct has also been posted on the website of the Company.

All Board Members and Senior Management personnel have, on March 31, 2014, affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the CEO is annexed and forms part of this report.

4. AUDIT COMMITTEE

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee which was in existence as on the commencement of the Companies Act, 2013, comprised of five Directors, all being Non-executive & Independent Directors including the Chairman. The Company Secretary acts as the Secretary to the Audit Committee.

The constitution of the Audit Committee also meets the constitution requirements as mentioned in Section 177 of the Companies Act, 2013. However, the terms of reference and powers of the Audit Committee were enlarged to comply with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Composition of the Committee

1.	Shri R. N. Bhardwaj (Chairman of the Committee)	Independent Director
2.	Shri B. K. Goswami	Independent Director
3.	Shri Viney Kumar	Independent Director
4.	Shri V. K. Chopra	Independent Director
5.	Shri S. C. Bhargava	Independent Director

The terms of reference of the Audit Committee, inter-alia, includes the following :

- Management Discussion and Analysis of financial condition and results of operations.
- Quarterly and Annual Financial Results
- Annual Budget and Variance Reports.
- Internal Audit Reports/ Cost Audit Reports.
- Review of Financial Statements/ Investments in Subsidiary Company.
- Regular review of accounts, accounting policies and disclosures.
- Review the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
- Review any qualifications in the draft audit report.
- Establish and review the scope of the independent audit including the observations of the auditors and review of the quarterly, half yearly and annual financial statements before submission to the Board.
- Upon completion of the audit, attend discussions with the independent auditors to ascertain any area of concern.
- Establish the scope and frequency of the internal audit, review the findings of the internal auditors and ensure the adequacy of internal audit control systems.
- Examine reasons for substantial defaults in payment to depositories, debenture holders, shareholders and creditors.
- Examine matters relating to the director's responsibility statement for compliance with accounting standards and accounting policies.
- Oversee compliance with stock exchange legal requirements concerning financial statements, to the extent applicable.
- Examine any related party transactions i.e., transactions of the Company that are of a

material nature with promoters or management, their subsidiaries, relatives etc. that may have potential conflict with the interests of the Company.

- Recommend to the Board for appointment, remuneration and terms of appointment of auditors of the company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the Company with related parties. Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, where ever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.
- Scrutiny of inter-corporate loans and investments. Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to.
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with listing and other legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions.
 - vii. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.
- The Audit Committee shall have authority to investigate into any matter listed above and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

Meeting Details

Four meetings of the Audit Committee were held during the financial year 2013-14 on **May 04, 2013, July 28, 2013, November 14, 2013 and February 10, 2014.**

The attendance at its meetings held during the year under report are as under:

Name of Members	Total Meetings held during the tenure of the Member	Meetings attended
Shri R. N. Bhardwaj, Chairman	4	3
Shri Viney Kumar	2	2
Shri B. K. Goswami	4	4
Shri V. K. Chopra	4	4
Shri S.C Bhargava	1	1
Shri A. K. Sahoo (upto 23.05.2013) (note-1)	1	1
Shri B. K. Taparia (upto 05.09.2013) (note-2)	2	1

Notes:

- Shri A.K Sahoo, LIC Nominee ceased to be the member of the committee w.e.f 23.05.2013, due to withdrawal of his nomination by LIC.
- Shri B.K Taparia ceased to be a member of the committee w.e.f 05.09.2013 (due to his demise).

5 NOMINATION AND REMUNERATION COMMITTEE (EARLIER NAMED AS REMUNERATION / SELECTION COMMITTEE)

The Remuneration Committee comprising of Non-executive Independent Directors, constitution of which was a non-mandatory requirement before the commencement of the Companies Act, 2013, was voluntary constituted by the Board to recommend/ review the Remuneration package of the Whole-time Directors. The Remuneration Committee also performed the role of Selection Committee, whenever required. The constitution of the Remuneration Committee was in line with the requirement of having Nomination and Remuneration Committee consisting of three or more Non-executive Directors out of which not less than one half shall be Independent Directors and Independent Director as its Chairman in terms of Section 178 of the Companies Act, 2013 and the Listing Agreement. Accordingly, only the name of the Remuneration Committee was changed to Nomination and Remuneration Committee and its functions were enlarged by the Board in its meeting held on May 27, 2014.

Composition of the Committee

1.	Dr. B Samal (Chairman of the Committee)	Non-executive & Independent Director
2.	Shri B K Goswami	Non-executive & Independent Director
3.	Shri S C Bhargava	Non-executive & Independent Director
4.	Shri Viney Kumar	Non -executive & Independent Director

The terms of reference of the Nomination and Remuneration Committee, inter-alia, includes the following :

- Establish and administer employee compensation and benefit plans.
- Determine the number of stock options to be granted under the Company's Employees Stock Option Schemes and administer any stock option plans.
- To identify persons who are qualified to become Directors or senior management employees and recommend to Board their appointment / removal.
- To evaluate every Director's performance.
- To devise a policy on Board diversity.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- To recommend to Board a policy relating to remuneration for the Directors, KMPs & other employees, to be approved by Board.
- Such other matters as may, from time to time, be required under any statutory, contractual or other regulatory requirement.

Meeting Details

One meeting of Remuneration Committee was held during the financial year 2013-14 on February 10, 2014. The attendance at its meeting held during the year under report was as under:

Name of Members	Total Meetings held during the tenure of the Member	Meetings attended
Shri B.K. Goswami	1	1
Shri S.C Bhargava	1	1
Dr. B. Samal	1	1
Shri Vinay Kumar	1	1

Notes:

- Remuneration was paid to Whole-time Directors (WTDs) in the form of Salary and Perquisites.
- The remuneration of all Executive Directors/ WTDs consists only of fixed component. There is no variable component in their salary.

The Chairman or in his absence any member of the Committee authorized by him shall attend all general meetings of the Company to answer shareholders' queries.

Details of Remuneration paid to all the Directors for the year:

a) Executive Directors / Whole-time Directors

Details of remuneration paid for the year ended March 31, 2014 to Whole-time Directors are as follows:

(Amount in ₹)

S. No.	Name	Designation	Tenure upto	Salary	Benefits	Total
1.	Shri Manoj Gaur	Executive Chairman & CEO	31.03.2016	33,000,000	27,945,194	60,945,194
2.	Shri Sunil Kumar Sharma*	Executive Vice-Chairman	17.03.2019	21,600,000	18,704,350	40,304,350
3.	Shri Sunny Gaur*	Managing Director-Cement	30.12.2014	11,880,000	9,554,739	21,434,739
4.	Shri Pankaj Gaur*	Jt. Managing Director-Construction	30.06.2014	10,395,000	9,547,703	19,942,703
5.	Shri Ranvijay Singh	Whole-time Director	13.12.2017	8,910,000	8,289,175	17,199,175
6.	Shri S. D. Nailwal	Whole-time Director	30.06.2014	6,480,000	5,770,798	12,250,798
7.	Shri Rahul Kumar	Whole-time Director & CFO	31.10.2015	8,100,000	6,745,382	14,845,382
Total						186,922,341

*Shri Sunil Kumar Sharma, Shri Sunny Gaur & Shri Pankaj Gaur were re-appointed as Whole-time Directors for a further period of five years w.e.f. 18.03.2014, 31.12.2014, and 01.07.2014 respectively, subject to the approval of the shareholders.

b) Non-executive Directors

During the year under report, the Company has not paid any remuneration to Non-executive Directors except sitting fee @ ₹ 20,000/- per meeting for attending the meetings of the Board and its Committees held during the Financial Year.

The criteria for payment of sitting fees to Non-executive Directors is based on the provisions of the Companies Act, 1956.

Details of sitting fees paid to Non-executive Directors during the financial year 2013-14 are as under:

S. No.	Name of the Directors	Designation	Total sitting fee paid (₹)
1.	Shri Sarat Kumar Jain	Vice Chairman	2,00,000
2.	Shri Viney Kumar (Note iii)	Nominee Director (IDBI Bank Ltd.)	1,20,000
3.	Shri A.K. Sahoo (Note ii & iii)	Nominee Director (LIC)	40,000
4.	Dr. B. Samal	Director	80,000
5.	Shri R.N. Bhardwaj	Director	1,40,000
6.	Shri B.K. Taparua	Director	40,000
7.	Shri B.K. Goswami	Director	4,40,000
8.	Shri S.C. Gupta	Director	60,000
9.	Shri S.C. Bhargava	Director	1,20,000
10.	Shri V.K. Chopra	Director	1,60,000
11.	Ms. H.A. Daruwalla	Director	1,00,000
12.	Shri S.C. Rathi (Note i & iii)	Nominee Director (LIC)	40,000
13.	Shri K.N. Bhandari	Director	20,000
Total			15,60,000

Notes:

- Shri S.C. Rathi was appointed as nominee of LIC w.e.f. 10.02.2014.
- Shri A.K. Sahoo, resigned from the Board w.e.f. 23.05.2013 on his withdrawal as nominee by LIC.
- The sitting fee for Shri Viney Kumar, IDBI Nominee and Shri A.K. Sahoo & Shri S.C. Rathi LIC Nominee was paid directly to IDBI Bank Ltd. and LIC respectively.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE (EARLIER NAMED AS INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE)

The Investors' Grievance and Share Transfer Committee which was in existence as on the date of the commencement of the Companies Act, 2013, i.e. April 1, 2014 was renamed as Stakeholders Relationship Committee and also reconstituted by the Board in its meeting held on May 27, 2014. Further, in the said meeting, its functions were enlarged to comply with the provisions of Section 178 of the Companies Act, 2013.

Composition of the Committee

- Shri Sarat Kumar Jain, Non Executive Director (Chairman of the Committee)
- Shri Sunil Kumar Sharma, Executive Director
- Shri Rahul Kumar, Executive Director

The terms of reference of the Stakeholders' Relationship Committee, inter alia, includes the following:

- To approve transfer/ transmission of shares
- To supervise investor relations and redress investor grievances of security holders of the Company in general and particularly relating to non-receipt of dividends, interest and Annual Reports.
- To do such other matters as may, from time to time be required under any statutory, contractual or other regulatory requirement.

Meeting Details

During the financial year 2013-14, 15 meetings of the Committee were held on April 1, 2013, May 2, 2013, June 3, 2013, July 1, 2013, July 23, 2013, August 16, 2013, September 2, 2013, September 16, 2013, October 1, 2013, October 16, 2013, November 14, 2013, December 4, 2013, January 2, 2014, February 1, 2014 and March 18, 2014.

Status of Complaints

During the financial year 2013-14, the status of the complaints received and resolved by the Company from the shareholders were as under:

Complaints Pending as on 01.04.2013	Nil
Complaints Received during the year	543
Complaints Resolved during the year	543
Complaints Pending as on 31.03.2014	Nil

The Chairperson (or any member authorised by him) shall attend all general meetings of the Company to answer shareholders queries, if any.

7. RISK MANAGEMENT COMMITTEE

The Company manages risks as an integral part of its decision making process. The Audit Committee and the Board of Directors are regularly apprised regarding key risk assessment and risk mitigation mechanisms. Pursuant to the SEBI Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and the provisions of the Companies Act, 2013 the Risk Management Committee was constituted by the Board on May 27, 2014.

Composition of the Committee

The members of the Risk Management Committee are:

1. Shri Manoj Gaur, Executive Director (Chairman of the Committee)
2. Shri V. K. Chopra, Independent Director
3. Shri Pankaj Gaur, Executive Director
4. Shri Rahul Kumar, Executive Director

The terms of reference of the Risk Management Committee, inter- alia, includes the following:

- To carry out risk assessment from time to time especially with regard to foreign exchange variation, threat to fixed assets of the company, threat to current assets of the company, threat to investments of the company; any risks pertaining to Directors or employees of the company, any risks pertaining to goodwill & image of the company.
- To suggest risk minimization procedures from time to time and implement the same.
- To frame & update risk management plan & policy from time to time.
- To implement and monitor risk management plan & policy from time to time.
- To keep the Board apprised of major developments in this regard.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As per Section 135 of the Companies Act, 2013, which became effective from April 1, 2014, certain Companies are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board to, inter-alia, formulate and recommend to the Board a CSR Policy which shall inter-alia indicate the activities to be undertaken by the company as specified in Schedule VII of the Act, amount of expenditure to be incurred on the CSR activities and also to monitor the Policy from time to time. The aggregate spend on CSR activities, in every financial year, by the company shall be atleast 2% of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. For the implementation of the same, a Committee as per the provisions of the Act was constituted by the Board in its meeting held on May 27, 2014.

Composition of the Committee

The members of the CSR Committee are:

1. Shri B.K. Goswami, Independent Director (Chairman of the Committee)
2. Shri Pankaj Gaur, Executive Director
3. Shri Sunny Gaur, Executive Director
4. Shri Rahul Kumar, Executive Director

The terms of reference of the CSR Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 (as amended).
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a). and
- To monitor the CSR Policy time to time.

9. SUBSIDIARY COMPANIES

The Company has no material non-listed Indian subsidiary companies [i.e. where turnover or net worth (paid up share capital and free reserve) exceeds 20% of the consolidated turnover or net worth of JAL for the previous year i.e. year ended March 31, 2013] in terms of Explanation 1 to sub clause III of Clause 49 of the Listing agreement.

The minutes of the Board Meetings of the subsidiary companies and statement of significant transactions and arrangements entered into by the subsidiaries are also placed at the Board Meetings of the Company.

10. CEO/CFO CERTIFICATION

In terms of the requirements of clause 49(v) of the Listing Agreement, the Executive Chairman & CEO and the CFO have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause. This certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on May 27, 2014.

11. GENERAL BODY MEETINGS

Location and time for last three Annual General Meetings were as under:

Year	Venue	Date	Time
2011	Jaypee Institute of Information Technology University, A-10, Sector – 62, NOIDA-201 307, U.P	27.09.2011	11.30 A.M.
2012	- do -	27.09.2012	10.30 A.M.
2013	- do -	29.07.2013	11.00 A.M

DETAILS OF SPECIAL RESOLUTION(S) PASSED IN PREVIOUS THREE ANNUAL GENERAL MEETINGS

No Special Resolution was passed in the previous three Annual General Meetings of the Company held in 2011, 2012 & 2013.

DETAILS OF RESOLUTIONS PASSED THROUGH POSTAL BALLOT, THE PERSONS WHO CONDUCTED THE POSTAL BALLOT EXERCISE AND DETAILS OF THE VOTING PATTERN

During the financial year ended March 31, 2014, the Company sought approval from its Shareholders on three occasions for passing Special/ Ordinary resolutions through the process of Postal Ballot in accordance with the provisions of Section 192A of the Act read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011.

The Board of Directors of the Company, at its meeting had appointed Scrutinizers and Alternate Scrutinizers for conducting Postal Ballot in fair and transparent manner.

During the year under report, the Company for the Postal Ballot Notice dated May 04, 2013, July 29, 2013 and December 29, 2013 extended e-voting facility to all the members in compliance of Clause 35B of the Listing Agreement, to cast their vote electronically instead of dispatching physical Postal Ballot. The e-voting facility was first started by the Company with the Postal Ballot Notice dated November 15, 2010 in association with Central Depository Services (India) Limited (CDSL)

The physical Postal Ballot forms received were kept in boxes sealed by the Scrutinizers. In case of e-voting, the Scrutinizer kept a periodic watch on the e-voting results by logging on to the website of CDSL i.e. www.evotingindia.com and the aggregate data of e-voting was compiled after the close of voting based on data received from CDSL.

The declared result of the Postal Ballot was announced through newspaper and was also displayed on the website of the Company, www.jalindia.com. Details of the same are given below:

(a) Resolutions passed on July 05, 2013 (Notice dated May 04, 2013)

S. No.	Particulars	Details / Dates
1.	Date of Board Meeting	May 04, 2013
2.	Scrutinizer appointed by the Board of Directors at its meeting	Ms. Sunita Mathur F.C.S. Practicing Company Secretary
3.	Alternate Scrutinizer appointed by the Board of Directors at its meeting	Ms. Deepti Srivastava A.C.S. Practicing Company Secretary
4.	Date of Notice seeking Shareholders' approval	May 04, 2013
5.	Date of completion of Dispatch of Notice	June 03, 2013
6.	Last Date of receipt of duly filled Postal Ballot Form	July 03, 2013
7.	Date of submission of Scrutinizer's report to the Chairman	July 04, 2013
8.	Date of declaration of Result	July 05, 2013
9.	e-voting facility extended to	All the members
10.	Name of website	www.evotingindia.com
11.	Total no. of votes exercised including e-vote	3,045
12.	Total e-vote exercised	345

Particulars of Resolutions Passed:

Special

1. Providing security to lenders of Jaiprakash Power Ventures Limited(JPVL), a subsidiary of the Company.
2. Providing Security/Guarantee to lenders of Jaypee Infratech Limited (JIL), a subsidiary of the Company.

Voting Pattern

Particulars	Total Votes	Total Valid Votes Cast	Total Valid votes cast in favour of the Resolution	Total Valid votes cast against the resolution
Resolution 1	2,219,083,559	1,201,336,583	1,046,747,551 (87.13%)	154,589,032 (12.87%)
Resolution 2	2,219,083,559	1,201,265,258	1,200,281,122 (99.92%)	984,136 (0.08%)

(b) Resolutions passed on October 04, 2013 (Notice dated July 29, 2013)

S. No.	Particulars	Details / Dates
1.	Date of Board Meeting	July 29, 2013
2.	Scrutinizer appointed by the Board of Directors at its meeting	Shri D.P Gupta F.C.S Practicing Company Secretary
3.	Alternate Scrutinizer appointed by the Board of Directors at its meeting	Shri M.L Arora M.A (Eco.), F.C.S., LL.B. Practicing Company Secretary
4.	Date of Notice seeking Shareholders' approval	July 29,2013
5.	Date of completion of Dispatch of Notice	September 03, 2013
6.	Last Date of receipt of duly filled Postal Ballot Form	October 03, 2013
7.	Date of submission of Scrutinizer's report to the Chairman	October 04, 2013
8.	Date of declaration of Result	October 04, 2013
9.	e-voting facility extended to	All the members
10.	Name of website	www.evotingindia.com
11.	Total no. of votes exercised including e-vote	2,760
12.	Total e-vote exercised	295

Particulars of Resolutions Passed:

Special

1. Providing Security to lenders of Jaiprakash Power Ventures Limited (JPVL), a subsidiary of the Company.
2. Providing security/Guarantee/undertakings to lender of MP Jaypee Coal Limited (MPJCL), a joint venture of the Company.
3. Making additional investment of upto ₹ 40 crores in Bhilai Jaypee Cement Limited and Bokaro Jaypee Cement Limited, a joint venture subsidiaries of the company.
4. Providing undertakings to lenders of Kanpur Fertilizers & Cement Limited, a joint venture company.

Voting Pattern

Particulars	Total Votes	Total Valid Votes Cast	Total Valid votes cast in favour of the Resolution	Total Valid votes cast against the resolution
Resolution 1	2,219,083,559	1,408,755,800	1,399,967,027 (99.38%)	8,788,773 (0.62%)
Resolution 2	2,219,083,559	1,408,597,691	1,252,562,321 (88.92%)	156,035,370 (11.08%)
Resolution 3	2,219,083,559	1,408,744,219	1,399,974,354 (99.38%)	8,769,865 (0.62%)
Resolution 4	2,219,083,559	1,408,546,449	1,202,082,903 (85.34%)	206,463,546 (14.66%)

(c) Resolutions passed on March 26, 2014 (Notice dated December 29, 2013)

S. No.	Particulars	Details / Dates
1.	Date of Board Meeting	November 14, 2013
2.	Scrutinizer appointed by the Board of Directors at its meeting	Ms. Sunita Mathur F.C.S. Practicing Company Secretary
3.	Alternate Scrutinizer appointed by the Board of Directors at its meeting	Shri Shiv Kumar Gupta M.Com, LL.B, F.C.S. Practicing Company Secretary
4.	Date of Notice seeking Shareholders' approval	December 29, 2013
5.	Date of completion of Dispatch of Notice	February 24, 2014
6.	Last Date of receipt of duly filled Postal Ballot Form	March 24, 2014
7.	Date of submission of Scrutinizer's report to the Chairman	March 25, 2014
8.	Date of declaration of Result	March 26, 2014
9.	e-voting facility extended to	All the members
10.	Name of website	www.evotingindia.com
11.	Total no. of votes exercised including e-vote	3,202
12.	Total e-vote exercised	241

Particulars of Resolutions Passed:

Special

- Providing Security/Guarantee to Indusind Bank Limited, a lender of Jaypee Sports International Limited (JPSI), a subsidiary of the Company.
- Raising of funds through Qualified Institutions Placement (QIP)/ External Commercial Borrowings (ECBs) with rights of conversion into shares/ Foreign currency Convertible Bonds (FCCBs)/ American Depository Receipts (ADRs)/ Global Depository Receipts (GDRs)/ Follow-on-public Offer (FPO) / Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPS/CCPS) etc. pursuant to section 81(1A) of the Companies Act, 1956.

Voting Pattern

Particulars	Total Votes	Total Valid Votes Cast	Total Valid votes cast in favour of the Resolution	Total Valid votes cast against the resolution
Resolution 1	2,219,083,559	1,372,225,480	1,319,641,429 (96.17%)	52,584,051 (3.83%)
Resolution 2	2,219,083,559	1,372,221,405	1,281,020,500 (93.35%)	91,200,905 (6.65%)

12. DISCLOSURES

- There were no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are duly disclosed in the Notes to the Accounts.
- There was no case of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
- No treatment different from the Accounting Standards, prescribed by the Institute of Chartered Accountant of India, has been followed in the preparation of Financial Statements.
- The Company has adopted a Whistle Blower Policy to allow access of any personnel to approach the Management or the Audit Committee on any issue.
- The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement.

13. RECONCILIATION OF SHARE CAPITAL AUDIT

A Practicing Company Secretary carried out quarterly Reconciliation of Share Capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirmed that the total issued/paid-up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

In terms of the requirements of Clause 5A of the Listing Agreement, the Company transferred 58,49,025 Equity Shares pertaining to 6,974 shareholders, which were issued pursuant to the public and other issues, but were lying unclaimed, in the newly opened demat suspense account. Before transferring the shares in said demat account, three reminders were sent to the shareholders at their last known addresses.

Information regarding transfer of shares from Demat suspense account during the year is given below:

Financial Year	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year*	Number of shareholders who approached for transfer of shares from the unclaimed suspense account during the year	Number of shareholders to whom shares were transferred from the unclaimed suspense account during the year	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of year
2012-13	6,974 shareholders and 5,849,025 shares	24 (26,554 shares)	24 (26,564 shares)	6,950 shareholders and 58,22,471 shares
2013-14	6,950 shareholders and 58,22,471 shares	30 (68,764 shares)	30 (68,764 shares)	6,920 shareholders and 57,53,707 shares

*unclaimed shares being 58,49,025 shares were credited to Demat suspense account on 18.07.2012

The voting rights on shares lying in the unclaimed suspense account shall remain frozen till the rightful owner claims the shares.

14. MEANS OF COMMUNICATION

The quarterly results of the company were published in leading Newspapers which include Hindustan, Economic Times, Financial Express, Amar Ujala, Janasatta and Dainik Jagran. The same were sent to Stock Exchanges and were also displayed on the website of the Company, www.jalindia.com.

Further, the results were also uploaded on Corporate Filing and Dissemination System (CFDS) website www.corpfiling.co.in through the Stock Exchanges. The company also files its results on NEAPS (NSE) and BSE Listing Centre (BSE).

The Company also displays the Presentations made by the Company to Institutional Investors or to Analysts and the Official News Releases on its website.

15. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report is attached to the Annual Report.

16. COMPLIANCE OFFICER

The Board had designated Shri Harish K. Vaid, Sr. President (Corporate Affairs) & Company Secretary as the Compliance Officer.

Address : Sector – 128, Noida – 201304, U.P.

e-mail : harish.vaid@jalindia.co.in

Phone : 91-120-4609000

Fax : 91-120-4609363

17. GENERAL SHAREHOLDER INFORMATION

17th Annual General Meeting

The meeting shall be held as under: -

Day : Saturday

Date : September 27, 2014

Time : 10.30 A.M

Venue : Jaypee Public School

Noida – 201 304 (U.P.)

Designated Exclusive e-mail for investor services:

For Shareholder related queries : jal.investor@jalindia.co.in

For Fixed Deposits related queries : jalinvestor@jalindia.co.in

18. FINANCIAL CALENDAR

Details of announcement of Quarterly Financial Results during the year 2013-2014 are as under:

Results	Announced on
For 1 st Quarter ended 30-06-2013	29.07.2013 (unaudited)
For 2 nd Quarter ended 30-09-2013	14.11.2013 (unaudited)
For 3 rd Quarter ended 31-12-2013	10.02.2014 (unaudited)
For 4 th Quarter & Annual Results for year ended 31-03-2014.	27.05.2014 (Audited)

19. DIVIDEND PAYMENT DATE

For the year 2013-14, no Interim or Final Dividend was declared/ proposed.

20. LISTING ON STOCK EXCHANGES AND STOCK CODES

The Equity shares of the Company are currently listed on the National Stock Exchange of India Limited (NSE) (Code: JPASSOCIAT) and BSE Limited (BSE) (Code: 532532). The Company had paid annual listing fees due to NSE and BSE for the year 2013-2014 and also for the year 2014-15.

The FCCBs issued by the Company during the financial year 2012-13 (i.e. FCCB-IV) are listed on Singapore Stock Exchange.

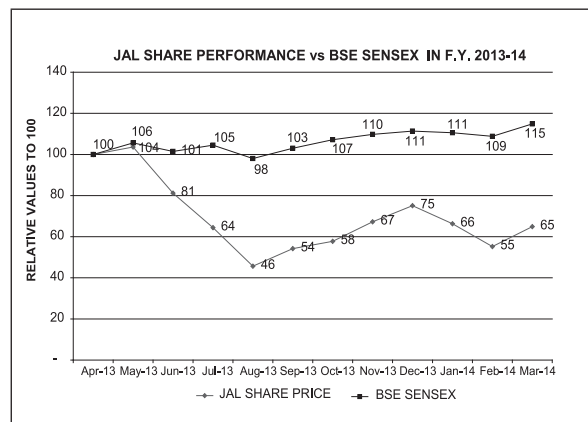
Further, most of the Secured Redeemable Non Convertible Debentures issued by the Company, from time to time, on private placement basis, are listed on BSE Limited.

21. MARKET PRICE DATA AND ITS PERFORMANCE IN COMPARISON TO INDEX

The high and low of the Share Price of the Company during each month in the last financial year at NSE and BSE were as under:

Month	Share Price at BSE		Share Price at NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 13	80.60	63.05	80.65	63.05
May, 13	83.60	65.25	83.65	65.25
June, 13	68.10	48.50	68.10	48.45
July, 13	57.25	35.30	57.30	35.25
August, 13	37.20	28.40	37.00	28.35
September, 13	44.80	33.10	44.45	33.05
October, 13	48.35	34.65	48.35	34.55
November, 13	54.10	42.50	54.20	42.40
December, 13	57.85	50.00	58.00	49.90
January, 14	56.45	38.80	56.45	38.65
February, 14	42.70	36.60	42.70	36.50
March, 14	54.30	38.95	54.40	38.95

Performance of Share Price of the Company in comparison to BSE Sensex is as under:



Note: Average of high & low of BSE Sensex and average of High and Low of the Share Price of the Company's Share during each month in the last financial year at BSE has been considered.

22. REGISTRAR AND TRANSFER AGENT

The details of Registrar & Transfer Agent appointed by the Company are as under:

M/s Alankit Assignments Limited

2E/21, Jhandewalan Extn,

New Delhi 110 055.

Tel: 011-42541234/23541234

Fax: 011-42541883

E-mail: info@alankit.com

23. SHARE TRANSFER SYSTEM

The Company's shares which are in compulsory dematerialised (demat) list are transferable through the depository system. Shares received in physical mode are processed by the Registrars and Transfer Agent, Alankit Assignments Limited and approved by the Stakeholders Relationship Committee (earlier named as Investors' Grievance & Share Transfer Committee) of the Company.

The shares received for transfer are transferred expeditiously, provided the documents are complete and the relative shares are not under any dispute. The Share Certificates duly endorsed in favour of the Transferees are returned promptly to shareholders. Confirmations in respect of the requests for dematerialization of shares are expeditiously sent to the respective depositories i.e. NSDL and CDSL.

24. DISTRIBUTION OF SHAREHOLDING

The Distribution of Shareholding and Shareholding Pattern as on March 31, 2014, were as follows:

SHAREHOLDING BY SIZE

No. of Shares held	Shareholders		Shares	
	Number	As a percentage of Total	Number	As a percentage of Total
Upto 2500	578,755	97.00	163,897,519	7.39
2501 - 5,000	10,481	1.76	37,025,434	1.67

No. of Shares held	Shareholders		Shares	
	Number	As a percentage of Total	Number	As a percentage of Total
5,001 - 10,000	4,226	0.71	30,048,963	1.36
10,000 - 15,000	1,042	0.17	12,897,130	0.58
15,000 - 20,000	498	0.08	8,762,019	0.39
20,001 - 25,000	286	0.05	6,456,178	0.29
25,001 - 50,000	566	0.09	20,015,316	0.90
50,001 and above	827	0.14	1,939,981,000	87.42
TOTAL	596681	100.00	2,219,083,559	100.00

SHAREHOLDING BY CATEGORY

Category of Shareholder	Percentage of holding
Promoters*	45.08 %
Mutual Funds/UTI/FIs/Banks/ Insurance Companies	8.55 %
Private Bodies Corporate	2.80 %
FII/NRIs/OCBs/Foreign Body Corporates	29.54 %
Individuals Public	12.37 %
Trusts/Clearing Members & in transit	1.66 %
Total	100.00%

*Including 8.53% shares held by Trusts for which Company is the sole Beneficiary.

25. DEMATERIALISATION OF SHARES AND LIQUIDITY

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both NSDL and CDSL. As on March 31, 2014, 98.41% of the Share Capital of the Company had been dematerialized. The Company is compliant of SEBI's requirements relating to the shareholding of the Promoters being in demat form. The shares of the Company form part of S&P BSE 100, S&P BSE 500 and also part of CNX Infra, CNX 200, CNX 500, NSE Future & Options. The shares of the Company are actively traded on both BSE and NSE.

26. UNCLAIMED DIVIDENDS

Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. After such transfer no claim of the members whatsoever shall subsist on the said amount. Therefore, Members are requested to encash their Dividend warrants on priority within the validity period.

Further, the particulars of unpaid/ unclaimed dividend etc. till financial year -2011-12 are available on Company's website www.jalindia.com in compliance of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012.

Dividend history & transfer of Unclaimed Dividend to Investor Education & Protection Fund (IEPF):

(1) Jaiprakash Associates Limited

S. No.	Financial Year	Interim/Final	Date of Declaration	Rate of Dividend	Dividend Amount Excluding Tax (₹Cr.)	Dividend Distribution Tax (₹ Cr.)	Due Date of Transfer to IEPF unclaimed dividend
1.	2001-02	Interim	30.01.2002	7%	11.07	N.A.	02.03.2009 (transferred)
	--do--	Final	27.09.2002	5%	7.30	0.63	28.10.2009 (transferred)
2.	2002-03	Final	06.10.2003	15%	26.43	3.38	06.11.2010 (transferred)
3.	2003-04	Final	29.09.2004	15%	26.43	3.45	30.10.2011 (transferred)
4.	2004-05	Interim	30.04.2005	18%	31.71	4.44	31.05.2012 (transferred)
	--do--	Final	27.09.2005	6%	10.71	1.50	28.10.2012 (transferred)
5.	2005-06	Interim	03.03.2006	18%	34.06	4.77	03.04.2013 (transferred)
	--do--	Final	27.10.2006	9%	23.97	3.36	27.11.2013 (transferred)
6.	2006-07	Interim	11.01.2007	20%	43.73	6.13	11.02.2014 (transferred)
	--do--	Final	30.08.2007	16%	35.13	5.97	30.09.2014
7.	2007-08	1 st Interim	14.07.2007	15%	32.88	5.58	14.08.2014
	--do--	2 nd Interim	12.01.2008	15%	34.85	5.92	12.02.2015
	--do--	Final	27.08.2008	20%	46.95	Nil	27.09.2015
8.	2008-09	1 st Interim	21.10.2008	15%	35.51	Nil	21.11.2015
	--do--	2 nd Interim	27.04.2009	15%	35.51	6.03	28.05.2016
	--do--	Final	29.09.2009	20%	56.08	5.56	30.10.2016
9.	2009-10	Interim	21.10.2009	27%	75.71	12.87	21.11.2016
	--do--	Final	21.09.2010	27%	114.82	19.07	22.10.2017
10.	2010-11	Interim	28.01.2011	20%	85.06	Nil	28.02.2018
11.	--do--	Final	27.09.2011	20%	85.06	4.43	28.10.2018
12.	2011-12	Final	27.09.2012	25%	106.32	-7.88	28.10.2019
13.	2012-13	Final	29.07.2013	25%	110.95	18.00	30.08.2020

Note: No dividend is proposed for the financial year 2013-14

During the Financial Year 2013-14, the Company has transferred following unclaimed Interim and final dividend amount as well as amount pertaining to fixed deposits to the Investor Education and Protection Fund of the Central Government in compliance of Section 205C of the Companies Act, 1956.

S. No.	Pertaining to Financial Year	Amount transferred on Account of	Amount (in ₹)
1.	2005-06	Interim Dividend	49,27,488.48
2.	2005-06	Final Dividend	24,28,043.00
3.	2006-07	Interim Dividend	49,68,490.00
4.	2005-06	Fixed Deposit	32,724.67
5.	2006-07	Fixed Deposit	2,53,346.33

(2) Erstwhile Jaypee Hotels Ltd (since merged with JAL)

Dividend history & transfer of Unclaimed Dividend to Investor Education & Protection Fund (IEPF) of erstwhile Jaypee Hotels Ltd.(JHL) which got merged with Jaiprakash Associates Ltd.(JAL) consequent upon the sanction of the Scheme of Amalgamation of JHL alongwith three other group companies (Transferor Companies) with JAL (Transferee Company) by the Hon'ble High Court of Judicature at Allahabad on May 15, 2009, effective from May 27, 2009 is as under:

S. No.	Financial Year	Interim/Final	Date of Declaration	Rate of Dividend	Dividend Amount Excluding Tax (₹Cr.)	Dividend Distribution Tax (₹ Cr.)	Due Date of Transfer to IEPF unclaimed dividend
1.	2004-05	Interim (considered Final)	07.03.2005	10%	5.55	0.72	07.04.2012 (transferred)
2.	2005-06	Final	27.09.2006	18%	9.98	1.40	28.10.2013 (transferred)
3.	2006-07	Final	27.09.2007	18%	9.98	1.69	28.10.2014
4.	2007-08	Final	22.07.2008	18%	9.98	1.69	22.08.2015

During the Financial Year 2013-14, the Company has transferred following unclaimed Interim and final dividend amount to the Investor Education and Protection Fund of the Central Government in compliance of Section 205C of the Companies Act, 1956.

S. No.	Pertaining to Financial Year	Amount transferred on Account of	Amount (in ₹)
1.	2005-06	Final Dividend	12,97,186.00

27. OUTSTANDING GDRS/ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY, FCCB(S) AND CONVERSION THEREOF

The Company has so far issued four series of Foreign Currency Convertible Bonds – one each during the Financial Years 2004-05, 2005-06, 2007-08 and 2012-13. The first, second and third series of FCCB's were fully redeemed on February 17, 2010, March 9, 2013 and September 12, 2012 respectively.

The details of four series of FCCBs issued by the Company, as on March 31, 2014, are as under:

S. No.	PARTICULARS	FCCB-I (extinguished on 17.2.2010)	FCCB-II (extinguished on 09.03.2013)	FCCB-III (extinguished on 12.09.2012)	FCCB-IV
1.	Aggregate Value (Issue size)	USD 100 Million	Euro 165 Million	USD 400 Million	USD 150 Million
2.	Date of Issue	16.02.2005	09.03.2006	11.09.2007	07.09.2012
3.	Due on (Maturity Date)	17.02.2010 (fully redeemed)	09.03.2013 (fully redeemed)	12.09.2012 (fully redeemed)	08.09.2017
4.	Applicable Interest Rate (p.a.)	0.50%	0.50%	Nil	5.75%
5.	Interest payable every year on	16 th Nov. and due date	16 th Nov. and due date	N. A.	7 th March and 7 th Sept.

S. No.	PARTICULARS	FCCB-I (extinguished on 17.2.2010)	FCCB-II (extinguished on 09.03.2013)	FCCB-III (extinguished on 12.09.2012)	FCCB-IV
6.	Pre-agreed Conversion price per share : (i) Latest Conversion Price per share of ₹2 each	₹31.5080	₹74.5031	₹165.1707	₹ 77.50
	(ii) Old Conversion Price before Bonus issue (till 18.12.09 - per share of ₹2 each)	₹47.2620	₹111.7546	₹247.7560	--
	(iii) Old Conversion Price before split (till Record Date i.e. 26.12.07 - per share of ₹10 each)	₹236.3100	₹558.7730	₹1,238.7800	--
7.	Pre-agreed Conversion Exchange Rate (fixed)	₹ 43.785 per USD	₹53.599 per Euro	₹ 40.350 per USD	₹ 55.670 per USD
8.	Redemption at maturity	131.959%	132.071%	147.701%	100.00%
9.	FCCBs Converted (till maturity date for FCCB – I, II and III)(till 31.03.2014 for FCCB-IV)	USD 99.950 Million	Euro 163.294 Million	USD 4.500 Million	USD 39.600 Million
	Percentage Converted	99.950%	98.966%	1.125%	26.400%
10.	Bought Back	--	--	USD 41.025 Million	--
	Percentage Bought Back	--	--	10.256%	--
11.	Redeemed	USD 0.050 Million	Euro 1.706 Million	USD 354.475 Million	--
	Percentage Redeemed	0.05%	1.034%	88.619%	--
12.	FCCBs Outstanding as on 31.03.2014	Nil	Nil	Nil	USD 110.400 Million
	Percentage Outstanding	Nil	Nil	Nil	73.600%
13.	No. of Shares (of ₹2 each) issued upon conversion till 31.03.2014	93,523,098	78,922,176	732,876	28,445,567
14.	No. of Shares (of ₹2 each) to be issued upon conversion of outstanding FCCBs, if opted by holders thereof	Nil	Nil	Nil	79,302,812

Notes:

- FCCB-I and FCCB-III were redeemed on due date.
- FCCB-II amounting to Euro 1.706 million were redeemed as follows: Euro 0.255 millions were redeemed at a premium of 32.071% on due date and balance Euro 1.451 million redeemed through put option on April 9, 2011.

28. PROJECT / PLANT LOCATIONS

The Company (either directly or through its subsidiary/ JVs) is engaged in the business of Heavy Civil Engineering Construction, Expressways, Cement Manufacturing, Generation of Power, Real Estate and Hospitality. The Business of construction of Hydro-Power Projects is operated from various sites of the Clients.

(A) Construction & Expressway

The operations of the Company are presently being carried out at the following main sites of its clients:

SECTOR	PROJECT NAME	STATE
Hydro Power	Sardar Sarovar (Narmada) Project	Gujarat
Hydro Power	Baglihar-II HEP	Jammu & Kashmir
Construction	Turnkey construction of Srisailem Left Bank Canal Tunnel Scheme including Head Regulator etc. of Alimineti Madhava Reddy Project	Andhra Pradesh
Construction	Widening and Facelifting of Vrindavan Parikarma Marg and construction of Kesi Ghat Bridge on Vrindavan Parikarma Marg	Uttar Pradesh
Construction	Polavaram Project right main canal Package-4	Andhra Pradesh
Construction	Veligonda Feeder & Teegaleru Canal Project -2	Andhra Pradesh
Construction	Rajiv Sagar Left Irrigation Project (Dummuguden)	Andhra Pradesh
Construction	GNSS Main Canal Project	Andhra Pradesh
Construction	Diversion Tunnel, Dam, Intake and Desilting arrangement including hydro mechanical works & Highway Tunnel of Punatsanchhu-II HEP	Bhutan
Construction	Head race Tunnel, Surge Shaft, Butterfly Valve Chamber, Pressure Shafts, Power House and Tail Race Tunnel including Hydro Mechanical works of Punatsanchhu-II HEP	Bhutan
Construction	Diversion Tunnel, Dam, Spillway and Cofferdams, intake structure etc. of Mangdechhu Hydroelectric Project.	Bhutan
Construction	Surge Shaft, Pressure Shafts, underground power house, pothead yard, etc of Mangdechhu Hydroelectric Project	Bhutan

(B) Cement

The Cement Plants and Cement Grinding Plants of the Company are located at various locations viz. Rewa, Bela, Sidhi, Tanda, Sadwa Khurd, Dala, Chunar and Sikanderabad in Uttar Pradesh; Roorkee in Uttarakhand; Panipat in Haryana; Baga and Bagheri in Himachal Pradesh.

(C) Hospitality

The Company's five 5 Star Hotels are located in Vasant Vihar & Rajendra Place, New Delhi, Agra, Uttar

Pradesh, Mussoorie, Uttarakhand and Jaypee Greens Golf & Spa Resort, Greater Noida, besides a 18 holes Greg Norman Golf Course located at Greater Noida, Uttar Pradesh.

(D) Real Estate

The real estate projects being developed by the Company are located in Noida and Greater Noida, Uttar Pradesh.

(E) Power

The Company is running/ developing power plants through its subsidiaries as under:

(A) HYDRO POWER:				As on 31.03.2014
S. No.	Power Stn./Plants/ Projects	Capacity (in MW)	Location	
(A.1) Existing Power Stations				1791
(a)	Karcham Wangtoo Power Stn of JPVL	1091	Himachal Pradesh	
(b)	Baspa-II of JPVL	300	Himachal Pradesh	
(c)	Vishnuprayag of JPVL	400	Uttarakhand	
(A.2) Projects in pipeline				3,920
(a)	Lower Siang of JAPL	2700	Arunachal Pradesh	
(b)	Hirong of JAPL	500	Arunachal Pradesh	
(c)	Kynshi-II of JPVL	450	Meghalaya	
(d)	Umngot of JPVL	270	Meghalaya	
Total of Hydro power [(A.1) + (A.2)]				5,711
(B) THERMAL POWER:				
(B.1) Existing Power Stations				500
(a)	Bina of JPVL – Phase - I	500	Madhya Pradesh	
(B.2) Projects in pipeline				7,300
(a)	Nigrie, Distt Singrauli of JPVL	1,320	Madhya Pradesh	
(b)	Bina of JPVL	700	Madhya Pradesh	
(c)	Karchhana of Sangam Power Generation Co. Ltd.	1,980	Uttar Pradesh	
(d)	Bara of Prayagraj Power Generation Company Ltd.	3,300	Uttar Pradesh	
Total of Thermal power[(B.1) + (B.2)]				7,800
(C) WIND POWER:				
Existing				49
(a)	Plant of JAL	40.25	Maharashtra	
(b)	Plant of JAL	8.75	Gujarat	
Total Power (Hydro + Thermal + Wind) existing as well as in pipeline				13,560

29. ADDRESS FOR CORRESPONDENCE

Registered & Corporate Office : Sector – 128, Noida – 201304, U. P.
Delhi Office : 'JA House', 63, Basant Lok, Vasant Vihar, New Delhi 110057

Designated Exclusive e-mail for investor services:

For Shareholder related queries : jal.investor@jalindia.co.in

For Fixed Deposits related queries : jalinvestor@jalindia.co.in

30. ELECTRONIC CLEARING SERVICE (ECS)

The Company avails ECS facility for distribution of Dividend in Metropolitan Cities in respect of those Shareholders who have opted for payment of Dividend through ECS.

31. INTERNAL AUDITOR

As per Section 138 of the Companies Act, 2013, certain companies are mandatorily required to appoint Internal Auditor. In order to ensure the compliance, independence and credibility of the internal audit process and based on the recommendations of the Audit Committee, the Board has appointed an external firm of Chartered Accountants as Internal Auditor of the Company and has also developed:

- an Internal Audit Department within the Company, manned by Chartered Accountants.

32. SECRETARIAL AUDITOR

M/s Chandrasekaran Associates, Company Secretaries, were appointed voluntarily to conduct the Secretarial Audit of the Company for the financial year 2013-14 and their report forms part of the Annual Report.

As per Section 204 of the Companies Act, 2013, prescribed companies are required to carry secretarial audit from a practising company secretary and annexe with its Board Report. Accordingly, to comply with the said provisions, M/s Chandrasekaran Associates, Company Secretaries, have been appointed, based on the recommendations of Audit Committee, to conduct the Secretarial Audit for the financial year 2014-15.

33. OTHER REQUIREMENTS

(a) Training of Board Members

As regards training of Board members, the Directors on the Board are seasoned professionals having wide range of expertise in diverse fields. They keep themselves abreast with the latest developments in the field of Management, Technology and Business Environment through various symposiums, seminars, etc. The company also endeavors to provide the training on various subjects including issues of the Company and its subsidiaries, from time to time.

(b) Shareholders' Rights

The Company uploads its Quarterly, Half – Yearly and Annual Results, shareholding information, statutory communication with stock exchanges, press releases and presentations on its web site – www.jalindia.com which is accessible to all. Besides, financial results are posted with Corporate Filing & Dissemination System (corpfilng) at www.corpfilng.co.in through the Stock Exchanges. The Results are also reported to Stock Exchanges and published in National Newspapers in English and Hindi newspapers having wide circulation.

(c) Audit Qualifications

The Company believes and maintains its Accounts in a transparent manner and aims at receiving unqualified report from the Auditors on the financial statements of the Company.

DECLARATION BY THE EXECUTIVE CHAIRMAN & CEO UNDER CLAUSE 49 (1D) OF THE LISTING AGREEMENT

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management, as approved by the Board, for the financial year ended on March 31, 2014.

Place : NOIDA
Date : 27th May, 2014

MANOJ GAUR
Executive Chairman & CEO
Jaiprakash Associates Limited

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Jaiprakash Associates Limited

We have examined the compliance of conditions of Corporate Governance by Jaiprakash Associates Limited for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M.P. SINGH & ASSOCIATES
Chartered Accountants
Firm Registration No. 002183C

Place: Noida
Dated: 27th May, 2014

(CA Ravinder Nagpal)
Partner
M.No. 081594

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Forming part of the Report of Directors for the year ended March 31, 2014

ECONOMIC OVERVIEW

GLOBAL ECONOMY

As per 'RBI Macroeconomic and Monetary Developments 2014-15 (an update)' released by Reserve Bank of India on April 1, 2014, Recovery of Global economy is on track in 2014, though tightening financial conditions and the divergence in inflation pose risks. Since the January 2014 global growth outlook remains broadly unchanged though weaker initial data to some extent cloud optimism. Global economic activity had strengthened in second half of 2013. On the current reckoning, global growth is likely to be in the vicinity of 3.5% in 2014, about ½% higher than in 2013. The expansion in global output is expected to be led by **Advanced Economies (AEs)**, especially the US. However, downside risks to growth trajectory arise from ongoing tapering of **Quantitative Easing (QE)** in the US, continuing deflation concerns and weak balance sheets in the euro area and inflationary pressures in the **Emerging Market and Developing Economies (EMDEs)**. Weakening growth and financial fragilities in China that have arisen from rapid credit in recent years pose a large risk to global trade and growth. RBI further stated that:

1. **Growth also picked up in the EMDEs** during second half of 2013, but the momentum looks weaker than in the Advanced Economies and it faces new risks. Improved EMDE growth emanated largely from external demand on the back of currency depreciation in these countries. Going forward, drag on its sustainability may emerge from tightening monetary and financial conditions that can intensify further in case of a faster than - anticipated withdrawal of monetary accommodation by the AEs. Recent sovereign rating downgrade for Brazil and downward revision in rating outlook for Russia has also added to the growth risks for EMDEs.
2. **Global inflation remains benign** with activity levels staying below potential in the Advanced Economies as well as in some large EMDEs and a softer bias for global commodity prices continuing into 2014. **However, inflation in many EMDEs remains high**, though actions in tightening monetary policy and slack in output are expected to help generate some disinflationary momentum. The divergent trends in inflation between Advanced Economies and EMDEs pose an added risk to global growth.
3. After the unexpected shock from the May 2013 tapering indication by the US Fed, **global financial markets have weathered** the initial dose of actual tapering of the Quantitative Easing (QE) quite well. However, the global interest rate cycle has just begun to turn.
4. Moreover, a large part of the withdrawal of monetary accommodation by Advanced Economies (AEs) remains to play out. Consequently, capital flows to EMDEs could remain volatile, even if they do not retrench. Also, with corporate leverage rising in many EMDEs, capital flow volatility could translate into liquidity shocks impacting asset prices.

INDIAN ECONOMY

The Reserve Bank of India in its said report further stated that:

1. The Indian economy is **set on a disinflationary path**, but more efforts may be needed to secure recovery, while the global environment remains challenging, policy action in India has rebuilt buffers to cushion it against possible spillovers. These buffers effectively bulwarked the Indian economy against the two recent occasions of spillovers to EMDEs, the first, when the US Fed started the withdrawal of its large scale asset purchase programme and the second, which followed escalation of the Ukraine crisis. On both these occasions, Indian markets were less volatile than most of its emerging market peers. With the narrowing of the twin deficits – both current account and fiscal – as well as the replenishment of foreign exchange reserves, adjustment of the rupee exchange rate, and more importantly, setting in motion disinflationary impulses, the risks of near-term macro instability have diminished. However, this in itself constitutes only a necessary, but not a sufficient, condition for ensuring economic recovery. Much more efforts in terms of removing structural impediments, building business confidence and creating fiscal space to support investments will be needed to secure growth.
2. **Annual average CPI inflation has touched double digits** or stayed just below for the last six years. This has had a debilitating effect on macro-financial stability through several channels and has resulted in a rise in inflation expectations and contributed to financial disintermediation, lower financial and overall savings, a wider current account gap and a weaker currency. A weaker currency was an inevitable outcome given the large inflation differential with not just the AEs, but also EMDEs. High inflation also had adverse consequences for growth. With the benefit of hindsight, it appears that the monetary policy tightening cycle started somewhat late in March 2010 and was blunted by a series of supply-side disruptions that raised inflation expectations and resulted in its persistence. Also, the withdrawal of the fiscal stimulus following the global financial crisis was delayed considerably longer than necessary and may have contributed to structural increases in wage inflation through inadequately targeted subsidies and safety net programmes.
3. Since, second half of 2012-13, **demand management through monetary and fiscal policies has been brought in better sync with each other with deficit targets being largely met**. Delayed fiscal adjustment materialised only in second half of 2012-13, by which time the Current Account Deficit (CAD) had widened considerably. The easing course of monetary policy was disrupted by 'tapering' fears in May 2013 that caused capital outflows and exchange rate pressures amid unsustainable CAD, as also renewed inflationary pressures on the back of the rupee depreciation and a vegetable price shock. **The Reserve Bank resorted to exceptional policy measures for further tightening the monetary policy**. As a first line of defence, shortterm interest rates were raised by increasing the Marginal Standing Facility (MSF) rate by 200 bps and curtailing liquidity available under the liquidity adjustment

facility (LAF) since July 2013. As orderly conditions were restored in the currency market by September 2013, the Reserve Bank quickly moved to normalise the exceptional liquidity and monetary measures by lowering the MSF rate by 150 bps in three steps. However, with a view to containing inflation that was once again rising, the policy repo rate was hiked by 75 bps in three steps.

4. Recent tightening, especially the last round of hike in January 2014, was aimed at containing the second round effects of the food price pressures felt during June-November 2013. Since then, inflation expectations have somewhat moderated and the temporary relative price shock from higher vegetable prices has substantially corrected along with a seasonal fall in these prices, without further escalation in ex-food and fuel CPI inflation. While headline CPI inflation receded over the last three months from 11.2 per cent in November 2013 to 8.1 per cent in February 2014, the persistence of ex-food and fuel CPI inflation at around 8 per cent for the last 20 months poses difficult challenges to monetary policy.
5. Against this background there are three important considerations for the monetary policy ahead. First, **the disinflationary process is already underway with the headline inflation trending down** in line with the glide path envisaged by the Urjit Patel Committee, though inflation stays well above comfort levels.
6. Second, **growth concerns remain significant** with GDP growth staying sub-5 per cent for seven successive quarters and Index of Industrial Production (IIP) growth stagnating for two successive years. Third, though a negative output gap has prevailed for long, there is clear evidence that **potential growth has fallen considerably with high inflation and low growth**. This means that monetary policy needs to be conscious of the impact of supply-side constraints on long-run growth, recognizing that the negative output gap may be minimal at this stage.

RBI in the said report has also mentioned the following:

Output and Demand: Growth stays low, structural constraints affect potential output - Growth in the Indian economy had been shifting down from 9.6 per cent in Q4 of 2010-11. It troughed around 4.4 per cent for three quarters from Q3 of 2012-13 to Q1 of 2013-14. Since then there are signs of growth bottoming out with marginal improvement recorded during Q2 and Q3 of 2013-14 to 4.8 and 4.7 per cent respectively. However, this improvement has been feeble and clear signs of recovery are yet to emerge, even as the economy seems to be gearing for a modest recovery during 2014-15.

Agriculture sector witnessed record production: The satisfactory monsoon and the absence of extreme climatic events until lately augur well for agricultural production and rural demand. Adequate replenishment of soil moisture and reservoirs significantly boosted crop production during 2013-14. As per the second advance estimates, the production of rice, wheat, pulses, oilseeds and cotton during 2013-14 have been estimated to be the highest ever. However, preliminary reports suggest that the unseasonal rains accompanied by hailstorm, and frost during early March 2014 in various parts of the country has adversely affected rabi crops like wheat, mustard seeds, onions and jowar. The possible effects of El Nino on the monsoon

also add an additional element of uncertainty for future harvests. In this backdrop, the ability to meet increased food demand in the context of the implementation of the National Food Security Act, in the face of tightening farm labour markets and rising input costs remains a challenge.

Industrial growth stagnating: The Index of Industrial Production (IIP) showed no increase during April-January 2013-14, compared with 1.0 per cent growth in the corresponding period of the previous year. This stagnation in growth over two years reflects subdued investment and consumption demand. This has resulted in contraction in production of capital goods and consumer durables in the current year. Growth of core industries, which provide key inputs to the industrial sector, remained sluggish at 2.4 per cent during April-January 2013-14 compared to a growth of 6.9 percent in the corresponding period a year ago.

Inflation: CPI inflation declined to 8.1 per cent in February 2014 (a 25-month low) from 11.2 per cent in November 2013. Both the build-up of inflation during April to November 2013 and the subsequent fall in inflation during December 2013 to February 2014 was driven by food prices.

As per the report of ICRA Ltd. (the credit rating agency) published in February, 2014 following observations were made on Indian economy:

India's current account deficit has improved considerably, led by a successful clamp down on gold imports, contraction in non-oil non-gold merchandise imports following weak domestic growth as well as a pickup in exports. This, in conjunction with the shoring up of foreign exchange reserves through the USD 34 billion garnered by way of the swap windows for Banks, shielded the Indian Rupee (INR) from the volatility faced by several emerging market currencies after the US Federal Reserve started tapering its Quantitative Easing (QE) programme in January 2014. Moreover, a curtailment of the Government of India's (GoI's) fiscal deficit for 2013-14 (according to the revised estimate or RE) below the budgeted level has eased fiscal concerns, although the quality of expenditure compression is somewhat sub-optimal. **Domestic consumption demand and investment activity remain sluggish,** suggesting that economic growth would remain sub-5% for the second consecutive year in 2013-14. While a reversal of the weather-related spike in vegetable prices has cooled wholesale and retail inflation, the latter remained elevated at 8.8% in January 2014. This is likely to preclude monetary easing in the near term, as the proposed monetary policy framework targets to bring down consumer price inflation to 8% by January 2014 and 6% by January 2015. The report further stated that:

1. The report expects that the pace of growth of real GDP at factor cost is likely to have eased marginally to 4.6% in Q3FY14 from 4.8% in Q2FY14, led by a **slowdown in the performance of industry**. The Index of Industrial Production (IIP) indicates a deterioration in the growth performance of manufacturing and electricity in Q3FY14 as compared to the previous quarter, with the latter reflecting a decline in growth of thermal electricity generation. **Manufacturing growth was dampened by a persisting sluggishness in investment and consumption demand.** Moreover, delays in environmental clearances for industrial and infrastructure projects and issues with respect to sand availability in some States are expected to have resulted in subdued construction growth in Q3FY14.

2. **The investment pipeline has shown signs of improvement**, with clearances awarded to projects under implementation and a pickup in new project announcements. Nevertheless, the long gestation of these projects would limit the uptick in investment activity in H1FY15.
3. Overall, **ICRA expects GDP growth to improve somewhat to 5.0-5.5% in 2014-15**, factoring in a normal monsoon, a mild improvement in manufacturing growth and a pickup in investment activity in H2FY15.

Indian Brand Equity Foundation (an initiative of Ministry of Commerce & Industries), in its report dated November, 2013 has said that India is the most attractive investment destination in the world, according to a survey by global consultancy firm Ernst & Young (EY). The Indian economy is expected to grow at 3.4 per cent in the current fiscal, a slight increase from 3.3 per cent in FY 2012–13, as per projections from the Organisation for Economic Co-operation and Development (OECD). The growth is estimated to be even greater in FY 2014–15 (5.1 per cent) and FY 2015–16 (5.7 per cent). India's exports have also been doing well, touching US\$ 303 billion in FY 2012–13, almost double of what it managed (US\$ 167 billion) four years ago. Experts express confidence that the figure will scale US\$ 325 billion by the end of the current fiscal. The US\$ 1.2 trillion investment planned in the infrastructure sector will go a long way in boosting export performance of Indian companies and the Indian growth story.

The **HSBC Trade Confidence Index**, the largest trade confidence survey in the world, has positioned India at the top with 142 points. The increasing demand due to its population makes the country a good market for consumption goods, according to the report.

India's industrial economy is gathering momentum on the back of improved output of eight core sector industries – coal, crude oil, refining, steel, cement, natural gas, fertilisers and electricity – which, at 8 per cent in September 2013, rose at its fastest pace in a year.

The Cabinet Committee on Investments (CCI) has approved the speedy execution of 36 infrastructure projects entailing investments of Rs 1,830 billion (US\$ 29.28 billion) to boost investor confidence, according to the then Union Minister for Finance, Government of India.

Recent developments in India in April/May 2014 & your Company's perception about future growth:

The recent developments in the Indian Economy due to change in Government at centre, primarily based on the positive sentiments expressed all-around, including by different media channels & social networking sites, are quite encouraging & promising as far as the industry & commerce is concerned. The future seems to be quite bright and industry looks towards a strong growth path ahead. The different indices of stock exchanges are also showing an upward trend.

In the given environment of India being fairly poised towards growth, your Company stands in a strong position to grow rapidly due to its presence basically in the infrastructure sector, which is the backbone of country's overall growth & development. The Company is making every effort to increase its business and profitability while reducing costs to the extent possible.

COMPANY'S BUSINESS

The Company's business is broadly classified in the following sectors:

1. Engineering & Construction
2. Manufacture & Marketing of Cement
3. Energy (Power & Transmission)
4. Expressways
5. Real Estate and
6. Hospitality

INDUSTRY STRUCTURE AND DEVELOPMENTS RELATING TO COMPANY'S LINES OF BUSINESS

1. ENGINEERING & CONSTRUCTION

As reported last year, the Construction Industry was in perpetual mushroom growth mode for the past few years till it went into reverse gear and the slow down as a consequence of economic melt down in November, 2008. While your Company is an acknowledged leader in the field of multipurpose river valley and hydro-power projects and has in-house capability for undertaking challenging assignments anywhere in the world on EPC (Engineering, Procurement and Construction) contract basis, it is facing increasing competition from new entrants in the packaged contract sector for the past few years, which is expected to increase due to possible reduction of opportunities in the immediate future, till the economy recovers and the growth rate of the economy starts clawing back.

As such, there is a slight shift in the strategy through increased involvement in Build, Own, Operate (BOO) and Build, Operate and Transfer (BOT) Projects. The Jaypee Group is also increasing its stake in power generation by going in for more and more of its own projects both in hydro and thermal power sectors.

CHALLENGES AND OUTLOOK

From a macroeconomic perspective, a high level of investment in the infrastructure sector is essential for the overall revival of investment climate which may finally lead to sustainable growth in an economy. Financing of infrastructure project is a crucial factor for the timely completion of the project. In this regard 'The India Infrastructure Finance Company Limited' (IIFCL) has been given a important role for providing long term financing for infrastructure projects that typically involve long gestation periods by providing guarantees for bonds issued by private infrastructure companies rather than expanding its direct lending operations.

However, in the current macroeconomic environment, to achieve this objective, there is need to address sector-specific issues over the medium to long-term horizon in India.

2. CEMENT

'Indian Brand Equity' (an initiative of Ministry of Commerce & Industries) in its February, 2014 report stated that India's potential in infrastructure is vast and **cement plays a vital role in the growth and development of the nation**. India is the second largest producer of cement in the world. The cement industry has been expanding on the back of increasing

infrastructure activities and demand from housing sector over the past many years. India's cement sector had clocked a 5.6 per cent growth in 2012–13 and projects a growth of 5–6 per cent in the next fiscal, which would be supported by an expected increase in demand from the rural sector and tier II and tier III cities, as per India Ratings and Research report. An investment allowance for infrastructure projects of Rs 100 crore (US\$ 16.05 million) and above has also been announced by the Government.

In addition, cement production in India is expected to touch 407 million tones (MT) by 2020.

Cement consumption in India is expected to rise by 8–9 per cent over the next year, taking the estimated cement consumption in 2013–14 to about 280–285 MT, from around 260 MT in the 2012–13 fiscal, as per the Cement Manufacturers Association (CMA). The cement industry may continue to witness a steady market for the better half of the year with fresh capacity of 20 MT going on stream in 2014, taking the industry capacity to 370 MT.

The Indian cement sector is expected to witness positive growth in coming years, with demand set to increase at compound annual growth rate (CAGR) of more than 8 per cent during 2013–14 to 2015–16, according to RNCOS report titled, 'Indian Cement Industry Outlook 2016'.

India has the capacity to become the world's third largest construction market by 2025 and a US\$ 1 trillion market, according to a study by Global Construction Perspectives and Oxford Economics. The focus of the government on strengthening infrastructure, promotion of lowcost affordable housing, etc, is expected to drive cement demand. With the ever-increasing industrial activities, real estate, construction and infrastructure, in addition to the onset of various Special Economic Zones (SEZs) being developed across the country, there is a continuous demand for cement.

Moreover, major cement manufacturers in India are also increasingly using alternate fuels, especially bioenergy, to fire their kilns. The step will not only help to reduce production costs of cement companies, but is also proving effective in reducing emissions.

Future Outlook in Cement

The outlook of cement is bright considering the following factors:

1. **Housing:** The Housing segment accounts for a major portion of the total domestic demand for cement in India, Real estate market is expected to grow at a CAGR of 17.2% over 2011–15 to USD126 billion. Growing urbanisation, an increasing number of households and higher employment are primarily driving the demand for housing Initiatives by the government are expected to provide an impetus to construction activity in rural and semi-urban areas through large infrastructure and housing development projects respectively.
2. **Infrastructure:** The government is strongly focused on infrastructure development to boost economic growth. It plans to increase investment

in infrastructure to USD1 trillion in the 12th Five Year Plan (2012–17), compared with USD514 billion under the 11th Five Year Plan (2007–12). Infrastructure projects such as Dedicated Freight Corridors as well as new and upgraded airports and ports are expected to further drive construction activity.

The government intends to expand the capacity of the railways and the facilities for handling and storage to ease the transportation of cement and reduce transportation costs.

3. **Commercial:** The demand for Commercial Real Estate segments, comprising retail space, office space and hotels, as well as civic facilities including hospitals, multiplexes and schools, has been rising due to the growth in economy. The demand for office space in India is being driven by the increasing number of multinational companies and the growth of the services sector. Strong growth in tourism, including both business and leisure travel, has boosted the construction of hotels in the country.

Your management is of the view that the Indian cement industry had witnessed an incredible growth in the past, led by the growth in the real estate, infrastructure and industrial construction. However, in recent couple of years cement demand growth took a slight breather. The cement industry has registered a drop in margins mainly due to input cost rise and lack of pricing power. The Industry has been facing a chronic problem of insufficient availability of the main fuel coal, driving the manufacturers to resort to use of alternatives at steep cost. As the economic growth is expected to be stable, the cement demand is expected to sustain an average growth in demand. The key drivers of this demand shall be the continued expansion in infrastructure, real estate and industrial sectors.

3. ENERGY

'Indian Brand Equity' (an initiative of Ministry of Commerce & Industries) stated in its report dated October 2013, India has the world's fifth-largest electricity generation capacity and demand is expected to surge in the coming years owing to growth in the economy. The power sector is high on India's priority as it offers tremendous potential for investing companies based on the sheer size of the market and the returns available on investment capital. The report also stated that:

1. **The Indian power sector is one of the most diversified sectors in the world.** Power in India is generated from commercial sources like coal, lignite, natural gas, oil, hydro and nuclear power as well as other viable non-conventional sources like wind, solar, agriculture and domestic waste. The demand for electricity in the country has been growing at a rapid rate and is expected to increase further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required. The country offers unlimited growth potential for solar photovoltaic (PV) industry as well. India is endowed with vast potential of solar energy and is quickly

developing itself as a major manufacturing hub for solar power plants. Besides, it is expected that, the annual PV-installed capacity will grow at a compound annual growth rate (CAGR) of around 49.5 per cent during 2010-2014 to reach 1,500 megawatt (MW) by the end of 2014, according to RNCOS research report titled, 'Indian Solar Energy Market Analysis'.

2. Electricity production in India stood at 911.6 terra watt hour (TWh) in FY13, a four per cent growth over the previous fiscal. Over FY07-13, electricity production has expanded at a CAGR of 5.5 per cent. The Planning Commission's 12th Plan projects that total domestic energy production would reach 669.6 million tonnes of oil equivalent (MTOE) by 2016-17 and 844 MTOE by 2021-22.
3. As of April 2013, total thermal installed capacity stood at 151.7 gigawatt (GW), while hydro and renewable energy installed capacity totalled 39.6 GW and 27.5 GW, respectively. Nuclear energy capacity remained broadly constant from that in the previous year, at 4.8 GW. For the 12th Five-Year Plan, a total of 88.5 GW of power capacity addition is targeted, of which 72.3 GW constitutes thermal power, 10.8 GW of hydro power and 5.3GW of nuclear power. The capacity addition target for 2013-14 is 1,198 MW of hydro power, 15,234 MW of thermal power and 2,000 MW of nuclear power. Total capacity target is 18,432 MW.
4. **The investment climate is very positive in the power sector.** Due to surge in the sector, the power sector has witnessed higher investment flows than envisaged. The Ministry of Power has set a target for adding 76,000 MW of electricity capacity in the 12th Five Year Plan (2012-17) and 93,000 MW in the 13th Five Year Plan (2017-2022).
5. **Renewable energy** is fast emerging as a major source of power. Wind energy is the largest source of renewable energy in India; it accounts for an estimated 87 per cent of total installed capacity in renewable energy. The country aims to increase the importance of wind power even further, there are plans to double wind power generation capacity to 20 GW by 2022.
6. **Biomass** is the second largest source of renewable energy, accounting for 12 per cent of total installed capacity in renewable energy. There is strong upside potential in biomass in the coming years.
7. **Solar energy** accounts for one per cent of total renewable energy installed capacity. However, the share is not indicative of the country's true potential, which stands at an estimated 5,000 TWh per annum.

Considering the huge potential in the Energy sector, your Company through its subsidiaries is well equipped to seize the opportunity in this sector.

4. EXPRESSWAYS

As per the report of ICRA Ltd. (the credit rating agency) published in February, 2014 following observations were made on Indian Road sector:

- a. After awarding 6,491 km of roads in FY12, **the road sector witnessed a slump** in award of projects with only 1,156 km of road projects being bid out by NHAI in FY13 which is about 17% of the target of 7,000 km set for the financial year. The lower project awards have been on account of weak interest from private sector participants due to difficulty in raising funds, stressed financial position of many developers, delays in getting right of way and clearances, relatively less lucrative stretches in the offering, as well as economic slowdown which has also impacted road traffic in the operational projects.
- b. Notwithstanding the sharp decline in project awards, the performance on the project execution front improved in FY13. Backed by strong pipeline of projects under execution, the completion rate for NHAI projects increased to 7.9 km/day in FY13 from average of 6.2 km/day in FY12. However, progress on the projects awarded in FY12 remained muted mostly in the absence of requisite right of way, clearances, and inability to achieve financial closure. To reduce the uncertainty over land acquisition, NHAI has decided to award road projects only after substantial progress is made on the land acquisition and clearance fronts. Simultaneously NHAI has stepped-up its efforts on land acquisition. However, the acquisition process is often elongated due to capacity constraints faced by NHAI and opposition from land owners primarily over the compensation amount. Furthermore, multiple clearances from different authorities required for project often adds to the time overruns and uncertainty. However, the de-linking of environment and forest clearance, and proposal to ease raw-material (aggregate) supply have been positive developments, which are expected to aid project execution.
- c. The interest of private players towards the Public-Private Partnership (PPP) projects in the sector has waned as evident from the weak bidding response in the offered projects, stated intent of some prominent developers to reduce their Build-Operate-Transfer (BOT) project exposure, lower number of pre-qualified bidders for CY13, and intent to exit or renegotiate some of the projects awarded earlier. While decline in interest may be attributed partly to the subdued macro-economic environment, the weakening of the financial profile of many developers has also led to the lukewarm response to the recent biddings. Given that the sentiment towards the BOT projects in the sector could continue to remain weak in the short to medium term, NHAI's initiatives in awarding projects on Engineering, Procurement and Construction (EPC) and Operate, Maintain and Transfer (OMT) basis is a welcome step, as this would unbundle the execution, funding and traffic risks and could stimulate participation from the private sector.

India's road network, spanning across 4.69 million km, is the third largest road network in the world, next in line only to the US and China. The country relies heavily on its robust road network that carries almost 65 per cent of freight and 80 per cent of passenger traffic. National Highways (NH), under the jurisdiction of National Highways Authority of India (NHAI), constitute for almost 2 per cent of the network but carry about 40 per cent of the total road traffic.

Thus, India relies heavily on roads to move freight in the most cost efficient and effective manner. The Indian Government intends to earmark US\$ 1 trillion for infrastructure development over next five years. To speed-up the same, it is also trying to rope-in private investments through public-private partnerships (PPPs). The Government has been tweaking its policies to make the sector more investor-friendly. Key Developments and Investments Foreign Direct Investment (FDI) received in construction development sector from April 2000 to July 2013 stood at US\$ 22.44 billion, according to Department of Industrial Policy and Promotion (DIPP).

India and China have signed a bilateral pact on co-operation in the road transportation sector. The scope of the agreement includes management of road infrastructure technology, standards for highway construction and maintenance, road safety intervention strategies aimed at reducing death and injuries resulting from road accidents, etc. India also seeks assistance from China regarding how they deal with contractual issues and financing of highways build in public private partnership mode. Policy Initiatives The Indian Government has been very pro-active in implementing new policy measures to give an impetus to the road infrastructure in the country.

The most significant policy change is that the Government has departed from conventional PPP model for such projects. Under the PPP model, developers finance construction out of their own funds, often in exchange for the right to charge toll fares. The Government has decided to restore the form of contract where it funds part of the road building, taking on more of the risk of the project itself. This initiative has even attracted foreign private equity players, like Macquarie Group Ltd.

Future Outlook in Expressways

India is poised to attain the next level in highway development as the authorities and builders are increasingly focussing on transit efficiency. Experts believe that public funding or other alternate financial models, apart from PPP, would be instrumental for attaining the required targets. Moreover, the country has 600-700 km of access-controlled expressways and is working continuously to build more high-quality, access-controlled expressways for faster connectivity between cities and towns. The Government is making sure that new roads and routes are well equipped with Intelligent Transportation Systems (ITS) including round-the-clock CCTV surveillance for monitoring real-time traffic data and ensuring safety and security of users. A recent study has stated that infrastructure development (for expressway projects alone) would require about ₹ 450,000 crore.

Your Company having a vast experience & resources and depending upon the interest shown by the Government would expand its business further in Roads & Expressways at suitable times.

5. REAL ESTATE

'Indian Brand Equity' (an initiative of Ministry of Commerce & Industries) report of November 2013, Real estate in India continues to be a favoured destination globally for investors, developers and non-resident Indians (NRIs), driven largely by investor-friendly government policies and increasing globalisation. The second largest employment generation sector after agriculture, real estate contributes about 6.3 per cent to India's gross domestic product (GDP). The foreign direct investment (FDI) in the sector is expected to touch US\$ 25 billion in the next 10 years from its current US\$ 4 billion. The sector's progress is driven by factors such as rapid urbanisation, a growing trend towards nuclear families, positive demographics, rural-urban migration, ever-developing infrastructure, higher income levels and housing demand. The real estate sector, with its growing investment opportunities, is expected to post annual revenues of US\$ 180 billion by 2020. The report further stated that:

- a. The real estate sector in India is witnessing rapid growth in the residential, commercial and industrial segments. Real estate development, once restricted to bigger cities, have shown marked progress in smaller cities and towns owing to availability of banks loans, higher earnings and improved standard of living.
- b. The real estate sector of India is projected to post annual revenues of US\$ 180 billion by 2020 against US\$ 66.8 billion in 2010-11, a compound annual growth rate (CAGR) of 11.6 per cent. The demand is expected to grow at a CAGR of 19 per cent in the period 2010-2014, with Tier I metropolitan cities expected to account for about 40 per cent of this growth. As of now, Mumbai, Delhi-National Capital Region (NCR) and Bengaluru cater for 46 per cent of total office space demand in India. This demand is expected to be rise sharply in Tier II cities such as Kolkata and Chennai in the period 2010-14.
- c. Today, Delhi-NCR accounts for about 30 per cent of the total mall supply in India. About 53 per cent of demand for total mall space is projected to come from the country's top seven cities, namely Delhi-NCR, Bengaluru, Mumbai, Kolkata, Pune, Hyderabad, and Chennai, in the period 2010-2014.
- d. The Indian retail realty sector is projected to grow at around 15 per cent year-on-year over the next 3-5 years as against a 12-13 per cent nominal growth of India's GDP estimated by the International Monetary Fund (IMF). If the sector does indeed manage the aforementioned growth, it will touch Rs 34 trillion (US\$ 544.73 billion) by 2016.
- e. India's office space stock is estimated to rise by 40 per cent to 642.2 million sq ft by 2017, according to a report by real estate consultancy Knight Frank India. The current Indian market offers some of the most competitive rates in the Asia-Pacific region, according to a report by property services firm DTZ. The report also states that Indian cities will have some of the fastest rental

growths in the region over the period 2013–17, but will remain among the most competitive.

- f. The share of luxury retail space in India will be 1.4 per cent by 2015, according to a report by real estate services firm Cushman & Wakefield. NCR and Mumbai, areas that have embraced the mall culture, are the two most favoured destinations for luxury retailers.
- g. The construction development sector, including townships, housing and built-up infrastructure garnered total FDI worth US\$ 22,671.95 million in the period April 2000–August 2013. Construction (infrastructure) activities during the period received FDI worth US\$ 2,280.95 million, according to the Department of Industrial Policy and Promotion (DIPP).

As per report of 'Ernst & Young' Rising levels of income, quick urbanization and positive demographics have attracted significant investment in the Indian real estate sector over the past few years. The growing dynamism of the market is reflected by the continuous growth of the core investors, with over US\$ 1.14 billion invested in commercial office space during last 3 years.

The real estate sector forms an important segment of India's economy, with a contribution of approximately 6.3% to GDP. The scale of the industry, as well as its importance in the growth of the economy and its social responsibilities, has led the government to consider the introduction of a **Real Estate Authority for planned real estate development through a real estate Bill**. The bill aims at providing a platform for the sale of immovable property in a transparent and efficient manner. It promotes fair play in real estate transactions and emphasizes on timely delivery of projects to protect consumer interest.

Major clauses in the real estate Bill

- Developers will have to register their projects with a real estate regulatory authority, without which sale, booking or even offer to sell is not permissible. Promoters will have to disclose standard details of the project, along with names of brokers who would represent the project. Developers will sell the project only after all necessary approvals are in place and the project has been registered with the authority. The Regulatory Authority will have to clear or reject projects within 15 days.
- Developers have to open a separate bank account (escrow account) for each project and will have to set aside 70% (or less as per local authority) of the buyer's money. This amount can be used only for the construction of that particular project.
- To check delays in delivery, the bill empowers buyers to cancel booking and claim the full amount, along with interest for delays in the project.
- To increase transparency, the bill has proposed penalties of 5% to 10% of project cost and jail term of up to three years for misrepresentation of facts to customers or non-compliance.
- The Bill has proposed setting up of an appellate tribunal, which will hear real estate cases and will have the powers of a civil court. It also proposes setting up of a central and state level real estate regulatory

authority to exercise the powers conferred on it and perform functions assigned under the Act.

Future Outlook in Real Estate

Your Company is a prominent real estate developer in the NCR region with large land bank and offering in various segments from Luxury to mid income, developing integrated townships, Golf centric homes etc is all set to gain from the rapidly growing real estate market. With rapid urbanization and improving connectivity in the region your company is poised for rapid growth in this segment.

6. HOSPITALITY

As per the data given on **business.gov.in (promoted by Government of India)**, Tourism has always been a major social phenomenon of any society. It is motivated by the natural urge of every human being for new experience, adventure, education, knowledge and entertainment. In order to understand each other's cultures and values as well as to cater several other social, religious and business interests, it has resulted in development of many tourist and infrastructure facilities. This, along with the progress of proper transportation network globally, especially of airways and waterways, has encouraged people to venture out to the foreign lands. It has facilitated the trade and commerce between the different regions of a country and between the different countries. As a result, over the years, it has acquired the status of a service industry. It further stated that:

- a. Tourism, being one of the largest industry, plays a key role in achieving the socioeconomic goals of the development plans of a nation. It is an important service-oriented sector which has made rapid strides globally in terms of gross revenue and foreign exchange earnings. It is a composite of service providers, both public and private, which includes travel agents and tour operators; air, rail and sea transportation operators, guides; owners of hotels, guest houses and inns, restaurants and shops; etc. They are involved in meeting the diverse interests and requirements of domestic and international tourists. The tourism industry provides incentives to foster the quality of environment, generates more employment opportunities (particularly in remote and backward areas) as well as develops necessary infrastructure facilities like roads, telecom and medical services, in the economy.
- b. In India, tourism industry holds special position as it not only have potential to grow at a high rate, but also stimulate other economic sectors through its backward and forward linkages and cross-sectional synergies with sectors like agriculture, horticulture, poultry, handicrafts, transport, construction, etc. That is, it can provide impetus to other industries in the country and generate enough wealth to help pay off the international debt. It is the third largest net earner of foreign exchange for the country. The travel and tourism sector contributes to the national integration; preserves natural and cultural environments; as well as enriches social and cultural lives of the people. It has the capacity to create substantial

job opportunities, particularly for unskilled and semi-skilled workers as well as to alleviate the poverty in the country. That's why, it has been regarded as the core sectors of the Indian economy.

- c. Given India's unique endowments of biodiversity, forests, rivers, mountains, historical places, temples and pilgrims, caves, museums, monuments and culture, the industry holds immense strength for obtaining higher growth rate. The challenges in the sector lie in successfully preserving these in their original form, and making them accessible to domestic and international travellers. India offers various categories of tourism products, such as adventure tourism; medical tourism (ayurveda and other forms of Indian medications), eco-tourism; rural tourism; cruise tourism; meetings, incentives, conferences, and exhibitions (MICE) tourism; etc.

'Indian Brand Equity' (an initiative of Ministry of Commerce & Industries) report of May, 2014, the Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sectors in India. Tourism in India is an employment generator and a significant source of foreign exchange for the country, apart from being an economic activity that helps local and host communities. In 2013, the travel and tourism industry contributed Rs 2.17 trillion (US\$ 36 billion) or 2 per cent to the country's gross domestic product (GDP). This is expected to rise to Rs 4.35 trillion (US\$ 72.17 billion) in 2024. The reports further states that:

- a. **The tourism industry in India is thriving due to an increase in foreign tourist arrivals (FTA) and a greater number of Indians travelling to domestic destinations than before.** The revenue from domestic tourism is likely to grow by 8.2 per cent in 2014 as compared to 5.1 per cent a year ago, according to the World Travel and Tourism Council (WTTC). Hotels are also an extremely important component of tourism industry. The Indian hospitality sector has been growing at a cumulative annual growth rate of 14 per cent every year adding significant amount of foreign exchange to the economy.
- b. The Government of India has contributed significantly to the growth and development of the industry by providing policy and infrastructural support such as simplification of visa procedures and tax holidays for hotels. Further, the tourism policy of the government aims at speedy implementation of tourism projects, development of integrated tourism circuits, special capacity building in the hospitality sector and new marketing strategies.
- c. **India's travel and tourism industry is expected to grow** by about 7.3 per cent in 2014, according to WTTC. The total market size of tourism and hospitality industry in India stood at US\$ 117.7 billion and is anticipated to touch US\$ 418.9 billion by 2022.
- d. FTAs during the period January–March 2014 stood at 21.27 lakh as compared to FTAs of 20.27 lakh during the corresponding period of 2013, registering a growth of 4.9 per cent. FTAs during March 2014 were 6.69 lakh as compared to 6.40 lakh during March 2013, a growth of 4.5 per cent. Foreign exchange

earnings (FEE) during January–March 2014 stood at Rs 32,809 crore (US\$ 5.44 billion) as compared to FEEs of Rs 30,270 crore (US\$ 5.02 billion) during the corresponding period of 2013, registering a growth of 8.4 per cent. FEEs during March 2014 were Rs 10,257 crore (US\$ 1.70 billion).

- e. The number of tourists availing of the tourist Visa on Arrival (VOA) Scheme during January–February 2014 have recorded a growth of 6.8 per cent. During the period, a total number of 3,883 VOAs have been issued as compared to 3,637 VOAs during the corresponding period of 2013.
- f. The foreign direct investment (FDI) inflows in hotel and tourism sector during April 2000 to January 2014 stood at US\$ 7,013.29 million, as per the data released by Department of Industrial Policy and Promotion (DIPP).
- g. The Government of India has allowed 100 per cent FDI under automatic route in the hotel and tourism sector, according to the consolidated FDI Policy, released by DIPP. Aimed at liberalising the visa regime and putting India high on the tourism map, the government is also looking at introducing electronic visa facility later this year, according to a Tourism Ministry official.
- h. The Ministry of Tourism has launched a Campaign Clean India to sensitise all sections of society on the importance of cleanliness and hygiene in public places, particularly monuments and tourist destinations. The campaign is a blend of persuasion, education, training, demonstration and sensitisation of all sections of the society.
- i. The Ministry of Tourism has been making efforts to develop quality tourism infrastructure at tourist destinations and circuits. It has sanctioned Rs 4,090.31 crore (US\$ 678.54 million) for a total number of 1,226 tourism projects, which includes projects related to Product/Infrastructure Development for Destination and Circuits (PIDDC), Human Resource Development (HRD), Fairs and Festivals, and Adventure and Rural Tourism for infrastructure augmentation.

Future Outlook in Hospitality

India is perceived as one of the fastest growing medical tourism destinations. According to a recent **RNCOS report 'Booming Medical Tourism in India'**, Indian medical tourism industry is anticipated to register a compound annual growth rate (CAGR) of more than 20 per cent during 2013–15, therefore creating a huge scope for investments. The domestic hospitality sector expects 52,000 new hotel rooms to be added in five years (2013–17), according to a survey by real estate consultancy, Cushman & Wakefield. This will lead to a rise of over 65 per cent in total hotel inventory in India. The National Capital Region (NCR) is expected to contribute around one-third to the total expected hotel rooms supply during the period.

Further, the Working Group on Tourism for the 12th Five-Year Plan, set up by the Planning Commission, has estimated the generation of additional employment of 24.5 million (direct and indirect) in the sector during 2010–16.

REVIEW OF FINANCIAL PERFORMANCE

The key indicators of the financial performance of the Company for the year 2013-14 were as under:

S. NO.	ITEM	FY 2013-14	FY 2012-13
		(₹ Cr.)	(₹ Cr.)
1	Total Revenues	13,327.02	13,514.41
2	Profit before Interest, Depreciation & Tax	3,865.77	3,488.23
3	Finance Costs	2,752.07	2,011.35
4	Depreciation	773.55	726.13
5	Profit Before Tax	340.15	750.75
6	Net Profit After Tax	413.89	501.28
7	Basic EPS after extra-ordinary items (in ₹ per share of ₹ 2.00)	1.87	2.34

SEGMENT-WISE PERFORMANCE & REVIEW OF OPERATIONS

The segment-wise performance is as under:

Segment Revenue		FY 2013-14	FY 2012-13
		₹ Cr.	₹ Cr.
a	Cement and Cement Products	5,918.93	6,045.92
b	Construction	5,625.56	5,314.31
c	Power	37.52	38.19
d	Hotel/ Hospitality & Golf Course	248.39	231.41
e	Real Estate	1,279.68	1,686.00
f	Investments	134.99	123.08
g	Others	189.19	155.07
h	Unallocated	84.11	59.98
Total Gross Revenue		13,518.37	13,653.96
<u>Less:</u> Inter-segment Revenue		191.35	139.55
Total Net Revenue		13,327.02	13,514.41
Segment Results (Profit before tax)			
a	Cement and Cement Products	372.94	702.07
b	Construction	1,696.57	1,382.12
c	Power	16.56	17.52
d	Hotel/ Hospitality & Golf Course	22.09	20.93
e	Real Estate	510.30	585.33
f	Investments	127.45	119.50
g	Others	(12.65)	(3.78)
Total (A)		2,733.26	2,823.69
<u>Less:</u>			
a	Finance Costs	2,752.07	2,011.35
b	Other Un-allocable Expenditure net off Un-allocable Income	36.32	61.59

Segment Revenue	FY 2013-14	FY 2012-13
	₹ Cr.	₹ Cr.
Sub – total (B)	2,788.39	2,072.94
<u>Add:</u> Profit on sale of shares (C)	395.28	Nil
Profit before Tax (A – B + C)	340.15	750.75

JAYPEE IN ENGINEERING & CONSTRUCTION

This year also, the Engineering & Construction Division of the Company continued to perform well. The Company has been qualified for new Projects, as reported in the Directors' Report. The Company has successfully completed Zirakpur–Parwanoo Highway, Yamuna Expressway and Civil and Structural work of Bokaro Jaypee Cement Limited.

While your Company is facing the pressures of Indian economy as well as global conditions coupled with liquidity crunch and weak demands, the Company also remains confident about India's strong fundamentals as well as Company's own strength, expertise and experience in the infra-structure sector, which is the backbone of India's growth potential.

As a multi-disciplinary infrastructure player, Jaiprakash Associates Ltd. (JAL) is geared up to participate in the infrastructure development of the country. Its leadership as an EPC player, a Cement producer, a Power Producer, an Expressway developer, a premium township developer and a niche hospitality player is well established. With rapid capacity expansion across most of its business domains, it shall reap rich dividends from the forthcoming infrastructure boom and create substantial value for all its stakeholders.

JAYPEE IN CEMENT

Your Company, alongwith its subsidiaries, is the third largest cement producer in the country with 33.55 MTPA (Million Tonne Per Annum) operative capacity.

This includes

- (i) 4.30 MTPA through two joint ventures with SAIL (i.e BJCL & BOJCL) and
- (ii) 12.80 MTPA (including 3 MTPA under implantation) through a wholly owned subsidiary, Jaypee Cement Corporation Limited (JCCL).

Plant of JCCL in west zone (4.8 MTPA) and plant of BOJCL (2.10 MTPA) are being sold for which necessary process is on. The purpose of sale of such plants is to reduce the debts of Company and of JCCL.

JAYPEE IN ENERGY

Jaiprakash Power Ventures Limited (JPVL) (a subsidiary Company of JAL) is the largest private sector Hydro Power producer with 1791 MW of operational assets, with plant capacities of 300 MW Baspa-II, H.P., 400 Vishnuprayag, Uttarakhand, 1091 MW Karcham-Wangtoo, H.P. In addition, another 3,920 MW of Hydro-Power Projects are in various stages of development. JPVL is in process to sell Baspa-II and Karcham-Wangtoo plants to reduce its debts.

Bina Thermal Power plant Phase-1 with a capacity of 500 MW located at M.P is also operational (250 MW from August, 2012 & 250 MW from April, 2013).

Nigrie thermal power project of 660 MW (first phase out of 1320 MW) is expected to start from August, 2014.

JAYPEE IN EXPRESSWAYS

Jaypee Infratech Limited (JIL), a subsidiary of JAL had successfully executed the Yamuna Expressway project, in August, 2012, a 165 kilometres access controlled 6 lane super expressway along the Yamuna river connecting Noida and Agra on Build – Own – Transfer basis. The project envisages ribbon development along the expressway at 5 locations aggregating 25 million square meters of land for residential/ industrial/ institutional purposes and has triggered multi-dimensional, socio-economic development in Western U.P. besides strengthening the Group's presence in real estate segment in this decade.

Himalyan Expressway Limited (HEL), a subsidiary of JAL, had successfully implemented Zirakpur-Parwanoo Expressway Project in the States of Punjab, Haryana and Himachal Pradesh in April, 2012. The project consists of 17.39 Km of widening of existing two-lane carriageway to four-lane and 10.14 Km of new four-lane bypass.

Work on 1047 Km long 8-lane Access-Controlled Ganga Expressway Project connecting Greater Noida with Ghazipur-Ballia along the left bank of river Ganga has been suspended for the time being since the environmental clearance is yet to be obtained by the State Government.

JAYPEE IN REAL ESTATE

The Group did receive overwhelming response to all its products across residential, commercial and institutional segments during the year 2013-14. The Group has followed a well balanced approach of readying itself to deliver its various projects in the coming year along with continuous infrastructure development providing educational, recreational, healthcare and other facilities. While the various initiatives taken by the Group in the educational and sports are already in operation, a super speciality hospital will commence commercial operations during the year 2014-15.

The Group's primary focus shall remain on the development of the integrated townships along the Yamuna Expressway with a wide range of planned product mix to suit all strata of the population.

JAYPEE IN HOSPITALITY

The Hotels Division of the Company has 5 'five-star' luxury hotels, finest Championship Golf Course, Integrated Sports Complex and Town Centre strategically located to service the needs of discerning business and leisure travellers. In New Delhi, the Division has two hotels - Jaypee Siddharth with 94 rooms and Jaypee Vasant Continental with 119 rooms. The larger hotel property of the Company Jaypee Palace Hotel and Convention Centre is located at Agra with an inventory of 341 rooms and Jaypee Residency Manor at Mussoorie has 90 rooms and soon new 45 rooms more shall be added to its inventory.

Jaypee Greens Golf & Spa Resort, a prestigious presentation by Jaypee Hotels in the luxury segment, offers 170 state of art rooms and world renowned "Six Senses Spa" overlooking the Championship 18 hole Greg Norman Golf Course at Jaypee Greens, Greater Noida, U.P. It has emerged as a preferred choice of upmarket business travellers.

The Company has India's first Greg Norman Signature Golf Course at Jaypee Greens, Greater Noida. It is the finest 18 hole Championship Golf Course.

In recognition of our hospitality, the Golf Course at Jaypee Greens, Greater Noida was conferred with the prestigious "BEST TOURISM FRIENDLY GOLF COURSE" award by the MINISTRY OF TOURISM, Government of India.

In the close proximity to the Golf Course is Atlantis-The Club, an integrated sports complex that offers World Class sporting events & tournament facilities, rooms & conference facilities and Jaypee DelCourt, offering hospitality with a difference, offers 27 well appointed rooms and 36 service apartments making it a viable destination for corporate entrepreneurs, expats business and leisure stays.

The Company's Hotels at New Delhi, Agra and Mussoorie have been accredited with ISO 9001 for Quality Management System (QMS), ISO 14001 for Environment Management System (EMS), ISO 22000 for Food Safety Management System (FSMS) and Hazard Analysis and Critical Control Point (HACCP).

OUTLOOK

The Company has an **established growth record** as a **leading infrastructure Company** with decisive competitive advantages. We believe that the **next decade in India belongs to infrastructure sector**. While even the smallest constituents of infrastructure sector will immensely benefit from it, Jaiprakash Associates Ltd. shall not only benefit from the ensuing growth phase of Infrastructure but actually lead the Infrastructure development of India. Its future outlook appears bright for the following reasons: (i) It is "Right Placed" in the core infrastructure sectors of cement, power, roads, and realty. (ii) It has "Right Blend" i.e. diverse business mix leading to de-risked business model. (iii) It is "Right Scaled" as it has leadership positions in almost all of its business domains and scaling up of capacities across all of them. Ready and rolling capacities will help it maximise from the growing demand. and (iv) It has the "Right Span" from northern to southern India, western to eastern through central India within its span of reach.

It is based on the above facts that the Company's outlook appears very positive and given the favourable conditions, the Company should grow at a rate higher than the economy and most of the industry sub-verticals it operates in.

OPPORTUNITIES & THREATS

1. Engineering & Construction Industry:

In view of more and more competition in the construction industry, the opportunities for securing cash contracts are reducing. Now many clients are also preferring to go in for projects on BOOT (Build, Own, Operate and Transfer) and BOO (Build, Own and Operate) basis. PSUs dealing with development of power projects have also shown increasing inclination towards EPC contracts, since this mode not only results in speedy implementation of the projects, but it also reduces the Owners headaches in certain key areas such as coordination amongst various disciplines, project design and engineering, etc. Your Company is now a leader in the field of EPC Contracting. Your Company has performed in consortium with large foreign based companies and can thus easily get a JV/Consortium partner, where necessary. Companies with proven track record and established credentials have an edge over others for securing large contracts on EPC, BOOT

and BOO basis and your Company enjoys this status. Though increased competition from the new entrants in the field sometimes appears a huge threat to the business prospects of large established companies, yet the established companies need not have any reservations in this regard. Timely completion of projects shall remain the most important requirements of major and high value projects, which shall keep the scale tilted in favour of the established players.

2. **Cement:** Cement consumption and demand in India has been growing during the last few years. However, due to market conditions, the selling price had been under pressure during the year under review and for the present as well. To meet the challenge, the Company keeps taking steps to improve economy in operations on continuous basis. The pan India presence of the Company for manufacturing and marketing of Cement will give the Company inherent locational advantages and economies of scale.
3. **Energy:** The necessity for addition of power generation capacity of the country and the various incentives provided by the Government of India for private sector participation in development of power will be key to the development of Power projects on Build, Own, Operate (BOO) basis by the Company.
4. **Hospitality & Real Estate:** Growth in economic activity world over supplemented with Government of India's focussed promotional campaign "Incredible India", international level sporting events etc. are translating in increased foreign tourist arrivals. With the increasing economic activity in the country are believed to facilitate growth in the Hospitality sector. The Government has introduced many progressive reforms to unlock the potential of the real estate sector and also meets increasing demand levels. The quality real estate development undertaken by the Company is selling well inspite of other players being in the market. This business as a whole is looking bright.

General: The Indian Economy is expected to grow at around 6% p.a. in the medium term. The growth is envisaged to be driven by investments in infrastructure including Roads, Ports, Power Sector etc. Besides, housing sector in the urban and semi-urban areas is poised for growth.

Increasing economic activity and population is expected to increase both, per capita and aggregate, cement and power consumption, besides housing & hospitality needs. These factors are expected to positively impact the prospects of demand for Company's products.

The Company has emerged as a Significant Infrastructure Company with diversification in Real Estate, Expressways and Hospitality business. Already on a higher trajectory in growth curve, the Company is poised to seize every opportunity to expand the existing line of business or enter into new related line of businesses. The Company is well equipped to handle threats of competition and challenges which might emanate from Cement Industry or the Company's ongoing execution of Projects on Mountainous Regions and at difficult terrains.

RISKS & CONCERNS

With the fairly diversified nature of Jaypee's business, the risks and concerns vary from one business to other.

With Company's span of businesses falling under core infrastructure domain, the continuing infrastructure development phase of India provides considerable cushion. The divisions cross leverage strengths to each other and help mitigate major risks at Company level.

1. **Cement industry** being highly energy intensive, any possible rise in energy cost might affect Company's business adversely. The setting up of the captive power units in addition to the proactive steps towards reducing power consumption helps the Company counter this threat effectively. It has commissioned captive thermal power plants. The cement industry is cyclical in nature and also witnesses seasonal reduction in consumption during monsoon season. Keeping in view the demand growth, the Company has been ramping up its capacities. It carefully evaluates the regional mismatches and deploys capacities to minimise from the cyclical risks.
2. **The Engineering & Construction Division** Hydro-Power Projects are invariably located in mountainous regions and have to face the direct challenges from nature, such as fury of flood, rock fall triggered by snowfall/rain. The Company has to work in the river bed for dams, water conductor systems including tunnels, underground power houses and other components which pose a serious challenge because so much depends upon the quality of rock geology encountered during construction. These risk areas and concerns will definitely draw upon the in-depth experience and expertise of established player in the field, like your Company, but the end product (generated power) will more than compensate for the hazards involved.

The Company provides the Performance Guarantee which depends on the Terms and Conditions as stipulated by the Clients and is up to 5% of the contract price and is in line with the general practice prevailing in the country for awards of contracts.

Hydro-Power Projects are invariably located in mountainous regions and have to face the direct challenges from nature, such as fury of flood, rock fall triggered by snowfall/rain. The Company has to work in the river bed for dams, water conductor systems including tunnels, underground power houses and other components which pose a serious challenge because so much depends upon the quality of rock geology encountered during construction. These risk areas and concerns will definitely draw upon the in-depth experience and expertise of established player in the field, like your Company, but the end product (generated power) will more than compensate for the hazards involved. In an expanding economy each one of the fields of business of the company is bound to experience prosperity.

The high value BOOT/BOO projects also require project financing at a very high scale. Since the melt down in economy, which surfaced in November, 2008, it is to be seen whether funding would be available for large projects as easily as it was before the melt down of the economy. Your Company is confident of coming out of this unexpected set back at the national level with flying colours.

3. **Cyclical and Political Condition affecting businesses:** The Cement Industry is cyclical in nature and

consumption level of cement reduces during monsoon seasons. However, the level of spending on housing sector is dependent on the growth of economy, which is predominantly dependent on agriculture since India is an Agricultural centric economy. Cement Industry has maintained a good Growth Rate during last few years.

Engineering & Construction Growth in infrastructure sector is dependent on political stability. There has been continuous emphasis on development of Infrastructure and Housing by successive governments after reform process was initiated in nineties.

4. **A significant proportion of the Company's revenues** of Engineering & Construction Division comes from a limited number of customers. It relies heavily on Central and State Governments and public sector undertakings which are subject to political influence.
5. **Contract Payment Risk:** In view of the fact that JAL typically takes up large size construction contracts of sizes over ₹ 500 crores which requires large scale mobilization of man power, machinery and material, the timely receipt of payments from the client is critical.

Generally, the contract terms involve payment of advance for mobilization while the balance amount is linked to the physical progress of the project. JAL restricts its interest to those projects, which have the budgetary outlay / sources of finances tied up (i.e. financial closure achieved), thus, minimizing the risk of delays in payment.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Your Company is ISO 9001:2008 certified company and accredited by NABCB and UKAS. Your Company has developed very efficient communication systems between the Projects and the Head Office, which is the key to its high performance levels. This is of utmost assistance in ordering materials, spares and meeting other requirements, pertaining to finalisation of construction drawings, project monitoring and control. These aspects, along with the Management Information Systems, are the areas on which your Company is continuously trying to scale new peaks. The Company has an internal control system commensurate with its size and nature of business. The system focuses on optimum utilisation of resources and adequate protection of Company's assets. It monitors and ensures efficient communication between the Projects and the Head Office; efficiently manages the information system and reviews the IT systems; ensures accurate & timely recording of transactions; stringently checks the compliance with prevalent statutes, listing agreement provisions, management policies & procedures in addition to securing adherence to applicable accounting standards and policies.

The internal control system provides for adherence to approved procedures, policies, guidelines and authorization. In order to ensure that all checks and balances are in place and all the internal control systems and procedures are in order, regular and exhaustive internal audit is conducted by the qualified Chartered Accountants. Internal audit reports are reviewed by the Audit Committee on a quarterly basis.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

The core of achieving business excellence lies in a committed, talented and focussed workforce. Under the exemplary leadership of its Founder Chairman, the Company has created a highly motivated pool of professionals and skilled workforce that share a passion and vision of the Company. The resultant power of HR pool gets reflected in the phenomenal growth of the Company in the recent past.

The Company adopts latest techniques in evaluating the potential and training needs of the employees at all levels. Designing of tailor-made training programmes that fill the knowledge/skill gap and imparting in-house training in addition to utilising external programmes are significant functions of HR Department of the Company.

As at 31st March 2014, the Company had a total workforce of approximately 21,000 persons, including managers, staff and regular/casual workers.

Industrial relations in the organization continued to be cordial and progressive.

Your Company has been proactive in development of Human Resources and latest techniques are being adopted in evaluating the potential, assessing training and retraining requirements and arranging the same. Leadership by example, consistent policies in Human Resource and their participation in management has ensured unique bonding of entire work force across all facets of company operation and management.

ENVIRONMENTAL MATTERS, HEALTH AND SAFETY AND CORPORATE SOCIAL RESPONSIBILITY

The initiatives taken by the Company from an environmental, social and governance perspective, towards adoption of responsible business practices, in the areas of Environmental Management and Corporate Social Responsibility more specifically in the sphere of Education and Healthcare have been described in detail in the Business Responsibility Report forming part of this Annual Report.

FORWARD LOOKING/ CAUTIONARY STATEMENT

Certain statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand supply conditions, finish goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Jaiprakash Associates Limited is the flagship company of the Jaypee Group, which is a diversified infrastructure conglomerate with business interests including Engineering & Construction, Power, Cement, Real Estate, Hospitality, Fertilizers, Sports, Aviation and Education (not-for-profit).

Corporate Identity Number	L14106UP1995PLC019017
Name of the Company	Jaiprakash Associates Limited
Registered address	Sector - 128, Noida, Uttar Pradesh – 201304
Website	www.jalindia.com
E-mail id	jal.investor@jalindia.co.in
Financial Year reported	2013-14

The major products and services that Jaiprakash Associates Limited provides are Engineering and Construction, Manufacture and marketing of Cement, Hotels and Hospitality, Wind Power and Real Estate.

Sectors that the Company is engaged in (industrial activity code-wise)¹:

Activity	National Industrial Classification		
	Section	Division (Group)	Description
Engineering, Construction and Real Estate development	F - Construction	41 42 43	Construction of buildings Civil Engineering Specialized construction activities
Manufacture of cement	C - Manufacturing	23 (239)	Manufacture of cement, lime and plaster
Hotels	I - Accommodation	55 (551)	Hotels and Motels
Operation of Golf and Spa Resort	R - Entertainment and Recreation	93 (931)	Operation of Sports facilities
Wind power generation	D - Electricity Supply	35 (351)	Electric power generation, transmission and distribution
Energy from Municipal Solid Waste	E - Waste Management Activities	38 (382)	Waste treatment and disposal

¹As per National Industrial Classification (2008), Ministry of Statistics and Program Implementation, Govt

Total number of locations where business activity is undertaken by the Company

The diversified businesses of the Company are currently operating in 34 locations in various States/ Union Territories across the country including Delhi, Uttar Pradesh, Madhya Pradesh, Himachal Pradesh, Andhra Pradesh, Gujarat, Uttarakhand, Jammu & Kashmir, Haryana and Jharkhand.

Number of National Locations

The Integrated Engineering and Construction division of the Company operates at the locations of its clients. The Company is also engaged in the business of manufacture and marketing of Cement across the country. In addition, the Company owns 5 five-star hotels in New Delhi, Mussoorie, Agra and Greater Noida and a golf course with associated recreational and residential facilities in Greater Noida as part of its Real Estate business.

In addition to these, the Company has a pan-India presence through its sales offices and dealerships, especially in the States of Rajasthan, Punjab, Maharashtra, Bihar & Chandigarh (U.T.).

Number of International Locations

The Company is currently operating in two international locations:

- Mangdechhu, in Trongsa District, Bhutan
Construction of 720 MW Hydroelectric Project
- Punatsangchhu - II, Bhutan
Construction of 990 MW joint implementation Hydro Electric Project by the Royal Government of Bhutan and the Government of India

Markets served by the Company

The primary focus of the Company's products and services has been the national market. While the Company is making continuous efforts to explore and develop existing as well as new export markets for its products, there is no specific export plan for the same.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up Capital	Rs. 4,43,81,67,118
Total Turnover	Rs. 13327,02 Lacs
Total profit after taxes (PAT)	Rs. 413,89 Lacs
Total spending on Corporate Social Responsibility (CSR) as percentage of PAT	15.78% (approx.)

Activities in which expenditure above has been incurred

The Company funds social projects at each of the different project sites that the Company operates in, that are specific to the needs of that location, as detailed in Principle 8 of Section E.

The major activities the Company focuses on are imparting education, and rural infrastructure development through contributing to the building of roads, community centres, education – from primary to higher education, healthcare and sports facilities, etc.

In addition, the Company provides financial support towards relief and reconstruction after national catastrophes like earthquakes and other natural calamities like land slide in Uttarakhand in June 2013.

SECTION C: OTHER DETAILS

As on 31st March, 2014, the Company has twenty four subsidiaries which are engaged in various business activities, including power generation and distribution, cement manufacturing, infrastructure development, Real Estate, Expressways, sports, fertilizers, aviation, Agri related and Healthcare.

While many of these subsidiaries, as well as other entities that the Company does business with, carry out Business Responsibility-related activities under their own initiative, these are not covered under this report.

SECTION D:

BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director responsible for Business Responsibility

a) Details of the Directors responsible for implementation of the Business Responsibility policy

DIN Number : 00020779
Name : Shri Rahul Kumar
Designation : Whole-time Director & C.F.O.

b) Details of the Business Responsibility head

Name : Shri Rahul Kumar
Designation : Whole-time Director & C.F.O.
Telephone number : 0120-4609000
e-mail id : rahul.kumar@jalindia.co.in

2. Principle-wise (as per National Voluntary Guidelines) Business Responsibility Policy/policies

Questions	Principles								
	1	2	3	4	5	6	7	8	9
1 Do you have a policy for...:	Yes								
2 Has the policy been formulated in consultation with the relevant stakeholders?	The policy has been formulated taking into account the needs of the Company's various stakeholders.								
3 Does the policy conform to any national / international standards? If yes, specify.	Yes, the policy has been formulated in line with the National Voluntary Guidelines for Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs in July, 2011 and also Section 135 of the Companies Act, 2013.								
4 Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	The Policy has been approved by the Management and signed by the Executive Chairman.								

5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes The Company had constituted a Sustainability Committee to oversee the implementation of the policy. The same functions will now be looked after by the "CSR Committee" formed in line with provisions of Section 135 of the Companies Act, 2013.
6	Indicate the link for the policy to be viewed online	http://www.jalindia.com/sdpolicy.pdf
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes The Policy has been made available to all internal and external stakeholders through the Company website: www.jalindia.com
8	Does the company have an in-house structure to implement the policy/policies?	Yes The Company has defined a governance structure from the Corporate level to the individual locations in order to implement and monitor the policy. Details for the governance structure are provided at http://www.jalindia.com/brreport.pdf
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	This being the initial stage of the Policy, the Company is doing the evaluation internally through the executive management of the Company.

3. Governance related to BR

The CSR Committee will endeavour to meet at least once annually in order to assess the BR performance of the Company.

This is the second year that the Company is publishing its Business Responsibility report, and plans to continue to publish the same every year.

The Business Responsibility Report can be viewed online at <http://www.jalindia.com/brreport.pdf>

SECTION E: PRINCIPLE-WISE PERFORMANCE**PRINCIPLE 1 – CORPORATE GOVERNANCE**

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Jaiprakash Associates Limited is committed to the highest standards of ethical conduct in all that it does. It is the Company's deeply-held belief that "integrity in our actions engenders trust in our stakeholders, which is the cornerstone of our business." The Company has created a comprehensive Sustainable Development Policy that codifies its approach to ensuring that its business practices remain sustainable in the long-term.

The Company's philosophy on Corporate Governance aims at attaining the highest level of transparency and accountability towards its stakeholders – including, among others, shareholders, employees, the Government and lenders – and at maximizing returns to shareholders through creation of wealth on a sustainable basis.

The Company strives to be a responsible corporate citizen, abiding by the letter and spirit of all applicable national and state laws, and also encourages the entities it does business with, to do the same. The Company is compliant with the Corporate Governance norms laid down in Clause 49 of the Listing Agreement, and is also committed to comply with the revised guidelines of Clause 49 of the Listing Agreement which would be applicable from 1st October 2014 .

The Directors and Senior Management of the Company are guided by the Code of Conduct that details their responsibilities towards shareholders, society and the country.

The Company is extremely responsive to any complaints received from stakeholders; the Company has received 543 complaints from shareholders in the last financial year (2013-14) regarding issues such as transfer/non-receipt of shares, dividend warrants not received, loss of shares, demat complaints, etc., all of which have been resolved before the close of the financial year.

PRINCIPLE 2 – PRODUCTS AND SERVICES

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

At Jaiprakash Associates Limited, we have made sustainable development a cornerstone of our business strategy to achieve sustainable and profitable growth. Company has prioritized key issue after collective deliberation of management and key stake holders. These issues includes; Health & Safety, Corporate Governance & Transparency, Energy Security, Social responsibility, product responsibility, climate change and waste management.

Our Business responsibility report draws on our proven technology and risk management framework. The Company places significant emphasis on Research and Development focused on optimizing engineering techniques and creating new methods in order to achieve higher efficiencies.

Over almost five decades, the Company has executed some of the most noteworthy projects in the country that creates significant long term improvement in the lives of the people both near and far.

Company's major divisions include Engineering and construction, Cement, Wind Power, Real Estate & Hospitality. Details of initiatives taken under these divisions are furnished hereunder:

1. ENGINEERING AND CONSTRUCTION:**a) Hydropower projects:**

The Company has been a leader in the construction of river valley and hydropower on turnkey basis for more than four decades, and hold the distinction of participation in 54% of new hydropower projects under Tenth Five year plan.

The Company is currently executing various projects in hydropower and irrigation, and holds the distinction of simultaneously executing 13 hydropower projects over 6 Indian states and Bhutan, for generating 10290 MW of power.

Advantages of hydro power projects:

- Does not generate pollution or wastes.
- Does not generate greenhouse gases.
- Saves natural resources.
- Dependable, controllable and predictable source of renewable energy.
- Dams act as a reservoir and source for irrigation water.

Major Hydropower Plants under execution**I. Baglihar Hydroelectric Project:**

This 450 MW project in Jammu & Kashmir is the first state owned power project in J&K, and represents a milestone in the development of the state's rich hydropower resources. Baglihar will provide clean and non polluting power to the people of J&K and nearby areas, and ensure that developmental activity in the region receives a boost.

II. Punatsangchhu Hydroelectric projects (Bhutan):

This 990 MW hydroelectric projects has been set-up under a bilateral agreement between the Govt of India and the Royal Govt. of Bhutan, and is an important milestone in reaching the target of 10,000 MW generation from hydropower by 2020.

b) Expressways:

The Company has developed 165 kilometer long Yamuna Expressway along the Yamuna river connecting Noida and Agra. The principal objective of this expressway is to minimize travel time from Delhi to Agra, facilitate faster uninterrupted movement of passengers and freight traffic, connect the main existing and proposed townships and commercial centers on the eastern side of the Yamuna river, relieve traffic congestion on the National Highway-2 and Old Grand Trunk Road (National Highway-91) and generally enhance development in the region.

The Company has also commissioned the four lane Zirakpur-Parwanoo Section of NH-22, Himalayan Expressway from km 39.96 to km 67.55 which

has first RFID Technology based Electronic Toll Collection Plaza in the states of Punjab, Haryana & Himachal Pradesh.

Some of the major advantages of these access controlled high speed expressways are as follows:-

- These expressways provide fast and safe connectivity resulting in saving fuel, time and cost of transportation to the society,
- Expressway managed by advanced Highway Traffic management System (HTMS). Multiple fiber optic ducts are deployed for captive requirement, video surveillance, traffic management system, crime control and further subletting these ducts to telecom operators and hence can avoid digging of highway in future to avoid additional cost.
- Liberal plantation and landscaping for aesthetic appeal, reducing air/noise pollution, wind impact, and very comfortable ride to Agra which positively impacted foreign tourism to Taj Mahal.
- Yamuna Expressway play major role in planning of NCR & western U.P region as numbers of SEZ are planned along Expressway that promoted the social and economic development of masses in this region.
- It created a major potential for inclusive growth opportunities for local industries, agriculture, medical and educational services and hence created mass job opportunities.
- Himalyan Expressway provides major boost in fast mobility of armed forces in the Northern territory of our country.

c) Real Estate:

Company has been developing some of the finest integrated townships in the country; wherein everything is at ones disposal & at walking distance; whether it is shopping, office, hospital, school/ colleges, sports or a game of golf. Company offers Residential Projects at Noida, Greater Noida & Agra.

Company believes that harmony between the man and his environment is the prime essence of healthy life and living. The sustenance of our ecological balance is therefore of paramount importance. Efforts are made to conserve ecological balance without any harm done to the local flora and fauna. The Company has also taken green initiatives, a forestation drives, resources conservation, water conservation, air quality control and noise pollution control and created a "green oasis".

Some of the major initiatives taken in the field of Real Estate are as follows:

- Use of CLC Block provide better insulation from heat that reduces the need of refrigeration and hence saves electricity.

- Usage of advanced technology such as Fiber to the Home (FTTH), promotes economic development, reliability, future proofing, security, higher bandwidth at nominal cost to meet the consumer demand of the next decade.
- Company's integrated township, is equipped with renewable source of energy i.e. solar lighting and solar hot water systems. This will result in significant reductions in electricity consumption over the lifetime of township.
- Rain Water harvesting system and plantation of trees support environmental growth and equitable development.
- Implementation of SAP in real estate industry that optimizes the resource, reduces the use of paper, promotes internal control system, stream line flow of information that saves time & money and further add to society.

2. CEMENT DIVISION

The Company has taken all efforts to ensure that the processes followed in its cement manufacturing plants are as optimal as possible. In addition to setting up new cement plants which deploy the latest state-of-the-art technology, the Company has also been upgrading the technologies and processes used in the existing plants on a continual basis, so that they be as energy efficient as possible, and make use of advanced pollution control and monitoring equipment.

Some examples of the technologies and processes that are used are:

- In the production of clinker, pet coke is used as an alternate fuel – every ton of pet coke that is used reduces the use of 1.3 tons of coal.
- The fly ash generated from the coal fired boilers is used as Pozzolanic material input for the manufacture of cement – what earlier had to be sent to a landfill is now a raw material.
- All of our existing plants and offices are situated on government approved land. None of our plant fall with or are adjacent to protected areas or high- biodiversity areas, as notified in the sitting guidelines issued by Ministry of Environment and Forest, Govt. of India Currently, our focus is on organizing plantation drives which are of ecological importance and required owing to our expansion. We have conducted a baseline diversity analysis and planted numerous saplings of different varieties at our various projects.
- Cement grinding operations are equipped with Vertical Roller Mills with high efficiency separators which consume comparatively less energy.
- High efficiency Bag Houses/ Filters are used in almost all the areas where electrostatic precipitators (ESPs) are installed. All such bag houses, bag filters and ESPs are designed for emission levels much lower than the statutory limits of 50 mg/ Nm³.

- High fuel efficiency burners are installed in all kilns, which emit low NOx in the stack gases.
- Captive Power Plants, which are located at the cement sites, use high efficiency boilers and ESPs which ensure stack emissions at lower level than the statutory limits.
- Prudent Water management system recycling and recharging of waste water generated from plant is used for irrigation

3. REAL ESTATE DIVISION

Use of renewable energy

Wish Town Noida, the Company's integrated township, is being fitted with solar lighting and hot water systems. This will result in significant reductions in electricity consumption over the lifetime of the township.

4. WIND POWER DIVISION:

The Company has been operating the wind power projects of 49 MW in the western states of Gujrat and Maharashtra. Wind power is one of the most sustainable form of energy as:

- It provides zero carbon emission and it is least expensive among all forms of alternative energy.
- Once the wind turbine is in place, they have low overhead- they require minimal maintenance, and wind power is free.
- Although wind turbines can be very tall each takes up only a small plot of land. This means that the land below can still be used. This is especially the case in agricultural areas as farming can still continue.
- Remote areas that are not connected to the electricity power grid can use wind turbines to produce their own supply.

5. HEALTH CARE

With the vision of promoting world-class health care amongst the masses by providing quality and affordable medical care with commitment the Jaypee Hospital is being constructed. The hospital has been planned as a **1200 bedded tertiary care multi-specialty facility** and is currently in the process of commissioning 504 beds in the first phase through its subsidiary company. The Company offers the highest standards of healthcare services through state of the art infrastructure amalgamated with latest technology available across the globe along with a highly skilled and experienced team of doctors.

The Company is currently running **14 hospitals and 28 dispensaries** at various project site which are providing the masses free medical facilities. Highly qualified medical practitioner has conducted year bound medical camps such as pulse polio, health checkup for under privilege children, Hygiene awareness camp that has helped in reducing infant mortality rate and increasing the life expectancy .

6. HOSPITALITY DIVISION

Company has taken initiatives to recycle water, and to reuse wastes. Recent initiatives include the installation of scrubbers for equipments operated on fossil fuel, and conversion of fuel from High Speed Diesel to Piped Natural Gas which have resulted in reduction of CFC release by 30% and consequent reduced contribution to ozone depletion and global warming. Our hotels are equipped with lush landscaped garden, water bodies, walk ways and comply with waste management, water consumption reduction & harvesting techniques, and biodiversity norms that provide great luxury with complete sense of responsibility towards the society.

Sustainable Sourcing and Local Procurement

The Company has developed and institutionalized internal processes to ensure that the sources and means of transportation of the raw materials and components which are input to the different projects are sustainable in the long-term.

The Company evaluates its major suppliers and contractors to ensure that they are in compliance with legal and environmental norms in their business activities.

In the Cement division, approximately 68% of the total materials procured are from local suppliers. The Company undertakes Annual Rate Contract agreements with suppliers in order to provide them with certainty regarding the volumes required, and to avoid recurring tendering for regularly procured materials.

The Engineering and Construction division of the Company primarily undertakes large-scale projects that require specialized machinery and equipment, many of which are imported in order to meet the stringent quality parameters that are adhered to. The raw materials such as cement and steel that go into the construction projects are also sourced from reputed national firms, irrespective of distance.

Wherever possible, and with all other factors remaining equal, the Company prefers to procure raw materials and spare parts from vendors and dealers that are nearest to the project sites. Local markets are continuously explored and encouraged to arrange for material suitable for construction.

At many of the Company's major ongoing project sites – Jammu and Kashmir, Bhutan and Andhra Pradesh – the Company endeavors to hire locally as far as possible.

In the Hospitality division, approximately 60% of our procured materials are sourced from local suppliers.

'Reduce, Reuse and Recycle'

The Company has always followed the philosophy of 'Reduce, Reuse and Recycle', wherever practically feasible. For example, fly ash, which was earlier considered as industrial waste, is now being recycled and used as a process material in the cement plants. Around 30% of fly ash used in PPC grade is either generated from the captive power plants, or purchased from the market. This reduces the clinker requirement by about 30%.

Within the Engineering and Construction division, due to the nature of the business, there is limited scope for the recycling of products. However, all the Company's project offices make use of a significant level of reusability – the camps and work-shops that are erected at each of the sites are made almost entirely of material and components taken from earlier dismantled project sites. The individual elements like door and window frames are designed in such a way as to be sturdy, and also be easily reusable. Excavated material, stones and boulders are reused for the back-fill and construction activity, and any steel scrap is disposed off to agencies for re-rolling.

Collection of municipal solid waste (MSW) at Chandigarh.

This initiative is serving the twin purpose of keeping the city clean and to conserve the energy resources available in the form of producing fuel called refused derived fuel (RDF)

Last but not the least, as a Company we remain committed to strategic business development in infrastructure, as it is key to nation building in the 21st century. We aim for perfection in everything we undertake and we have a commitment to excel. It is the determination to transform every challenge into opportunity; to seize every opportunity to ensure growth and grow with human face to provide sustainable growth for our generations to come.

PRINCIPLE 3 – EMPLOYEE RELATIONSHIPS

Businesses should promote the well being of all employees

Since its founding, the Company has fostered a work culture based on values of trust, mutual respect and dialogue. The management and employees across the various divisions and units endeavour to create and maintain positive individual and collective relationships, and are expected to do so as an integral part of their job.

The Company is committed to providing a work environment in which every employee is treated fairly, has the opportunity to contribute to business success and also to realize their full potential as individuals. The Company strives for proactive improvement of its relationships with all its employees, and accomplishes this through organized structures and programs by the Human Resources department at both Corporate and unit levels.

Employee Demographics

In the FY 2013-14, the Company employed **21017** employees, the break-up of which is as follows:

Category	Total
Permanent employees	19501
Temporary/contract/casual workforce	1516
Permanent employees who are female	381
Permanent employees with disabilities	27

Employee Unions

While the Company respects the right of employees to join organizations of their choosing and engage in constructive negotiations, the Company's management have always

maintained a harmonious working relationship with the employees characterized by trust and open dialogue; none of the employees of the Company have formed or become members of an employee associations or unions while they were employed with the Company.

Employee engagement programmes

The Company has become one of largest and most reputed infrastructure conglomerates because of the dedication and perseverance of its employees.

The Company strives to create a stimulating work environment through its HR practices, with the aim of attracting and retaining the best people, regardless of their background, beliefs or social culture.

Complaints and Grievance-handling mechanisms

Category	Complaints filed	Complaints pending
Child/ forced/ involuntary labour	Nil	Nil
Sexual harassment	Nil	Nil
Discriminatory employment	Nil	Nil

Although the Company had not adopted an explicit Whistle-blower Policy during FY 2013-14, the Company had not denied any personnel access to the Management or the Audit Committee on any issue. The Company is in the process of laying down a formal Whistle-blower Policy in the Current Financial Year.

Safety of Workers & Employees

The Company places considerable emphasis on health and safety throughout its operations and displays commitment to ensure that high standards are maintained in compliance with all applicable laws and regulations. The Company's Safety Policy comprises a statement of the Organization's objectives regarding Safety of Man and Equipment in operation at work sites. The Management's endeavour is to establish a risk-free and "Zero accident" work environment.

Safety training is imparted to employees to make them aware of the procedures that need to be followed while working. The Company has won multiple national awards over the past years for its safety performance.

Training & Development

Category	Percentage who underwent training
Permanent Employees	36.97%
Permanent Women Employees	60.10%
Casual/Temporary/Contractual Employees	48.22%
Employees with Disabilities	29.63%

The Company is well-known for developing talent in its employees. The Company endeavours to attract, support, retain and motivate the best people in the field, and its training programs are designed to enhance the capabilities of its individuals, provide opportunities to develop skills and increase knowledge in order to maintain a competitive advantage.

Training programs

The Company provides various opportunities to employees of all levels to upgrade their skills:

- **Structured Training Plan:** It is an in-house training program which focuses on the technical aspects of various engineering disciplines.
- **Computer Literacy Campaign:** Different aspects of computer operations are covered in order to keep employees at the cutting edge of technology and latest trends.
- **Future Managerial Cadre Program:** supports development of managerial cadre. The Company selects cadre from the existing pool of engineers and managers and also carries out direct recruitment through campus interviews from institutions of repute.

Apart from this, customized training programs are also conducted time to time by outside institutions, covering different aspects of Company’s businesses.

- **External Training Programs for Senior Executives:** In order to keep pace with the changing times and to spot opportunities and perceive possible threats, existing skills need to be continually updated. Senior executives within the organization are continually upgrading their competencies through various courses of short duration.

PRINCIPLE 4 – STAKEHOLDER RELATIONSHIPS

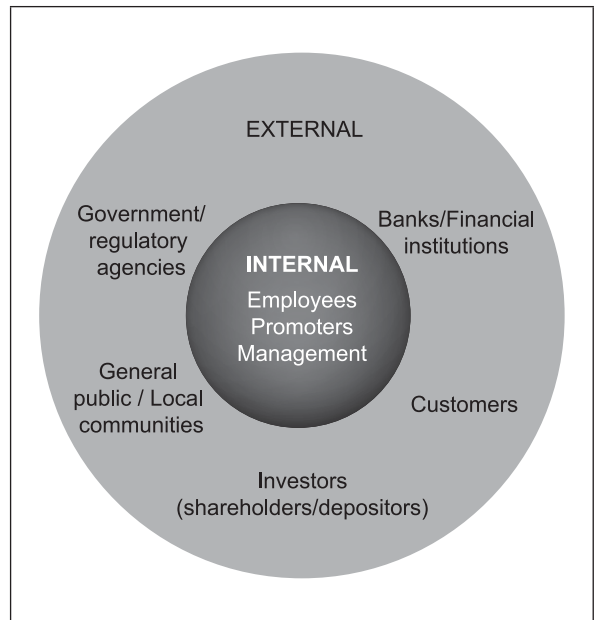
Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Stakeholder mapping and engagement

The Company has identified its stakeholders and takes steps to engage with them through various formal and informal processes.

The major stakeholders have been identified and classified as:

- Employees
- Customers
- Shareholders/Investors
- Communities
- Business Partners/Contractors/Vendors
- Contract workers
- Government Bodies



Engaging with the Disadvantaged, Vulnerable and Marginalized Stakeholders

The Company’s relationship with its employees, customers, business partners and suppliers are governed by more formal processes than that with some other stakeholder groupings. Nevertheless, the Company ensures that all stakeholder concerns, including those of the most disadvantaged and vulnerable, are incorporated into the Company’s strategic thinking and decision-making.

The Company takes all practical steps to ensure that all communication with stakeholders is clear, transparent, timely and complete, and respects their right to be informed, so that everyone can make decisions and act in a knowledgeable fashion. Dialogue, review and feedback are also encouraged wherever possible. While the management has the accountability for stakeholder strategy and engagement, the Company believes that every employee in the Company has a responsibility towards ensuring satisfactory stakeholder relationships.

Some of the initiatives and channels used in the process of engaging with stakeholders include face-to-face meetings, both individual and group (including the shareholders’ meetings); media and stock exchange announcements; presentations; conference calls; formal grievance mechanisms; financial reports; newsletters, circulars and e-mail updates; regular customer, business partner and supplier meetings; formal consultations and audit processes; and updates on the JAL website – www.jalindia.com

PRINCIPLE 5 – HUMAN RIGHTS

Businesses should respect and promote human rights

Human Rights of our Stakeholders

The Company has always been committed to developing an organizational culture that supports internationally recognized human rights, as well as the human rights enumerated in the Constitution.

The Company takes steps to ensure that human rights principles are upheld within its workplaces. The Jaypee Group as a whole is committed to its cherished value 'Growth with a Humane Face' while dealing with people, whether internal or external to the organization.

There have been no complaints regarding violation of human rights from stakeholders in the past financial year.

PRINCIPLE 6 – ENVIRONMENTAL MANAGEMENT

Business should respect, protect, and make efforts to restore the environment

The Company believes that harmony between man and his environment is the essence of healthy life and living, and the sustenance of ecological balance is therefore of paramount importance. The Company is cognizant of its responsibilities as a diversified engineering, construction and manufacturing conglomerate and as a global corporate citizen; sustaining an equitable balance between economic growth and environment preservation has always been of paramount importance for the Company. Its environment management approach has led to efficient and optimum utilization of available resources, minimization of waste and is carried out through the adoption of the latest technology.

Recognizing its responsibility to protect and preserve the environment, the Company has undertaken afforestation drives in different parts of the country; this has resulted in significant resource conservation, water conservation, air quality improvement and noise pollution control, and created a "green oasis" amidst the limestone belt at its cement complex in Rewa. Similar initiatives have been taken in other regions where the Group has manufacturing units, such as Uttar Pradesh, Himachal Pradesh, Gujarat, Andhra Pradesh and Karnataka.

Company's vision about environment has following objectives:

- Efficient & optimum utilization of available resources
- Minimization of waste
- Maximization of waste materials utilization
- Providing and maintaining of green belts all around production zone.
- To comprehensively merge with the local society with support & care for their socio-economic development.

Corporate Environment & Energy Policy:

The Company follows the following Corporate Environment & Energy Policy:

- Setup and operate industrial plans and infrastructure Projects adopting modern technology, keeping in view efficiency of operations, prevention of pollution, conservation of energy which shall have impact on carbon emissions, on continual basis.
- Adopt and comprehensively adhere to meet rules and norms set by Ministry of Environment & Forests, Government of India, Central Pollution Control Board and State Pollution Control Board or any other statutory body.
- Develop Green Belts in its Plants/Units and Mines with local species having long life, nurture them to make a

lively environment besides creating buffer to habitat around the area.

- Make use of renewable energy to the extent it is possible and make tailor-made schemes to adopt such features suitable to respective projects.
- Work on philosophy of 'Zero Discharge' from the Units.
- Use waste materials to utilize available heat value and as additives in manufacture of cement to support Federal Government to make environment cleaner.
- Conserve precious water, adopt Rain Water harvesting for ground water recharging and develop water reservoirs, reducing its dependency on ground water and other natural resources for water supply to the units.
- Conserve Biodiversity with least amount of impact on the environment.
- Compliance to various conditions stipulated in Environmental Clearance accorded by Ministry of Environment & Forests and other conditions as imposed by State Pollution Control Boards in Consents granted for Establishing the unit and operations.
- Contribute effectively in Socio-economic development of habitat around the project sites, through its CSR activities, giving significant emphasis to Education, Health, Vocational training for jobs creation within and outside the Projects.

Environmental Risk Assessment

Institutionalizing this Green Initiative, the Company has constituted Project Groups at the project, regional and corporate level to carry out specific environmental related functions. These groups initiate and sustain measures to mitigate, monitor and control the impact of project implementation on the environment.

Resource Conservation

The Jaypee Group continually looks for innovative and cost-effective solutions to reduce wastes and preserve natural resources. Some of these measures include Reduction in new land acquisition by optimal utilization of existing ones; Capacity addition to existing resources including land, machinery, infrastructure and human resource; Reduction in water and fuel consumption by recycling and endorsing of more efficient combustion methods and state of the art technology.

AIR POLLUTION AND EMISSIONS REDUCTION

The Company is one of the leading national producers of cement, which is considered to be a polluting industrial sector.

The Company has always proactively attempted to go beyond compliance with respect to the regulations relating to the emissions. The cement business has undertaken major initiatives to reduce dust emissions including adoption of new technologies. The cement division has established a state-of-the-art Environment Management Cell which hosts a fully functional laboratory with modern testing and monitoring equipment to ensure that all emissions and dust that is generated is within permissible limits. All Captive Power Plants use high efficiency boilers

and ESPs which ensure Stack emissions at lower level than the statutory limits of 50 mg/Nm³.

Regular environmental audits are conducted at the Company's cement plants and stack/ambient emission monitoring is carried out on a regular basis.

In Hotels Division, the Company has installed Scrubber Systems in all the hotels for treatment of emissions. All emissions are passed through the scrubbers for treatment, before throwing up in the environment.

ENERGY CONSERVATION

The Company ensures that all possible measures are taken to conserve energy including identification of potential areas of saving energy, installation of energy efficient equipment such as capacitor control panels to improve power factor, and use of energy efficient lamps and compact florescent lamps (CFLs) wherever possible.

The Company's cement plants have all installed high efficiency pollution control & monitoring equipment such as Vertical Roller Mills, which consume comparatively low energy, for raw-meal and coal grinding units.

Some of the specific energy conservation measures taken at the different plants are mentioned in detail in Annexure to the Directors Report.

The Hotels Division ensures all possible measures to conserve energy by identifying potential areas of energy saving, installation of thermostate in rooms and public areas, glass panels for natural light, heat exchangers to recover condensated waste heat, CFL lights with automatic lighting system and VFDs for AHUs, blowers and CT Fans.

Jaypee Vasant Continental was conferred the National Energy Conservation Award by Hon'ble President of India, Shri Pranab Mukherjee as the recognition of efforts for the energy conservation measures with perfection.

Renewable Energy

The Hotels Division possesses the solar water heating system to provide hot water to the guest, laundry and the swimming pool. This has reduced the energy consumption and cost substantially.

WATER CONSERVATION

The Company has undertaken active water conservation and rain water harvesting measures. The Company has created reservoirs with huge surface area and storage capacity. Four reservoirs with an aggregate surface area of 46.70 hectares with a total storage capacity of 3 million m³ have been created in the mined out areas for collection of rain water and stored water is being used for cement manufacturing process and cooling purpose. These interlinked water bodies provide the entire water supply for the manufacturing process, eliminating the use of precious surface and ground water resources completely. A 6 km garland canal system along the mines periphery collects runoff rainwater in the reservoirs and lakes. These reservoirs have recharged the ground water across all the surrounding villages, improving not just crop yields, but the overall quality of life. The Group has also undertaken active water conservation and rain water harvesting measures. At Baghwar, three reservoirs of 11000 m³ have been made besides 3 km garland drain for rain water harvesting from colony and plant premises.

Waste water management in Hotels Division

The Company's hotels have installed Sewage Treatment Plant (STP) and Effluent Treatment Plant (ETP) to treat the waste water to discharge as raw water.

Similarly, the water rejected from R.O system is being recycled to be used as raw water for horticulture.

The residue of the effluent treatment plant is developed into good quality manure which is used for kitchen garden and floriculture green house.

The waste water from kitchen and laundry is being discharged as clean water after conducting the biological treatment.

Water Consumption Reduction in Hotels Division

The Innovative solutions like automatic urinal sensors and conservation water tabs enabled the hotels in reducing the consumption of water.

The total recovery of water from waste water management has increased by 50,000 KL during the last financial year.

Rain Water Harvesting in Hotels Division

Jaypee Palace Hotel and Convention Centre, Agra has an excellent network of soak wells to catch the entire rain water and used to charge the ground water.

Jaypee Residency Manor and Jaypee Siddharth also converted dried up bore wells into rain water harvesting pits.

Water consumption reduction in Cement Division

In Jaypeepuram, the Company has created three reservoirs, and a garland canal system has been laid along the mines periphery area in order to collect runoff rainwater in the reservoirs and lakes. These provide for the water requirements of the Company's cement plants and thermal power plants. Utilization of water from these reservoirs and lakes avoids the need to extract sub-soil water and accordingly has led to an increase in the water level in the vicinity, serving to mitigate drought conditions which often occur in March to July each year. A unique water conservation measure adopted in the captive power plant is the adoption of the air cooled condenser technology, which greatly reduces the water consumption in the cooling tower makeup, resulting in substantial reduction in consumption of water every year.

Waste Water treatment in Cement Division

Thermal power (captive) and cement plants are equipped with secondary and tertiary treatment facilities for waste water, so that most of the water can be recycled, making these units practically 'zero discharge' units.

Waste reduction and recycling in Cement Division

The Company uses the fly ash generated from coal fired boilers as Pozzolanitic material in the manufacture of cement, ensuring no solid waste from captive power plants.

Electronic wastes are disposed off through authorized vendors. Biodegradable wastes from project canteen, colony, etc are utilized for generating biogas.

Biodegradable wastes from project canteen, colony, etc are utilized for generating biogas.

Besides leaf litter is converted to compost through vermi

composting, subsequently used for horticulture and plantation as natural manure, thus preserving the health of the environment.

Afforestation drive and Impact on Biodiversity

Afforestation drives across all our campuses and project sites we operate are another example of our practical approach to environment conservation. No project is begun before extensive soil tests confirm the quality, alkalinity and porosity of the soil. Only local plant species or those with a high likelihood of survival are selected by our Green Team, staffed by qualified and highly experienced professionals, for plantation and its upkeep.

Green Belt Development and Biodiversity Mapping surveys at **Bina, Nigrie & Sidhi in Madhya Pradesh and Karcham in Himachal Pradesh**, helped in analyzing the importance of sites from the biodiversity point of view and conservation measures to be implemented.

Green belts have been designed keeping in mind utility as well as ecological aspects. The focus has been on conserving indigenous species, retaining and enhancing surrounding landscape, creating habitat for birds and insects, planting a mix of species that are a part of rural, urban and native landscapes and also raising environmental awareness.

Functional Green Belts created with native species have resulted in practical conservation of flora and fauna of the region. This scientific approach has ensured around 85% survival rate across the different locations and climatic conditions where we have carried out our drives. 220316 saplings have been planted during 13-14 across various project locations.

In addition, to support conservation of indigenous flora and fauna and creating wildlife friendly habitats, nest boxes and bird feeders have been installed at select sites for conservation of the house sparrow.

Eco-friendly Environment of Hotels of the Company

The hotels of the Company undertake all possible measures to minimize pollution from plant rooms and the back of the house areas.

The Hotels have garbage segregation system i.e. dry and wet garbage. The garbage is stored in controlled isolated environment and is removed systematically for re-cycling.

All Hotels of the Company are accredited with ISO 9001 for Quality Management System (QMS), ISO 14001 for Environment Management System (EMS), ISO 22000 for Food Safety Management System (FSMS) and Hazard Analysis and Critical Control Point (HACCP).

Green Initiative in Corporate Governance

The Company fully supports the Ministry of Corporate Affairs' initiative to minimize the use of paper for **all official communication**. In line with this, the Company sends all notices and documents, including the Annual Report, to shareholders who have registered for the same, by e-mail. This has led to a significant reduction in paper consumption annually.

Compliance

The Company complies with all applicable environmental norms regarding wastes, effluents or emissions, as prescribed by the Central and State Pollution Control

Boards for the sectors the Company operates in.

PRINCIPLE 7 – POLICY ADVOCACY

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company believes that it is the Company's responsibility to work with policy makers and other relevant stakeholders, and to communicate its views ethically and transparently.

Government policies on major issues, as well as national and state programs for infrastructure development, may directly affect the Company's business. The Company tries to inform these debates in an appropriate manner, based on the Company's in-depth understanding of the sector, of market needs and of potential risks and challenges.

Membership in Trade Chambers and Associations

The Company is a member of various industry and trade chambers and associations. The Company is proud to be associated with these groups because they represent the construction sector in various forums, and help the industry reach consensus on relevant issues.

The following are the major trade chambers and associations that the Company is a member of:

- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- PHD Chamber of Commerce and Industry (PHDCCI)
- Cement Manufacturers Association (CMA)

Priority advocacy areas for the Company

In 2013-14, the top issues for which the Company lobbied at the national level are:

- Economic reforms
- Inclusive development policies
- Energy security
- Sustainable Business principles
- Environmental policy

PRINCIPLE 8 – SOCIETAL COMMITMENT

Businesses should support inclusive growth and equitable development

We at Jaypee Group believe that as a responsible corporate citizen it is our duty to ensure that the benefits of growth are not shared just by our shareholders and employees but also by the local communities among whom we operate. Corporate Social Responsibility is an integral part of everything that we do being instilled in our Vision, our Strategies and Management goals. The focus of the initiatives therefore is on delivering meaningful social interventions, optimizing resources and capacities at hand.

The ethical standing of the Organization is evident in the unquestioned credibility it has patiently built over the years with all its stakeholders. Stakeholder consultation is an ongoing process to understand local issues and address the same holistically.

Our Corporate CSR initiatives go far beyond compliance and promote positive impact on the Environment and stakeholders both internal and external. In the financial year 2013-14, the Company has spent Rs.65.31 crores (approx.) on Corporate Social Responsibility-related activities.

Jaiprakash Sewa Sansthan

The Company with its environmentally responsible operations and strong partnerships with the communities, strives for inclusive and sustainable growth across various locations, through the JAIPRAKASH SEWA SANSTHAN (JSS), established by Shri Jaiprakash Gaur, Founder Chairman in 1993, to bring the many not-for-profit activities of the Group under one common umbrella, in order to give them a unified focus and direction.

Conceptualizing and implementing a vast range of initiatives—from education to healthcare and from rural development to disaster relief—the Sansthan aims to realize the Corporate Philosophy of 'Growth with a Humane Face'.

Comprehensive Rural Development Programme

A Comprehensive Rural Development Program (CRDP) was initiated in 1993 in 28 villages surrounding the cement plant at Madhya Pradesh. Over the years the CRDP plan has expanded its reach to cover a population of over 11 Lakhs in 345 villages across project sites in states of Andhra Pradesh, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Uttar Pradesh and Uttarakhand.

Activities of CRDP include

- Free medical camps
- Health check-ups for village school children
- Literacy campaigns for young children and adult
- Delivering safe drinking water
- Creating opportunities for self employment
- Renovation of old temples, schools and hospitals
- Free veterinary and animal care camps, etc

'Employee Volunteerism' initiative, wherein employees and students from the Jaypee Institutions engage with the communities directly or in sync with NGOs by contributing skills, time and resources, received renewed impetus. The programme has helped enrich community lives by tackling community needs.

Education

At Jaypee we firmly believe that Education is the cornerstone to economic development and the strength of 1 billion Indians can be channelized by education alone, to build India into a developed nation. To spread Education amongst the economically challenged segment of society and areas with abysmally low literacy levels, the Group runs the Sardar Patel Uchattar Madhyamik Vidyalayas – a chain of 10+2 CBSE schools, in different states, catering to children of farmers having land holding of less than four acres and family income below Rs. 3000/-.

The Group has established **34 Schools** that includes the Sardar Patel Vidyalayas, Jaypee Vidya Mandirs, catering to learning of **over 18,000 students** with a student teacher ratio of 25:1. The percentage of girl students is around 35-

40% in these institutions of learning which host the best of faculty and educational infrastructure towards creation, generation, dissemination and application of knowledge through an innovative teaching – learning process to mould the leaders of tomorrow. The institutions have well equipped libraries and ICT based learning.

Physical training and various life skills programmes are built into the curriculum. Students have excelled in sports and participated in district and division levels at the State level tournaments. Scholarships for meritorious students for pursuing higher learning are other aspects of the education programme. Top rankers in 12th are also provided free admission to the Company run Engineering Colleges. Besides, coaching is provided for competitive exams such as entrance for IITs, NDA exams, etc and several students from humble village background have cleared these competitive exams and made a success of their lives.

Village children are initiated into the learning atmosphere through 'Balwadis' which deploy interesting and creative learning methodology.

The Adult literacy classes besides teaching people to write their names are designed to impart a range of practical skills such as filling government forms, making bank withdrawals, etc that help individuals integrate better into a modernizing society.

Medical Services

In the area of Medical Services the Group has set up **14 hospitals and 28 dispensaries** at various project sites. The Health services are managed by highly qualified medical practitioners – physicians, gynecologists, surgeons, dentists, eye specialists, etc.

These services are available free of cost to the remote rural communities. From general health camps, to eye check-up camps for the elderly, we provide free health care to areas that are among the most deficient in that respect across the country. Advance Intensive Care Life Support Ambulances are provided for remote areas. These ambulances are equipped with state-of-the-art life support equipment designed to provide fast and direct response to the needy.

All school children undergo a comprehensive annual health checkup, reports of which are then shared with their parents along with treatment advice.

The Company has set up a **16-bed hospital** at the cement complex which benefits over one lakh villagers; a **40-bed hospital** at Sholtu in H.P. close to the Jaypee Karcham Hydro Power Plant which benefits over 15,000 villagers; and a **30-bed hospital** in the township area of Jaypee Himachal Cement Plant at Baga, in the Bilaspur district of HP, which benefits over 30,000 villagers, annually.

The medical services have lowered infant mortality rate significantly and helped improve the life expectancy rate in the operational areas.

Village women also receive training in basic Healthcare through awareness sessions. The knowledge is then transmitted to other members in the community. Village personnel are also hired as auxiliary staff.

Over 9 lakh people in 345 villages in various states across the country benefit annually benefitted from the healthcare services provided by the Company.

Skill Development and Employability

At the Industrial Training Institutes and Polytechnics set up by the Group, unskilled young men and women are taught employable skills ranging from operating lathes and construction machinery, to repairing electronic devices, etc. Trained personnel have either joined us or other Companies or set up their own businesses. Because of the advanced machinery and cutting-edge training imparted here, personnel are heavily in demand at engineering giants such as Tata Motors, Eicher, the Railway Coach Factories, Coal India, ISRO and DRDO, to name a few.

6 ITIs, 1 Polytechnic, 1 Post Graduate College, 1 B.Ed. college, 1 Construction Skills Training Institute, 1 International Engineering and Vocational Centre, which caters to school dropouts and unemployed youth in the vicinity of the plant and **3 Universities** with two extension campuses, provide teaching to over **12,000 students**. Today, Guna, Madhya Pradesh & Waknaghat, Himachal Pradesh and Noida, Uttar Pradesh boast cutting-edge Institutes of Technology with a student-teacher ratio of 17:1.

Women empowerment

The rural employability initiatives, also teach **rural women** simple life transforming skills. Over the last two decades, sewing courses conducted by our trainers have produced hundreds of **empowered women** who have gone on to start their own micro-businesses, using the sewing machines given to them free at the successful completion of the course. Many of them employ other women whom they have trained themselves. Other income generating skills across several locations include, making papads and vadis, washing powder, incense stick and candles. Several SHGs have been formed which also undertake minor infrastructure projects in the villages as a source of income generation.

64 disabled persons have been employed at various locations.

Rural Infrastructure Development and Upgradation

Jaiprakash Sewa Sansthan (JSS) is not just improving lives of people but is also making a better tomorrow for all. The Sansthan has worked with and through formal and informal local bodies, to implement hundreds of projects, both big and small. From critical projects that improve local infrastructure like roads and bridges, irrigation canals and drainage systems, schools and hospitals; from building giant water reservoirs that provide water to entire districts, drinking water plants, tube wells, from projects that help fulfill a community's material needs to those that provide spiritual and emotional succor – renovating places of worship, upgrading panchayat ghars and community meeting places – JSS has helped create contented communities across the country. A large part of the population has gained from the sanitation facilities. The trust also helps in times of natural catastrophe to reach the affected communities in distress.

Animal Husbandry

Animal Husbandry significantly substantiates the income of small, marginal farmers and landless labourers and is a helpful measure in generating gainful employment opportunities, especially self-employment for the rural population. Animal Husbandry medical initiatives taken up by the group plays a major role in providing veterinary

health care and improving the genetic production potential of livestock and poultry reared in the adopted villages. The permanent veterinary staff employed by the Trust organises camps where the villagers can talk to vets and obtain medicines, besides immunisation, check-ups and artificial insemination for their cattle. Interactive audio-visual training sessions demonstrate progressive approaches to animal rearing. 15 veterinary camps attended to 6013 animals including artificial insemination.

Towards Dairy Development the Group has set up milk collection centers in the villages of Gautam Budh Nagar, Aligarh and Mathura, along the Yamuna Expressway thus eliminating the middlemen and providing direct benefit to the farmers in the rural areas. Rural incomes have been raised considerably. Several families have prospered with such alternative sources of income. Besides veterinary camps are held by team of veterinary doctors on a regular basis, to assist farmers in monitoring health of their animals. Door step services are provided at nominal charges. Besides, good quality cattle feed; feed supplement, milk enhancer and dewormers are provided to farmers at subsidized rates.

Impact Assessment of programs

Periodic assessments are conducted to measure and evaluate the impact of our initiatives. The aim remains to ensure that there is a tangible and measurable improvement in the project participants' lives, over time. Feedback from the participants and regular interactions at the village level ensure that the initiative is executed in as efficient and effective a manner as possible and its benefits are for the long-term. Such interactions enable us to contextualize and improve the delivery of each programme.

PRINCIPLE 9 – CUSTOMER SATISFACTION

Businesses should engage with and provide value to their customers and consumers in a responsible manner

Customer engagement and satisfaction

The Company is committed to delivering a consistent standard of product quality and service, as well as a high level of customer engagement in order to best serve its customers' needs and concerns.

Cement

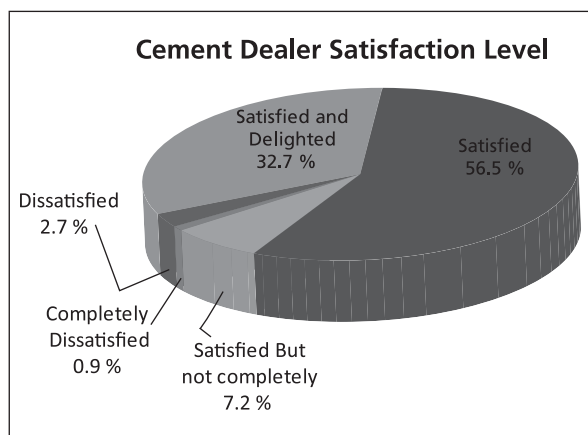
Dealer Satisfaction surveys are conducted to measure satisfaction of the customers from time to time. A Survey was conducted by **M/s. Market Pulse**, Noida, U. P. and **M/s. AZ Research Pvt. Ltd.**, New Delhi, the leading market research and analytics firms, on all India basis covering all the dumps of Cement Division, on the basis of approved questionnaires to measure satisfaction of the customers. Parameters covered for the study were:

- 1) Overall Satisfaction,
- 2) Satisfaction with product Quality,
- 3) Quality of Sales Service,
- 4) Quality of Technical Service,
- 5) Profitability and Commercial Terms, and
- 6) Price Management

The overall Dealer Satisfaction was found to be as under:

	No. of respondents	In %age terms
Satisfied and Delighted	874	32.7%
Satisfied	1508	56.5%
Satisfied But not completely	191	7.2%
Dissatisfied	73	2.7%
Completely Dissatisfied	23	0.9%
TOTAL SAMPLE OF RESPONDENTS	2669	100.0%

It was observed that 89% of the dealers were satisfied or delighted with the Company.



Real Estate

Jaypee Greens, the real estate arm of the Jaypee Group, started its operations in 2002. Over a period of 12 years, the Customer base has increased to approximately 44,000 across 4 townships namely Jaypee Greens-Greater Noida, Wishtown-Noida, Jaypee Greens Sports City and Wishtown-Agra.

As an initiative to achieve higher **Customer Satisfaction**, the Customer Response Cell (CRC) was set up to handle various requests, complaints and queries raised by customers. This Cell works in co-ordination with various departments of the Company: Sales, Commercial, Legal and Construction - and facilitates the relationship between the Customer and the Company. The basic purpose of CRC is to deal with queries and complaints of customers on a day to day basis, which are received via mail, telephone or personal visits to the office.

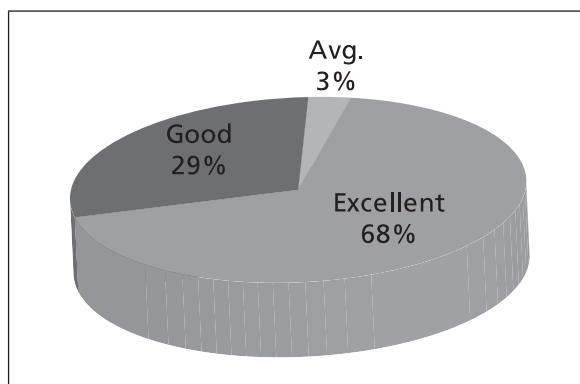
To gauge the Customer Satisfaction, we have arranged for independent surveys conducted by **M/s. Market Pulse**, a leading market research and analytics firm, on a periodic basis using questionnaires and personal interviews with the customers. The results of the survey are taken as feedback to improve the products, systems and business processes. The findings of the survey have also been encouraging as most of the customers have expressed their satisfaction with the Company and have shown continued loyalty.

Hospitality

The Company has put in place robust mechanisms to disseminate the feedback forms obtained from the guests, and followed up with the concerned department on regular basis for corrective action as and when required.

The hotels have Guest Feedback System. During the last financial year about three lac guests patronized the hotels of the company. The hotels obtained the valuable suggestions in guest feedback forms from the staying guests to analyse the suggestions for corrective measures to ensure 'zero defect services'. Following is the feedback provided by the guests of the Hotels Division during 2013-14:

1	Excellent services	68%
2	Good services	29%
3	Average services	3%
	Total	100%



Customer complaints

There are a few consumer cases, including by/before the Competition Commission of India, filed against the Company in the past financial year and the Company is committed to resolving them at the earliest.

In the Cements division, there were 2 complaints pending from the previous financial year, and 686 customer complaints received during the last financial year; of these, 681 have been addressed and resolved satisfactorily, and 7 (i.e. slightly more than 1% of cases) are pending.

In the Engineering and Construction division, the Company has received positive feedback from the overwhelming majority of its clients and customers over the years, indicating high levels of satisfaction with the products and projects delivered to them.

Product labeling and communication

The Company ensures that all product and service-related communication is timely and accurate. Cement is the major product that the Company manufactures, for which product labeling is done in compliance with labeling requirements regarding brand name, weight, grade, name and address of the manufacturer, etc.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
JAIPRAKASH ASSOCIATES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Jaiprakash Associates Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 notified under 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 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, 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 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

Without qualifying our opinion, we draw attention to note 34(d) of the financial statements, relating to the order of the Competition Commission of India (CCI), concerning alleged contravention of the provisions of the Competition Act, 2002 and imposing a penalty of ₹ 132360 lacs on the Company. As per directions of the Competition Appellate Tribunal an amount of ₹ 13236 lacs has been deposited which will remain with them and not be disbursed during the pendency of the appeal. Based on the advice of the Company's counsels as well as its own assessment, the Company believes that it has strong grounds for the success of the appeal, and hence no provision has been considered necessary by the Company in this regard.

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, 2014;
- 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 the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") 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.
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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under 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 March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For M.P. SINGH & ASSOCIATES
Chartered Accountants
Firm Registration No. 002183C

CA Ravinder Nagpal
Partner
M.No.081594

Place : Noida
Dated : 27th May, 2014

ANNEXURE TO THE AUDITORS' REPORT

ANNEXURE referred to in paragraph 1 of our report of even date to the members of **Jaiprakash Associates Limited** on the accounts of the Company for the year ended 31st March 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. The situation of the moveable assets used in the construction activity keeps on changing from works sites depending upon requirements for a particular contract.
- (b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company & nature of its assets. According to the information given to us and to the best of our knowledge, no material discrepancies were noticed on such physical verification.
- (c) Fixed assets disposed off by the Company during the year were not substantial; hence it does not affect the Company as a going concern.
- (ii) (a) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification were not material and these have been properly dealt with in the books of account.
- (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 Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods /real estate, electrical energy services & supplies under EPC contracts. During the course of our audit we have not observed any continuing failure to correct major weakness 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 Companies Act, 1956 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) In our opinion and according to the information and explanations given to us the Company has complied with the provisions of Section 58A, 58AA and any other provisions of the Companies Act, 1956, and the rules framed thereunder with regard to the deposits accepted from the public. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vii) In our opinion the Company has an internal audit system commensurate with the size & nature of its business.
- (viii) We have broadly reviewed the accounts and cost records maintained by the Cement, Power & Real Estate divisions of 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 are of the opinion that prima-facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records.
- (ix) (a) As per records produced before us, the Company is generally regular in depositing undisputed statutory dues like Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to it, with the appropriate authorities and there were no arrears of such dues at the year end 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:

(₹ lacs)

Name of Statute (Nature of dues)	Period to which amount relates	Forum where dispute is pending				Total
		Commissionerate	Appellate authorities- Tribunal	High Court	Supreme Court	
Central Excise	1988-1992	13.65	-	-	-	13.65
	2000-2002	-	1.32	2.16	-	3.48
	2000-2004	-	88.22	-	-	88.22
	2004-2005	-	150.59	-	-	150.59
	2005-2007	2.06	-	-	-	2.06
	2005-2006	-	64.88	-	-	64.88

(₹ lacs)

Name of Statute (Nature of dues)	Period to which amount relates	Forum where dispute is pending				Total
		Commissionerate	Appellate authorities- Tribunal	High Court	Supreme Court	
	2005-2008	-	-	328.69	-	328.69
	2009-2010	2.52	2.02	-	-	4.54
	2000-2003	-	12.55	-	-	12.55
	2002-2004	-	72.93	-	-	72.93
	2004-2006	-	-	1.80	-	1.80
	2006-2007	-	53.75	-	-	53.75
	2006-2008	-	10.29	-	-	10.29
	2007-2008	-	480.81	-	-	480.81
	2008-2009	-	17.38	224.15	-	241.53
	2008-2010	306.19	-	-	-	306.19
	2008-2011	317.42	763.59	-	-	1,081.01
	2006-2010	138.35	542.28	-	-	680.62
	2009-2011	1.89	578.70	-	-	580.59
	2010-2011	24.73	-	-	-	24.73
	2010-2012	3.80	0.16	-	-	3.96
	2011-2012	5.34	-	-	-	5.34
	2012-2013	13.54	-	-	-	13.54
	2013-2014	-	551.76	-	-	551.76
Electricity Duty & Cess	1991-2002	-	-	1,844.71	-	1,844.71
	2003-2004	-	-	-	92.49	92.49
	2006-2011	-	-	10,643.33	-	10,643.33
	2008-2014	-	-	104.09	-	104.09
U.P. Trade Tax	1998-1999	-	-	241.71	-	241.71
	2007-2008	130.36	-	-	-	130.36
	2008-2009	12.36	-	-	-	12.36
	2009-2010	-	4.00	-	-	4.00
	2001-2001	-	-	0.73	-	0.73
	2010-2011	23.71	-	-	-	23.71
MPCT/CST	1999-2000	9.83	-	-	-	9.83
	2001-2002	20.38	-	-	-	20.38
	2004-2005	-	58.25	-	-	58.25
	2005-2006	-	-	266.19	-	266.19
	2002-2008	-	-	-	9,029.24	9,029.24
	2000-2001	-	-	227.23	-	227.23
	2006-2008	427.41	-	-	-	427.41
	2007-2008	-	-	90.49	-	90.49
	2008-2009	-	2.05	-	-	2.05
	2009-2010	2.93	265.52	-	-	268.45
	2012-2014	-	-	86.85	-	86.85
	2010-2011	582.18	170.09	-	-	752.26
	2013-2014	-	-	988.55	-	988.55
Himachal VAT	2013-2014	-	-	2,266.69	-	2,266.69
U.P. Entry Tax	2007-2008	-	-	-	1054.15	1054.15
	2008-2009	-	-	-	2835.65	2835.65
	2009-2010	-	-	-	3161.19	3161.19
	2010-2011	-	-	-	404.42	404.42
	2011-2012	-	-	-	510.95	510.95
	2012-2013	-	-	-	4.28	4.28
	2013-2014	-	-	-	19.97	19.97
M.P. Entry Tax	2000-2001	0.90	-	-	-	0.90
	2001-2002	-	-	148.76	-	148.76
	2006-2007	9.40	-	-	-	9.40
	2005-2014	-	-	-	7,729.81	7,729.81
	2007-2008	92.07	0.33	-	-	92.41

(₹ lacs)

Name of Statute (Nature of dues)	Period to which amount relates	Forum where dispute is pending				Total
		Commissionerate	Appellate authorities- Tribunal	High Court	Supreme Court	
	2009-2014	-	-	-	1,026.89	1,026.89
	2010-2011	190.74	5.43	-	-	196.16
Himachal Entry Tax	2010-2011	-	-	196.07	-	196.07
	2011-2012	-	-	507.87	-	507.87
	2012-2013	-	-	335.99	-	335.99
	2013-2014	-	-	410.00	-	410.00
Royalty on limestone incl interest	Upto Dec 2012	-	-	13,738.42	-	13,738.42
Rural Infrastructure Tax	Oct 05- Dec-13	-	-	-	375.31	375.31
	Jan-07- Mar- 13	-	-	-	203.91	203.91
Tax on transportation of goods in Himachal Pradesh	2010-2011	-	-	-	243.67	243.67
	2011-2012	-	-	-	759.67	759.67
	2012-2013	-	-	-	366.04	366.04
	2013-2014	-	-	-	2,026.40	2,026.40
Service Tax	2009-2010	-	5.13	-	-	5.13
Levy on transport of limestone	2007-2011	-	-	-	582.70	582.70
Water Cess	2003-2013	-	-	197.55	-	197.55
Customs Duty	2012-2013	-	5,781.56	-	-	5,781.56
Income Tax –TDS	FY 2005-2006 to 2012-2013	1,31,122.00	-	-	-	1,31,122.00

- (x) The company does not have any accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (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. Therefore, 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, securities, debentures and other investments. Accordingly, clause (xiv) of Para 4 of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, where the Company has given guarantee for loans taken by its subsidiaries from banks or financial institutions, the terms and conditions thereof are not prejudicial to the interest of the company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (xvii) According to the information and explanations given to us and on the overall examination of the Balance Sheet of the Company for the year under report, we are of the opinion that no funds raised on short term basis have been used for long term investment.
- (xviii) According to the information and explanations given to us the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company has created security/charge in respect of secured non-convertible debentures issued and outstanding at the year end.
- (xx) As the Company has not raised any money by way of public issues during the year, Clause (xx) of Para 4 of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no material fraud by or on the Company has been noticed or reported during the year.

For M.P. SINGH & ASSOCIATES
 Chartered Accountants
 Firm Registration No. 002183C

CA Ravinder Nagpal
 Partner
 M.No.081594

Place : Noida
 Dated : 27th May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As At 31.03 2014 ₹ Lakhs		As At 31.03 2013 ₹ Lakhs	
EQUITY AND LIABILITIES					
SHAREHOLDERS FUNDS					
(a) Share Capital	2	44,382		44,382	
(b) Reserves and Surplus	3	1,325,289	1,369,671	1,288,851	1,333,233
NON-CURRENT LIABILITIES					
(a) Long Term Borrowings	4	1,962,240		1,859,091	
(b) Deferred Tax Liabilities [Net]	5	125,422		137,268	
(c) Other Long Term Liabilities	6	103,331		170,439	
(d) Long Term Provisions	7	15,719	2,206,712	18,029	2,184,827
CURRENT LIABILITIES					
(a) Short Term Borrowings	8	354,915		162,580	
(b) Trade Payables	9	211,625		240,302	
(c) Other Current Liabilities	10	731,772		661,159	
(d) Short Term Provisions	11	10,461	1,308,773	17,233	1,081,274
TOTAL			4,885,156		4,599,334
ASSETS					
NON-CURRENT ASSETS					
(a) FIXED ASSETS					
(i) Tangible Assets	12	1,485,025		1,311,640	
(ii) Intangible Assets		1,167		4,122	
(iii) Capital Work-in-Progress [Including Incidental Expenditure During Construction Period]		498,099		580,082	
(iv) Intangible Assets under Development		13		9	
		1,984,304		1,895,853	
(b) NON-CURRENT INVESTMENTS	13	1,034,010		859,705	
(c) LONG TERM LOANS AND ADVANCES	14	235,254		180,910	
(d) OTHER NON-CURRENT ASSETS	15	258,784	3,512,352	185,026	3,121,494
CURRENT ASSETS					
(a) Current Investments	16	2,885		29,321	
(b) Inventories	17	186,878		196,948	
(c) Projects Under Development	18	93,533		100,824	
(d) Trade Receivables	19	293,075		252,624	
(e) Cash and Bank Balances	20	87,981		128,588	
(f) Short-term Loans and Advances	21	364,429		339,698	
(g) Other Current Assets	22	344,023	1,372,804	429,837	1,477,840
TOTAL			4,885,156		4,599,334

Summary of Significant Accounting Policies & Notes to the Financial Statements

1 to 56

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

For and on behalf of the Board

For M.P. SINGH & ASSOCIATESChartered Accountants
Firm Registration No. 002183C**MANOJ GAUR**
Executive Chairman & C.E.O.**SUNIL KUMAR SHARMA**
Executive Vice Chairman**RAVINDER NAGPAL**

Partner

M. No. 081594

GOPAL DAS BANSAL
Jt. President
[Accounts]**RAM BAHADUR SINGH**
C.F.O. [Cement]**HARISH K. VAID**
Sr. President
[Corporate Affairs] &
Company Secretary**RAHUL KUMAR**
Director & C.F.O.**SHYAM DATT NAILWAL**
Director [Finance]

Place : Noida

Dated: 27th May, 2014

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	2013-2014 ₹ Lakhs	2012-2013 ₹ Lakhs
REVENUE FROM OPERATIONS [Gross]	23	1,374,641	1,398,119
Less:Excise Duty on Sales		63,030	64,572
REVENUE FROM OPERATIONS [Net of Excise Duty]		1,311,611	1,333,547
OTHER INCOME	24	21,091	17,894
TOTAL REVENUE		1,332,702	1,351,441
EXPENSES			
Cost of Materials Consumed	25	349,384	327,860
Changes in Inventories of Finished Goods & Work-in-Progress	26	(16,263)	(21,573)
Manufacturing, Construction, Real Estate, Hotel/Hospitality & Power Expenses	27	387,292	420,042
Employee Benefits Expense	28	78,928	80,795
Finance Costs	29	275,207	201,135
Depreciation and Amortisation Expense	30	77,355	72,613
Other Expenses	31	187,175	196,424
TOTAL EXPENSES		1,339,078	1,277,296
Profit before Exceptional, Prior Period Items & Tax		(6,376)	74,145
Profit on Sale of Shares - Exceptional Items		39,528	-
Prior Period Adjustments		863	930
Profit before Tax		34,015	75,075
Tax Expense			
Current Tax		4,472	13,917
Deferred Tax		(11,846)	12,895
Excess Provision for Income Tax in Earlier Years Reversed		-	(1,865)
Profit for the year		41,389	50,128
Profit from continuing operations		34,015	75,075
Tax expenses of continuing operations		(7,374)	24,947
Profit from continuing operations after Tax		41,389	50,128
Profit from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
Profit from discontinuing operations after Tax		-	-
Profit for the year		41,389	50,128
Earnings Per Equity Share [EPS] [Face Value of ₹ 2/- per share]			
Basic Earnings Per Share		1.87	2.34
Diluted Earnings Per Share		1.94	2.29
Summary of Significant Accounting Policies & Notes to the Financial Statements	1 to 56		

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

For and on behalf of the Board

For M.P. SINGH & ASSOCIATES

 Chartered Accountants
 Firm Registration No. 002183C

MANOJ GAUR
 Executive Chairman & C.E.O.

SUNIL KUMAR SHARMA
 Executive Vice Chairman

RAVINDER NAGPAL

Partner

M. No. 081594

GOPAL DAS BANSAL
 Jt. President
 [Accounts]

RAM BAHADUR SINGH
 C.F.O. [Cement]

HARISH K. VAID
 Sr. President
 [Corporate Affairs] &
 Company Secretary

RAHUL KUMAR
 Director & C.F.O.

SHYAM DATT NAILWAL
 Director [Finance]

Place : Noida

Dated: 27th May, 2014

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

NOTE NO. 1

[A] SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General:

- [i] The Accounts are prepared on the historical cost basis [except for certain assets which are revalued] comprising of mandatory Accounting Standard notified in Section 211 (3C) and other provisions of the Companies Act, 1956 to the extent applicable and the Companies Act 2013 (to the extent notified & applicable).
- [ii] The Accounts are prepared on the principles of a going concern.
- [iii] Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

Revenue Recognition:

- [i] Revenue is recognised when it can be reliably measured and it is reasonable to expect ultimate collection.
- [ii] Revenue from Sale of Goods transactions (excluding transactions for which Revenue recognition policy is specifically mentioned below) is recognised when significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding amount of consideration. Cement Sales / Clinker Sales/ Others are net of Excise Duty/ Value Added Tax and exclusive of Self Consumption.
- [iii] Revenue from Sale of service transactions are recognised when no significant uncertainty exists regarding the amount of consideration that will be derived from rendering the service.
- [iv] Advances received for Time Share Weeks are reckoned as income in equal amounts spread over the Time Share period commencing from the year in which full payment is received.
- [v] Escalations/Claims are taken in the Accounts on the basis of receipt or as acknowledged by the client depending upon the certainty of receipt.
- [vi] 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 is recognised as revenue based on the percentage of actual project costs incurred to total estimated project cost, subject to such actual cost incurred being 30 percent or more of the total estimated project cost. 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 recognised 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 recognised only to the extent of payment received.

Revenue from sale / sub-lease of undeveloped land is recognized 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.

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 is received 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.

The revenue in respect of projects undertaken on or after 1st April, 2012 or where the revenue is being recognised for the first time after 1st April, 2012 is recognised in accordance with the Guidance Note on Accounting for Real Estate Transactions [Revised 2012] issued by Institute of Chartered Accountants of India.

- [vii] (a) The costs that are incurred before a construction contract is secured are treated as expenses for the year in which these are incurred and charged to revenue.
- (b) The costs attributable to contracts are normally identified to respective contracts. However, the costs which cannot be identified/identifiable to a specified contract are charged to the general revenue in the year in which such costs are incurred.
- [viii] Dividend Income is recognized when right to receive payment is established.
- [ix] Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- [x] Royalties are accounted on accrual basis in accordance with the terms of the relevant agreement.

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/materialised.

Fixed Assets:

Fixed Assets are stated at Cost of acquisition or construction inclusive of freight, erection &

commissioning charges, duties and taxes, expenditure during construction period, interest on borrowing and financial costs upto the date of acquisition/ installation and net of recoverable taxes. Major Expenditure in Hotel properties involving relocation and redesigning of various outlets, guest floors and additions thereto, enhancement in the value of assets and revenue generating capacity is capitalised. Foreign Exchange Rate Difference on long term monetary items arising on settlement or at reporting dates attributable to Fixed Assets is capitalised/adjusted in the carrying value of the Fixed Assets.

Depreciation:

- [i] 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.
- [ii] Computer Softwares is amortized over a period of five years.
- [iii] Premium on Lease-hold Land [except in case of perpetual lease] is amortised over the period of lease.

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, computed categorywise.

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 Plan and is accounted on accrual basis.
- [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 done as per Projected Unit Credit method.

Inventories :

- [i] Inventories are valued at Cost or Net Realisable Value whichever is lower. Cost of Inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of Raw Materials, Construction Materials, Stores & Spares, Packing Materials, Stock of Food & Beverages, Operating Stores and supplies is determined on Weighted Average basis.
- [ii] Work-in-Progress/Stock-in-Process are valued at cost. In case of Item Rate Contract work in progress is measured on the basis of physical measurement of work actually completed as at the balance sheet date. In case of cost plus contracts work in progress is taken

as cost not billed on the contractee.

- [iii] Stock of Finished Goods lying in the factory premises includes excise duty, pursuant to accounting standard [AS-2] [Revised].

Project Under Development :

Project Under Development includes cost of Land purchased and other costs incurred including internal development and external development charges, construction cost, material cost, cost of services and other related costs.

Foreign Currency Transactions:

- [i] Transactions denominated in Foreign Currency are recorded in the Books of Account in Indian Rupees at the rate of exchange prevailing on the date of transaction.
 - [ii] Monetary Assets and Liabilities related to Foreign Currency transactions and outstanding, except assets and liabilities hedged by a hedge contract, at the close of the year, are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet. The exchange difference arising either on settlement or at reporting date is recognised in the Statement of Profit & Loss except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.
 - [iii] Monetary Assets and Liabilities hedged by a hedge contract are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet adjusted to the rates in the hedge contracts. The exchange difference arising either on settlement or at reporting date is recognised in the Statement of Profit & Loss except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets. Premium paid in respect of Hedge Contracts are recognised in the Statement of Profit & Loss, except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.
 - [iv] The Company uses foreign currency contracts to hedge its risks associated with foreign currency fluctuations. The Company does not use derivative financial instrument for speculative purposes.
 - [v] Non Monetary foreign currency items are carried at cost.
- Lease Rentals:**
- [i] Operating Leases: Rentals are expensed with reference to lease terms.
 - [ii] Finance Leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with 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 Statement of Profit & Loss.

Research and Development:

Revenue expenditure on Research and Development is charged to Statement of Profit & Loss in the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to Fixed Assets.

Miscellaneous Expenditure:

Share/Debenture Issue Expenses are adjusted against Security Premium Reserve in the year in which they are incurred.

Incidental Expenditure During Construction Period:

Incidental Expenditure incurred on projects/assets during construction/implementation is capitalised and apportioned to projects/assets on commissioning.

Earnings Per Share:

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

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 Statement of Profit & Loss.

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".

Taxes on Income:

Current Tax is determined as per the provisions of the Income Tax Act in respect of Taxable Income for the year. 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.

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 and an impairment loss is charged to the Statement of Profit & Loss. The recoverable amount is measured as the higher of the net selling price or the value in use determined by the present value of estimated future cash flows. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

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 unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent Assets are neither recognised nor disclosed in the financial statements. The Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

Accounting for Oil Activity:

The Company has adopted Full Cost Method of Accounting for its Oil & Gas Exploration Activity and all costs incurred in Acquisition, Exploration and Development are accumulated.

Premium on Redemption of Debentures

Premium paid/ payable on Redemption of Debentures, net of tax impact, is adjusted against the Securities Premium Reserve.

NOTE No. "2" SHARE CAPITAL	As At 31.03.2014 ₹ LAKHS	As At 31.03.2013 ₹ Lakhs
Authorised		
12,344,000,000 Equity Shares [Previous Year 12,344,000,000] of ₹ 2/- each	246,880	246,880
3,120,000 Preference Shares [Previous Year 3,120,000] of ₹ 100/- each	3,120	3,120
	250,000	250,000
Issued, Subscribed and Fully Paid-up		
2,219,083,559 Equity Shares [Previous Year 2,126,433,182] of ₹ 2/- each fully paid up	44,382	44,382
	44,382	44,382

2.1 Issued, Subscribed and Paid-up Share Capital in number comprises of

Shares for consideration in cash

20,219,850	Equity Shares [Previous Year 2,02,19,850] allotted under "Jaypee Employees Stock Purchase Scheme 2002";
12,500,000	Equity Shares [Previous Year 1,25,00,000] allotted under "Jaypee Employees Stock Purchase Scheme 2009";
201,623,717	Equity Shares [Previous Year 20,16,23,717] allotted for cash on conversion of Foreign Currency Convertible Bonds;
10,000,000	Equity Shares [Previous Year 1,00,00,000] allotted for cash to Promoters on Preferential Basis and
64,204,810	Equity Shares [Previous Year 6,42,04,810] allotted through Qualified Institutional Placement as on 06.02.2013.

Shares for consideration other than cash

860,865,055	Equity Shares [Previous Year 86,08,65,055] allotted in terms of the Scheme of Amalgamation effective from 11.03.2004;
124,378,825	Equity Shares [Previous Year 12,43,78,825] allotted in terms of Scheme of Amalgamation effective from 22.08.2006;
218,010,985	Equity Shares [Previous Year 21,80,10,985] allotted pursuant to Scheme of Amalgamation effective from 27.05.2009 and
707,280,317	Equity Shares [Previous Year 70,72,80,317] allotted as Bonus Shares .

2.2 Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the reporting period:

	As at 31.03.2014		As at 31.03.2013	
	Number	₹ Lakhs	Number	₹ Lakhs
Equity Shares at the beginning of the year	2,219,083,559	44,382	2,126,433,182	42,529
Add: Equity Shares allotted on conversion of Foreign Currency Convertible Bonds	-	-	28,445,567	569
Add: Equity Shares allotted on Qualified Institutional Placement	-	-	64,204,810	1,284
Equity Shares at the end of the year	2,219,083,559	44,382	2,219,083,559	44,382

2.3 Terms / Rights

The Company has issued only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share. Each share is entitled to equal dividend declared by the Company and approved by the Share holders of the Company.

In the event of liquidation, each share carries equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferential payments.

2.4 Details of Shareholder holding more than 5% Shares:

Name of Shareholder	Number	% holding	Number	% holding
Jaypee Infra Ventures [a Private Company with unlimited liability]	726,150,727	32.72	717,656,303	32.34

NOTE No. "3"	As At 31.03.2014 ₹ Lakhs		As At 31.03.2013 ₹ Lakhs	
RESERVES & SURPLUS				
General Reserve				
As per last Balance Sheet	183,457		178,357	
Add : Transfer from Surplus - Balance in Statement of Profit and Loss	-	183,457	5,100	183,457
Debenture Redemption Reserve				
As per last Balance Sheet	158,876		158,111	
Add : Transfer from Surplus - Balance in Statement of Profit and Loss	-		765	
Less: Transfer to Surplus - Balance in Statement of Profit and Loss	25,930	132,946	-	158,876
Revaluation Reserve				
As per last Balance Sheet	19,855		20,055	
Less: Depreciation and amortisation adjusted on Revalued Assets	202	19,653	200	19,855
Securities Premium Reserve				
As per last Balance Sheet	266,318		204,220	
Add : On conversion of Foreign Currency Convertible Bonds into Shares	-		21,476	
Add : On Issue of Shares through Qualified Institutional Placement	-		52,006	
Less: Provision of Premium Payable on Redemption of Debentures	7,496		7,866	
Less: Expenses on Issue of Shares / Debentures	-	258,822	3,518	266,318
Reserve for Premium on Foreign Currency Convertible Bonds				
As per last Balance Sheet	-		78,011	
Less: Transfer to Surplus - Balance in Statement of Profit and Loss	-		77,946	
Less : Paid on Redemption	-	-	65	-
Capital Reserve [including Demerger Reserve]				
As per last Balance Sheet		234,185		234,185
Capital Redemption Reserve				
As per last Balance Sheet		113		113
Share Forfeited Reserve				
As per last Balance Sheet		1		1
Surplus - Balance in Statement of Profit and Loss				
As per last Balance Sheet	426,046		314,848	
Profit for the year	41,389		50,128	
	467,435		364,976	
Add : Provision for Dividend Distribution Tax written-back	1,800		937	
Add : Final Dividend Transferred from Trusts	947		947	
Add : Transfer from Reserve for Premium on Foreign Currency Convertible Bonds	-		77,946	
Add : Transfer from Debenture Redemption Reserve	25,930		-	
Less: Appropriations				
Transferred to Debenture Redemption Reserve	-		765	
Transferred to General Reserve	-	-	5,100	
Less: Dividend				
Proposed Final Equity Dividend	-		11,095	
Tax on Proposed Final Equity Dividend	-	496,112	1,800	426,046
		1,325,289		1,288,851

NOTE No. "4" LONG TERM BORROWINGS	As At 31.03.2014 ₹ Lakhs		As At 31.03.2013 ₹ Lakhs	
	Current	Non-current	Current	Non-current
[I] SECURED LOANS				
A. Non Convertible Debentures	135,333	211,833	103,833	347,167
B. Term Loans				
(i) From Financial Institutions	22,675	101,335	5,896	73,459
(ii) From Banks				
(a) In Rupees	211,855	1,266,732	141,608	1,019,556
(b) In Foreign Currency	3,526	7,718	3,239	10,333
(iii) From Others	8,047	25,496	10,450	28,463
C. Loan from State Government [Interest Free]	-	31,162	-	27,178
D. Advances from Clients:				
From Government Departments, Public Sector Undertakings & Others - Secured against Hypothecation of Construction Material and Plant & Machinery Interest Bearing	-	606	-	606
Total - 'I'	381,436	1,644,882	265,026	1,506,762

4.1 Particulars of Non Convertible Secured Debentures

[a] Interest and Terms of Repayment

₹ Lakhs

Sl. No.	Number	Particulars of Interest and Repayment	Amount Outstanding [including current maturities] As At	
			31.03.2014	31.03.2013
[i]	5,000	12% NCDs of ₹ 10,00,000/- each redeemable in 20 equal quarterly installments from 25.10.2017 to 25.07.2022;	50,000	50,000
[ii]	5,000	10.5% NCDs of ₹ 10,00,000/- each redeemable in 5 equal yearly installments from 16.07.2016 to 16.07.2020;	50,000	50,000
[iii]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 31.01.2016;	20,000	20,000
[iv]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 31.07.2015;	20,000	20,000
[v]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 03.01.2015;	20,000	20,000
[vi]	1,000	11.25% NCDs of ₹ 10,00,000/- each redeemable on 30.11.2014;	10,000	10,000
[vii]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 03.07.2014;	20,000	20,000
[viii]	4,000	11.75% NCDs of ₹ 10,00,000/- each redeemable in 12 equal quarterly installments from 26.01.2014 to 26.10.2016 [₹ 83,333/- per Debenture Redeemed];	36,666	40,000
[ix]	-	5.60% NCDs of ₹ 10,00,000/- each redeemable on 03.01.2014 [Fully Redeemed] [Previous Year 2,000 Debentures];	-	20,000
[x]	5,000	10.75% NCDs of ₹ 10,00,000/- each redeemable in 10 equal quarterly installments from 06.10.2013 to 06.01.2016 [₹ 2,00,000/- per Debenture Redeemed];	40,000	50,000

Sl. No.	Number	Particulars of Interest and Repayment	Amount Outstanding [including current maturities] As At	
			31.03.2014	31.03.2013
[xi]	3,000	11.5% NCDs of ₹ 10,00,000/- each redeemable in 5 equal half yearly installments from 23.07.2013 to 23.07.2015 [2,000 Debenture Redeemed and ₹ 2,00,000/- per Debenture Redeemed against 1000 Debentures due for redemption on 23.07.2015 (Previous Year 5,000 Debentures and ₹ 2,00,000/- per Debenture Redeemed against 1000 Debentures due for redemption on 23.07.2015)];	28,000	48,000
[xii]	1,500	12.4% NCDs of ₹ 10,00,000/- each redeemable in 5 equal annual installments from 04.11.2012 to 04.11.2016 [₹ 4,00,000/- (Previous Year ₹ 2,00,000/-) per Debenture Redeemed];	9,000	12,000
[xiii]	3,000	11.8% NCDs of ₹ 10,00,000/- each redeemable in 5 equal annual installments from 11.08.2012 to 11.08.2016 [₹ 4,00,000/- (Previous Year ₹ 2,00,000/-) per Debenture Redeemed];	18,000	24,000
[xiv]	1,550	12.5% NCDs of ₹ 10,00,000/- each redeemable in 10 equal quarterly installments of ₹ 35 crores each and two quarterly installments of ₹ 25 crores each from 31.07.2012 to 30.04.2015 [Previous Year 2,950 Debentures];	15,500	29,500
[xv]	1,000	11.75% NCDs of ₹ 10,00,000/- each redeemable in 5 equal half yearly installments from 15.07.2012 to 15.07.2014 [Previous Year 3,000 Debentures] and	10,000	30,000
[xvi]	-	11.75% NCDs of ₹ 10,00,000/- each redeemable in 12 equal quarterly installments from 25.09.2010 to 25.06.2013 [Fully Redeemed (Previous Year 9,000 Debentures Redeemed)]	-	7,500
TOTAL			347,166	451,000

[b] Non Convertible Secured Debentures mentioned in Note 4.1[a] at Sl.No.

[iii] are redeemable at a premium amounting ₹ 83,50,00,000/-

[iv] are redeemable at a premium amounting ₹ 72,75,00,000/-

[v] are redeemable at a premium amounting ₹ 63,00,00,000/-

[vi] are redeemable at a premium amounting ₹ 53,35,00,000/-

[c] Non Convertible Secured Debentures mentioned in Note 4.1[a] other than mentioned in Note 4.1[b] are redeemable at value equal to the Face Value.

[d] Security : Non-Convertible Debentures [NCDs] mentioned at Sl No 4.1[a] above, together with interest, liquidated damages, remuneration payable to Trustees, and other monies due in respect thereof are secured as under :

NCDs mentioned at Sl. No . 4.1[a] above	Nature of Mortgage	Properties at	Debenture Trustee	Security Charge
[ii], [iii] to [v], [vii], [x], [xi] & [xiv]	Legal Mortgage in English form	Mouje Dhanot, Taluka Kalol, Dist. Mehsana, Gujarat	Axis Trustee Services Limited	First Mortgage
[i], [vi], [viii], [xii] [xiii] & [xv]	Legal Mortgage in English form	Mouje Dhanot, Taluka Kalol, Dist. Mehsana, Gujarat	IDBI Trusteeship Services Limited	First Mortgage

Non Convertible Debentures as stated in Note No.4.1[a] above are further secured by way of First Charge ranking pari passu with all the lenders save and except AKA Export Finance Bank (Amount Outstanding as at 31.03.2014 - ₹ 3681 Lakhs) and LIC of India (Amount Outstanding as at 31.03.2014 - ₹ 346 Lakhs) who are having prior charge on

specific Fixed Assets, in favour of respective Debenture Trustees for the benefit of all Debenture Holders, on all the movable and immovable Fixed Assets of the company except Fixed assets pertaining to Wind Power Division, Real Estate Division and Fixed assets specifically charged to State Government /State Financial Institutions for availing interest free loans etc. under various schemes framed by State Governments.

4.2 [a] Terms of Repayment of Secured Term Loans from Banks, Financial Institutions & Others are given as under :

			₹ Lakhs	
SL. No.	Banks/ Financial Institutions/ Others	Terms of Repayment/ Periodicity	Amount outstanding As At 31.03.2014	Amount outstanding As At 31.03.2013
1	Indian Overseas Bank	In 8 equal quarterly installments from 10.09.12 to 10.06.14	3,742	18,727
2	ICICI Bank	In 10 equal half yearly installments from 30.09.10 to 30.03.15	7,500	15,000
3	ICICI Bank	In 71 equal monthly installments from 29.07.13 to 29.05.19 and balance in 72nd installment on 29.06.19	43,745	50,000
4	State Bank of India	In 22 structured quarterly installments from 30.06.11 to 30.09.16	59,972	67,473
5	State Bank of India	In 4 equal quarterly installments from 31.12.12 to 30.09.13	-	12,500
6	IDBI Bank	In 20 equal quarterly installments from 01.10.13 to 01.07.18	54,000	60,000
7	State Bank of Bikaner & Jaipur	In 32 structured quarterly installments from 30.06.11 to 31.03.19	7,000	8,000
8	Canara Bank	In 4 equal yearly installments from 23.03.13 to 23.03.16	9,999	15,000
9	ICICI Bank	In 71 equal monthly installments from 29.07.14 to 29.05.20 and balance in 72nd installment on 29.06.20	130,000	130,000
10	ICICI Bank	In 18 equal half yearly installments from 30.04.08 to 31.10.16	7,563	9,126
11	Axis Bank	In 16 equal quarterly installments from 31.12.14 to 30.09.18	35,000	35,000
12	Bank of Maharashtra	In 15 equal quarterly installments from 01.07.11 to 01.01.15	1,125	2,625
13	Jammu & Kashmir Bank	In 16 equal quarterly installments from 01.10.11 to 01.07.15	625	1,125
14	Central Bank of India	In 20 equal quarterly installments from 01.10.11 to 01.07.16	4,500	6,499
15	Bank of Maharashtra	In 19 equal quarterly installments from 01.07.11 to 01.01.16	2,495	3,996
16	The Karur Vysya Bank	In 20 equal quarterly installments from 30.06.09 to 30.03.14	-	1,000
17	Oriental Bank of Commerce	In 20 equal quarterly installments from 01.04.09 to 01.01.14	-	1,413
18	IDBI Bank	In 20 equal quarterly installments from 01.04.14 to 01.01.19	75,000	75,000
19	Karnataka Bank	In 24 quarterly structured installments from 01.11.13 to 01.08.19	14,850	15,000
20	UCO Bank	In 20 equal quarterly installments from 01.04.14 to 01.01.19	47,500	50,000
21	State Bank of Hyderabad	In 32 quarterly installments from 30.06.11 to 31.03.19	21,000	23,998
22	State Bank of Patiala	In 12 equal quarterly installments from 01.08.13 to 01.05.16	20,000	30,000

			₹ Lakhs	
SL. No.	Banks/ Financial Institutions/ Others	Terms of Repayment/ Periodicity	Amount outstanding As At 31.03.2014	Amount outstanding As At 31.03.2013
23	Jammu & Kashmir Bank	In 16 equal quarterly installments from 31.12.12 to 30.09.16	9,375	13,125
24	Syndicate Bank	In 8 equal quarterly installments from 18.12.12 to 18.09.14	2,500	7,500
25	Karur Vysya Bank	In 16 equal quarterly installments from 31.05.13 to 28.02.17	5,627	7,500
26	YES Bank	In 19 equal quarterly installments from 11.03.14 to 11.09.18	4,737	4,560
27	Corporation Bank	In 19 equal quarterly installments from 11.03.14 to 11.09.18	9,472	10,000
28	Bank of India	In 19 equal quarterly installments from 11.03.14 to 11.09.18	9,474	10,000
29	Lakshmi Vilas Bank	In 19 equal quarterly installments from 11.03.14 to 11.09.18	9,474	10,000
30	Oriental Bank of Commerce	In 19 equal quarterly installments from 11.03.14 to 11.09.18	9,466	10,000
31	ICICI Bank	In 35 equal quarterly installments and balance in 36th installment from 28.12.12 to 28.09.21	53,241	60,347
32	ICICI Bank	In 35 equal quarterly installments and balance in 36th installment from 28.12.12 to 28.09.21	33,328	37,776
33	ICICI Bank	In 71 equal monthly installments from 22.07.14 to 22.05.20 and balance in 72nd installment on 22.06.20	120,000	120,000
34	IDBI Bank	In 20 structured quarterly installments from 01.10.14 to 01.07.19	80,000	80,000
35	IDBI Bank	In 12 equal quarterly installments from 01.07.14 to 01.04.17	18,000	18,000
36	Standard Chartered Bank	In 12 Equal quarterly installments from 28.12.13 to 28.09.16	33,340	40,000
37	The South Indian Bank	In 16 Equal quarterly installments from 31.12.14 to 30.09.18	10,000	10,000
38	State Bank of Travancore	In 16 Equal quarterly installments from 31.12.14 to 30.09.18	15,000	15,000
39	Standard Chartered Bank	In 12 Equal quarterly installments from 07.04.14 to 07.01.17	45,000	45,000
40	Bank of Maharashtra	In 20 Equal quarterly installments from 31.03.15 to 31.12.19	30,000	30,000
41	The South Indian Bank	In 20 Equal quarterly installments from 30.04.14 to 30.01.19	10,000	10,000
42	YES Bank	In 20 Equal quarterly installments from 30.08.15 to 30.05.20	52,500	-
43	Standard Chartered Bank	In 21 Structured quarterly installments from 30.06.14 to 30.06.19	35,000	-
44	United Bank of India	In 21 Structured quarterly installments from 30.06.14 to 30.06.19	15,000	-
45	United Bank of India	In 16 Equal quarterly Intallments from 31.12.16 to 30.09.20	10,000	-
46	State Bank of India	In 32 Structured quarterly installments from 30.09.15 to 30.06.23	75,000	-
47	Allahabad Bank	In 21 Structured quarterly installments from 30.06.14 to 30.06.19	10,000	-

			₹ Lakhs	
SL. No.	Banks/ Financial Institutions/ Others	Terms of Repayment/ Periodicity	Amount outstanding As At 31.03.2014	Amount outstanding As At 31.03.2013
48	Karur Vysya Bank	In 21 Structured quarterly installments from 30.06.14 to 30.06.19	5,000	-
49	Yes Bank	In 20 Equal quarterly installments from 29.09.15 to 29.06.20	20,000	-
50	The South Indian Bank	In 21 Structured quarterly installments from 30.06.14 to 30.06.19	10,000	-
51	HDFC Limited	Payable as 10 % of Sales Receipts of specific projects on or before 30.04.17 subject to minimum quarterly installment of ₹ 32 Crores commencing from 31.01.14 ending on 30.04.17 as per structured schedule. Amount of last installment is ₹ 34 Crores.	39,447	42,943
52	Life Insurance Corpn. of India	In 28 equal quarterly installments from 01.01.08 to 01.10.14	346	1,062
53	IFCI	In 12 equal quarterly installments from 15.02.14 to 15.11.16	22,917	25,000
54	Exim Bank	In 12 equal quarterly installments from 27.09.14 to 27.06.17	9,000	6,450
55	Exim Bank	In 12 equal quarterly installments from 29.09.14 to 29.06.17	5,200	3,900
56	Exim Bank	In 10 equal quarterly installments from 13.11.15 to 13.02.18	4,100	-
57	Exim Bank	In 10 equal quarterly installments from 13.11.15 to 13.02.18	3,000	-
58	IFCI	In 10 equal quarterly installments from 10.12.15 to 10.09.19	40,000	-
59	Srei Equipment Finance	In 8 equal quarterly installments from 03.08.12 to 03.05.14	2,063	10,313
60	L&T Infrastructure Finance Company	In 50 equal monthly installments from 01.09.10 to 01.10.14	1,200	3,600
61	L&T Infrastructure Finance Company	In 20 equal quarterly installments from 01.04.14 to 01.01.19	23,750	25,000
62	AKA Export Finance Bank	In 20 equal half yearly installments from 07.07.07 to 07.01.17	3,681	4,446
63	Canara Bank	In 12 equal quarterly installments from 06.08.15 to 06.05.18	50,000	-
64	ICICI Bank	In 16 equal installments payable in second half of each year from 31.01.16 to 31.10.23	150,000	-
65	Srei Equipment Finance	Monthly installments from 22.11.13 to 03.02.19	6,530	-
TOTAL			1,647,384	1,293,004

[b] Term Loans of ₹ 1232500 Lakhs [Amount outstanding ₹ 1056915 Lakhs] sanctioned by Financial Institutions, Banks together will all interest, liquated damages, premia on pre-payment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements are secured by First Charge ranking pari pasu with all the lenders save and except AKA Export Finance Bank [Amount outstanding as at 31.03.2014 - ₹ 3681 Lakhs] and LIC of India [Amount outstanding as on 31.03.2014 - ₹ 346 Lakhs] who are having prior charge on specific Fixed Assets, in favour of Axis Trustee Services Limited [Security Trustee], holding security for the benefit of all lenders on all the movable and immovable fixed assets of the Company except Fixed Assets pertaining to Wind Power Division, Real Estate Division, Fixed Assets specifically charged to State Government / State Financial Insitutions for availing interest free loans etc., under various schemes framed by State Governments and any other assets specifically charged. Term Loan of ₹ 40000 Lakhs sanctioned by IFCI Ltd., is further secured by way of Exclusive Charge over 5.48 acres of Commercial Land situated at Jaypee Sports City near F1 Stadium, SDZ, Sector 25, Gautam Budh Nagar, Uttar Pradesh. The Company has

entered into an "Agreement to Sell" with Jaypee Sports International Ltd., on 29.03.2014 for purchase of 33.48 acres of Land and the said land is yet to be transferred/sub-lease in the name of the Company [Security is yet to be created]. Term Loan of ₹ 150000 Lakhs sanctioned by ICICI Bank Ltd., is further secured by way of (i) exclusive charge on all immovable properties admeasuring 100 acres of Land at Jaypee Infratech Ltd., situated at Village - Tappal, Tehsil - Khair, Distt. - Aligarh, Uttar Pradesh together with all buildings and structures thereto and all Plant & Machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future (ii) pledge over 18,93,16,882 equity shares of the Company held in various Trusts on first pari passu charge on basis with RTL of ₹ 130000 Lakhs sanctioned by ICICI Bank Ltd. Term Loan of ₹ 75000 Lakhs sanctioned by State Bank of India is further secured by way of [i] exclusive charge over 22.2078 acres of Commercial Land situated at Jaypee Sports City near F1 Stadium, SDZ, Sector 25, Gautam Budh Nagar, Uttar Pradesh. [ii] pledge of 10 crores equity shares of Jaypee Infratech Ltd., held by Jaiprakash Associates Ltd. (iii) second pari passu charge on current assets of the Company.

- [c] Term Loans of ₹ 21300 Lakhs (Amount outstanding - ₹ 21300 Lakhs) sanctioned by Export Import Bank of India are secured by First Charge ranking pari passu with all the lenders save and except AKA Export Finance Bank [Amount Outstanding as at 31.03.2014 - ₹ 3681 Lakhs] and LIC of India [Amount Outstanding as at 31.03.2014 - ₹ 346 Lakhs] who are having prior charge on specific Fixed Assets, in favour of Axis Trustee Services Limited [Security Trustee], holding security for the benefit of all lenders, on all the Movable Fixed Assets of the Company except Fixed Assets pertaining to Wind Power Division, Real Estate Division, Fixed Assets specifically charged to State Government / State Financial Institutions for availing interest free loans etc., under various schemes framed by State Governments and any other assets specifically.
- [d] Term Loans sanctioned by ICICI Bank - ₹ 130000 Lakhs, Canara Bank - ₹ 20000 Lakhs, L & T Infrastructure Finance Co. Ltd. - ₹ 10000 Lakhs, Syndicate Bank - ₹ 10000 Lakhs and Bank of Maharashtra - ₹ 30000 Lakhs, Canara Bank - ₹ 50000 Lakhs, Yes Bank Ltd. - ₹ 20000 Lakhs, aggregating to ₹ 270000 Lakhs [Amount outstanding ₹ 243699 Lakhs] together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements are secured by way of Subservient charge on all the fixed Assets of the company except the fixed assets pertaining to Wind Power Division, Real Estate Division and Fixed assets specifically charged to State Government /State Financial Institutions for availing interest free loans etc. under various schemes framed by State Governments. (1) Term loan of ₹ 130000 Lakhs sanctioned by ICICI Bank is further secured by way of (i) pledge of 18,93,16,882 Equity shares of the Company held through various trusts whose beneficiary is the Company, (ii) pledge of 7,50,000 - 11% Cumulative Preference Shares of Himalyan Expressway Limited and (iii) pledge of 1,02,12,000 12% Preference Shares of Jaypee Agra Vikas Ltd., owned by the Company. (2) Term Loan of ₹ 50000 Lakhs sanctioned by Canara Bank is further secured by way of Exclusive Charge over 25.007 acres of Commercial Land situated at Jaypee Sports City near F1 Stadium, SDZ Sector-25, Gautam Budh Nagar, Uttar Pradesh. (3) Term Loan of ₹ 20000 Lakhs sanctioned by Yes Bank Ltd. is further secured by way of exclusive charge over 11.3095 acres of Commercial Land situated at Jaypee Sports City near F1 Stadium, SDZ Sector-25, Gautam Budh Nagar, Uttar Pradesh.
- [e] Term Loans sanctioned by SREI - ₹ 16500 Lakhs [Amount outstanding ₹ 2063 Lakhs] together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements secured by way of Subservient charge on moveable Fixed Assets of Engineering Division of the Company..
- [f] Term Loans sanctioned by SREI - ₹ 9500 Lakhs [Amount outstanding ₹ 6530 Lakhs] together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements secured by way of exclusive charge on specific moveable Fixed Assets at Amelia Coal Block..
- [g] Term Loans sanctioned by Axis Bank Ltd. ₹ 35000 Lakhs, The South Indian Bank ₹ 10000 Lakhs and State Bank of Travancore ₹ 15000 Lakhs aggregating of ₹ 60000 Lakhs [Amount outstanding ₹ 60000 Lakhs] together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements secured by way of First Charge ranking Pari Passu basis on 17.52 acres of Hotel & Commercial Land purchased from Jaypee Infratech Ltd. in Village - Wazidpur, Sector -129, Noida. Entire Sale consideration has been paid by the Company to Jaypee Infratech Limited and (ii) First Charge ranking Pari Passu on 10 acres of Commercial Land of Jaypee Infratech Ltd. situated at Sector - 128, Noida.
- [h] External Commercial Borrowing of USD 27 Million and Yen 1030.27 Million availed [Amount outstanding USD 9.524 Million and Yen 408.837 Million] from ICICI Bank Ltd for setting up of Wind Power Project in Maharashtra & Gujarat together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements, is secured by equitable mortgage of immovable properties and Hypothecation of movable assets of Wind Power Project [present and future], save and except book debts subject to prior charge on specified movables created in favour of the Company's Bankers for working Capital facilities.

- [i] Term Loans sanctioned by Standard Chartered Bank ₹ 40000 Lakhs and ₹ 45000 Lakhs [Amount outstanding ₹ 78340 Lakhs] are secured against first charge ranking pari passu by way of equitable mortgage by deposit of title deed over the land admeasuring 356.56 acres at Jaypee Greens Golf Course, Greater Noida, Uttar Pradesh and collaterally secured by first charge ranking pari passu by way of Registered mortgage over land of Jaypee Infratech Ltd. admeasuring 40.1735 acres (residential 25.0040 acres and commercial 15.1695 acres) situated at village Sultanpur, Noida, Uttar Pradesh and Village Wazidpur, Noida, Uttar Pradesh. Out of the said 40.1735 acres of land, the Company has entered into an "Agreement to Sell" with Jaypee Infratech Limited on 15.12.2009 for purchase of 15.1695 acres of commercial land and entire sale consideration has been paid to Jaypee Infratech Limited.
- [j] Term Loan sanctioned by HDFC Limited ₹ 45000 Lakhs [Amount outstanding ₹ 39447 Lakhs] is secured against first & exclusive charge by way of Registered Mortgage over (a) Leasehold property admeasuring project land of 14.20 acres at Jaypee Greens which is part and parcel of 452.26 acres of the integrated Township Jaypee Greens Greater Noida, U.P. alongwith construction thereon both present and future (b) Leasehold property admeasuring 38.20 acres at Noida, U.P. designated for the construction of Kalyspo Court 1-10 (B-1), Kalyspo Court 11,12,14,15,16 (B-3), imperial Court 1-3 (B-2) Pelican (PD-1 & PD-2) in the integrated Township in the name and style of Wish Town, Noida, U.P. The said land is registered in the name of Jaypee Infratech Limited and entire sale consideration has been paid by the Company to Jaypee Infratech Limited. and (c) First Charge on Project Land/FSI of 11,01,954 Sq. feet of B 10, Suncourt A & Town Centre Residential in Jaypee Greens, Greater Noida with construction thereon, present and future.
- [k] Term Loan sanctioned by Standard Chartered Bank - ₹ 35000 Lakhs, Allahabad Bank - ₹ 10000 Lakhs, Karur Vysya Bank - ₹ 5000 Lakhs, The South Indian Bank - ₹ 10000 Lakhs and United Bank of India - ₹ 15000 Lakhs aggregating to ₹ 75000 Lakhs [Amount Outstanding - ₹ 75000 Lakhs] are secured by way of exclusive First Charge on pari- passu basis over 65.0263 Acres of Commercial Land situated at Jaypee Sports City near F1 Stadium, SDZ Sector-25, Gautam Budh Nagar, U.P.
- [l] Term Loan sanctioned by Yes Bank Ltd. - ₹ 52500 Lakhs [Amount Outstanding - ₹ 52500 Lakhs] is secured by way of exclusive charge over 28 acres of Commercial Land situated at Jaypee Sports City near F1 Stadium, SDZ Sector-25, Gautam Budh Nagar, Uttar Pradesh. The Company has entered into an "Agreement to Sell" with Jaypee Sports International Ltd. on 29.03.2014 for purchase of 33.48 acres of Land and the said land is yet to be transferred/sub-lease in the name of the Company.
- [m] Security includes security created / yet to be created.

4.3 Loans from State Government :

- [i] Interest Free Loans granted by U.P.Financial Corporation (UPFC) under Audyogik Nivesh Protshahan Yojna Scheme at Grinding Unit in Tanda (U.P.) are secured by way of First Charge on the Fixed Assets of the respective Unit of the Company. The same is repayable on or before completion of 10 years from the day on which it is received. Repayment will commence from F.Y. 2016-17.
- [ii] Interest free loan granted by DIC, Panipat, Haryana at Grinding Unit in Panipat (Haryana) is secured against Bank Guarantee. The same is repayable on or before completion of 5 years from the day on which it is received. Repayment will commence from F.Y. 2014-15.
- [iii] Interest Free Loans granted by Pradeshia Industrial & Investment Corporation Limited at Grinding Unit in Sikandrabad (U.P.) is secured against Bank Guarantee. The same is repayable on or before completion of 10 years from the day on which it is received. Repayment will commence from F.Y. 2022-23.

4.4 Advances from Clients includes loan granted by Client for purchase of Plant & Machinery for the Contract on Hypothecation of Construction Material and Plant & Equipment.

4.5 Details of Foreign Currency Convertible Bonds (Unsecured) at Note No.4[II]A are given as under :

- [a] The Company has issued 1,50,000, 5.75% Foreign Currency Convertible Bonds [FCCB-2012] of USD 1,000 each aggregating to USD 150 Million at par on 07.09.2012. These Bonds are convertible at the option of bond-holders into equity shares of ₹ 2/- each fully paid at the conversion price of ₹ 77.50 per share, subject to the terms of issue, with a fixed rate of exchange of ₹ 55.67 equal to USD 1.00 at any time on or after 18.10.2012 and prior to the close of business on 01.09.2017.

No conversion has taken place during F.Y. 2013-14 [Previous Year 39,600 FCCBs of USD 1,000 each aggregating to USD 39.60 Million were converted into 2,84,45,567 Equity Shares of ₹ 2/- each]. Unless previously converted, the bonds are redeemable at maturity on 08.09.2017.

4.6.1 Details of Foreign Currency Loans from Banks [ECB] (Unsecured) at Note No.4[II]B are given as under :

₹ Lakhs

S.No	Banks	Terms of Repayment/ Periodicity	Amount outstanding as at	
			31.03.2014	31.03.2013
1	Consortium of Banks	In 6 structured installments from 28.03.11 to 28.03.17	19,659	49,800
2	ICICI Bank UK	In 6 half yearly installments from 13.12.12 to 13.05.15	15,458	25,534
3	ICICI Bank, Canada	In 6 half yearly installments from 27.01.13 to 26.06.15	17,279	28,570
4	State Bank of India, Hongkong Branch	In 20 structured quarterly installments from 05.12.14 to 05.09.19	83,250	82,200
Total			135,646	186,104

4.6.2 Jaypee Infratech Limited [subsidiary company] has provided a letter of Comfort to ICICI Bank UK Plc [at Sl. No 2 above] and ICICI Bank Canada [at Sl. No 3 above] for the financial assistance of GBP 34.84 Million [equivalent to USD 50 Million] and CAD 61.625 Million [equivalent to USD 50 Million] respectively.

4.6.3 External Commercial Borrowing from State Bank of India, Hongkong Branch [at Sl. No 4 above] has been secured by way of Corporate Guarantee by Jaiprakash Power Ventures Ltd. [JPVL], a subsidiary Company.

4.7 Unsecured Loan taken from Banks at Note No.4[II]C is Loan taken from SIDBI in foreign currency [Amount Outstanding ₹ 19932 Lakhs (Previous Year ₹ 21295 Lakhs)] repayable in 14 equal half yearly installments from 30.06.12 to 30.12.18.

4.8 The Company accepts Fixed Deposit under Fixed Deposits Scheme from Public which are repayable in one year, two years and three years.

4.9 Term Loans and Other Loans guaranteed by Directors of the Company in personal capacity are given as under:

	Amounting outstanding	
	As At 31.03.2014	As At 31.03.2013
Secured Non Convertible Debentures	135,500	179,500
Secured Term Loans/ECB from Banks, Financial Institutions & Others	1,006,844	771,565
Loans from State Governments	27,055	24,450
Unsecured Term Loans from Banks	103,182	103,495
Total	1,272,581	1,079,010

	As At 31.03.2014 ₹ Lakhs		As At 31.03.2013 ₹ Lakhs	
	Current	Non-current	Current	Non-current
II. UNSECURED LOANS				
A. Foreign Currency Convertible Bonds				
(i) FCCB [USD]-2012	-	66,781	-	60,499
B. Foreign Currency Loans from Banks [ECB]				
(i) ECB [USD / JPY]	-	19,659	32,279	17,521
(ii) ECB [GBP]	10,310	5,148	10,216	15,318
(iii) ECB [CAD]	11,524	5,755	11,431	17,139
(iv) ECB [USD]-2012	5,550	77,700	-	82,200
C. Loans From Banks In Foreign Currency	3,986	15,946	3,549	17,746
D. Fixed Deposits Scheme	86,435	126,369	90,159	141,906
Total - 'II'	117,805	317,358	147,634	352,329
Grand Total - 'I'+ 'II'	499,241	1,962,240	412,660	1,859,091

NOTE No. "5"	As At 31.03.2014		As At 31.03.2013	
DEFERRED TAX LIABILITIES [NET]	₹ Lakhs		₹ Lakhs	
Deferred Tax Liabilities	148,656		140,242	
Less: Deferred Tax Assets [Refer Note No. "40"]	23,234		2,974	
	125,422		137,268	
NOTE No. "6"				
OTHER LONG-TERM LIABILITIES				
Long Term Trade Payables				
Due to Micro, Small & Medium Enterprises	-		-	
Others	<u>15,159</u>	15,159	<u>11,341</u>	11,341
Interest accrued but not due on Borrowings		13,978		9,090
Adjustable receipts against Contracts (Partly Secured against Bank Guarantees)				
(a) Interest Bearing	1,967		1,967	
(b) Non Interest Bearing				
(i) From Subsidiaries/Associates	29,696		89,829	
(ii) From Others	<u>9,080</u>	<u>38,776</u>	<u>22,335</u>	114,131
Advance from Customers		170		193
Other Payables				
(i) Capital Suppliers	285		516	
(ii) Statutory Dues	44		44	
(iii) Other Creditors	<u>32,952</u>	33,281	<u>35,124</u>	35,684
	103,331		170,439	
NOTE No. "7"				
LONG-TERM PROVISIONS				
Provisions for Premium on Redemption of Debentures		10,407		14,095
Provisions for Employee Benefits				
For Gratuity		978		167
For Leave Encashment		4,334		3,767
	15,719		18,029	
NOTE No. "8"				
LOANS FROM SHORT-TERM BORROWINGS				
[I] Secured Loans				
a. Term Loans from Banks	154,650		10,400	
b. Working Capital Loans from Banks	<u>80,119</u>	234,769	<u>32,863</u>	43,263
[II] Unsecured Loans				
a. Loans from Banks	34,319		38,880	
b. Bills Discounting	85,268		79,123	
c. Fixed Deposit Scheme	<u>559</u>	120,146	<u>1,314</u>	119,317
	354,915		162,580	

8.1 Secured Term Loans from Banks :

- (i) Short Term Loan of ₹ 125000 Lakhs [Amount Outstanding ₹ 124000 Lakhs] sanctioned from Axis Bank Limited is secured by way of (i) pledge of 18,82,48,200 Equity Shares and 3,00,00,000 Preference Shares of Jaypee Cement Corporation Ltd. [JCCL] held by the Company, (ii) Non Disposal Undertaking for 43,92,45,800 Equity Shares and 7,00,00,000 Preference Shares of JCCL held by the Company, (iii) exclusive charge over A-2 Building [5 Star Resort cum SPA] admeasuring 30813.0 Sq. Meters [7.603 Acres] land along with building constructed thereon and other assets such as furniture and fixtures, equipments, machinery - fixed and movable, structures and any other assets situated at Jaypee Greens, Greater Noida, (iv) subservient charge on all movable Fixed Assets and Current Assets of the Company and (v) hypothecation of Receivable from JCCL to the extent of ₹ 1513.28 Crores.
- (ii) Working Capital Demand Loan of ₹ 10000 Lakhs availed from Axis Bank Limited secured by way of Subservient and Subsequent Charge over the Current Assets of the Company.
- (iii) Short Term Loan of ₹ 100 Lakhs [Previous Year ₹ 200 Lakhs] availed from Union Bank of India is secured against Fixed Deposits with the Bank.
- (iv) Short Term Loan of ₹ 50 Lakhs [Previous Year ₹ 200 Lakhs] availed from Oriental Bank of Commerce is secured against Fixed Deposits with the Bank.
- (v) Short Term Loan of ₹ 500 Lakhs availed from State Bank of India is secured against Fixed Deposits with the Bank.
- (vi) Short Term Loan of ₹ 20000 Lakhs [Amount Outstanding ₹ 20000 Lakhs] availed from Yes Bank Ltd. is secured by way of subservient charge on all fixed assets of the company except the fixed assets pertaining to Wind Power, Real Estate Division and fixed assets specifically charged to State Govt./State Financial Institutions for availing incentive/interest free loans etc. and Non Disposal Undertaking in respect of 9,89,01,000 Equity Shares of ₹ 10/- each of Bokaro Jaypee Cement Limited held by the Company.

8.2 Working Capital Loans:

- (i) The Working Capital facilities [Fund based - ₹ 500 Crores. and Non Fund based - ₹ 4265 Crores.] sanctioned by the Consortium of 19 member Banks with Canara Bank, as Lead, are secured by way of first charge ranking pari passu on Current Assets of the Company i.e. Hypothecation of Stocks of Raw Materials, Work-in-Progress, Stock-in-Process, Finished Goods, Stores & Spares and Book Debts and second charge ranking pari passu on the Fixed Assets of the Company [except Fixed Assets pertaining to Wind Power Division, Real Estate Division and Fixed assets specifically charged to State Government /State Financial Institutions for availing interest free loans etc.] and other assets specifically charged on specific loans. Further Jammu and Kashmir Bank Ltd. and IDBI Bank Ltd. have converted their Non Fund Based Limits [within Consortium] into Fund Based Limits to the extent of ₹ 10000 Lakhs [Amount Outstanding ₹ 10000 Lakhs] and ₹ 5000 Lakhs [Amount Outstanding ₹ 5000 Lakhs] respectively.
- (ii) Overdraft Facility from ICICI Bank Ltd., of ₹ 17500 Lakhs [Amount outstanding ₹ 16975 Lakhs] carved-out from existing Non Fund based working capital facility sanctioned under consortium is further secured by way of Extension of Mortgage on all Immovable Properties admeasuring 100 Acres of Land of Jaypee Infratech Ltd. situated at Village - Tappal, Tehsil - Khair, Distt.- Aligarh, Uttar Pradesh together with all buildings and structures thereto and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future.

8.3 Short Term Borrowings guaranteed by Directors of the Company in personal capacity are given as under:

	Amount outstanding	
	As At 31.03.2014 ₹ Lakhs	As At 31.03.2013 ₹ Lakhs
Term Loans from Banks	154,000	10,000
Working Capital Loans from Banks	63,144	32,683
Loans from Banks	34,319	38,880
Bill Discounting from Banks	85,268	79,123
	336,731	160,686

NOTE No. "9"	As At 31.03.2014		As At 31.03.2013	
TRADE PAYABLES	₹ Lakhs		₹ Lakhs	
Due to Micro, Small & Medium Enterprises		-		-
Others		211,625		240,302
		211,625		240,302
NOTE No. "10"				
OTHER CURRENT LIABILITIES				
Current maturities of Long term Debt				
(a) Secured Loans [Refer Note No. "4" (I)]	381,436		265,026	
(b) Unsecured Loans [Refer Note No. "4" (II)]	117,805	499,241	147,634	412,660
Interest accrued but not due on Borrowings		17,552		20,317
Adjustable receipts against Contracts (Secured Partly against Bank Guarantees)				
(a) Interest Bearing	1,500		5,125	
(b) Non Interest Bearing				
(i) From Subsidiaries/Associates	2,655		19,492	
(ii) From Others	16,181	18,836	13,122	37,739
Advance from Customers		128,137		130,199
Unclaimed Dividend*		1,258		1,239
Unclaimed Matured Public Deposit [including interest thereon]*		2,779		2,680
*[Appropriate amounts shall be transferred to Investor Education & Protection Fund, if and when due]				
Other Payables [including Statutory Dues, Staff Payable etc]				
(i) Capital Suppliers	20,547		20,866	
(ii) Staff Dues	8,144		7,971	
(iii) Statutory Dues	23,262		10,136	
(iv) Other Creditors	10,516	62,469	17,352	56,325
		731,772		661,159
NOTE No. "11"				
SHORT-TERM PROVISIONS				
Provisions for Employee Benefits				
Leave Encashment		389		1,008
Provisions for Premium on Redemption of Debentures		10,072		3,330
Other Provisions				
For Proposed Final Equity Dividend	-		11,095	
For Tax on Proposed Final Equity Dividend	-	-	1,800	12,895
		10,461		17,233

**NOTE No. "12"
FIXED ASSETS**

PARTICULARS	GROSS CARRYING VALUE			DEPRECIATION			NET CARRYING VALUE			
	As at 1.4.2013	Addition During The Year	Sale/Transfer/ Disposal/Discard During The Year	As at 31.3.2014	Upto 31.3.2013	For The Year	Sale/ Adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.3.2013
[A] TANGIBLE ASSETS										₹ Lakhs
01 Land	149,695	16,986	-	166,681	-	1,136	-	1,136	165,545	149,695
(a) Leasehold Land	34,118	322	27	34,413	-	-	-	-	34,413	34,118
(b) Freehold Land										
02 Buildings	53,017	105	-	53,122	4,771	864	-	5,635	47,487	48,246
(a) Hotel/Hospitality	154,808	22,555	133	177,230	16,244	3,522	41	19,725	157,505	138,564
(b) Others	2,367	-	-	2,367	2,367	-	-	2,367	-	-
03 Purely Temporary Erections	13,361	4,702	-	18,063	3,716	660	-	4,376	13,687	9,645
04 Railway siding	1,120,109	151,473	6,249	1,265,333	308,698	61,279	3,206	366,771	898,562	811,411
05 Plant & Equipment	97,900	56,689	-	154,589	29,685	5,163	-	34,848	119,741	68,215
06 Captive Thermal Power Plants	27,990	665	-	28,655	7,784	1,480	-	9,264	19,391	20,206
07 Wind Turbine Generators	3,710	-	-	3,710	1,905	176	-	2,081	1,629	1,805
08 Golf Course	4,423	165	77	4,511	2,053	198	46	2,205	2,306	2,370
09 Miscellaneous Fixed Assets (Hotel)	10,318	503	181	10,640	5,073	804	149	5,728	4,912	5,245
10 Vehicles	8,410	129	79	8,460	4,656	462	48	5,070	3,390	3,754
11 Furniture & Fixtures	17,087	961	443	17,605	8,167	1,518	397	9,288	8,317	8,920
12 Office Equipments	11	-	-	11	5	1	-	6	5	6
13 Ships:Boat	13,423	-	912	12,511	3,983	716	323	4,376	8,135	9,440
14 Aeroplane /Helicopter	1,710,747	255,255	8,101	1,957,901	399,107	77,979	4,210	472,876	1,485,025	1,311,640
TOTAL TANGIBLE ASSETS										
[B] INTANGIBLE ASSETS										
01 Computer Softwares	3,546	5	-	3,551	1,822	563	-	2,384	1,167	1,724
02 Deferred Revenue Expenditure	4,800	-	4,800	-	2,402	-	2,402	-	-	2,398
03 Fees Paid to Franchiser	22	-	22	-	22	-	-	22	-	-
TOTAL INTANGIBLE ASSETS	8,368	5	4,822	3,551	4,246	563	2,424	2,384	1,167	4,122
GRAND TOTAL	1,719,115	255,260	12,923	1,961,452	403,353	78,542	6,634	475,260	1,486,192	1,315,762
PREVIOUS YEAR	1,536,042	193,020	9,947	1,719,115	333,094	72,678	2,419	403,353	1,315,762	498,099
CAPITAL WORK-IN-PROGRESS [Including Incidental Expenditure During Construction Period]										
INTANGIBLE ASSETS UNDER DEVELOPMENT										13

Note:

[a] Depreciation for the year, includes ₹ 176 Lakhs [Previous Year ₹ 262 Lakhs] on assets used for Projects under implementation and shown in Note No."33" Incidental Expenditure During Construction Period.

[b] Deferred Revenue Expenditure has been transferred to Prepaid Expenses.

NOTE No. "13" NON-CURRENT INVESTMENTS		As At 31.03.2014 ₹ Lakhs		As At 31.03.2013 ₹ Lakhs	
(A) INVESTMENTS IN SUBSIDIARIES					
(a) IN EQUITY SHARES - Quoted, fully paid-up					
(i)	1,783,000,600 (1,783,000,600)	Equity Shares of Jaiprakash Power Ventures Limited of ₹ 10/- each	176,776		176,776
(ii)	995,000,000 (1,155,000,000)	Equity Shares of Jaypee Infratech Limited of ₹ 10/- each	99,500	276,276	115,500 292,276
(b) IN EQUITY SHARES - Unquoted, fully paid-up					
(i)	118,090,000 (118,090,000)	Equity Shares of Himalyan Expressway Limited of ₹ 10/- each	11,809		11,809
(ii)	271,350,000 (271,350,000)	Equity Shares of Jaypee Ganga Infrastructure Corporation Limited of ₹ 10/- each	27,135		27,135
(iii)	5,67,000,000 (514,877,000)	Equity Shares of Jaypee Sports International Limited of ₹ 10/- each	57,221		51,488
(iv)	273,800,000 (273,800,000)	Equity Shares of Jaypee Agra Vikas Limited of ₹ 10/- each	27,380		27,380
(v)	627,500,000 (627,500,000)	Equity Shares of Jaypee Cement Corporation Limited of ₹ 10/- each	145,164		145,164
(vi)	277,585,000 (161,085,000)	Equity Shares of Jaypee Fertilizers & Industries Limited of ₹ 10/- each	27,759		16,109
(vii)	10,000,000 (10,000,000)	Equity Shares of Himalyaputra Aviation Limited of ₹ 10/- each	1,000		1,000
(viii)	63,000 (63,000)	Equity Shares of Jaypee Assam Cement Limited of ₹ 10/- each	6		6
(ix)	340,000,000 (100,000,000)	Equity Shares of Prayagraj Power Generation Company Limited of ₹ 10/- each	34,000	331,474	10,000 290,091
(B) INVESTMENT IN JOINT VENTURE SUBSIDIARIES IN EQUITY SHARES - Unquoted, fully paid-up					
(i)	280,966,752 (280,966,752)	Equity Shares of Bhilai Jaypee Cement Limited of ₹ 10/- each	17,645		17,645
(ii)	543,160 (543,160)	Equity Shares of Gujarat Jaypee Cement & Infrastructure Limited of ₹ 10/- each	54		54
(iii)	98,901,000 (98,901,000)	Equity Shares of Bokaro Jaypee Cement Limited of ₹ 10/- each	12,890	30,589	12,890 30,589
(C) INVESTMENT IN ASSOCIATE COMPANIES IN EQUITY SHARES - Unquoted, fully paid-up					
(i)	30,000,000 (30,000,000)	Equity Shares of Madhya Pradesh Jaypee Minerals Limited of ₹ 10/- each [Joint Venture]	3,000		3,000
(ii)	10,000 (10,000)	Equity Shares of Jaiprakash Kashmir Energy Limited of ₹ 10/- each	1		1
(iii)	736,620 (736,620)	Equity Shares of RPJ Minerals Private Limited of ₹ 10/- each	1,212		1,212
(iv)	23,575 (23,575)	Equity Shares of Sonebhadra Minerals Private Limited of ₹ 10/- each	633		633
(v)	13,750 (13,750)	Equity Shares of Indesign Enterprises Private Limited, Cyprus Cyprus Pound 1/- each	20		20
(vi)	4,900,000 (4,900,000)	Equity Shares of MP Jaypee Coal Fields Limited of ₹ 10/- each [Joint Venture]	490		490
(vii)	4,900,000 (4,900,000)	Equity Shares of MP Jaypee Coal Limited of ₹ 10/- each [Joint Venture]	490	5,846	490 5,846

NON-CURRENT INVESTMENTS (Contd..)		As At 31.03.2014 ₹ Lakhs		As At 31.03.2013 ₹ Lakhs	
(D) OTHER INVESTMENTS					
(a) IN EQUITY SHARES - Quoted, fully paid-up					
(i)	15,350 (15,350)	Equity shares of Capital Trust Limited of ₹ 10/- each	2		2
(ii)	100 (100)	Equity Shares of IFCI Limited of ₹ 10/- each (₹ 3,500/-)	-		-
(iii)	721,600 (721,600)	Equity Shares of Indian Overseas Bank Limited of ₹ 10/- each	72		72
(iv)	Nil (868,000)	Equity Shares of Sumeru Industries Limited of ₹ 10/- each	-		5
(v)	20,000 (20,000)	Equity Shares of Saket Projects Limited of ₹ 10/- each	2		2
(vi)	165,900 (165,900)	Equity Shares of PNB Gilts Limited of ₹ 10/- each	50		50
(vii)	25,000 (25,000)	Equity Shares of Tourism Finance Corporation of India Limited of ₹ 10/- each	5	131	5
					136
(b) IN EQUITY SHARES - Unquoted, fully paid-up					
(i)	5 (5)	Equity Shares of Makers Chamber VI Premises Co-operative Society Limited, Bombay of ₹ 50/- each [₹ 250/-]	-		-
(ii)	5 (5)	Equity Shares of Sanukt Members Association of ₹ 100/- each [₹ 500/-]	-		-
(iii)	2,035,000 (2,035,000)	Equity Shares of Delhi Gurgaon Super Connectivity Limited of ₹ 10/- each	204		204
(iv)	840,000 (840,000)	Equity Shares of UP Asbestos Limited of ₹ 10/- each [₹ 1/-]	-	204	-
					204
(E) PREFERENCE SHARES - Unquoted, fully paid-up					
INVESTMENTS IN SUBSIDIARIES					
(i)	2,500,000 (2,500,000)	11% Cumulative Redeemable Preference Shares of Himalyan Expressway Limited of ₹ 100/- each	2,500		2,500
(ii)	29,364,000 (29,364,000)	12% Non Cumulative Redeemable Preference Shares of Jaypee Ganga Infrastructure Corporation Limited of ₹ 100/- each	29,364		29,364
(iii)	10,212,000 (34,040,000)	12% Non Cumulative Redeemable Preference Shares of Jaypee Agra Vikas Limited of ₹ 100/- each	10,212		34,040
(iv)	1,500,000 (1,500,000)	12% Non Cumulative Redeemable Preference Shares of Himalyaputra Aviation Limited of ₹ 100/- each	1,500		1,500
(v)	200,000,000 (100,000,000)	12% Non Cumulative Redeemable Preference Shares of Jaypee Cement Corporation Limited of ₹ 100/- each	200,000		100,000
(vi)	12,500,000 (12,500,000)	12% Non Cumulative Redeemable Preference Shares of Jaypee Sports International Limited of ₹ 100/- each	12,500		12,500
(vii)	4,350,000 (-)	Cumulative Redeemable Preference Shares of Jaypee Fertilizers & Industries Limited of ₹ 10/- each	51,755	327,831	-
					179,904
(F) BULLION					
	Gold [27 Kgs]		260		260

NON-CURRENT INVESTMENTS (Contd..)	As At 31.03.2014 ₹ Lakhs	As At 31.03.2013 ₹ Lakhs
(G) INTEREST IN BENEFICIARY TRUSTS		
(i) JHL Trust	4,603	4,603
(ii) JCL Trust	33,105	33,105
(iii) GACL Trust	19,606	19,606
(iv) JEL Trust	3,085	3,085
	60,399	60,399
(H) INVESTMENTS IN BONDS		
IFCI Tax Free Bond	1,000	-
	1,034,010	859,705

NOTE No. "13.1"

Aggregate cost of:

Quoted Investments in Equity Shares [Market Value ₹ 4,63,641 Lakhs

Previous Year ₹ 9,24,422 Lakhs)

276,407

292,412

Unquoted Investments in Equity Shares, Preference Shares & Bullion

697,204

506,894

NOTE No. "13.2"

The Trusts are holding shares of 18,93,16,882 Equity Shares [Previous Year 18,93,16,882] of ₹ 2/- of Jaiprakash Associates Limited, the sole beneficiary of which is the Company. [The Market Value of Shares held in Trusts is ₹ 1,01,663 Lakhs (Previous Year ₹ 1,23,908 Lakhs)]

NOTE No. "13.3"

All Investments are Non-trade Investments.

NOTE No. "13.4"

Since the Market Rate of Saket Project Limited was not available in any of the Stock Exchanges, Market Value has been considered equivalent to Face Value.

NOTE No. "14"
LONG-TERM LOANS AND ADVANCES
[Unsecured, considered good]

	As At 31.03.2014 ₹ Lakhs	As At 31.03.2013 ₹ Lakhs
Capital Advance	58,856	33,354
Deposits with Government Department, Public Bodies & Others		
(a) Government Department & Public Bodies	66,796	51,526
(b) Others	552	595
	67,348	52,121
Advances to Suppliers, Contractors, Sub-contractors & Others	29,076	43,727
Claims and Refund Receivable	40,490	33,161
Prepaid Expenses	11,846	914
Advance Tax and Income Tax Deducted at Source [Net of Provision]	27,638	17,633
	235,254	180,910

NOTE No. "15"
OTHER NON-CURRENT ASSETS
[Unsecured, considered good]

Long Term Trade Receivables		
(a) Considered Good	257,980	183,174
(b) Doubtful		
From Overseas Works	10,163	10,163
Less: Provision for writing off	10,163	-
	715	1,678
Term Deposits with Banks with Maturity more than twelve months	89	174
Interest accrued on Fixed Deposits & Others		
	258,784	185,026

"15.1" Term Deposits with Maturity more than twelve months includes ₹ 197 Lakhs [Previous Year ₹ 374 Lakhs] pledged as Guarantees / Margin Money with Banks and Others.

NOTE No. "16" CURRENT INVESTMENTS	As At 31.03.2014 ₹ Lakhs	As At 31.03.2013 ₹ Lakhs
(a) In Units of Exchange Traded Funds, Quoted [Market Value ₹ 2,485 Lakhs [Previous Year ₹ 3,621]]	2,485	3,621
(b) In Units of Mutual Funds, Unquoted	400	25,700
	2,885	29,321

16.1 Particulars of Investments in Units of Exchange Traded Funds [ETF] and Mutual Funds as on date of Balance Sheet:

Name of Mutual Fund/ ETF	Units	2013-14 ₹ Lakhs	Units	2012-13 ₹ Lakhs
[I] Investment in Units of Exchange Traded Funds				
NSEL - E - Silver	57,479	2,485	67,550	3,621
Total [I]		2,485		3,621
[II] Investment in Units of Mutual Funds				
[a] Canara Robeco Indigo Fund	-	-	960,384	100
[b] Axis Hybrid fund-series 2- Growth Plan	1,000,000	100	1,000,000	100
[c] Axis Capital Protection Oriented Fund -Series 2 [Growth]	999,990	100	999,990	100
[d] SBI Dynamic Bond Fund -Growth	-	-	776,862	100
[e] Canara Robeco Capital Protection Oriented Fund - Series II	1,000,000	100	-	-
[f] Kotak Bond Scheme Plan - Growth	-	-	2,973,076	1,000
[g] Canara Robeco Gold Savings Fund	1,000,000	100	1,000,000	100
[h] IDFC Dynamic Bond Fund - Plan A - Growth	-	-	4,491,511	1,000
[i] SBI Magnum Income Fund - Growth	-	-	711,835	200
[j] Birla Sunlife Income Plus Fund - Growth	-	-	1,901,303	1,000
[k] HDFC Income Fund - Growth	-	-	3,739,772	1,000
[l] Birla Sunlife Dynamic Bond Fund	-	-	5,050,888	1,000
[m] Axis Short Term Fund	-	-	7,854,843	1,000
[n] LIC Nomura Mutual Fund- Liquid Fund - Growth	-	-	893,647	19,000
Total [II]		400		25,700
Gr. Total [I] + [II]		2,885		29,321

"16.2" Aggregate amount of Current Investments	3,701	29,554
Less:Aggregate provision for dimunition in value of Investments	816	233
	2,885	29,321

NOTE No. "17" INVENTORIES (As per inventories taken, valued and certified by the Management)		
(a) Stores and Spare Parts	54,200	59,508
(b) Construction Materials	21,222	46,514
(c) Raw Materials	1,483	1,941
(d) Finished Goods	15,302	18,649
(e) Stock in Process	11,861	18,835
(f) Work-in-Progress-Construction Division	74,856	49,454
(g) Food and Beverages	198	217
(h) Goods in Transit		
Stores & Spares	3,612	1,500
Raw Materials	4,090	93
Construction Materials	54	237
	186,878	196,948

NOTE No. "18" PROJECTS UNDER DEVELOPMENT [Refer Note No. "32"]	93,533	100,824
	93,533	100,824

NOTE No. "19" TRADE RECEIVABLES (Unsecured, considered good)	As At 31.03.2014 ₹ Lakhs	As At 31.03.2013 ₹ Lakhs
(a) Debts outstanding for a period exceeding six months	43,334	24,244
(i) Considered Good		
(ii) Considered Doubtful	142	142
Less: Provision for Bad & Doubtful Debts	<u>(142)</u>	<u>(142)</u>
(b) Other Debts	249,741	228,380
	293,075	252,624

NOTE No. "20" CASH AND BANK BALANCES				
(A) Cash and Cash Equivalents				
(a) Cash on hand	659		668	
(b) Cheques, Drafts on hand	4,853		4,688	
(c) Balances in Banks				
(i) Current & Cash Credit Account in INR	39,868		79,718	
(ii) Current Account in Foreign Currency	2,193		1,205	
(d) Term Deposit with Original Maturity of less than three months	<u>3,432</u>	51,005	<u>7,926</u>	94,205
(B) Other Bank Balances				
(a) Term Deposits with Maturity less than twelve months	35,501		32,981	
(b) Balance with Banks in Dividend Account	1,258		1,239	
(c) Balance with Banks in Public Deposits Repayment Account	<u>217</u>	36,976	<u>163</u>	34,383
		87,981		128,588

"20.1" Term Deposits with Original Maturity less than three months includes ₹ 94 Lakhs [Previous Year ₹ 17 Lakhs] pledged as Guarantees / Margin Money with Banks and Others.

"20.2" Term Deposits with Maturity less than twelve months includes ₹ 14387 Lakhs [Previous Year ₹ 1359 Lakhs] pledged as Guarantees / Margin Money [including ₹ 345 Lakhs (Previous Year ₹ 274 Lakhs) pledged as Performance Guarantees] with Banks and Others.

"20.3" Balances with Banks in Current Account in Foreign Currency includes Iraqi Dinars 27,377 Million equivalent to ₹ 10 Lakhs which are not available for use by the Company.

"20.4" Term Deposits with Maturity less than twelve months includes ₹ 16000 Lakhs [Previous Year ₹ 19100 Lakhs] earmarked for repayment of Public Deposits & Non - Convertible Debentures..

NOTE No. "21" SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)	As At 31.03.2014 ₹ Lakhs	As At 31.03.2013 ₹ Lakhs
Advances to Suppliers, Contractors, Sub-Contractors & Others	75,310	87,899
Advances to Related Parties	59,226	33,354
Staff Imprest and Advances	1,725	1,362
Claims and Refunds Receivable	68,941	64,425
Prepaid Expenses	10,850	3,737
Share Application Money Pending Allotment:		
Jaiprakash Kashmir Energy Limited [Associate Company]	-	101
Deposits with Government Department, Public Bodies & Others		
(a) Government Department & Public Bodies	2,267	2,746
(b) Others		
(i) Real Estate	146,000	146,000
(ii) Others	<u>110</u>	<u>74</u>
	148,377	148,820
	364,429	339,698

NOTE No. "22"		As At 31.03.2014	As At 31.03.2013
OTHER CURRENT ASSETS		₹ Lakhs	₹ Lakhs
(Unsecured, considered good)			
Receivable from Jaypee Cement Corporation Limited (Subsidiary Company)		303,513	359,038
Unbilled Receivables		38,943	68,593
Other Receivables		114	157
Interest accrued on Fixed Deposits & Others		1,453	2,049
		344,023	429,837
NOTE No. "23"		2013-2014	2012-2013
REVENUE FROM OPERATIONS		₹ Lakhs	₹ Lakhs
Sale of Products [Refer Note No. "23.1"]		710,781	765,001
Sale of Services [Refer Note No. "23.2"]		586,534	555,868
Other Operating Revenue [Refer Note No. "23.3"]		14,296	12,678
		1,311,611	1,333,547
NOTE No. "23.1"			
SALE OF PRODUCTS			
Cement Sales [Gross] [including Clinker Sales]	637,051		654,617
Less:Excise Duty on Sales	62,410	574,641	64,088
Real Estate Revenue		124,651	165,131
Power Revenue		4,329	4,695
Fabrication Material Sales [Gross]	7,780		5,130
Less:Excise Duty on Sales	620	7,160	484
		710,781	765,001
NOTE No. "23.2"			
SALE OF SERVICES			
Construction Revenue		557,361	527,561
Hotel/Hospitality Revenue		24,455	22,229
Manpower Supply		4,127	5,447
Fabrication Jobs		591	631
		586,534	555,868
NOTE No. "23.3"			
OTHER OPERATING REVENUE			
Machinery Rentals/Transportation Receipts		1,682	1,122
Other Receipts		12,614	11,556
		14,296	12,678
NOTE No. "24"			
OTHER INCOME			
Dividends from Non Current Investments [from Subsidiaries ₹ 12423 Lakhs (Previous Year ₹ 5775 Lakhs)]		12,444	5,809
Profit/(Loss) on Sale/Redemption of Exchange Traded Funds/Mutual Funds [Net]		1,055	6,427
Profit on Sale of Shares		-	72
Rent		198	231
Foreign Currency Rate Difference [Net] - Other than Finance Costs		29	-
Profit on Sale / Disposal / Write-off of Assets [Net]		-	2,059
Interest		7,365	3,296
		21,091	17,894

NOTE No."25"	2013-2014	2012-2013
COST OF MATERIALS CONSUMED	₹ Lakhs	₹ Lakhs
Raw Materials Consumed	64,549	63,508
Excise Duty on Clinkers	5,180	6,113
Consumption of Food and Beverages etc.	2,824	2,512
Materials Consumed - Others	96,871	77,587
Machinery Spares Consumed	16,995	14,660
Stores and Spares Consumed	51,930	48,189
Coal Consumed	97,841	102,992
Packing Materials Consumed	25,074	23,341
	361,264	338,902
Less:Attributable to Self Consumption	11,880	11,042
	349,384	327,860

NOTE No."26"				
CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS				
OPENING STOCKS				
Finished Goods	18,649		15,392	
Stock-in-Process	18,835	37,484	12,113	27,505
Stock-in-Process - Acquired		-		2,446
LESS:CLOSING STOCKS				
Finished Goods	15,302		18,649	
Stock-in-Process	11,861	27,163	18,835	37,484
WORK-IN-PROGRESS - Construction Division				
Opening Work-in-Progress		49,454	34,250	
Less:Closing Work-in-Progress		74,856	49,454	(15,204)
Excise Duty Difference on Changes in Closing Stocks		(1,182)		1,164
		(16,263)		(21,573)

NOTE No."27"				
MANUFACTURING, CONSTRUCTION, REAL ESTATE, HOTEL / HOSPITALITY & POWER EXPENSES				
Construction Expenses	191,912		199,946	
Real Estate Expenses	66,913		94,922	
Hotel & Golf Course Operating Expenses	3,018		2,890	
Hire Charges and Lease Rentals of Machinery	2,215		2,569	
Power, Electricity and Water Charges	73,427		71,380	
Repairs and Maintenance of Machinery	5,471		5,064	
Repairs to Building and Camps	4,878		4,017	
Freight, Octroi & Transportation Charges	44,269		44,421	
	392,103		425,209	
Less:Attributable to Self Consumption	4,811		5,167	
	387,292		420,042	

NOTE No."28"	2013-2014		2012-2013	
EMPLOYEE BENEFITS EXPENSES	₹ Lakhs		₹ Lakhs	
Salaries, Wages & Bonus		71,573		73,149
Gratuity		762		708
Contribution to Provident & Other Funds		3,098		3,014
Staff Welfare		3,495		3,924
		78,928		80,795
NOTE No."29"				
FINANCE COSTS				
Interest on Non-Convertible Debentures		40,383		45,855
Interest on Term Loans		180,403		109,405
Interest on Bank Borrowing and Others		43,228		34,658
Financing Charges		6,651		11,214
Foreign Currency Rate Difference [Net] - On Financing		4,542		3
		275,207		201,135
NOTE No."30"				
DEPRECIATION AND AMORTISATION EXPENSE				
Depreciation	77,391		72,678	
Less: Transferred to Expenditure During Construction Period	176		262	
Less: Amount Adjusted with Revaluation Reserve	3	77,212	2	72,414
Amortisation	342		397	
Less: Amount Adjusted with Revaluation Reserve	199	143	198	199
		77,355		72,613
NOTE No."31"				
OTHER EXPENSES				
Loading, Transportation & Other Charges		95,195		94,325
Commission & Discount on Sales		24,140		27,380
Sales Promotion		6,368		13,427
Rent		2,299		1,873
Rates & Taxes		7,899		9,389
Insurance		3,681		4,662
Travelling & Conveyance		4,323		3,661
Bank Charges, Bill Discounting & Guarantee Commission		11,094		9,245
Loss on Sale / Disposal / Discard / Write-off of Assets (Net)		1,739		-
Postage & Telephone		851		887
Light Vehicles Running & Maintenance		1,710		1,308
Legal & Professional		7,436		9,437
Charity & Donation		4,810		2,682
Security & Medical Service		7,502		7,190
Foreign Currency Rate Difference [Net] - Other than Finance Costs		-		398
Provision of Diminution in Value of Current Investments		583		233
Directors' Fees		18		20
Miscellaneous Expenses		7,464		10,237
Auditors' Remuneration:				
Audit Fees	53		53	
Tax Audit Fees	6		6	
To Partners in other capacity:				
For Taxation Matters	-		4	
Reimbursement of Expenses	4	63	7	70
		187,175		196,424

NOTE No."32"	2013-2014	2012-2013
Projects Under Development	₹ Lakhs	₹ Lakhs
Opening Balance	100,824	122,011
Expenses On Development during the year		
Construction Expenses	57,921	70,199
Technical Consultancy	539	1,115
Power, Electricity and Water Charges	635	447
Personnel Expenses	5,541	5,448
Other Expenses	2,806	7,439
Finance Costs	113	1,672
	168,379	208,331
Less: Cost of Sales of Infrastructure & Construction of Properties Developed and under Development	73,885	106,927
Less: Transferred to Capital Work-in-Progress	961	580
Balance carried to Note No."18"	93,533	100,824
NOTE No."33"		
INCIDENTAL EXPENDITURE DURING CONSTRUCTION PERIOD		
Opening Balance	152,333	104,976
Electricity, Power and Fuel	1,239	1,093
Salary, Wages and Staff Welfare	5,022	6,109
Site / Quarry Development & Survey Expenses	83	165
Repair and Maintenance	530	413
Legal and Professional	109	650
Technical Consultancy	128	1,414
Insurance	188	208
Travelling and Conveyance	226	141
LC Commission, Bank Charges and Bank Guarantee Commission	670	122
Finance Costs	43,114	141,090
Foreign Exchange Fluctuations	32,341	42,311
Safety and Security	1,114	1,384
Freight and Material Handling	93	2,043
Vehicle / Machinery Hire Charges / Lease Rent	66	856
Light Vehicles Running and Maintenance	99	81
Depreciation	176	262
Advertisement / Business Promotion Expenses	79	130
Trial Run Expenses	1,307	344
Miscellaneous	2,698	1,455
	241,615	305,247
Less:		
(i) Miscellaneous Receipt	41	243
(ii) Interest Received	8	286
	49	529
	241,566	304,718
Less: Capitalised / Transferred During the year	78,013	152,385
Carried over to Balance Sheet [included in Capital Work-in-Progress]	163,553	152,333

NOTE No."34" Contingent Liability not provided for in respect of:	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
[a] Claims against the Company / Disputed Liability [excluding Income Tax] not acknowledged as debts The above includes VAT/Sales Tax matter under Appeal to the extent of ₹ 23200 Lakhs [Previous Year ₹ 23488 Lakhs], Excise Tax matter under Appeal to the extent of ₹ 11259 Lakhs [Previous Year ₹ 6658 Lakhs] and Entry Tax matter under Appeal to the extent of ₹ 40884 Lakhs [Previous Year ₹ 36003 Lakhs] Amount deposited under Protest Bank Guarantee deposited under Protest [included in (b) below]	230,699 69,745 20,738	200,783 58,422 19,181
[b] Outstanding amount of Bank Guarantees Margin Money deposited against the above Bank Guarantee includes Bank Guarantee for ₹ 30000 Lakhs [Previous Year ₹ 31615 Lakhs] to Subsidiaries and also includes Guarantee amounting to ₹ 25759 Lakhs [Previous Year ₹ 3278 Lakhs] given to Banks and Others on behalf of Subsidiaries/Joint Ventures/Associates.	169,342 495	139,960 428
[c] Income Tax Matters [i] The Income Tax Assessments of the company have been completed upto Assessment Year 2011-12. Tax value for matters under appeal is ₹ 6812 Lakhs for A.Y. 2011-12. Based on the decision of the Appellate authorities and the interpretation of relevant tax provisions, the Company has been legally advised that the additions made in the assessments are likely to be deleted or substantially reduced. As at 31.03.2014 there is no outstanding tax demand against the Company. [ii] The Company has received a demand of ₹ 131122 Lakhs towards TDS assessment for the A.Y. 2006-07 to A.Y. 2013-14. The Company has filed an appeal with Commissioner of Income Tax [Appeals] against the above said demand. The Company has also filed an application U/s 154 of the Income Tax Act for rectifying the mistakes apparent from records in the demand order and the same will substantially reduce the demand. Based on the advice of the Counsels and the interpretation of relevant tax provisions, the Company believes it has strong grounds for success of the appeal. Hence no provision is considered in the Financial statements.		
[d] The Competition Commission of India ("CCI") passed an order on 20th June, 2012 imposing penalty on 11 cement manufacturers including the Company, alleging contravention of the provisions of the Competition Act, 2002, and imposed a penalty of ₹ 132360 Lakhs on the Company. The Company has filed an appeal against the said order before the Competition Appellate Tribunal. The matter is currently pending before the Competition Appellate Tribunal. However, the Competition Appellate Tribunal has, by its orders dated September 13, 2012 and October 11, 2012, ordered that no coercive steps be taken against the Company for recovery of the penalty imposed. As per directions of the Competition Appellate Tribunal an amount of ₹ 13236 lakhs has been deposited which will remain with them and not to be disbursed during the pendency of the appeal. Based on the advice of the Counsels, as well as its own assessment, the Company believes it has strong grounds for success of the appeal. Hence no provision is considered in the Financial statements.		
[e] The Hon'ble High Court of Himachal Pradesh, vide order dated 04.05.2012, imposed damages of ₹ 10000 Lakhs holding certain contraventions of the Water (Prevention & Control of Pollution) Act, 1974 , Air (Prevention & Control of Pollution) Act, 1981 & Environment Impact Assessment Notification in respect of the Company's Cement plant at Bagheri, Himachal Pradesh. The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the said Order which is pending for disposal. As per directions of the Hon'ble Supreme Court an amount of ₹ 5000 lakhs has been deposited with the State Government which will remain with them and not to be disbursed during the pendency of the appeal. Based on advice of the Counsels no provision is considered in the Financial Statements.		

NOTE No."35"	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
Commitments:		
[a] Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances)	8,061	13,651
[b] Outstanding Letters of Credit	9,331	69,469
Letter of Credit includes ₹ 3710 Lakhs given on behalf of Subsidiaries/Joint Ventures/Associates.		
[c] The Company has imported Capital Goods under Export Promotion Capital Goods Scheme [EPCG], where-under the Company is required to fulfill export obligation/deemed exports amounting to ₹ 24100 Lakhs [Previous Year ₹ 24100 Lakhs] till 31.03.2015. The Liability amounting to ₹ 4780 Lakhs [Previous Year ₹ 4780 Lakhs] on account of custom duty may arise alongwith interest @15% p.a., in the event of non-fulfillment of export obligation.		

NOTE No."36"	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
Corporate Guarantees and Securities for Subsidiaries, Joint Venture Subsidiaries & Associates		
[a] Corporate Guarantees:		
[i] for Term Loans, NCDs and Deferred Payment Guarantees granted by Financial Institutions & Banks for 300 MW Baspa-II HEP of Jaiprakash Power Ventures Limited	3,782	7,115
[ii] for Rupee Term Loans and Foreign Currency Loans granted by Financial Institutions & Banks for 400 MW Vishnu Prayag HEP of Jaiprakash Power Ventures Limited	6,059	7,188
[iii] For Secured Term Loan granted by Banks to Jaypee Sports International Limited	41,471	25,000
[iv] For Unsecured Term Loan granted by Banks to Jaypee Sports International Limited	5,000	10,000
[v] For issuance of Cumulative Redeemable Preference Shares by Jaypee Fertilizers & Industries Limited	-	43,500
[vi] For Secured Term Loan granted by Banks to Jaypee Fertilizers & Industries Limited	21,000	21,000
[vii] For Secured Term Loan granted by Banks to Madhya Pradesh Jaypee Minerals Limited	13,500	10,500
[viii] For Secured Term Loan granted by Banks to MP Jaypee Coal Limited	11,300	-
[ix] For Non Convertible Debentures issued by Jaypee Infratech Limited	40,000	-
[b] Securities:		
[i] 1,65,67,21,000 Equity Shares of ₹ 10/- each fully paid-up [Previous Year 1,29,45,09,231 Equity Shares] of Jaiprakash Power Ventures Limited [JPVL] are pledged as collateral security and has given Non disposal undertaking of 11,79,20,000 Equity Shares of ₹ 10/- each for the financial assistance granted by Lenders to JPVL for specific projects.		
[ii] The Company has pledged 70,83,56,087 Equity Shares of ₹ 10/- each fully paid-up [Previous Year 70,83,56,087 Equity Shares] of Jaypee Infratech Limited (JIL) with IDBI Trusteeship Services Limited (ITSL) (Trustee) of JIL held by the Company in favour of ITSL as collateral security for the financial assistance to JIL.		
[iii] 3,54,27,000 Equity Shares of ₹ 10/- each fully paid-up [Previous Year 3,54,27,000 Equity Shares] of Himalyan Expressway Limited [HEL] held by the Company are pledged as collateral security for financial assistance granted by the Lenders to HEL.		
[iv] 15,20,00,000 Equity Shares of ₹ 10/- each fully paid-up [Previous Year 15,20,00,000 Equity Shares] of Jaypee Sports International Limited [JPSI] pledged as collateral security for financial assistance granted to JPSI on issuance of Compulsory Convertible Debentures.		
[v] 1,83,67,347 Equity Shares of ₹ 10/- each fully paid-up [Previous Year 64,28,571 Equity Shares] of Madhya Pradesh Jaypee Minerals Limited [MPJPML] pledged as collateral security for financial assistance granted by the lenders to MPJPML.		

- [vi] 30,00,000 Equity Shares of ₹ 10/- each fully paid-up of MP Jaypee Coal Limited [MPJCL] pledged as collateral security for financial assistance granted by the lenders to MPJCL.
- [vii] 8,21,40,000 Equity Shares of ₹ 10/- each fully paid-up [Previous Year 8,21,40,000 Equity Shares] of Jaypee Agra Vikas Limited [JAVL] pledged as collateral security for financial assistance granted by the lenders to JAVL.
- [viii] The Company has executed non disposal undertaking for 12,00,00,000 Equity Shares [Previous Year 7,00,00,000 Equity Shares] of Jaypee Infratech Limited held by the Company in favour of lenders as collateral security for the financial assistance to Jaypee Fertilizers & Industries Limited. Further, the Company has given first pari passu charge on 1.85329 acres Land [B-Type Building] at Jaypee Greens, Greater Noida for financial assistance to Jaypee Fertilizers & Industries Limited and Jaypee Sports International Limited amounting to ₹ 210 crores and ₹ 250 crores respectively by IndusInd Bank.
- [ix] The Company has given Letter of Comfort to ICICI Bank for Non Convertible Debentures amounting ₹ 73685 Lakhs [Previous Year ₹ 98259 Lakhs] issued by Jaiprakash Power Ventures Limited.
- [x] The Company has given Letter of Comfort for Non Convertible Debentures amounting ₹ 50000 Lakhs [Previous Year ₹ 50000 Lakhs] issued by Jaypee Infratech Limited.
- [xi] The Company has given Letter of Comfort to SREI Infrastructure Finance Limited for ₹ 1938 Lakhs [Previous Year ₹ 2371 Lakhs] for providing financial assistance to Himalyaputra Aviation Limited
- [xii] The Company has given shortfall undertaking to Banks amounting ₹ 24000 Lakhs [Previous Year ₹ 34000 Lakhs] for providing financial assistance to Bhilai Jaypee Cement Limited.
- [xiii] The Company has given shortfall undertaking to ICICI Bank and State Bank of India for Term Loan amounting ₹ 33125 Lakhs [Previous Year ₹ 30000 Lakhs] & Non Fund based Limit utilized for ₹ 77000 Lakhs [Previous Year ₹ 10000 Lakhs] provided by ICICI Bank to Kanpur Fertilizers & Cement Limited.

NOTE No."37"

The Company has pledged 20,35,000 Equity Shares [Previous Year 20,35,000 Equity Shares] held in Delhi Gurgaon Super Connectivity Limited to HUDCO as Security for Loans granted by Lenders to Delhi Gurgaon Super Connectivity Limited.

NOTE No."38"

Letter of Credit facility taken from Axis Bank Limited - ₹ 10000 Lakhs [Previous Year ₹ 10000 Lakhs] is secured by way of Subservient charge on the Current Assets of the company.

NOTE No."39"

In the opinion of Board of Directors, Assets other than Fixed Assets and Non-Current Investments 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 No."40" Deferred Tax	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
[i] Deferred Tax Liability on account of:		
Depreciation	121,210	112,795
Others	27,446	27,447
	148,656	140,242
Deferred Tax Assets on account of:		
Employees' Benefits	1,937	1,680
Others	21,297	1,294
	23,234	2,974
Net Deferred Tax Liability	125,422	137,268

- [ii] Deferred Tax [Net Credit] amounting to ₹ 11,846 Lakhs [Previous Year (Net Debit) ₹12895 Lakhs] has been recognised in the Statement of Profit & Loss for the year ended 31st March, 2014.

NOTE No."41"	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
Disclosure as per Accounting Standard - 7 [Revised]		
[a] Contract Revenue during the year	547,253	522,184
[b] Direct Expenses during the year	362,812	357,272
[c] Profits recognised during the period before depreciation	184,441	164,912
[d] Advances received [Outstanding]	59,112	149,904
[e] Retention Money [Outstanding] *	5,629	10,884
[f] Gross Amount due from Customers for Contract Work	365,674	290,002

* Retention Money [Outstanding] is after adjusting amounts released against furnishing of Bank Guarantees
The above information is in respect of Contracts entered into on or after 01.04.2003.

NOTE No."42"

[a] Capital Work-in-Progress includes Civil Works, Machinery Under Erection and in transit, Construction and Erection Materials, Pre-operative Expenses and also Incidental Expenditure related to Projects under Implementation.	498,099	580,082
[b] Intangible Assets under Development	13	9

NOTE No."43"

Other Payables shown under the head "Other Current Liabilities" include Book Overdraft of ₹ 112 Lakhs [Previous Year ₹ 1220 Lakhs].

NOTE No."44"

Disclosure as required under Notification No.G.S.R.719 [E] dated 16th November, 2007 issued by the Department of Corporate Affairs [as certified by the Management]:

S. No	Particulars	2013-2014	2012-2013
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 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 year of delay in making payment (which have been paid beyond the appointed date during 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 Enterprise Development Act, 2006	Nil	Nil

The above information is based on information available with the Management

NOTE No."45"

In compliance of Accounting Standard-2 [Revised], the Company has provided liability of Excise Duty amounting to ₹ 1173 Lakhs [Previous Year ₹ 2130 Lakhs] on the stocks of Finished Goods lying at Works. However, there is no impact on the profit for the current year.

The Excise Duty of ₹ 1182 Lakhs [Previous Year Debit ₹ 1164 Lakhs] related to difference between Closing and Opening Stock has been credited in the Statement of Profit & Loss.

NOTE No."46"

Additional information:

[A] Details of Raw Materials, Stores and Spares Consumed:	2013-2014 Qty. MT	2013-2014 Value (₹ LAKHS)	2012-2013 Qty. MT	2012-2013 Value (₹ LAKHS)
[a] Raw Materials: *				
Cement Division				
[i] Indigenous : [92.03% (Previous Year 91.93%)]				
Limestone Raised	14,755,789	25,417	15,833,415	23,624
Clinker	159,634	6,861	125,746	5,421
Gypsum	264,397	6,071	308,198	7,038
Laterite/Iron Ore	458,769	5,643	463,427	6,826
Fly Ash	2,979,503	15,414	3,315,423	15,475
[ii] Imported: [7.97% (Previous Year 8.07%)]				
Gypsum	134,640	5,143	123,971	5,124
		64,549		63,508
[b] Spares & Stores Consumed	2013-2014 ₹ Lakhs		2012-2013 ₹ Lakhs	
[i] Indigenous	46,257	89.08%	58,608	93.25%
[ii] Imported	5,672	10.92%	4,241	6.75%
	51,929	100%	62,849	100%
[B] Value of Imports [On CIF Basis]:				
Capital Equipment [including Capital Work-in-Progress]	5,758		5,460	
Raw Materials / Construction Materials and Other	57,959		45,384	
Stores and Spares	10,080		9,009	
Hydro Mechanical and Electromechanical Equipment	-		29	
[C] Expenditure in Foreign Currency [including Expenditure During Construction Period]:				
Travelling	70		102	
Technical Fees	819		2,140	
Finance Costs	16,702		109,242	
Others including Foreign currency rate difference	5,159		3,055	
Foreign Currency Rate Difference [Adjusted in Capitalisation] [including (gain)/loss on forward contracts]	15,080		28,795	
Construction Work Expenses	2,181		-	
[D] Earnings in Foreign Exchange [including Income during Construction Period]:				
Cement Exports [FOB Value]	927		1,167	
Contract Receipts	85,210		38,785	
Hospitality	2,285		2,532	
Interest	-		2	
Others	143		944	
Advance received from Real Estate Customers	338		485	
[E] Dividend Paid to Non-Resident Share Holders in Foreign Currency				
		During FY 2013-2014		During FY 2012-2013
		Final Div. for F.Y. 2012-2013		Final Div. for F.Y. 2011-2012
Number of Share Holders		126		130
Number of Shares *		776,199		859,600
Dividend Paid (₹ Lakhs)		4		4

* Face Value ₹ 2 per share

NOTE No."47"
Cost of Limestone raised included in raw materials consumed:

	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
Royalty and Cess	7,551	8,378
Salaries and Wages	2,100	2,076
Power and Fuel	162	93
Stores and Spares Consumed	8,600	7,658
Factory and Administrative Overheads	2,417	1,866
Payment to Mining Contractors	4,587	3,553
	25,417	23,624

NOTE No."48"

The External Commercial Borrowings [ECBs] outstanding as on 31.03.2014 of USD 32.50 million, USD 9.52 million, JPY 408.84 million, GBP 17.42 million, CAD 30.81 million and USD 150 million are hedged in respect of coupon as well as repayment. Hedging of JPY to USD in respect of JPY 408.84 million yet to be done.

As on 31.03.2014, the Company has outstanding exposure of USD 110.40 million [unhedged] against Foreign Currency Convertible Bonds [2012].

NOTE No."49"

Related Parties disclosures, as required in terms of "Accounting Standard [AS] 18" are given below:

Relationships
[a] Subsidiary Companies [including their subsidiaries]:

- [i] Jaiprakash Power Ventures Limited
- [ii] Jaypee Infratech Limited
- [iii] Himalyan Expressway Limited
- [iv] Jaypee Ganga Infrastructure Corporation Limited
- [v] Jaypee Sports International Limited
- [vi] Jaypee Agra Vikas Limited
- [vii] Jaypee Cement Corporation Limited
- [viii] Jaypee Fertilizers & Industries Limited
- [ix] Himalyaputra Aviation Limited
- [x] Jaypee Assam Cement Limited
- [xi] Sangam Power Generation Company Limited [subsidiary of Jaiprakash Power Ventures Limited]
- [xii] Prayagraj Power Generation Company Limited [subsidiary of Jaiprakash Power Ventures Limited]
- [xiii] Jaypee Meghalaya Power Limited [subsidiary of Jaiprakash Power Ventures Limited]
- [xiv] Jaypee Health Care Limited [w.e.f. 30.10.2012] [subsidiary of Jaypee Infratech Limited]
- [xv] Jaypee Cement Cricket (India) Limited [w.e.f. 20.10.2012] [subsidiary of Jaypee Sports International Limited]
- [xvi] Jaypee Cement Hockey (India) Limited [w.e.f. 05.11.2012] [subsidiary of Jaypee Sports International Limited]
- [xvii] Jaypee Agri Initiatives Company Limited [w.e.f. 25.03.2013] [subsidiary of Jaypee Cement Corporation Limited]
- [xviii] Himachal Baspa Power Company Limited [w.e.f. 14.03.2014] [subsidiary of Jaiprakash Power Ventures Limited]
- [xix] Himachal Karcham Power Company Limited [w.e.f. 14.03.2014] [subsidiary of Jaiprakash Power Ventures Limited]

[b] Joint Venture Subsidiaries :

- [i] Bhilai Jaypee Cement Limited
- [ii] Bokaro Jaypee Cement Limited
- [iii] Gujarat Jaypee Cement & Infrastructure Limited
- [iv] Jaypee Powergrid Limited [Joint Venture Subsidiary Company of Jaiprakash Power Ventures Limited]
- [v] Jaypee Arunachal Power Limited [Joint Venture Subsidiary Company of Jaiprakash Power Ventures Limited]

[c] Associate Companies:

- [i] Jaypee Infra Ventures [A Private Company with unlimited liability]
- [ii] Jaypee Development Corporation Limited
- [iii] Jaiprakash Kashmir Energy Limited
- [iv] JIL Information Technology Limited
- [v] Gaur & Nagi Limited
- [vi] Indesign Enterprises Private Limited
- [vii] Sonebhadra Minerals Private Limited
- [viii] RPJ Minerals Private Limited
- [ix] Jaiprakash Agri Initiatives Company Limited [till 24.03.2013]
- [x] Tiger Hills Holiday Resort Private Limited
- [xi] Anvi Hotels Private Limited
- [xii] Sarveshwari Stone Products Private Limited
- [xiii] Rock Solid Cement Limited
- [xiv] Jaypee International Logistics Company Private Limited
- [xv] Jaypee Hotels Limited
- [xvi] Jaypee Mining Venture Private Limited
- [xvii] Ceekay Estates Private Limited
- [xviii] Jaiprakash Exports Private Limited
- [xix] Bhumi Estate Developers Private Limited
- [xx] PAC Pharma Drugs and Chemicals Private Limited
- [xxi] Jaypee Technical Consultants Private Limited
- [xxii] Jaypee Uttar Bharat Vikas Private Limited [Joint Venture]
- [xxiii] Kanpur Fertilizers & Cement Limited [Joint Venture]
- [xxiv] Madhya Pradesh Jaypee Minerals Limited [Joint Venture]
- [xxv] MP Jaypee Coal Limited [Joint Venture]
- [xxvi] MP Jaypee Coal Fields Limited [Joint Venture]
- [xxvii] Andhra Cements Limited
- [xxviii] Milestone Home Finance Company Private Limited [w.e.f. 28.09.2012 & upto 12.03.2014]
- [xxix] Jaypee Jan Sewa Sansthan ['Not for Profit' Private Limited Company] [w.e.f. 12.06.2012]

[d] Key Management Personnel, where transactions have taken place:

- [i] Shri Manoj Gaur, Executive Chairman & C.E.O.
- [ii] Shri Sunil Kumar Sharma, Executive Vice Chairman
- [iii] Shri Sarat Kumar Jain, Vice Chairman
- [iv] Shri Sunny Gaur, Managing Director [Cement]
- [v] Shri Pankaj Gaur, Joint Managing Director [Construction]
- [vi] Shri Shyam Datt Nailwal, Director [Finance]
- [vii] Shri Ranvijay Singh, Whole time Director
- [viii] Shri Ravindra Kumar Singh, Whole time Director till 14.10.2012
- [ix] Shri Rahul Kumar, Whole time Director & C.F.O.

[e] Relatives of Key Management Personnel, where transactions have taken place

- [i] Shri Jaiprakash Gaur
- [ii] Shri Nanak Chand Sharma
- [iii] Shri Gyan Prakash Gaur
- [iv] Shri Suresh Kumar
- [v] Shri Pawan Kumar Jain
- [vi] Shri Sameer Gaur
- [vii] Smt Rita Dixit
- [viii] Shri Sachin Gaur
- [ix] Shri Raj Kumar Singh
- [x] Shri Praveen Kumar Singh
- [xi] Shri Naveen Kumar Singh
- [xii] Smt. Manju Sharma
- [xiii] Smt Neha Goyal

Note: Related party relationships are as identified by the Company and relied upon by the Auditors.

Transactions carried out with related parties referred to above in ordinary course of business
₹ LAKHS

Nature of Transactions	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above	Referred in 1(e) above
Income					
Contract Receipts	351,646	-	2,417	-	-
	(367,269)	(628)	(1,383)	-	-
Sale of Cement/ Fabrication Job / Other Material	25,079	23,899	1,389	-	-
	(30,823)	(16,945)	(1,988)	-	-
Sale of Power	257	-	575	-	-
	-	-	-	-	-
Real Estate Revenue	-	-	801	604	1,523
	-	-	(2,012)	(1,245)	(2,067)
Dividend Received	9,950	2,473	-	-	-
	(5,775)	-	-	-	-
Machinery/Helicopter Hire Charges	1,641	-	-	-	-
	(984)	(27)	(41)	-	-
Rent	-	-	24	-	-
	-	(1)	(24)	-	-
Hotel Revenue	177	-	-	-	-
	(412)	(5)	(19)	-	-
Others	4,698	-	5	-	-
	(5,367)	-	-	-	-
Expenditure					
Management Fees	-	-	1,560	-	-
	-	-	(1,381)	-	-
Technical Consultancy	-	-	3,794	-	-
	-	-	(3,970)	-	-
Purchase of Clinker/ Other Material	899	7,496	366	-	-
	(1,786)	(372)	(898)	-	-
Salaries & Other Amenities etc.	-	-	-	1,869	186
	-	-	-	(1,426)	(170)
Security & Medical Services	-	-	8,752	-	-
	-	-	(9,189)	-	-
Rent/Lease Rent	1,079	-	97	-	-
	(880)	-	(79)	-	-
Others	3,061	-	303	-	-
	(1,995)	-	(532)	-	-
Others					
Paid for Land (Real Estate)	2,000	-	-	-	-
	(13,000)	-	-	-	-
Sale of Fixed Assets	5,695	-	-	-	-
	(4,800)	-	-	-	-
Sale / Redemption of Shares	23,828	-	-	-	-
	-	-	(124)	-	-
Purchase of Equity Shares during the year	35,650	-	5,500	-	-
	(117,025)	-	(2,391)	-	-
Purchase of Preference Shares during the year	120,000	-	-	-	-
	(179,904)	-	-	-	-
Share Application Money Outstanding	-	-	-	-	-

₹ LAKHS

Nature of Transactions	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above (101)	Referred in 1(d) above	Referred in 1(e) above
Outstandings as at 31st March					
Receivables					
Advances, Mobilisation Advances, Security Deposits, Trade Receivables and Other Current Assets	545,099 (645,665)	19,459 (3,770)	181,430 (185,401)	- -	- -
Payables					
Mobilisation & Machinery Advances, Unsecured Loans, Security, Earnest Money, Trade Payable and Salary Payable	33,364 (110,460)	1,218 (2)	1,344 (3,698)	109 (145)	14 -

Note:

- Guarantees and Securities for Subsidiaries, Joint Venture Subsidiaries, Joint Ventures, Associates are disclosed elsewhere in the Financial Statements.
- Previous Year figures are given in brackets.

NOTE No."50"

Segment Information - Business Segment

	2013-2014			2012-2013		
	Segment Revenue		Segment Result	Segment Revenue		Segment Result
	External	Inter Segment Revenue	Profit/(Loss) before Tax and Interest	External	Inter Segment Revenue	Profit/(Loss) before Tax and Interest
Construction	562,556	-	169,657	531,431	-	138,212
Cement	579,680	12,213	37,294	595,331	9,261	70,207
Hotel/Hospitality	24,732	107	2,209	22,997	144	2,093
Real Estate	127,968	-	51,030	168,600	-	58,533
Power	3,752	-	1,656	3,819	-	1,752
Investments	13,499	-	12,745	12,308	-	11,950
Others	12,104	6,815	(1,265)	10,957	4,550	(378)
Unallocated	8,411	-	(3,632)	5,998	-	(6,159)
	<u>1,332,702</u>	<u>19,135</u>	<u>269,694</u>	<u>1,351,441</u>	<u>13,955</u>	<u>276,210</u>
Less: Finance Costs			275,207			201,135
Profit before Tax and Exceptional Item			(5,513)			75,075
Profit on Sale of Shares			39,528			-
Profit before Tax			34,015			75,075
Provision for Tax						
Current Tax		4,472			13,917	
Deferred Tax		(11,846)			12,895	
Income Tax provision of earlier years reversed		-	(7,374)		(1,865)	24,947
Profit after Tax			41,389			50,128

Other Information	2013-14		2012-13	
	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities
Construction	819,006	173,827	754,252	280,064
Cement	1,540,139	169,604	1,525,369	170,687
Hotel/Hospitality	71,115	9,764	72,626	9,372
Real Estate	537,424	135,038	504,687	143,649
Power	297,906	10,707	258,998	12,063
Investments	1,036,895	-	889,127	-
Others	60,572	5,806	39,246	4,987
Unallocated	502,446	68,921	535,172	58,605
	4,865,503	573,667	4,579,477	679,427

	2013-14			2012-13		
	Capital Expenditure	Depreciation	Non cash expenditure other than Depreciation	Capital Expenditure	Depreciation	Non cash expenditure other than Depreciation
Construction	3,867	16,376	-	42,195	18,956	-
Cement	84,042	55,066	912	206,169	48,145	938
Hotel/Hospitality	594	2,156	21	3,899	2,417	22
Real Estate	44,421	881	5	16,471	776	5
Power	45,463	1,488	-	35,880	1,466	-
Investments	-	-	-	-	-	-
Others	17,417	421	-	11,445	167	-
Unallocated	3,354	824	-	2,146	487	-
	199,158	77,212	938	318,205	72,414	965

Loans 2,816,396 2,436,510

- [a] Segments 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] Business segment has been disclosed as the primary segment.
- [c] Types of Products and Services in each Business Segment:
- [i] Construction Civil Engineering Construction/EPC Contracts/Expressway
 - [ii] Cement Manufacture and Sale of Cement and Clinker
 - [iii] Hotel/Hospitality Hotels, Golf Course, Resorts and Spa
 - [iv] Real Estate Real Estate Development
 - [v] Power Generation and Sale of Energy
 - [vi] Investments Investments in Subsidiaries and Joint Ventures for Cement, Power, Expressway, Sports etc.
 - [vii] Others Includes Coal, Waste Treatment Plant ,Heavy Engineering Works, Hitech Castings, Man Power Supply etc.
- [d] Segment Revenues, Operating Results, Assets and Liabilities include the amounts identifiable to each segment and amounts allocated on a reasonable basis.
- [e] Segment Assets exclude Miscellaneous Expenditure & Deferred Tax Asset. Segment Liabilities exclude Deferred Tax Liability.

NOTE No."51"

In accordance with the Accounting Standard [AS-20] on "Earnings Per Share", computation of Basic and Diluted Earnings Per Share is as under:

	2013-2014 ₹ LAKHS	2012-2013 ₹ LAKHS
[a] Net Profit for Basic Earnings Per Share as per Statement of Profit & Loss	41,389	50,128
Add Adjustment for the purpose of Diluted Earnings Per Share	3,266	1,469
Net Profit for Diluted Earnings Per Share	44,655	51,597
[b] Weighted average number of equity shares for Earnings Per Share computation:		
[i] Number of Equity Shares at the beginning of the year	2,219,083,559	2,126,433,182
[ii] Number of Shares allotted during the year	-	92,650,377
[iii] Weighted average shares allotted during the year	-	19,144,387
[iv] Weighted average of potential Equity Shares	79,302,812	102,744,705
[v] Weighted average for:		
[a] Basic Earnings Per Share	2,219,083,559	2,145,577,569
[b] Diluted Earnings Per Share	2,298,386,371	2,248,322,274
[c] Earnings Per Share		
[i] Basic	₹ 1.87	₹ 2.34
[ii] Diluted	₹ 1.94	₹ 2.29
[d] Face Value Per Share	₹ 2.00	₹ 2.00

NOTE No."52"

(a) Provident Fund - Defined Contribution Plan

All employees are entitled to Provident Fund benefits. ₹ 3098 Lakhs [Previous Year ₹ 3014 Lakhs] has been debited in the Statement of Profit & Loss during the year.

(b) Gratuity and Leave encashment - Defined Benefit Plans - Provision made as per actuarial valuation. The Company has a Trust namely Jaiprakash Associates Employees Gratuity Fund Trust to manage funds towards Gratuity Liability of the Company. SBI Life Insurance Company Limited and ICICI Prudential Life Insurance Company Limited has been appointed for management of the Trust Fund for the benefit of the employees.

₹ LAKHS

Sl No.	Particulars	FY 2013-2014		FY 2012-2013	
		GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
I	Expenses recognised in the Statement of Profit & Loss/ IEDC for the year ended 31st March				
1	Current Service Cost	851	808	840	916
2	Interest Cost	645	405	543	364
3	Employee Contribution	-	-	-	-
4	Expected Return on Plan Assets	(668)	-	(653)	-
5	Actuarial (Gains)/ Losses	(17)	(442)	306	(106)
6	Past Service Cost	-	-	-	-
7	Settlement Cost	-	-	-	-
8	Total Expenses	811	771	1,036	1,174

₹ LAKHS

SI No.	Particulars	FY 2013-2014		FY 2012-2013	
		GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
II	Net Asset / (Liability) recognised in the Balance Sheet				
1	Present Value of Defined Benefit Obligation	8,177	4,723	7,596	4,775
2	Fair Value of Plan Assets	7,199	-	7,429	-
3	Funded Status [Surplus / (Deficit)]	(978)	(4,723)	(167)	(4,775)
4	Excess of actual over estimated	23	-	2	-
5	Net Asset / (Liability)	(978)	(4,723)	(167)	(4,775)
III	Change in Obligation during the Year				
1	Present value of Defined Benefit Obligation at the beginning of the year	7,596	4,775	6,391	4,300
2	Current Service Cost	851	808	840	916
3	Interest Cost	645	405	543	364
4	Settlement Cost	-	-	-	-
5	Past Service Cost	-	-	-	-
6	Employee Contributions	-	-	-	-
7	Expected Return on Plan Assets	-	-	-	-
8	Actuarial (Gains) / Losses	(40)	(442)	308	(106)
9	Benefit Payments	(875)	(823)	(486)	(699)
10	Actual return on plan assets	-	-	-	-
11	Present Value of Defined Benefit Obligation at the end of the year	8,177	4,723	7,596	4,775
IV	Change in Assets during the Year				
1	Plan Assets at the beginning of the year	7,429	-	7,260	-
2	Assets acquired on amalgamation in previous year	-	-	-	-
3	Settlements	-	-	-	-
4	Expected return on Plan Assets	668	-	653	-
5	Contribution by Employer	-	-	1	-
6	Actual Benefit Paid	(875)	-	(487)	-
7	Actuarial Gains/ (Losses)	(23)	-	2	-
8	Actual Return on Plan Assets	645	-	655	-
9	Plan Assets at the end of the year	7,199	-	7,429	-
(c)	Actuarial Assumptions				
(i)	Discount Rate	8.50%			
(ii)	Mortality	LIC (1994-1996)			
(iii)	Turnover Rate	Upto 30 years - 2%, 30-44 years - 5%, Above 44 years - 3%			
(iv)	Future Salary Increase	6.00%			
(v)	Expected Rate of Return on Plan Assets	9.00%			

(d) Other Details

	GRATUITY				
	2013-14	2012-13	2011-12	2010-11	2009-10
Present value of defined obligation	8,177	7,596	6,391	6,078	4,668
Fair value of Plan assets	7,199	7,429	7,260	7,203	5,191
Surplus / (Deficit) in Plan	(978)	(167)	869	1,125	523
Experience (Loss) /Gain on Plan Liabilities	(437)	(293)	476	(455)	138
Experience (Loss) /Gain on Plan Assets	(23)	2	(105)	95	147

	LEAVE ENCASHMENT				
	2013-14	2012-13	2011-12	2010-11	2009-10
Present value of defined obligation	4,723	4,775	4,300	4,069	3,398
Fair value of Plan assets	-	-	-	-	-
Surplus / (Deficit) in Plan	(4,723)	(4,775)	(4,300)	(4,069)	(3,398)
Experience (Loss) /Gain on Plan Liabilities	(318)	117	431	438	(769)
Experience (Loss) /Gain on Plan Assets	-	-	-	-	-

NOTE No."53"

The Free-hold Land [Agricultural] purchased by the Company for ₹ 3 Lakhs measuring 7 Bighas at Rangpuri, New Delhi had been notified for acquisition U/s 4 & 6 of the Land Acquisition Act. The Company's claim for compensation is pending for settlement.

NOTE No."54"

The Company has signed Agreement for sale of 74% stake (9,89,01,000 equity shares owned by it) in the paid-up equity share capital of Bokaro Jaypee Cement Limited (BoJCL) [a joint venture between the Company and Steel Authority of India Ltd (SAIL)] to M/s. Dalmia Cement (Bharat) Limited or any of its Associates / Affiliates. The above stake sale is subject to the approval of SAIL and such other approvals, as may be necessary from lenders of BoJCL and concerned authorities. The consideration for the transaction works out to approximately ₹ 69.74 per share.

NOTE No."55"

Figures for the previous year have been regrouped/recast/rearranged wherever considered necessary to conform to this year's classification.

NOTE No."56"

All the figures have been rounded off to the nearest lakh ₹

Signatures to Note Nos. "1" to "56"

For and on behalf of the Board

For **M.P. SINGH & ASSOCIATES**
Chartered Accountants
Firm Registration No. 002183C

MANOJ GAUR
Executive Chairman & C.E.O.

SUNIL KUMAR SHARMA
Executive Vice Chairman

RAVINDER NAGPAL
Partner

M. No 081594

GOPAL DAS BANSAL
Jt. President
[Accounts]

RAM BAHADUR SINGH
C.F.O. [Cement]

HARISH K. VAID
Sr. President
[Corporate Affairs] &
Company Secretary

RAHUL KUMAR
Director &
C.F.O.

SHYAM DATT NAILWAL
Director [Finance]

Place : Noida

Dated: 27th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	2013-2014 ₹ Lakhs	2012-2013 ₹ Lakhs
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax as per Statement of Profit & Loss	34,015	75,075
<u>Add back:</u>		
(a) Depreciation & Amortisation	78,164	73,379
(b) Finance Costs	275,207	201,135
(c) Loss on sale of Assets [Net]	1,739	-
	<u>389,125</u>	<u>274,514</u>
<u>Deduct:</u>		
(a) Interest Income	(7,365)	(3,296)
(b) Dividend Income	(12,444)	(5,809)
(c) Profit on Sale of Shares	(39,528)	(72)
(d) Profit on Sale/Redemption of Exchange Traded Funds/Mutual Funds	(1,055)	(6,194)
(e) Profit on sale of Assets [Net]	-	(2,059)
	<u>(60,392)</u>	<u>(17,430)</u>
Operating Profit before Working Capital Changes	328,733	332,159
(a) (Increase)/Decrease in Inventories	10,070	(27,799)
(b) (Increase)/Decrease in Trade Receivables	(115,257)	(22,796)
(c) (Increase)/Decrease in Loans and Advances [including other assets]	(77,488)	(203,652)
	<u>(182,675)</u>	<u>(254,247)</u>
	146,058	77,912
(d) Increase/(Decrease) in Trade Payables, Other Liabilities & Provisions	(112,586)	71,492
(e) (Increase)/Decrease in Projects under Development	7,291	21,187
Cash Generated from Operations	40,763	170,591
<u>Deduct:</u>		
Tax Paid	(14,477)	(18,479)
CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	"A"	
	<u>26,286</u>	<u>152,112</u>
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
<u>Outflow:</u>		
(a) Purchase of Fixed Assets (including Capital Work-in-Progress)	(199,158)	(318,205)
(b) Purchase of Investments Equity Shares [including Share Application Money]	(199,738)	(224,255)
(c) Changes in Fixed Deposits	(2,520)	-
	<u>(401,416)</u>	<u>(542,460)</u>
<u>Inflow:</u>		
(a) Sale/Transfer of Fixed Assets	4,550	8,424
(b) Sale/Purchase of Investments in units of Mutual Fund/ Exchange Traded Funds [Net]	27,491	10,570
(c) Sale/Redemption of Investments in Equity/ Preference Shares	65,062	124
(d) Changes in Fixed Deposits	-	4,884
(e) Receivables from Jaypee Cement Corporation Limited	120,000	200,000
(f) Interest Received	8,046	3,269
(g) Dividend Received	12,444	5,809
	<u>237,593</u>	<u>233,080</u>
NET CASH USED IN INVESTING ACTIVITIES	"B"	
	<u>(163,823)</u>	<u>(309,380)</u>

	2013-2014 ₹ Lakhs		2012-2013 ₹ Lakhs	
(C) CASH FLOW FROM FINANCING ACTIVITIES:				
<u>Inflow:</u>				
(a) Increase in Share Capital (Refer Note No.3 below)	-		1853	
(b) Increase in Security Premium (Refer Note No.3 below)	-		69,964	
(c) Increase in Borrowings (Net of Repayments)	382,011	382,011	331,551	403,368
<u>Outflow:</u>				
(a) Finance Costs	(277,526)		(203,639)	
(b) Dividend Paid (including Tax on Dividend)	(10,148)	(287,674)	(10,473)	(214,112)
NET CASH FROM FINANCING ACTIVITIES	"C"		94,337	189,256
NET INC./ (DEC.) IN CASH AND CASH EQUIVALENTS	"A+B+C"		(43,200)	31,988
CASH AND CASH EQUIVALENTS AS AT 01.04. (OPENING BALANCE)			94,205	62,217
CASH AND CASH EQUIVALENTS AS AT 31.03. (CLOSING BALANCE)			51,005	94,205

Notes:

Cash and Cash Equivalents :

- Cash-on-hand and Balances in Indian Currency **48,812** 93,000
Cash-on-hand and Balances with Non Scheduled Banks in Foreign Currency [including Iraqi Dinars 27,377 Million (equivalent to ₹ 10 Lakhs) which are not available for use by the Company] **2,193** 1,205
- Against the working capital loan of ₹ 82,500 Lakhs [including conversion of Non Fund Based Limit into Fund Based Limits to the extent of ₹ 32,500 Lakhs (Previous year ₹ 38,500 Lakhs)] sanctioned by the Banks the outstanding balance as on 31st March, 2014 is ₹ 80,120 Lakhs (Previous Year ₹ 32,863 Lakhs).
- Increase in Share Capital & Securities Premium is on account of Conversion of Foreign Currency Convertible Bonds into Equity Shares. Correspondingly, the Borrowings have been decreased. Increase in Security Premium also includes premium received (net of issue expenses) on issue of shares through Qualified Institutional Placement.
- Direct Taxes paid are treated as arising from Operating Activities and are not bifurcated between Investing and Financing activities.
- During the year, Jaypee Cement Corporation Limited [JCCL] [subsidiary Company] has allotted Preference Shares for ₹ 1,20,000 Lakhs [Previous Year Equity Shares for ₹ 1,00,000 Lakhs and Preference shares for ₹ 1,00,000 Lakhs aggregating to ₹ 2,00,000 Lakhs] against the amount receivable from JCCL.
- Finance Costs includes Premium paid on redemption of Debentures.
- The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS - 3) "Cash Flow Statement".
- Previous year figures have been regrouped/rearranged wherever necessary.

For and on behalf of the Board

For **M.P. SINGH & ASSOCIATES**
Chartered Accountants
Firm Registration No. 002183C

MANOJ GAUR
Executive Chairman & C.E.O.

SUNIL KUMAR SHARMA
Executive Vice Chairman

RAVINDER NAGPAL
Partner

M.No. 081594

GOPAL DAS BANSAL
Jt. President
[Accounts]

RAM BAHADUR SINGH
C.F.O. [Cement]

HARISH K. VAID
Sr. President
[Corporate Affairs] &
Company Secretary

RAHUL KUMAR
Director & C.F.O.

SHYAM DATT NAILWAL
Director [Finance]

Place : Noida

Dated: 27th May, 2014

**ANNEXURE TO THE BALANCE SHEET AS AT 31ST MARCH, 2014
STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANIES**

01	Name of Subsidiary Company	Jaiprakash Power Ventures Limited [JPVL]	Jaiprakash [A]	31.03.2014	Jaypee Ganga Infrastructure Corporation Limited	[B]	31.03.2014	Bhilai Jaypee Cement Limited	[C]	31.03.2014	Jaypee Infratech Limited	[D]	31.03.2014	Gujarat Jaypee Cement & Infrastructure Limited	[E]	31.03.2014	Jaypee Power Grid Limited [Subsidiary of JPVL]	[F]	31.03.2014	Himalayan Expressway Limited	[G]	31.03.2014	Jaypee Sports International Limited [JPSI]	[H]	31.03.2014	Bokaro Jaypee Cement Limited	[I]	31.03.2014	Jaypee Arunachal Power Limited [Subsidiary of JPVL]	[J]	31.03.2014	Himalyaputra Aviation Limited	[K]	31.03.2014		
02	Financial Year of the Subsidiary Company ended on																																			
03	Number of Shares held by Jaiprakash Associates Limited and its nominees in the Subsidiaries																																			
	(i) Equity Shares of ₹ 10/- each - fully paid-up	1,783,000,600			271,350,000		280,966,752	995,000,000	543,160	222,000,000	118,090,000	567,000,000	98,901,000	200,000,000	10,000,000																					
	(ii) Extent of holding	60.69%			100.00%		74.00%	71.64%	74.00%	74.00%	100.00%	100.00%	74.00%	100.00%	100.00%																					
	(iii) Share Application Money (₹)	-			-		-	-	-	-	-	-	-	-	-																					
04	Date from which it became Subsidiary Company	04.03.1995			18.03.2008		11.04.2007	05.04.2007	26.12.2007	30.01.2007	25.05.2007	07.03.2008	13.03.2008	23.04.2008	23.07.2011																					
05	The net aggregate of Profit / (Loss) of the Subsidiary Companies as far as it concerns the members of the Holding Company:																																			
	(i) Not dealt with in the Holding Company's Accounts:																																			
	(a) For the Financial Year of the Subsidiary	₹ 1197 Lakhs			-		(₹ 2141 Lakhs)	₹ 21432 Lakhs	₹ Nil	₹ 1315 Lakhs	(₹ 2903 Lakhs)	₹ 1186 Lakhs	₹ 2235 Lakhs	-																						
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary	₹ 101340 Lakhs			-		(₹ 10056 Lakhs)	₹ 265780 Lakhs	(₹ 13 Lakhs)	₹ 1834 Lakhs	(₹ 3279 Lakhs)	₹ 3013 Lakhs	₹ 4245 Lakhs	(₹ 225 Lakhs)																						
	(ii) Dealt with in the Holding Company's Accounts:																																			
	(a) For the Financial Year of the Subsidiary	-			-		-	₹ 9950 Lakhs	-	₹ 2664 Lakhs	-	-	₹ 2473 Lakhs	-																						
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary	₹ 11665 Lakhs			-		-	₹ 25987 Lakhs	-	-	-	-	-	-																						

01	Name of Subsidiary Company	Sangam Power Generation Co. Limited [Subsidiary of JPVL]	Prayagraj Power Generation Co. Limited [Subsidiary of JPVL]	Jaypee Meghalaya Power Limited [Subsidiary of JPVL]	Jaypee Agra Vikas Limited	Jaypee Cement Corporation Limited [JCCCL]	Jaypee Fertilizers & Industries Limited	Jaypee Assam Cement Limited	Jaypee Agri Initiatives Company Limited [Subsidiary of JCCL]	Jaypee Cement Hockey (India) Limited [Subsidiary of JPSI]	Jaypee Cement (India) Limited [Subsidiary of JPSI]	Jaypee Cement Cricket (India) Limited [Subsidiary of JPSI]	Jaypee Healthcare Limited [Subsidiary of JIL]	Himachal Baspa Power Co. Ltd. [Subsidiary of JPVL]	Himachal Karcham Power Co. Ltd. [Subsidiary of JPVL]
06	- Changes in the interest of Jaiprakash Associates Limited between the end of the Subsidiary's Financial Year and 31st March, 2014 Number of Shares acquired - Material changes between the end of the Subsidiary's Financial Year and 31st March, 2014 (i) Fixed Assets (Net Addition) (Capital Work-in-Progress) (ii) Investments (iii) Moneys lent by the Subsidiary (iv) Moneys borrowed by the Subsidiary Company other than for meeting Current Liabilities	[L]	[M]	[N]	[O]	[P]	[Q]	[R]	[S]	[T]	[U]	[V]	[W]	[X]	

1. Figures mentioned at Sl. No 3 for Prayagraj Power Generation Company Limited includes 34,00,00,000 Equity Shares of ₹ 10/- each held by Jaiprakash Associates Limited itself.
2. First Financial Year of Himachal Baspa Power Company Ltd. & Himachal Karcham Power Company Ltd., will be ending after 31.03.2014.

For and on behalf of the Board

For M.P. SINGH & ASSOCIATES
Chartered Accountants
Firm Registration No. 002183C

RAVINDER NAGPAL
Partner
M.No. 081594

Place : Noida
Dated: 27th May, 2014

GOPAL DAS BANSAL
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Executive Chairman & C.E.O.

SUNIL KUMAR SHARMA
Executive Vice Chairman

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAIPRAKASH ASSOCIATES LIMITED AND ITS SUBSIDIARIES

The Board of Directors
Jaiprakash Associates Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **Jaiprakash Associates Limited** ("the Company") and its subsidiaries/associates, which comprise the Consolidated Balance Sheet as at 31st March 2014, the Consolidated Statement of Profit & Loss, and the Consolidated Cash Flow Statement for the year then ended and a Summary of Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated 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 procedures selected depend on the auditor's judgment 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 did not audit the financial statements of 22 (Twenty Two) subsidiaries, 5(Five) Joint Venture companies and 2(Two) Associate companies, whose financial statements reflect total assets of ₹ 83,95,822.97 lacs as at 31st March 2014, total revenues of ₹ 11,73,637.75 lacs and net cash out flows amounting to ₹ 20,652.37 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the report of such other Auditors.

We report that the consolidated financial statements have been prepared by the **Jaiprakash Associates Limited** management in accordance with the requirements of Accounting Standards (AS) 21 'Consolidated Financial Statements', and Accounting Standards (AS) 23 'Accounting for Investments in Associates in Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

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 consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of **Jaiprakash Associates Limited** and its subsidiaries/associates as at 31st March, 2014.
- (b) in the case of the Consolidated Statement of Profit & Loss, of the Loss of **Jaiprakash Associates Limited** and its subsidiaries/associates for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of **Jaiprakash Associates Limited** and its subsidiaries/associates for the year ended on that date.

For M.P. SINGH & ASSOCIATES

Chartered Accountants
Firm Registration No. 002183C

CA Ravinder Nagpal

Place : Noida
Dated : 27th May, 2014

Partner
M.No.081594

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

	CONSOLIDATED NOTE No.	As At 31.03.2014 ₹ LAKHS		As At 31.03.2013 ₹ LAKHS	
EQUITY AND LIABILITIES					
SHAREHOLDERS FUNDS					
(a) Share Capital	2	44,382		44,382	
(b) Reserves and Surplus	3	982,639	1,027,021	1,210,914	1,255,296
MINORITY INTEREST					
(a) Share Capital		176,059		165,272	
(b) Reserves and Surplus		265,094		219,058	
(c) Share Application Money		-		-	
(d) Preference Share Capital		1,247	442,400	1,685	386,015
Deferred Revenue	4		56,266		48,715
NON-CURRENT LIABILITIES					
(a) Long-term Borrowings	5	5,694,567		5,323,776	
(b) Deferred Tax Liabilities [Net]	6	129,935		126,407	
(c) Other Long-term Liabilities	7	123,356		117,956	
(d) Long-term Provisions	8	33,025		60,715	
			5,980,883		5,628,854
CURRENT LIABILITIES					
(a) Short-term Borrowings	9	415,525		214,010	
(b) Trade Payables	10	394,905		372,114	
(c) Other Current Liabilities	11	1,893,093		1,515,165	
(d) Short-term Provisions	12	57,514	2,761,037	34,653	2,135,942
TOTAL			10,267,607		9,454,822
ASSETS					
NON-CURRENT ASSETS					
(a) FIXED ASSETS					
(i) Tangible Assets	13	3,589,726		3,301,654	
(ii) Intangible Assets		953,696		954,040	
(iii) Capital Work-in-Progress [including Incidental Expenditure During Construction Period]		2,609,817		2,147,572	
(iv) Intangible Assets under Development		102,610		82,632	
		7,255,849		6,485,898	
(b) NON-CURRENT INVESTMENTS	14	301,297		316,866	
(c) LONG TERM LOANS AND ADVANCES	15	387,901		390,861	
(d) OTHER NON-CURRENT ASSETS	16	263,966	8,209,013	188,132	7,381,757
CURRENT ASSETS					
(a) Current Investments	17	2,885		29,321	
(b) Inventories	18	200,942		241,957	
(c) Projects Under Development	19	761,922		729,181	
(d) Trade Receivables	20	212,181		206,729	
(e) Cash and Bank Balances	21	218,965		280,604	
(f) Short-term Loans and Advances	22	498,488		425,172	
(g) Other Current Assets	23	163,211	2,058,594	160,101	2,073,065
TOTAL			10,267,607		9,454,822

Summary of Significant Accounting Policies & Notes to the Financial Statements

"1" to "50"

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

For and on behalf of the Board

For **M.P. SINGH & ASSOCIATES**
Chartered Accountants
Firm Registration No. 002183C

MANOJ GAUR
Executive Chairman & C.E.O.

SUNIL KUMAR SHARMA
Executive Vice Chairman

RAVINDER NAGPAL
Partner

M.No. 081594

GOPAL DAS BANSAL
Jt. President
[Accounts]

RAM BAHADUR SINGH
C.F.O. [Cement]

HARISH K. VAID
Sr. President
[Corporate Affairs] &
Company Secretary

RAHUL KUMAR
Director & C.F.O.

SHYAM DATT NAILWAL
Director [Finance]

Place : Noida
Dated: 27th May, 2014

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	CONSOLIDATED NOTE No.	2013-14 ₹ LAKHS	2012-13 ₹ LAKHS
REVENUE FROM OPERATIONS [Gross]	24	2,085,610	2,004,223
Less: Excise Duty on Sales		102,173	109,200
REVENUE FROM OPERATIONS [Net of Excise Duty]		1,983,437	1,895,023
OTHER INCOME	25	14,200	18,057
TOTAL REVENUE		1,997,637	1,913,080
EXPENSES			
Cost of Materials Consumed	26	436,852	368,574
Changes in Inventories of Finished Goods & Work-in-Progress	27	6,373	(28,395)
Manufacturing, Construction, Real Estate, Infrastructure			
Hotel/Hospitality/Event & Power Expenses	28	511,916	488,149
Employee Benefits Expense	29	89,434	88,193
Finance Costs	30	609,420	456,884
Depreciation and Amortisation Expense	31	170,802	143,599
Other Expenses	32	301,305	304,343
TOTAL EXPENSES		2,126,102	1,821,347
Profit/(Loss) before Exceptional, Prior Period Items & Tax		(128,465)	91,733
Profit on Sale of Shares - Exceptional Items		39,528	-
Prior Period Adjustments		1,529	807
Profit/(Loss) before Tax		(87,408)	92,540
Tax Expense			
Current Tax		13,801	31,313
Deferred Tax		(30,950)	(14,634)
Excess Provision for Income Tax in Earlier Years Reversed		-	14,821
Net Profit/(Loss) after Tax and before Minority Interest and Share in Earnings of Associates		(70,259)	77,719
Minority Share Holders Interest		(12,220)	(31,526)
Share in Earnings of Associates		(5)	(14)
Profit/(Loss) for the year		(82,484)	46,179
Profit/(Loss) from continuing operations		(69,493)	73,492
Tax expenses of continuing operations		(10,016)	31,472
Profit/(Loss) from continuing operations (after tax)		(59,477)	42,020
Profit/(Loss) from discontinuing operations		(30,140)	(12,492)
Tax expenses of discontinuing operations		(7,133)	(16,651)
Profit/(Loss) from discontinuing operations (after tax)		(23,007)	4,159
Profit/(Loss) for the year		(82,484)	46,179
Earnings Per Equity Share [EPS] [Face Value of ₹ 2/- per share]			
Basic Earnings Per Share		(3.72)	2.15
Diluted Earnings Per Share		(3.45)	2.09
Summary of Significant Accounting Policies & Notes to the Financial Statements	"1" to "50"		

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

For and on behalf of the Board

For M.P. SINGH & ASSOCIATES
Chartered Accountants
Firm Registration No. 002183C

MANOJ GAUR
Executive Chairman & C.E.O.

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Sr. President
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RAHUL KUMAR
Director & C.F.O.

SHYAM DATT NAILWAL
Director [Finance]

Place : Noida
Dated: 27th May, 2014

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

CONSOLIDATED NOTE No. "1"

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Consolidated Financial Statements:

- [i] The Consolidated Financial Statements are prepared in accordance with Accounting Standards [AS 21] on Consolidated Financial Statements, Accounting for Investment in Associates in Consolidated Financial Statements [AS 23] and Financial Reporting of Interests in Joint Ventures [AS 27].
- [ii] The Financial statements of the Subsidiary Companies including Joint Venture Subsidiaries used in the consolidation are drawn upto the same reporting date, as that of the Parent Company, Jaiprakash Associates Limited (JAL).

Principles of Consolidation:

- [i] The Financial Statements of JAL and its subsidiaries including Joint Venture Subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profits/ losses.
- [ii] The Interest in Joint Ventures are reported using proportionate consolidation method i.e. by adding proportionate values of like items of assets, liabilities, income and expenses and eliminating intra group balances, transactions proportionately.
- [iii] Investment in Associates is accounted in Consolidated Financial Statements as per Equity method.
- [iv] The Financial Statements of JAL and its subsidiaries are consolidated using uniform accounting policies for like transactions and other events in similar circumstances.
- [v] The difference between the cost to JAL of its investments in each of the subsidiaries over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the financial statement as Goodwill or Capital Reserve, as the case may be, Goodwill is amortised over a period of ten years.

General:

- [i] The Accounts are prepared on the historical cost basis [except for certain assets which are revalued] comprising of mandatory Accounting Standard notified in Section 211 (3C) and other provisions of the Companies Act, 1956 to the extent applicable and the Companies Act, 2013 (to the extent notified & applicable).
- [ii] The Accounts are prepared on the principles of a going concern.
- [iii] Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

Revenue Recognition:

- [i] Revenue is recognised when it can be reliably measured and it is reasonable to expect ultimate collection.
- [ii] Revenue from Sale of Goods transactions (excluding transactions for which Revenue recognition policy is specifically mentioned below) is recognised when significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding amount of consideration. Cement Sales / Clinker Sales/ Others are net of Excise Duty/Value Added Tax and exclusive of Self Consumption.
- [iii] Revenue from Sale of service transactions are recognised when no significant uncertainty exists regarding the amount of consideration that will be derived from rendering the service.
- [iv] Advances received for Time Share Weeks are reckoned as income in equal amounts spread over the Time Share period commencing from the year in which full payment is received.
- [v] Escalations/Claims are taken in the accounts on the basis of receipt or as acknowledged by the client depending upon the certainty of receipt.
- [vi] 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 is recognised as revenue based on the percentage of actual project costs incurred to total estimated project cost, subject to such actual cost incurred being 30 percent or more of the total estimated project cost. 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 recognised 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 recognised only to the extent of payment received.

Revenue from sale / sub-lease of undeveloped land is recognized 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.

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 is received 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.

The revenue in respect of projects undertaken on or after 1st April, 2012 or where the revenue is being recognised for the first time after 1st April, 2012 is recognised in accordance with the Guidance Note on Accounting for Real Estate Transactions [Revised 2012] issued by Institute of Chartered Accountants of India.

- [vii] (a) The costs that are incurred before a construction contract is secured are treated as expenses for the year in which these are incurred and charged to revenue.
- (b) The costs attributable to contracts are normally identified to respective contracts. However, the costs which cannot be identified/identifiable to a specified contract are charged to the general revenue in the year in which such costs are incurred.
- [viii] Dividend Income is recognized when right to receive payment is established.
- [ix] Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- [x] Royalties on an accrual basis in accordance with the terms of the relevant agreement.

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/materialised.

Fixed Assets:

Fixed Assets are stated at Cost of acquisition or construction inclusive of freight, erection & commissioning charges, duties and taxes, expenditure during construction period, interest on borrowing and financial costs upto the date of acquisition/installation and net of recoverable taxes. Major Expenditure in Hotel properties involving relocation and redesigning of various outlets, guest floors and additions thereto, enhancement in the value of assets and revenue generating capacity is capitalised. Foreign Exchange Rate Difference on long term monetary items arising on settlement or at reporting dates attributable to Fixed Assets is capitalised/adjusted in the carrying value of the Fixed Assets.

Depreciation:

- [i] Depreciation has been provided @ 2.71% p.a. on straight line method on Hydro Electric Plant at Baspa and Vishnu Prayag and 2.57% p.a. on Hydro Electric Plant at Karcham as approved by the Ministry of Company Affairs, Government of India.
- [ii] Depreciation on Fixed Assets other than (i) above is provided on Straight Line Method as per the classification and on the basis of Schedule-XIV of the Companies Act, 1956 except on intangible assets [toll road] which is provided in the manner prescribed in Serial-V of Schedule XIV.
- [iii] Computer Softwares is amortised over a period of five years.
- [iv] Mining Rights/Mine Development Expenditure is amortised over the remaining period of the lease after commencement of commercial operation.
- [v] Premium on Lease-hold Land [except in case of perpetual lease] is amortised over the period of lease.
- [vi] Goodwill on consolidation is amortised over a period of ten years.

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, computed categorywise.

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 Plan and is accounted on accrual basis.
- [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.

Inventories:

- [i] Inventories are valued at Cost or Net Realisable Value whichever is lower. Cost of Inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of Raw Materials, Construction Materials, Stores & Spares, Packing Materials, Stock of Food & Beverages, Operating Stores and supplies is determined on Weighted Average basis.
- [ii] Stock of Finished Goods lying in the factory premises includes excise duty, pursuant to the Accounting Standard (AS-2) [Revised].
- [iii] Work-in-Progress/Stock-in-Process are valued at cost. In case of Item Rate Contract work in progress is measured on the basis of physical measurement of work actually completed as at the balance sheet date. In case of cost plus contracts work in progress is taken as cost not billed on the contractee.

Foreign Currency Transactions:

- [i] Transactions denominated in Foreign Currency are recorded in the Books of Account in Indian Rupees at the rate of exchange prevailing on the date of transaction.
- [ii] Monetary Assets and Liabilities related to Foreign Currency transactions and outstanding, except assets and liabilities hedged by a hedge contract, at the close of the year, are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet. The exchange difference arising either on settlement or at reporting date is recognised in the Statement of Profit & Loss except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.
- [iii] Monetary Assets and Liabilities hedged by a hedge contract are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet adjusted to the rates in the hedge contracts. The exchange difference arising either on settlement or at reporting date is recognised in the Statement of Profit & Loss except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets. Premium paid in respect of Hedge Contracts are recognised in the Statement of Profit & Loss, except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.
- [iv] The Company uses foreign currency contracts to hedge its risks associated with foreign currency fluctuations. The Company does not use derivative financial instrument for speculative purposes.
- [v] Non Monetary foreign currency items are carried at cost.

Lease Rentals:

- [i] Operating Leases: Rentals are expensed with reference to lease terms.
- [ii] Finance Leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with 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 Profit & Loss.

Research and Development:

Revenue expenditure on Research and Development is charged to Statement of Profit & Loss in the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to Fixed Assets.

Incidental Expenditure During Construction Period:

Incidental Expenditure incurred on projects/assets during construction/implementation is capitalised and apportioned to projects/assets on commissioning.

Earnings Per Share:

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

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 Statement of Profit & Loss.

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".

Taxes on Income:

Current Tax, Deferred Tax Asset and Deferred Tax Liability are stated as the aggregate of respective figures in the separate Balance Sheets.

Current Tax is determined as per the provisions of the Income Tax Act in respect of Taxable Income for the year. 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.

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 unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent Assets are neither recognised nor disclosed in the financial statements. The Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

Accounting for Oil Activity:

The Company has adopted Full Cost Method of Accounting for its Oil & Gas Exploration Activity and all costs incurred in Acquisition, Exploration and Development are accumulated.

Premium on Redemption of Debentures

Premium paid/ payable on Redemption of Debentures, net of tax impact, are adjusted against the Securities Premium Reserve.

CONSOLIDATED NOTE No. "2" SHARE CAPITAL	As At	As At
	31.03.2014	31.03.2013
	₹ LAKHS	₹ LAKHS
Authorised		
12,344,000,000 Equity Shares [Previous Year 12,344,000,000] of ₹ 2/- each	246,880	246,880
3,120,000 Preference Shares [Previous Year 3,120,000] of ₹ 100/- each	3,120	3,120
	250,000	250,000
Issued, Subscribed and Fully Paid-up		
2,219,083,559 Equity Shares [Previous Year 2,219,083,559] of ₹ 2/- each fully paid up	44,382	44,382
	44,382	44,382

2.1 Issued, Subscribed and Paid-up Share Capital in number comprises of

Shares for consideration in cash

- 20,219,850 Equity Shares [Previous Year 2,02,19,850] allotted under "Jaypee Employees Stock Purchase Scheme 2002";
- 12,500,000 Equity Shares [Previous Year 1,25,00,000] allotted under "Jaypee Employees Stock Purchase Scheme 2009";
- 201,623,717 Equity Shares [Previous Year 20,16,23,717] allotted on conversion of Foreign Currency Convertible Bonds;
- 10,000,000 Equity Shares [Previous Year 1,00,00,000] allotted to Promoters on Preferential Basis and
- 64,204,810 Equity Shares allotted through Qualified Institutional Placement as on 06.02.2013.

Shares for consideration other than cash

- 860,865,055 Equity Shares [Previous Year 86,08,65,055] allotted in terms of the Scheme of Amalgamation effective from 11.03.2004;
- 124,378,825 Equity Shares [Previous Year 12,43,78,825] allotted in terms of Scheme of Amalgamation effective from 22.08.2006;
- 218,010,985 Equity Shares [Previous Year 21,80,10,985] allotted pursuant to Scheme of Amalgamation effective from 27.05.2009 and
- 707,280,317 Equity Shares [Previous Year 70,72,80,317] allotted as Bonus Shares .

2.2 Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the reporting period:

	As At 31.03.2014		As At 31.03.2013	
	Number	₹ Lakhs	Number	₹ Lakhs
Equity Shares at the beginning of the year	2,219,083,559	44,382	2,126,433,182	42,529
Add: Equity Shares allotted on conversion of Foreign Currency				
Convertible Bonds	-	-	28,445,567	569
Add: Equity Shares allotted on Qualified Institutional Placement	-	-	64,204,810	1,284
Equity Shares at the end of the year	2,219,083,559	44,382	2,219,083,559	44,382

2.3 Terms / Rights

The Company has issued only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share. Each share is entitled to equal dividend declared by the Company and approved by the Share holders of the Company.

In the event of liquidation, each share carries equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferential payments.

2.4 Details of Shareholder holding more than 5% Shares:

Name of Shareholder	As At 31.03.2014		As At 31.03.2013	
	Number	% holding	Number	% holding
Jaypee Infra Ventures [a Private Company with unlimited liability]	726,150,727	32.72	717,656,303	32.34

CONSOLIDATED NOTE No. "3"	As At 31.03.2014		As At 31.03.2013	
RESERVES AND SURPLUS	₹ LAKHS		₹ LAKHS	
General Reserve				
As per last Balance Sheet	223,145		208,993	
Add : Transfer from Debenture Redemption Reserve	-		7,692	
Add : Transfer from Surplus - Balance in Statement of Profit and Loss	1,089	224,234	6,460	223,145
Debenture Redemption Reserve				
As per last Balance Sheet	205,372		228,350	
Less : Transfer to Surplus - Balance in Statement of Profit and Loss	21,428		15,286	
Less : Transfer to General Reserve	-	183,944	7,692	205,372
Security Premium Redemption Reserve				
As per last Balance Sheet	10,001		2,850	
Transfer from Security Premium Reserve	9,599	19,600	7,151	10,001
Revaluation Reserve				
As per last Balance Sheet	19,853		20,053	
Less : Depreciation and Amortisation adjusted on Revalued Assets	202	19,651	200	19,853
Securities Premium Reserve				
As per last Balance Sheet	448,339		371,389	
Add : Premium on issue of shares	53		116,939	
Add : On conversion of Foreign Currency Convertible Bonds into Shares	-		21,476	
Less : Adjustment during the year	30		-	
Less : Provision of Premium Payable on Redemption of Debentures	28,985		48,656	
Less : Transfer to Security Premium Redemption Reserve	9,599		7,151	
Less : Expenses on issue of Shares / Debentures	-	409,778	5,658	448,339
Reserve for Premium on Foreign Currency Convertible Bonds				
As per last Balance Sheet	6,874		81,945	
Less : Transfer to Surplus - Balance in Statement of Profit and Loss	-		77,946	
Add : Provided for the year	3,122		2,940	
Less: Paid on Redemption	-	9,996	65	6,874
Capital Reserve				
As per last Balance Sheet	117,789		99,283	
Add : Addition during the year	-	117,789	18,506	117,789
Special Reserve u/s 80IA (6)				
As per last Balance Sheet	-		-	
Add : Transferred from Surplus	280,069		-	

CONSOLIDATED NOTE No. "3"	As At 31.03.2014		As At 31.03.2013	
RESERVES AND SURPLUS	₹ LAKHS		₹ LAKHS	
Less : Transferred to Special Reserve Utilization	280,069	-	-	-
Special Reserve Utilization				
As per last Balance Sheet	-		-	
Add : Transferred from Special Reserve u/s 80IA (6)	280,069	280,069	-	-
Capital Reserve on Consolidation				
As per last Balance Sheet	46,071		47,901	
Less : Adjustments during the year	46,071	-	1,830	46,071
Capital Redemption Reserve				
As per last Balance Sheet		113		113
Share Forfeited Reserve				
As per last Balance Sheet		1		1
Surplus - Balance in Statement of Profit and Loss				
As per last Balance Sheet	352,414		207,999	
Profit/(Loss) for the year	(82,484)		46,179	
	269,930		254,178	
Add : Provision for Dividend Distribution Tax written-back	1,800		937	
Add : Final Dividend Transferred from Trusts	947		947	
Add : Transfer from Reserve for Premium on Foreign Currency Convertible Bonds	-		77,946	
Add : Minority Share holders Interest for Appropriation	12,220		31,526	
Add : Transfer from Debenture Redemption Reserve	21,428		15,286	
Less : Appropriations				
Transfer to Reserve for Premium on Foreign Currency Convertible Bonds	3,122		2,940	
Dividend Paid for earlier years	1,600		-	
Deffered Tax Liability of earlier Years	34,478		-	
Transfer to Special Reserve	280,069		-	
Transfer to General Reserve	1,089	320,358	6,460	
Less : Dividend				
Interim Equity Dividend	936		-	
Tax on Interim Equity Dividend	612		-	
Proposed Final Equity Dividend	1,142		14,304	
Tax on Proposed Final Equity Dividend	720	3,410	4,702	352,414
		(17,443)		
		1,247,732		1,429,972
Less : Minority Share holders interest in Reserve and Surplus		265,093		219,058
		982,639		1,210,914
CONSOLIDATED NOTE No. "4"				
DEFERRED REVENUE				
Advance against depreciation				
As per Last Balance Sheet		48,715		39,206
Add : Addition during the year		7,551		9,509
		56,266		48,715

CONSOLIDATED NOTE No. "5" LONG-TERM BORROWINGS	As At 31.03.2014 ₹ LAKHS		As At 31.03.2013 ₹ LAKHS	
	Current	Non-Current	Current	Non-Current
[I] SECURED LOANS				
A. NON-CONVERTIBLE DEBENTURES	224,537	331,303	148,407	510,852
B. TERM LOANS				
(i) From Financial Institutions				
(a) In Rupees	27,311	746,152	54,489	336,292
(b) In Foreign Currency	1,864	4,195	1,691	5,497
(ii) From Banks				
(a) In Rupees	595,134	4,037,695	343,870	3,731,979
(b) In Foreign Currency	14,765	87,615	4,072	85,538
(iii) From Others	10,821	25,496	10,450	28,463
C. Deferred Payment Liabilities				
Foreign Currency - Buyer's Credit	2,057	450	1,866	2,274
D. Loan from State Governments [Interest Free]	-	35,572	-	30,735
E. ADVANCE FROM CLIENTS				
From Government Departments, Public Sector Undertakings & Others - Secured against Hypothecation of construction material and plant & machinery Interest Bearing	-	606	-	606
Total "I"	876,489	5,269,084	564,845	4,732,236
[II] UNSECURED LOANS				
A. Convertible Debentures	-	6,700	-	10,000
B. Foreign Currency Convertible Bonds	120,980	66,781	-	170,259
C. Foreign Currency Loans from Banks [ECB]				
(i) ECB [USD / JPY]	-	19,659	32,279	17,521
(ii) ECB [GBP]	10,310	5,148	10,216	15,318
(iii) ECB [CAD]	11,524	5,755	11,431	17,139
(iv) ECB [USD]-2012	5,550	77,700	-	82,200
D. Loans from Banks	3,986	40,946	3,549	45,246
E. Term Loan from Financial Institution	-	-	20,000	-
F. Fixed Deposits Scheme	100,542	148,581	104,417	166,710
G. Others [including Deferred Payment for Land]	20,411	54,213	26,575	67,147
Total =====>"II"	273,303	425,483	208,467	591,540
Gr. Total =====>"I + II"	1,149,792	5,694,567	773,312	5,323,776
CONSOLIDATED NOTE No. "6"	As At 31.03.2014		As At 31.03.2013	
DEFERRED TAX LIABILITIES [NET]	₹ LAKHS		₹ LAKHS	
Deferred Tax Liabilities	290,394		219,861	
Less: Deferred Tax Assets	160,459		93,454	
[Refer Consolidated Note No."39(b)"]				
	129,935		126,407	
CONSOLIDATED NOTE No. "7"				
OTHER LONG TERM LIABILITIES				
Long Term Trade Payables				
Due to Micro, Small and Medium Enterprises	-		-	
Others	18,448	18,448	15,373	15,373
Interest accrued but not due on Borrowings	13,978		9,090	

OTHER LONG TERM LIABILITIES (Contd..)	As At 31.03.2014		As At 31.03.2013	
	₹ LAKHS		₹ LAKHS	
Adjustable receipts against Contracts (Partly Secured against Bank Guarantees)				
(a) Interest Bearing	1,967		1,967	
(b) Non Interest Bearing				
(i) From Associates	-		188	
(ii) From Others	9,080	11,047	<u>22,335</u>	24,490
Advance from Customers		170		193
Other Payables				
(i) Capital Suppliers	40,719		26,943	
(ii) Statutory Dues	44		44	
(iii) Others Creditors	38,950	79,713	<u>41,823</u>	68,810
		123,356		117,956
CONSOLIDATED NOTE No. "8"				
LONG-TERM PROVISIONS				
Provision for Premium on Redemption of Debentures		26,307		55,791
Provisions for Employee Benefits				
For Gratuity		1,630		471
For Leave Encashment		5,088		4,453
		33,025		60,715
CONSOLIDATED NOTE No. "9"				
SHORT-TERM BORROWINGS				
[I] SECURED LOANS				
a. Term Loans:				
(i) From Banks	180,794		16,060	
(ii) From Others	-	180,794	<u>564</u>	16,624
b. Working Capital Loans				
From Banks		108,258		71,900
c. Bill Discounting		3,386		3,166
[II] UNSECURED LOANS				
a. Loans from Banks	35,741		40,895	
b. Bills Discounting	86,762		80,091	
c. Fixed Deposits Scheme	584		<u>1,334</u>	
		123,087		122,320
		415,525		214,010
CONSOLIDATED NOTE No. "10"				
TRADE PAYABLES				
Due to Micro, Small and Medium Enterprises		-		-
Others		394,905		372,114
		394,905		372,114
CONSOLIDATED NOTE No. "11"				
OTHER CURRENT LIABILITIES				
Current maturities of Long term Debt				
(a) Secured Loans [Refer Consolidated Note No.5[I]]	876,489		564,845	
(b) Unsecured Loans [Refer Consolidated Note No.5[II]]	273,303	1,149,792	<u>208,467</u>	773,312
Interest accrued but not due on Borrowings		38,037		54,309
Adjustable receipts against Contracts (Secured Partly against Bank Guarantees)				

OTHER CURRENT LIABILITIES (Contd..)	As At 31.03.2014		As At 31.03.2013	
	₹ LAKHS		₹ LAKHS	
(a) Interest Bearing	6,502		5,125	
(b) Non Interest Bearing				
(i) From Associates	163		378	
(ii) From Others	16,650	23,315	13,122	18,625
Advance from Customers		440,159		440,353
Unclaimed Dividend*	1,513		1,471	
Unclaimed Matured Public Deposit [including interest thereon]*	3,190	4,703	2,934	4,405
*[Appropriate amounts shall be transferred to Investor Education & Protection Fund, if and when due]				
Other Payables				
(i) Capital Suppliers	128,763		96,365	
(ii) Statutory Dues	28,238		18,596	
(iii) Staff Dues	10,786		9,912	
(iv) Others Creditors	69,300		99,288	
		237,087		224,161
		1,893,093		1,515,165
CONSOLIDATED NOTE No. "12"				
SHORT-TERM PROVISIONS				
Provisions for Employees Benefits				
For Gratuity	263		188	
For Leave Encashment	607	870	1,186	1,374
Others				
Provisions of Premium on Redemption of Debentures	54,782		14,273	
For Proposed Final Equity Dividend	1,142		14,304	
For Tax on Proposed Final Equity Dividend	720		4,702	
		56,644		33,279
		57,514		34,653

**CONSOLIDATED NOTE No."13"
FIXED ASSETS**

₹ Lakhs

Particulars	GROSS CARRYING VALUE				DEPRECIATION / AMORTISATION				NET CARRYING VALUE	
	As at 01.04.2013	Addition during the year	Sale/ Transfer/ Discard/ Adjust- ment during the year	As at 31.03.2014	Upto 31.03.2013	For The year	Sale/ Adjust- ment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
[A] TANGIBLE ASSETS										
01 Land										
(a) Leasehold Land	142,540	48,848	32	191,356	1,047	4,899	-	5,946	185,410	141,493
(b) Freehold Land	53,928	3,933	52	57,809	-	-	-	-	57,809	53,928
02 Building	429,715	37,053	1,039	465,729	33,799	10,538	102	44,235	421,494	395,916
03 Purely Temporary Erections	8,305	-	-	8,305	8,305	-	-	8,305	-	-
04 Railway siding	18,001	8,559	10	26,550	4,126	895	-	5,021	21,529	13,875
05 Plant & Equipments	2,906,703	321,252	6,703	3,221,252	472,746	138,438	3,221	607,963	2,613,289	2,433,957
06. Captive Thermal Power Plant	165,687	56,704	13,341	209,050	35,583	8,211	1,221	42,573	166,477	130,104
07 Wind Turbine Generators	27,990	665	-	28,655	7,784	1,480	-	9,264	19,391	20,206
08 Golf Course & Race Track	68,706	-	752	67,954	6,205	3,193	-	9,398	58,556	62,501
09 Miscellaneous Fixed Assets (Hotel)	4,424	164	77	4,511	2,051	198	46	2,203	2,308	2,373
10 Vehicles	18,013	655	221	18,447	8,183	1,357	172	9,368	9,079	9,830
11 Furniture & Fixtures	11,492	351	93	11,750	5,400	717	55	6,062	5,688	6,092
12 Office Equipments	28,481	1,437	473	29,445	10,381	2,529	409	12,501	16,944	18,100
13 Ships: Boat	38	-	-	38	6	2	-	8	30	32
14 Aeroplane / Helicopter	17,369	-	911	16,458	4,122	937	323	4,736	11,722	13,247
TOTAL TANGIBLE ASSETS	3,901,392	479,621	23,704	4,357,309	599,738	173,394	5,549	767,583	3,589,726	3,301,654
[B] INTANGIBLE ASSETS										
01 Goodwill on Consolidation	-	5,772	-	5,772	-	577	-	577	5,195	-
02 Goodwill	-	27	-	27	-	-	-	-	27	-
03 Computer Software	3,943	5	-	3,948	1,954	634	-	2,588	1,360	1,989
04 Road	944,184	-	-	944,184	2,047	2,757	-	4,804	939,380	942,137
05 Mining Rights	7,515	432	-	7,947	-	213	-	213	7,734	7,515
06 Deferred Revenue Expenditure	4,800	-	4,800	-	2,401	-	2,401	-	-	2,399
07 Fees Paid to Franchiser	22	-	22	-	22	-	22	-	-	-
TOTAL INTANGIBLE ASSETS	960,464	6,236	4,822	961,878	6,424	4,181	2,423	8,182	953,696	954,040
GRAND TOTAL	4,861,856	485,857	28,526	5,319,187	606,162	177,575	7,972	775,765	4,543,422	4,255,694
PREVIOUS YEAR	3,125,528	1,749,004	12,676	4,861,856	455,463	153,017	2,318	606,162	4,255,694	
CAPITAL WORK IN PROGRESS [Including Incidental Expenditure During Construction Period]									2,609,817	2,147,572
INTANGIBLE ASSETS UNDER DEVELOPMENT									102,610	82,632

Note:

- (a) Depreciation for the year, includes ₹ 5728 Lakhs [Previous Year ₹ 8759 Lakhs] on assets used for Projects under implementation and shown in Note No. "34" Incidental Expenditure During Construction Period.
- (b) Deferred Revenue Expenditure has been Transferred to prepaid Expenses.

CONSOLIDATED NOTE No. "14" NON-CURRENT INVESTMENTS		As At 31.03.2014 ₹ LAKHS		As At 31.03.2013 ₹ LAKHS	
(A) Investments in Subsidiaries					
IN EQUITY SHARES - Unquoted, fully paid-up					
(i)	NIL Equity Shares of Jaypee Health Care (200,000,000) Limited of ₹ 10/- each	-		20,000	
(ii)	NIL Equity Shares of Jaypee Cement Hockey (1,000,000) (India) Limited of ₹ 10/- each	-		100	
(iii)	NIL Equity Shares of Jaypee Cement Cricket (50,000) (India) Limited of ₹ 10/- each	-		5	
[iv]	50,000 Equity Shares of Himachal Baspa Power Company Limited of ₹ 10/- each	5		-	
[v]	50,000 Equity Shares of Himachal Karcham Power Company Limited of ₹ 10/- each	5	10	-	20,105
(B) Investment in Associate Companies					
IN EQUITY SHARES - Unquoted, fully paid-up					
(i)	10,000 Equity Shares of Jaiprakash Kashmir Energy (10,000) Limited of ₹ 10/- each	1		1	
(ii)	736,620 Equity Shares of RPJ Minerals Private (736,620) Limited of ₹ 10/- each	24		29	
(iii)	23,575 Equity Shares of Sonebhadra Minerals (23,575) Private Limited of ₹ 10/- each	4		6	
(iv)	13,750 Equity Shares of Indesign Enterprises (13,750) Private Limited, Cyprus Pound 1/- each	20	49	20	56
(C) Investment in Joint Venture Company					
IN PREFERENCE SHARE- Unquoted, fully paid-up					
(i)	1,901,050 10 % Cumulative Redeemable Preference (1,901,050) Shares of Jaypee Uttar Bharat Vikas Limited of ₹ 10/- each	19,011		19,011	
(ii)	28,074,295 11% Convertible Preference Shares of (10,500,000) Kanpur Fertilizers & Cement Limited of ₹ 10/- each	5,615		2,100	
(iii)	9,023,881 10 % Cumulative Redeemable Preference (9,000,000) Shares of Kanpur Fertilizers & Cement Limited of ₹ 10/- each	9,024	33,650	9,000	30,111
(D) Other Investments					
(a) IN EQUITY SHARES - Quoted, fully paid-up					
(i)	15,350 Equity shares of Capital Trust Limited (15,350) of ₹ 10/- each	2		2	
(ii)	100 Equity Shares of IFCI Limited (100) of ₹ 10/- each [₹ 3500/-]	-		-	
(iii)	721,600 Equity Shares of Indian Overseas Bank (721,600) Limited of ₹ 10/- each	72		72	
(iv)	NIL Equity Shares of Sumeru Industries (868,000) Limited of ₹ 1/- each	-		6	
(v)	20,000 Equity Shares of Saket Projects (20,000) Limited of ₹ 10/- each	2		2	
(vi)	165,900 Equity Shares of PNB Gilts Limited (165,900) of ₹ 10/- each	50		50	

NON-CURRENT INVESTMENTS (Contd..)		As At 31.03.2014 ₹ LAKHS		As At 31.03.2013 ₹ LAKHS	
(vii)	25,000 Equity Shares of Tourism Finance Corporation of India Limited of ₹ 10/- each (25,000)	5	131	5	137
(b) IN EQUITY SHARES - Unquoted, fully paid-up					
(i)	5 Equity Shares of Makers Chamber VI (5) Premises Co-operative Society Limited, Bombay of ₹ 50/- each [₹ 250/-]	-	-	-	-
(ii)	2,035,000 Equity Shares of Delhi Gurgaon Super Connectivity Limited of ₹ 10/- each (2,035,000)	204		204	
(iii)	840,000 Equity Shares of U.P. Asbestos Limited (840,000) of ₹ 10/- each [₹ 1/-]	-		-	
(iv)	5 Equity Shares of Sanukt Members (5) Association of ₹ 100/- each [₹ 500/-]	-	204	-	204
(E) BULLION					
	Gold [27 Kgs]		260		260
(F) INTEREST IN BENEFICIARY TRUSTS					
(i)	JHL Trust	4,603		4,603	
(ii)	JCL Trust	33,105		33,105	
(iii)	GACL Trust	19,606		19,606	
(iv)	JEL Trust	3,085		3,085	
(v)	JPVL Trust	198,594	258,993	198,594	258,993
(G) OTHER NON CURRENT INVESTMENT			7,000		7,000
(H) INVESTMENT IN BONDS					
	IFCI Tax Free Bond		1,000		-
			301,297		316,866
"14.1"	Aggregate cost of: Quoted Investments [Market Value ₹ 406 Lakhs] [Previous Year ₹ 524 Lakhs] Unquoted Investments in Equity Shares, Preference Shares, Bullion & Bonds		131 35,173		137 50,736
"14.2"	The Trusts mentioned in Sl. No.(F)(i) to (iv) are holding 18,93,16,882 Equity Shares [Previous Year 18,93,16,882] of ₹ 2/- of Jaiprakash Associates Limited, the sole beneficiary of which is the Company. [The Market Value of Shares held in these Trusts is ₹ 101663 Lakhs (Previous Year ₹ 123908 Lakhs)] and Trust at F(v) is holding 34,40,76,923 Equity Shares of Jaiprakash Power Ventures Limited, the sole beneficiary of which is Jaiprakash Power Ventures Limited [subsidiary of the Company] [Market Value ₹ 48687 Lakhs (Previous Year ₹ 89804 Lakhs)].				
"14.3"	All Investments are Non-trade Investments.				
"14.4"	Since the Market Rate of Saket Project Limited was not available in any of the Stock Exchanges, Market Value has been considered equivalent to Face Value.				

CONSOLIDATED NOTE No. "15"	As At 31.03.2014	As At 31.03.2013
LONG-TERM LOANS AND ADVANCES	₹ LAKHS	₹ LAKHS
[Unsecured, considered good]		
Capital Advance	104,702	134,756
Deposits with Government Department, Public Bodies & Others		
(a) Government Department & Public Bodies	78,856	64,107
(b) Others	1,936	2,194
Loans and Advances to Related Parties	7,029	6,790
Advances to Suppliers, Contractors, Sub-contractors & Others	31,422	45,568
Advances for Land	5,034	23,012
MAT Credit Entitlement	46,976	42,937
Claims and Refund Receivable	44,202	41,296
Prepaid Expenses	25,485	6,065
Advance Income Tax and Tax Deducted at Source [Net of Provision]	42,259	24,136
	387,901	390,861

CONSOLIDATED NOTE No. "16"		
OTHER NON-CURRENT ASSETS		
[Unsecured, considered good]		
Long Term Trade Receivables		
(a) Considered good	259,752	185,831
(b) Doubtful		
From Overseas Works	10,163	10,163
Less: Provision for writting off	10,163	-
Term Deposits with Banks for more than twelve months	4,125	2,127
Interest accrued on Fixed Deposits & Others	89	174
	263,966	188,132

"16.1" Term Deposits with Maturity more than twelve months includes ₹ 2124 Lakhs [Previous Year ₹ 671 Lakhs] pledged as Guarantees / Margin Money with Banks and Others.

CONSOLIDATED NOTE No. "17"		
CURRENT INVESTMENTS		
(a) In Units of Exchange Traded Funds, Quoted	2,485	3,621
[Market Value ₹ 2,485 Lakhs (Previous Year ₹ 3,621 Lakhs)]		
(b) In Units of Mutual Funds, Unquoted	400	25,700
	2,885	29,321

17.1 Particulars of Investments in Units of Exchange Traded Funds [ETF] and Mutual Funds as on date of Balance Sheet:

Name of Mutual Fund/ ETF	Units	2013-14 ₹ Lakhs	Units	2012-13 ₹ Lakhs
[I] <u>Investment in Units of Exchange Traded Funds</u>				
NSEL - E - Silver	57,479	2,485	67,550	3,621
Total [I]		2,485		3,621
[II] <u>Investment in Units of Mutual Funds</u>				
[a] Canara Robeco Indigo Fund	-	-	960,384	100
[b] Axis Hybrid fund-series 2- Growth Plan	1,000,000	100	1,000,000	100
[c] Axis Capital Protection Oriented Fund -Series 2 [Growth]	999,990	100	999,990	100
[d] SBI Dynamic Bond Fund -Growth	-	-	776,862	100
[e] Canara Robeco Capital Protection Oriented Fund - Series II	1,000,000	100	-	-
[f] Kotak Bond Scheme Plan - Growth	-	-	2,973,076	1,000
[g] Canara Robeco Gold Savings Fund	1,000,000	100	1,000,000	100
[h] IDFC Dynamic Bond Fund - Plan A - Growth	-	-	4,491,511	1,000
[i] SBI Magnum Income Fund - Growth	-	-	711,835	200
[j] Birla Sunlife Income Plus Fund - Growth	-	-	1,901,303	1,000
[k] HDFC Income Fund - Growth	-	-	3,739,772	1,000
[l] Birla Sunlife Dynamic Bond Fund	-	-	5,050,888	1,000
[m] Axis Short Term Fund	-	-	7,854,843	1,000
[n] LIC Nomura Mutual Fund- Liquid Fund - Growth	-	-	893,647	19,000
Total [II]		400		25,700
Gr. Total [I] + [II]		2,885		29,321
"17.2" Aggregate amount of Current Investments		3,701		29,554
Less: Aggregate provision for diminution in value of Investments		816		233
		2,885		29,321

CONSOLIDATED NOTE No. "18"	As At 31.03.2014	As At 31.03.2013
INVENTORIES	₹ LAKHS	₹ LAKHS
(a) Stores and Spare Parts	79,478	86,201
(b) Construction & Other Materials	21,222	46,562
(c) Raw Materials	16,398	22,748
(d) Finished Goods	24,526	32,418
(e) Stock in Process	16,149	27,205
(f) Work-in-Progress	34,882	24,550
(g) Food and Beverages	198	217
(h) Goods in Transit		
(i) Stores and Spares	3,699	1,619
(ii) Raw Materials	4,329	93
(iii) Construction Material	55	238
(iv) Others	6	106
	8,089	2,056
	200,942	241,957
CONSOLIDATED NOTE No. "19"		
PROJECTS UNDER DEVELOPMENT (Refer Consolidated Note No. 33)	761,922	729,181
	761,922	729,181
CONSOLIDATED NOTE No. "20"		
TRADE RECEIVABLES		
(Unsecured, considered good)		
(a) Debts outstanding for a period exceeding six months		
(i) Considered good	11,361	28,979
(ii) Considered Doubtful	142	142
Less: Provision for Bad & Doubtful Debts	<u>(142)</u>	<u>(142)</u>
	11,361	28,979
(b) Other Debts	200,820	177,750
	212,181	206,729
CONSOLIDATED NOTE No. "21"		
CASH AND BANK BALANCES		
(A) Cash and Cash Equivalents		
(a) Cash on hand	1,062	1,084
(b) Cheques, Drafts on hand	4,866	5,306
(c) Balances with Banks in		
(i) Current & Cash Credit Account in Indian Rupees	91,639	138,359
(ii) Current Account in Foreign Currency	2,859	1,205
(d) Term Deposit with Original Maturity of less than three months	42,438	35,209
(e) Balance in Trust & Retention Account In Current Account	<u>26,694</u>	<u>10,030</u>
	163,630	184,803
(B) Other Bank Balances		
(a) Term Deposits with Maturity less than twelve months	47,194	87,511
(b) Balance with Bank in Dividend Account	1,513	1,471
(c) Balance with Banks in Public Deposits Repayment Account	506	263
(d) Balance with Banks in Interest Payable on Public Deposits Account	<u>194</u>	<u>166</u>
	49,407	89,411
	218,965	280,604

- "21.1"** Term Deposits with Original Maturity less than three months includes ₹ 570 Lakhs [Previous Year ₹ 17 Lakhs] pledged as Guarantees / Margin Money with Banks and Others.
- "21.2"** Term Deposits with Maturity less than twelve months includes ₹ 20000 Lakhs [Previous Year ₹ 7001 Lakhs] pledged as Guarantees / Margin Money with Banks and Others.
- "21.3"** Term Deposits with Maturity less than twelve months includes ₹ 18116 Lakhs [Previous Year ₹ 21537 Lakhs] earmarked for repayment of Public Deposits & Non - Convertible Debentures.
- "21.4"** Balances with Banks in Current Account in Foreign Currency includes Iraqi Dinars 27,377 Million equivalent to ₹ 10 Lakhs which are not available for use by the Company.

CONSOLIDATED NOTE No. "22"	As At 31.03.2014		As At 31.03.2013	
SHORT TERM LOANS AND ADVANCES	₹ LAKHS		₹ LAKHS	
[Unsecured, considered good]				
Advances to Suppliers, Contractors, Sub-contractors & Others		130,983		115,790
Advances to Related Parties		59,757		22,253
Advance for Land		34,588		40,198
Staff Imprest and Advances		2,496		1,729
Claims and Refunds Receivable		100,400		84,892
Prepaid Expenses		19,858		10,246
Share Application Money Pending Allotment:				
(i) Jaiprakash Kashmir Energy Limited [Associate Company]	-		101	
(ii) Kanpur Fertilizers & Cement Limited [Associate Company]	940		-	
(iii) Jaypee Health Care Limited	-	940	543	644
Deposits with Government Department, Public Bodies & Others				
(a) Government Department & Public Bodies	3,327		3,334	
(b) Others	146,139	149,466	146,086	149,420
		498,488		425,172
CONSOLIDATED NOTE No. "23"				
OTHER CURRENT ASSETS				
[Unsecured, considered good]				
Interest accrued on Fixed Deposits & Others		2,420		3,069
Unbilled Receivables		160,500		156,874
Other Receivable		291		158
		163,211		160,101
CONSOLIDATED NOTE No. "24"				
REVENUE FROM OPERATIONS		2013-14		2012-13
		₹ LAKHS		₹ LAKHS
Sale of Products [Refer Consolidated Note No. "24.1"]		1,722,057		1,675,413
Sale of Services [Refer Consolidated Note No. "24.2"]		247,541		206,226
Other Operating Revenue [Refer Consolidated Note No. "24.3"]		13,839		13,384
		1,983,437		1,895,023
CONSOLIDATED NOTE No. "24.1"				
SALE OF PRODUCTS				
Cement Sales [Gross] [including Clinker Sales]	915,260		968,086	
Less:Excise Duty on Sales	99,556	815,704	106,775	861,311
Asbestos Sheets Sales & Other Sales [Gross]	24,558		21,944	
Less:Excise Duty on Sales	2,530	22,028	2,425	19,519
Urea/ Flyash Sales & Traded Goods [Gross]	8,649		-	
Less:Excise Duty on Sales	87	8,562	-	-
Real Estate/ Infrastructure Revenue		534,782		548,406
Power Revenue		291,238		246,177
Government Subsidy on Urea		49,743		-
		1,722,057		1,675,413

CONSOLIDATED NOTE No."24.2"	2013-14	2012-13
SALE OF SERVICES	₹ LAKHS	₹ LAKHS
Construction Revenue	193,369	162,916
Sports Events Revenue	12,672	7,623
Hotel/Hospitality Revenue	24,278	21,811
Toll Collections & Passes Revenue	16,600	8,640
Sale of VER's	106	4,381
Manpower Supply & Other Services	516	855
	247,541	206,226
CONSOLIDATED NOTE No."24.3"		
OTHER OPERATING REVENUE		
Rent	202	231
Machinery Rentals/Transportation Receipts	360	57
Miscellaneous	13,277	13,096
	13,839	13,384
CONSOLIDATED NOTE No."25"		
OTHER INCOME		
Dividends from Non Current Investments	22	34
Dividends from Current Investments [Mutual Funds]	-	3
Profit on Sale / Disposal / Write off assets [Net]	-	2,039
Profit/[Loss] on Sale/Redemption of Exchange Traded Funds/Mutual Funds [Net]	1,055	6,427
Profit on Sale of Shares	-	72
Interest	13,123	9,482
	14,200	18,057
CONSOLIDATED NOTE No."26"		
COST OF MATERIALS CONSUMED		
Raw Materials Consumed	139,843	138,804
Excise Duty on Clinkers	5,180	6,113
Consumption of Food & Beverages etc.	2,824	2,512
Materials Consumed - Others	34,684	24,662
Machinery Spares Consumed	13,930	11,483
Natural Gas Consumed	40,011	-
Purchase Trading Material	653	-
Chemical Consumed	308	-
Stores and Spares Consumed	46,632	38,084
Coal Consumed	144,020	155,624
Packing Materials Consumed	36,728	35,737
	464,813	413,019
Less: Attributable to Self Consumption	27,961	44,445
	436,852	368,574
CONSOLIDATED NOTE No."27"	2013-14	2012-13
CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS	₹ Lakhs	₹ Lakhs
OPENING STOCKS		
Finished Goods	32,418	22,902
Stock-in-Process	27,205	20,878
	59,623	43,780

CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS (Contd..)	2013-14 ₹ Lakhs		2012-13 ₹ Lakhs	
LESS:CLOSING STOCKS				
Finished Goods	24,526		32,418	
Stock-in-Process	16,149	40,675	27,205	59,623
WORK-IN-PROGRESS				
Opening Work-in-Progress	24,550		10,264	
Less:Closing Work-in-Progress	34,882	(10,332)	24,550	(14,286)
Excise Duty Difference on Changes in Closing Stocks		(2,243)		1,734
		6,373		(28,395)
CONSOLIDATED NOTE No."28" MANUFACTURING, CONSTRUCTION, REAL ESTATE, INFRASTRUCTURE, HOTEL / HOSPITALITY / EVENT & POWER EXPENSES				
Construction Expenses		30,578		24,835
Real Estate / Infrastructure Expenses		249,031		242,965
Event Expenses		30,160		32,149
Hotel & Golf Course Operating Expenses		3,015		2,876
Hire Charges & Lease Rentals of Machinery		912		844
Power, Electricity & Water Charges		115,522		110,448
Repairs & Maintenance of Machinery		10,954		9,986
Repairs to Building and Camps		7,068		6,221
Operation & Maintenance Expenses		24,465		14,505
Freight, Octroi & Transportation Charges		51,181		61,584
		522,886		506,413
Less:Attributable to Self Consumption		10,970		18,264
		511,916		488,149
CONSOLIDATED NOTE No."29" EMPLOYEE BENEFITS EXPENSES				
Salaries, Wages & Bonus		80,997		79,581
Gratuity		904		838
Contribution to Provident & Other Funds		3,536		3,307
Staff Welfare		3,997		4,467
		89,434		88,193
CONSOLIDATED NOTE No."30" FINANCE COSTS				
Interest on Term Loans		476,039		342,099
Interest on Debentures		48,781		48,659
Interest on Bank Borrowing and Others		56,340		43,165
Financing Charges		23,721		22,952
Foreign Currency Rate Difference [Net] - On Financing		4,539		9
		609,420		456,884
NOTE No."31" DEPRECIATION AND AMORTISATION EXPENSE				
Depreciation and Amortisation		171,004		143,799
Less:Revaluation Reserve		202		200
		170,802		143,599

CONSOLIDATED NOTE No."32"	2013-14	2012-13
OTHER EXPENSES	₹ LAKHS	₹ LAKHS
Loading, Transportation & Other Charges	170,222	170,694
Commission & Discount on Sales	34,009	39,170
Sales Promotion	13,095	18,299
Rent	4,747	3,796
Rates & Taxes	6,947	7,552
Insurance	6,524	7,003
Travelling & Conveyance	4,813	4,851
Bank Charges, Bill Discounting & Guarantee Commission	13,928	9,306
Loss on Sale / Disposal / Discard / Write-off of Assets [Net]	2,495	-
Foreign Currency Rate Difference [Net] other than Financing Charges	1,711	693
Provision of Diminution in value of Current Investments	583	233
Postage & Telephone	1,025	957
Light Vehicles Running & Maintenance	2,385	2,226
Legal & Professional	12,618	13,609
Charity & Donation	10,519	5,786
Security & Medical Service	8,962	8,865
Miscellaneous Expenses	6,551	11,126
Auditors' Remuneration:		
Audit Fees	142	142
Tax Audit Fees	18	16
Other Services	3	4
To Partners in other capacity:		
For Taxation matters	-	4
Reimbursement of Expenses	8	11
	171	177
	301,305	304,343
CONSOLIDATED NOTE No."33"		
PROJECTS UNDER DEVELOPMENT		
Opening Balance	729,181	628,441
Expenses On Development during the year		
Paid for Land	8,932	26,624
Construction Expenses	274,047	271,743
Technical Consultancy	571	1,205
Power, Electricity and Water Charges	634	447
Personnel Expenses	5,541	6,031
Other Expenses	8,944	21,833
Finance Costs	37,373	44,177
	1,065,223	1,000,501
Less: Cost of Sales of Infrastructure & Construction of Properties Developed and under Development	256,239	254,970
Less: Transfer to Jaypee Healthcare Limited	-	15,770
Less: Transfer to Capital Work-in-Progress	47,062	580
Balance carried to Note No."19"	761,922	729,181

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CONSOLIDATED NOTE No."34"	2013-14	2012-13
INCIDENTAL EXPENDITURE DURING CONSTRUCTION PERIOD	₹ LAKHS	₹ LAKHS
Opening Balance	502,909	648,561
Add : Opening Balances of New Subsidiaries / Associates / Joint Ventures	-	338
	502,909	648,899
Electricity, Power and Fuel	4,545	4,733
Salary , Wages & Staff Welfare	9,617	12,973
Site / Quarry Development, Compensation & Survey Expenses	722	1,334
Repair and Maintenance	788	815
Consultancy,Legal and Professional	5,040	8,770
Insurance	2,015	831
License,Application Fee, Rent, Rates and Taxes	193	210
Safety & Security	1,821	1,860
LC Commission,Bank Charges and Bank Guarantee Commission	1,237	628
Freight and Material Handling	464	2,525
Environmental, Ecology, Afforestation, Catchment Area Treatment and Compensation	20	132
Light Vehicle Running & Maintenance	405	406
Travelling and Conveyance	525	717
Vehicle/ Machinery Hire Charges and Lease Rent	101	1,126
Advertisement /Business Promotion Expenses	141	173
Foreign Exchange Fluctuations	45,725	45,543
Finance Costs	212,892	288,975
Miscellaneous	3,657	4,153
Audit Fees	16	14
Expenses on Trial Run	15,607	6,576
Depreciation	5,728	8,759
	814,168	1,040,152
Less:		
Interest Received	1,914	3,127
Miscellaneous Receipt	1,091	607
	3,005	3,734
Less: Provision for Taxation	-	1
	811,163	1,036,419
Less:Capitalised/ Transferred / Adjustment During the Year	119,811	533,510
Carried over to Balance Sheet [included in Capital Work-in-Progress]	691,352	502,909

CONSOLIDATED NOTE No."35"
Subsidiaries

[a] The Consolidated Financial Statements present the Consolidated Accounts of Jaiprakash Associates Limited with its following Subsidiaries, Joint Venture Subsidiaries and Joint Ventures :

Name of Companies	Country of Incorporation	Proportion of Effective Ownership Interest as at 31st March, 2014	Proportion of Effective Ownership Interest as at 31st March, 2013
Subsidiaries and Joint Venture Subsidiaries			
[a] Jaiprakash Power Ventures Limited [JPVL]	India	60.69%	60.69%
[b] Jaypee Ganga Infrastructure Corporation Limited	India	100%	100%
[c] Bhilai Jaypee Cement Limited [BJCL]	India	74%	74%
[d] Jaypee Infratech Limited [JIL]	India	71.64%	83.16%
[e] Gujarat Jaypee Cement and Infrastructure Limited	India	74%	74%
[f] Himalyan Expressway Limited	India	100%	100%
[g] Jaypee Sports International Limited [JPSI]	India	100%	90.81%
[h] Bokaro Jaypee Cement Limited	India	74%	74%
[i] Jaypee Assam Cement Limited	India	100%	100%
[j] Himalyaputra Aviation Limited	India	100%	100%
[k] Jaypee Power Grid Limited (Subsidiary of JPVL)	India	74%	74%
[l] Jaypee Arunachal Power Limited (Joint Venture Subsidiary of JPVL)	India	100%	100%
[m] Sangam Power Generation Company Limited (Subsidiary of JPVL)	India	100%	100%
[n] Prayagraj Power Generation Company Limited (Subsidiary of JPVL)	India	100%	100%
[o] Jaypee Meghalaya Power Limited (Subsidiary of JPVL)	India	100%	100%
[p] Jaypee Agra Vikas Limited	India	100%	100%
[q] Jaypee Cement Corporation Limited	India	100%	100%
[r] Jaypee Fertilizers & Industries Limited	India	100%	100%
[s] Jaiprakash Agri Initiatives Company Limited	India	100%	100%
[t] Jaypee Cement Hockey (India) Limited (Subsidiary of JPSI)	India	100%	100%
[u] Jaypee Cement Cricket (India) Limited (Subsidiary of JPSI)	India	100%	100%
[v] Jaypee Health Care Limited (Subsidiary of JIL)	India	100%	100%
[w] Himachal Baspa Power Company Limited (Subsidiary of JPVL)	India	100%	-
[x] Himachal Karcham Power Company Limited (Subsidiary of JPVL)	India	100%	-

Name of Companies	Country of Incorporation	Proportion of Effective Ownership Interest as at 31st March, 2014	Proportion of Effective Ownership Interest as at 31st March, 2013
Joint Venture Companies			
[y] MP Jaypee Coal Limited	India	49%	49%
[z] MP Jaypee Coal Field Limited	India	49%	49%
[aa] Madhya Pradesh Jaypee Minerals Limited	India	49%	49%
[ab] Jaypee Uttar Bharat Vikas Private Limited (Joint Venture of Jaypee Fertilizers & Industries Limited)	India	50%	50%
[ac] Kanpur Fertilizers & Cement Limited (Subsidiary of Jaypee Uttar Bharat Vikas Private Limited)	India	49.87%	50%

Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company has disclosed such Policies and Notes from the individual financial statements, which fairly present the needed disclosure.

- [b] Financial Statements of Jaypee Cement Hockey (India) Limited are for the period from 5th November, 2012 to 31st March, 2014, Jaypee Cement Cricket (India) Limited are for the period from 20th October, 2012 to 31st March, 2014 and Jaypee Health Care Limited are for the period from 30th October, 2012 to 31st March, 2014 being the first Financial Year of the Company.
- [c] The Consolidated Financial Statement does not include the financial statement of Himachal Baspa Power Company Limited and Himachal Karcham Power Company Limited, since the first financial year will be ending after 31.03.2014.

CONSOLIDATED NOTE No."36"

	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
Contingent Liability not provided for in respect of :		
[a] Claims against the Company / Disputed Liability [excluding Income Tax] not acknowledged as debts	278,801	236,725
Amount deposited under protest	74,440	62,338
Bank Guarantee deposited under protest (included in [b] below)	20,777	19,220
[b] Outstanding amount of Bank Guarantees	223,404	180,933
Margin Money deposited against the above	3,057	2,194

- [c] Income Tax matters under Appeal:
- [i] The Income Tax Assessments of the company have been completed upto Assessment Year 2011-12. Based on the decision of the Appellate authorities and the interpretation of relevant tax provisions, the Company has been legally advised that the additions made in the assessments are likely to be deleted or substantially reduced. Tax value of matters under appeal is ₹ 43,128 Lakhs.
- [ii] The Company has received a demand of ₹ 131122 Lakhs towards TDS assessment for the A.Y. 2006-07 to A.Y. 2013-14. The Company has filed an appeal with Commissioner of Income Tax [Appeals] against the above said demand. The Company has also filed an application U/s 154 of the Income Tax Act for rectifying the mistakes apparent from records in the demand order and the same will substantially reduce the 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 provision is considered in the Financial statements. Other than above said, the demand amounting to ₹ 2,915 Lakhs is outstanding which is under appeal.
- [d] The Competition Commission of India ("CCI") passed an order on 20th June, 2012 imposing penalty on 11 cement manufacturers including the Company, alleging contravention of the provisions of the Competition Act, 2002, and imposed a penalty of ₹ 132360 Lakhs on the Company.

The Company has filed an appeal against the said order before the Competition Appellate Tribunal. The matter is currently pending before the Competition Appellate Tribunal. However, the Competition Appellate Tribunal has, by its orders dated September 13, 2012 and October 11, 2012, ordered that no coercive steps be taken against the Company for recovery of the penalty imposed. As per directions of the Competition Appellate Tribunal an amount of ₹ 13236 lakhs has been deposited which will remain with them and not to be disbursed during the pendency of the appeal. Based on the advice of the Counsels, as well as its own assessment, the Company believes it has strong grounds for success of the appeal. Hence no provision is considered in the Financial statements.

- [e] The Hon'ble High Court of Himachal Pradesh, vide order dated 04.05.2012, imposed damages of ₹10000 Lakhs holding certain contraventions of the Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Pollution) Act, 1981 & Environment Impact Assessment Notification in respect of the Company's Cement plant at Bagheri, Himachal Pradesh. The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the said Order which is pending for disposal. As per directions of the Hon'ble Supreme Court an amount of ₹ 5000 lakhs has been deposited with the State Government which will remain with them and not to be disbursed during the pendency of the appeal. Based on advice of the Counsels no provision is considered in the Financial Statements.

CONSOLIDATED NOTE No. "37"
Commitments:

	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
[a] Estimated amount of Contract remaining to be executed on capital account and not provided for (net of advances)	4,099,951	5,048,968
[b] Outstanding Letters of Credit	71,342	139,638
Margin Money deposited against the above	1,097	82
[c] The Company has imported Capital Goods under Export Promotion Capital Goods Scheme [EPCG], where-under the Company is required to fulfill export obligation/deemed exports amounting to ₹ 24100 Lakhs [Previous Year ₹ 24100 Lakhs] till 31.03.2015. The Liability amounting to ₹ 4780 Lakhs [Previous Year ₹ 4780 Lakhs] on account of custom duty may arise alongwith interest @15% p.a., in the event of non-fulfillment of export obligation.		

CONSOLIDATED NOTE No. "38"

In the opinion of Board of Directors, Assets other than Fixed Assets and Non-Current Investments 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.

CONSOLIDATED NOTE No. "39"

	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
[a] The provision for taxation is the sum of provisions made for taxation in the separate accounts of the Holding and Companies Consolidated.		
[b] Deferred Tax:		
[i] Deferred Tax Liability on account of:		
Depreciation	262,948	192,415
Others	27,446	27,446
	<u>290,394</u>	<u>219,861</u>
Deferred Tax Assets on account of:		
Employees' Benefits	12,866	1,961
Others	147,593	91,493
	<u>160,459</u>	<u>93,454</u>
Net Deferred Tax Liability	<u>129,935</u>	<u>126,407</u>
[ii] Deferred Tax [net credit] amounting to ₹ 30950 Lakhs [Previous year (net credit) ₹ 14634 Lakhs] has been recognised in the Consolidated Statement of Profit & Loss for the year ended 31.03.2014.		

CONSOLIDATED NOTE No. "40"

(a) Capital Work-in-Progress includes Civil Works, Machinery Under Erection and in transit, Construction and Erection Materials, Pre-operative Expenses and also Incidental Expenditure related to Projects under Implementation.	2,609,817	2,147,572
(b) Intangible Assets under development	102,610	82,632

CONSOLIDATED NOTE No. "41"
Preference share capital in minority interest includes:

	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
- 10% cumulative redeemable preference shares of ₹ 10/- each of (4,350,000) Jaypee Fertilizers & Industries Limited	-	435
12,466,832 11% convertible preference shares of ₹ 10/- each of Kanpur Fertilizers & Cement Limited	1,247	1,250
	<u>1,247</u>	<u>1,685</u>

CONSOLIDATED NOTE No."42"

- [a] The Scheme of Arrangement for sale of Gujarat Cement Plant comprising an integrated 2.4 MTPA Cement Plant at Kutch and 2.4 MTPA Cement Grinding Unit at Wanakbori owned by Jaypee Cement Corporation Limited (wholly owned subsidiary of the Company) to Ultratech Cement Limited [UCL] has been approved by the Hon'ble High Court of Judicature at Allahabad on April 17, 2014. The Scheme filed by the Transferee Company, namely UCL, before Hon'ble High Court of Judicature at Bombay had already been sanctioned on April 4, 2014. Transfer of Plant is under process and will be completed in accordance with the approved Scheme on 12th June 2014.
- [b] Jaiprakash Power Ventures Limited [subsidiary] has accepted the disinvestment of two of the Company's operating plants namely, 300 MW Jaypee Baspa Hydro Electric Plant (Baspa HEP) and 1000 MW Jaypee Karcham Wangtoo Hydro Electric Plant (Karcham HEP) subject to requisite statutory and regulatory approvals.
- [c] The Company has signed Agreement for sale of 74% stake (9,89,01,000 equity shares owned by it) in the paid-up equity share capital of Bokaro Jaypee Cement Limited (BoJCL) [a joint venture between the Company and Steel Authority of India Ltd (SAIL)] to M/s. Dalmia Cement (Bharat) Limited or any of its Associates / Affiliates. The above stake sale is subject to the approval of SAIL and such other approvals, as may be necessary from lenders of BoJCL and concerned authorities. The consideration for the transaction works out to approximately ₹ 69.74 per share.
- [d] The Carrying amount of Assets and liabilities of the Discontinuing Units are ₹ 11,61,480 Lakhs [Previous Year ₹ 12,34,862 Lakhs] and ₹ 9,16,863 Lakhs [Previous Year ₹ 9,05,082 Lakhs] respectively. The following statement shows the Revenue and Expense of Continuing and Discontinuing Operations :

Particulars	Continuing Operations		Discontinuing Operations		Total	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Turnover	1,692,146	1,560,457	305,491	352,623	1,997,637	1,913,080
Operating Expenses [including Depreciation]	1,303,697	1,134,795	211,456	228,861	1,515,153	1,363,656
Impairment Loss	-	-	-	-	-	-
Profit before Finance Costs & Tax	388,449	425,662	94,035	123,762	482,484	549,424
Finance Costs	501,060	348,652	108,360	108,232	609,420	456,884
Profit on Sale of Shares	39,528	-	-	-	39,528	-
Profit/(Loss) before Tax	(73,083)	77,010	(14,325)	15,530	(87,408)	92,540
Tax Expense	(12,408)	28,785	(4,741)	(13,964)	(17,149)	14,821
Profit/(Loss)	(60,675)	48,225	(9,584)	29,494	(70,259)	77,719
Minority Interest & Share in Earnings of Associates	(1,198)	6,205	13,423	25,335	12,225	31,540
Profit/(Loss) after Minority Interest	(59,477)	42,020	(23,007)	4,159	(82,484)	46,179

CONSOLIDATED NOTE No."43"

Additional information:

	As at 31.03.2014 ₹ LAKHS	As at 31.03.2013 ₹ LAKHS
[A] Value of Imports [On CIF Basis]:		
Capital Equipment [including Capital Work-in-Progress]	29,720	85,317
Raw Materials / Construction Materials and Other	72,715	82,552
Stores and Spares	20,247	19,647
Hydro Mechanical and Electromechanical Equipment	-	29
[B] Expenditure in Foreign Currency [including Expenditure During Construction Period]:		
Travelling	112	140
Technical Fees	2,751	3,215
Finance Costs	26,726	117,359
Payment for Sports Event	17,700	22,515
Others including Foreign currency rate difference	24,905	6,694
Foreign Currency Rate Difference [Adjusted in Capitalisation] [including (gain)/loss on forward contracts]	15,080	28,795
Construction Work Expenses	2,181	-

CONSOLIDATED NOTE No."43"	As at	As at
Additional information:	31.03.2014	31.03.2013
	₹ LAKHS	₹ LAKHS
[C] Earnings in Foreign Exchange [including Income during Construction Period]:		
Cement Exports [FOB Value]	3,369	2,570
Contract Receipts	85,210	38,785
Hospitality	2,285	2,532
Sports Event	4,341	1,153
Sale of Verified Emission Reduction [VERs]	106	4,381
Interest	207	279
Others	956	2,410
Advance received from Real Estate Customers	565	1,088
[D] Dividend Paid to Non-Resident Share Holders in Foreign Currency	4	4

CONSOLIDATED NOTE No."44"

Related Parties disclosures, as required in terms of "Accounting Standard [AS] 18" are given below:

[a] Associate Companies:

- [i] Jaypee Infra Ventures [A Private Company with unlimited liability]
- [ii] Jaypee Development Corporation Limited
- [iii] Jaiprakash Kashmir Energy Limited
- [iv] JIL Information Technology Limited
- [v] Gaur & Nagi Limited
- [vi] Indesign Enterprises Private Limited
- [vii] Sonebhadra Minerals Private Limited
- [viii] RPJ Minerals Private Limited
- [ix] Jaiprakash Agri Initiatives Company Limited [till 24.03.2013]
- [x] Tiger Hills Holiday Resort Private Limited
- [xi] Anvi Hotels Private Limited
- [xii] Sarveshwari Stone Products Private Limited
- [xiii] Rock Solid Cement Limited
- [xiv] Jaypee International Logistics Company Private Limited
- [xv] Jaypee Hotels Limited
- [xvi] Jaypee Mining Venture Private Limited
- [xvii] Ceekay Estates Private Limited
- [xviii] Jaiprakash Exports Private Limited
- [xix] Bhumi Estate Developers Private Limited
- [xx] PAC Pharma Drugs and Chemicals Private Limited
- [xxi] Jaypee Technical Consultants Private Limited
- [xxii] Jaypee Uttar Bharat Vikas Private Limited [Joint Venture]
- [xxiii] Kanpur Fertilizers & Cement Limited [Joint Venture]
- [xxiv] Madhya Pradesh Jaypee Minerals Limited [Joint Venture]
- [xxv] MP Jaypee Coal Limited [Joint Venture]
- [xxvi] MP Jaypee Coal Fields Limited [Joint Venture]
- [xxvii] Andhra Cements Limited [w.e.f. 10.02.2013]
- [xxviii] Milestone Home Finance Company Private Limited [till 12.03.2014]
- [xxix] Jaypee Jan Sewa Sansthan [Not For Profit' Private Limited Company] [w.e.f. 12.06.2013]
- [xxx] Akasva Associates Private Limited
- [xxxi] Lucky Strike Financiers Private Limited
- [xxxii] Power Grid Corporation of India Limited

- [xxxiii] Steel Authority of India Limited
- [xxxiv] Gujarat Mineral Development Corporation Limited
- [xxxv] ISG Traders Limited
- [xxxvi] Boydell Media Pvt Limited
- [xxxvii] Gujarat Carbon & Industries Limited
- [xxxviii] Santipara Tea Company Limited
- [xxxix] Stone Solar Pvt. Limited

[b] Key Management Personnel: Whole time Director

Jaiprakash Associates Limited

- [i] Shri Manoj Gaur, Executive Chairman & C.E.O.
- [ii] Shri Sunil Kumar Sharma, Executive Vice Chairman
- [iii] Shri Sarat Kumar Jain, Vice Chairman
- [iv] Shri Sunny Gaur
- [v] Shri Pankaj Gaur
- [vi] Shri Shyam Datt Nailwal
- [vii] Shri Ranvijay Singh
- [viii] Shri Ravindra Kumar Singh [till 14.10.2013]
- [ix] Shri Rahul Kumar

Jaiprakash Power Ventures Limited

- [i] Shri Suren Jain, Managing Director and CFO
- [ii] Shri R.K.Narang
- [iii] Shri Suresh Chandra
- [iv] Shri Praveen Kumar Singh
- [v] Shri Dharam Paul Goyal [till 31.03.2013]
- [vi] Shri Ravindra Mohan Chadha [till 31.03.2013]

Jaypee Infratech Limited

- [i] Shri Rakesh Sharma, Managing Director [w.e.f. 01.04.2013]
- [ii] Shri Sachin Gaur
- [iii] Smt Rekha Dixit

Jaypee Power Grid Limited

- [i] Shri Hemant Kumar Sharma, Managing Director [till 26.03.2014]
- [ii] Shri Rajiv Ranjan Bhardwaj, Managing Director [till 30.04.2012]
- [iii] Shri Sachchidanand Singh [till 26.12.2012]
- [iv] Shri Subhash Chandra Singh

Himalyan Expressway Limited

Shri K.C. Batra [till 31.03.2013]

Jaypee Sports International Limited

Shri Sameer Gaur, Managing Director & CEO

Prayagraj Power Generation Company Limited

Shri Hemant Kumar Sharma, Managing Director [w.e.f. 01.03.2013]

Sangam Power Generation Company Limited

Shri Siddeshwar Sen [Ceased w.e.f. 01.04.2013]

Jaiprakash Agri Initiatives Company Limited

- [i] Shri R. Mathur
- [ii] Shri Shambhu Nath

Kanpur Fertilizers & Cement Limited

Shri V.K.Sharma, Managing Director

Jaypee Fertilizers & Industries Limited

Shri Sunil Joshi

Jaypee Cement Corporation Limited

Shri R. Ramaraju, Managing Director

Bokaro Jaypee Cement Ltd.

Shri R. K. Singh, Managing Director

Jaypee Assam Cement Ltd.

Shri H. K. Vaid, Director

MP Jaypee Coal Limited [Joint Venture]

Shri Ajatshatru Shrivastava, Chairman

Himalyaputra Aviation Limited

Shri G. P. Gaur, Director

[c] Relatives of Key Management Personnel, where transactions have taken place

- [i] Shri Jaiprakash Gaur
- [ii] Shri Nanak Chand Sharma
- [iii] Shri Gyan Prakash Gaur
- [iv] Shri Suresh Kumar
- [v] Shri Pawan Kumar Jain
- [vi] Smt Rita Dixit
- [vii] Shri Raj Kumar Singh
- [viii] Shri Naveen Kumar Singh
- [ix] Smt. Manju Sharma

Transactions carried out with related parties referred to above in ordinary course of business

₹ LAKHS

Nature of Transactions	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Income			
Cement Sales	1,430	-	-
	(1,072)	-	-
Contract Receipts	2,417	-	-
	(1,383)	-	-
Real Estate Revenue	801	1,001	1,126
	(2,012)	(1,886)	(1,426)
Service Charges	-	-	-
	(56)	-	-
Fabrication Job / Other Materials	1,425	-	-
	-	-	-
Others	615	-	-
	(1,069)	-	-
Expenses			
Design Engineering and Technical Consultancy	4,918	-	-
	(5,267)	-	-
Management Fees	1,560	-	-
	(1,381)	-	-
Security & Medical Services	11,371	-	-
	(11,865)	-	-
Salaries & Other Amenities etc.	-	3,617	186
	-	(3,082)	(170)
Rent	204	-	-
	(186)	-	-
Fixed Assets & Other Materials Purchased	7,987	-	-
	(7,383)	-	-
Other Expenses	475	-	-
	(1,183)	-	-

₹ LAKHS

Nature of Transactions	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Others			
Purchase of Shares during the year	5,500	-	-
	(11,100)	-	-
Sale of shares	-	-	-
	(124)	-	-
Share Application Money [Outstanding]	-	-	-
	(101)	-	-
Outstandings			
Receivables	225,776	-	-
	(192,159)	-	-
Payables	7,586	139	14
	(13,373)	(191)	-

Notes: Previous Year figures are given in brackets

CONSOLIDATED NOTE No."45"

Segment Information - Business Segment

₹ LAKHS

	2013-2014			2012-2013		
	Segment Revenue		Segment Result	Segment Revenue		Segment Result
	External	Inter Segment Revenue	Profit/(Loss) before Tax and Interest	External	Inter Segment Revenue	Profit/(Loss) before Tax and Interest
Construction	196,551	363,991	67,034	165,675	364,645	66,679
Cement/Cement Products	839,581	55,033	18,129	884,879	31,204	66,781
Infrastructure Project	335,211	-	157,564	330,305	-	164,078
Hotel/Hospitality/Sports Event	37,608	609	(34,262)	30,200	252	(37,296)
Real Estate	219,727	-	114,898	231,451	-	123,085
Power	291,341	-	158,930	250,165	-	162,247
Investments	1,077	-	323	6,536	-	6,178
Fertilizers	58,308	-	3,287	-	-	-
Others	5,289	15,410	(4,632)	2,746	11,935	(552)
Unallocated	12,944	-	1,213	11,123	-	(1,776)
	<u>1,997,637</u>	<u>435,043</u>	<u>482,484</u>	<u>1,913,080</u>	<u>408,036</u>	<u>549,424</u>
Less: Finance Costs			609,420			456,884
Profit before Tax and Exceptional Item			(126,936)			92,540
Profit on Sale of Shares			39,528			-
Profit before Tax			(87,408)			92,540
Provision for Tax						
Current Tax		13,801			31,313	
Deferred Tax		(30,950)			(14,634)	
Income Tax provision of earlier years reversed		-	(17,149)		(1,858)	14,821
Profit after Tax			(70,259)			77,719

₹ LAKHS

Other Information	2013-14		2012-13	
	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities
Construction	580,071	140,624	553,302	170,137
Cement/Cement Products	2,397,991	265,078	2,348,544	275,995
Infrastructure Project	1,783,602	386,758	1,726,351	290,996
Hotel/Hospitality/Sports Event	341,045	60,018	347,054	78,552
Real Estate	573,480	155,370	548,371	167,231
Power	3,694,742	275,030	3,108,227	271,176
Investments	305,122	-	346,830	-
Fertilizers	98,618	22,380	51,727	6,508
Health Care	50,305	3,813	-	-
Others	131,645	7,367	101,158	6,109
Unallocated	291,335	90,067	303,404	88,118
	10,247,956	1,406,505	9,434,968	1,354,822

₹ LAKHS

	2013-14			2012-13		
	Capital Expenditure	Depreciation	Non cash expenditure other than Depreciation	Capital Expenditure	Depreciation	Non cash expenditure other than Depreciation
Construction	7,801	11,052	-	21,279	11,018	-
Cement/Cement Products	152,922	90,194	989	265,216	79,265	1,145
Infrastructure Project	11,255	3,059	-	72,361	2,344	-
Hotel/Hospitality/Sports Event	11,987	9,789	3,482	17,015	10,647	22
Real Estate	48,803	881	5	6,609	776	5
Power	548,312	47,782	219	797,001	37,308	43
Investments	-	-	-	-	-	-
Fertilizers	16,427	-	-	10,416	-	-
Health Care	45,796	-	-	-	-	-
Others	33,692	3,101	-	39,975	1,334	-
Unallocated	9,127	467	803	2,146	458	-
	886,122	166,325	5,498	1,232,018	143,150	1,215
Loans			7,259,883			6,313,276

[a] Segments have been identified in accordance with Accounting Standards on Segmental Reporting [AS-17] taking into account the organisational structure as well as differential risk and returns of these segments.

[b] Business Segment has been disclosed as the primary segment.

[c] Types of Products and Services in each Business Segment:

- [i] Construction Civil Engineering Construction/EPC Contracts
- [ii] Cement/Cement Products Manufacture and Sale of Cement, Clinker and Cement Products
- [iii] Hotel/Hospitality/Sports Hotels, Golf Course, Resorts, Spa and Sports Events
- [iv] Real Estate Real Estate Development
- [v] Power Generation and Sale of Power [Hydro, Wind and Thermal Power]

- [vi] Infrastructure Projects Expressways
- [vii] Investments Investments in Companies
- [viii] Fertilizers Manufacture and Sale of Urea etc
- [ix] Health Care Running of Hospital
- [x] Others Includes Heavy Engineering Works, Hitech Castings, Coal, Aviation, Waste Treatment Plant, Edible Oils, Dairy Products and Man Power.

- [d] Segment Revenues, Results, Assets and Liabilities include the amounts identifiable to each segment and amounts allocated on a reasonable basis.
- [e] Segment Assets exclude Miscellaneous Expenditure & Deferred Tax Asset. Segment Liability exclude Deferred Tax Liability.

CONSOLIDATED NOTE No."46"

In accordance with the Accounting Standard [AS-20] on 'Earnings Per Share' computation of Basic and Diluted Earnings per Share is as under:

	2013-14 ₹ Lakhs	2012-13 ₹ Lakhs
[A] Net Profit for Basic Earnings Per Share as per Statement of Profit & Loss	(82,484)	46,179
Add Adjustment for the purpose of Diluted Earnings Per Share	3,266	745
Net Profit for Diluted Earnings Per Share as per Statement of Profit & Loss	(79,218)	46,924
[B] Weighted average number of equity shares for Earnings Per Share computation:		
[i] Number of Equity Shares at the beginning of the year	2,219,083,559	2,126,433,182
[ii] Number of Shares allotted during the year	-	92,650,377
[iii] Weighted average shares allotted/to be allotted during the year	-	19,144,387
[iv] Weighted average of potential Equity Shares	79,302,812	102,744,705
[v] Weighted average for:		
[a] Basic Earnings Per Share	2,219,083,559	2,145,577,569
[b] Diluted Earnings Per Share	2,298,386,371	2,248,322,274
[C] Earnings Per Share		
[i] Basic	₹ (3.72)	2.15
[ii] Diluted	₹ (3.45)	2.09
[D] Face Value Per Share	₹ 2.00	2.00

CONSOLIDATED NOTE No. "47"

The Central Government in exercise of the powers conferred by sub-section 8 of section 212 of the Companies Act 1956 has directed vide Ministry of Corporate Affairs General Circular no 2/2011 dated 08th February 2011 that the provisions contained in sub-section (1) of section 212 of the Companies Act, 1956, requiring annual accounts of the Subsidiaries to be attached to the annual accounts of the Holding Company, shall not apply subject to, inter alia, Board of Directors of the Company has by Resolution given consent for not attaching the Balance Sheet of the Subsidiary Companies, presentation of Audited Consolidated Financial Statements in compliance with applicable Accounting Standards, and disclosure of following information:

₹ LAKHS										
Name of Company	Capital (Including Share Application Money)	Reserves	Total Assets	Total Liabilities (including Loan)	Investment Details (including Share held in Trust and Share Application Money)	Turnover (including Other Income)	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend (including Dividend Distribution Tax)
Jaiprakash Power Ventures Limited	293,800 (293,800)	339,172 (350,636)	2,933,367 (2,694,494)	2,300,395 (2,050,058)	500,499 (443,417)	274,050 (229,080)	1,344 (34,914)	-629 (1,996)	1,973 (32,918)	-
Sangam Power Generation Company Limited	55,198 (55,198)	-7 (-7)	55,235 (55,327)	44 (136)	-	-	-	-	-	-
Prayagraj Power Generation Company Limited	234,819 (153,819)	-6 (-6)	1,012,120 (680,388)	777,307 (526,575)	-	-	-	-	-	-
Jaypee Power Grid Limited	30,000 (30,000)	2,415 (2,478)	100,304 (105,141)	67,889 (72,663)	-	19,994 (20,622)	6,429 (5,868)	1,051 (3,014)	5,378 (2,854)	-
Jaypee Infratech Limited	138,893 (138,893)	466,563 (479,123)	2,036,025 (1,937,472)	1,430,569 (1,319,456)	25,000 (20,543)	333,213 (329,220)	40,045 (86,816)	10,128 (17,370)	29,917 (69,446)	- (16,250)
Himalyan Expressway Limited	14,309 (14,309)	5,518 (8,421)	71,646 (72,718)	51,819 (49,988)	-	3,086 (2,766)	-2,904 (-3,215)	-1	-2,903 (-3,215)	-
Bhilai Jaypee Cement Limited*	37,968 (37,968)	-11,129 (-8,236)	95,204 (97,496)	68,365 (67,764)	-	69,781 (74,176)	-4,248 (811)	-1,355 (-5,374)	-2,893 (6,185)	-
Jaypee Ganga Infrastructure Corporation Limited	56,499 (56,499)	-	56,761 (56,655)	262 (156)	-	-	-	-	-	-
Jaypee Arunachal Power Limited	22,823 (22,795)	-225 (-225)	22,783 (22,870)	185 (300)	-	-	-	-	-	-
Bokaro Jaypee Cement Limited	13,365 (13,365)	4,332 (5,195)	74,326 (69,086)	56,629 (50,526)	-	74,350 (63,043)	8,569 (11,825)	5,549 (-1,779)	3,020 (13,604)	3,883 (3,883)
Jaypee Sports International Limited	69,200 (69,200)	4,199 (3,013)	441,209 (433,113)	367,810 (360,900)	105 (105)	104,976 (105,709)	2,477 (2,874)	1,291 (1,032)	1,186 (1,842)	-
Gujarat Jaypee Cement & Infrastructure Limited	73 (73)	-19 (-19)	56 (56)	2 (2)	-	3 (17)	1 (13)	1 (5)	- (8)	-
Jaypee Agra Vikas Limited	37,592 (61,420)	-200 (-200)	51,265 (73,734)	13,873 (12,514)	-	-	-	-	-	-
Jaypee Meghalaya Power Limited	836 (792)	-2 (-2)	910 (866)	76 (76)	-	-	-	-	-	-
Himalyaputra Aviation Limited	2,500 (2,500)	-3,057 (-1,039)	3,843 (3,970)	4,400 (2,509)	-	846 (378)	-2,017 (-1,032)	1	-2,018 (-1,032)	-
Jaypee Cement Corporation Limited*	282,750 (165,450)	-113,090 (-46,553)	960,115 (909,217)	790,455 (790,320)	11,668 (1,668)	172,853 (202,439)	-95,118 (-75,231)	-25,881 (-26,391)	-69,236 (-48,840)	-
Jaypee Assam Cement Limited	6 (6)	-55 (-54)	53 (54)	102 (102)	-	-	-1 (-1)	-	-1 (-1)	-
Jaypee Fertilizers & Industries Limited	28,194 (16,544)	33,511 (37,341)	83,060 (75,248)	21,355 (21,363)	75,221 (68,221)	136 (284)	-3,830 (-3,821)	-	-3,830 (-3,821)	-

₹ LAKHS

Name of Company	Capital (Including Share Application Money)	Reserves	Total Assets	Total Liabilities (including Loan)	Investment Details (including Share held in Trust and Share Application Money)	Turnover (including Other Income)	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend (including Dividend Distribution Tax)
Jaiprakash Agri Initiatives Company Limited	15,510 (5,510)	-7,740 (-5727)	14,369 (13,596)	6,599 (13,813)	-	1,771 (31,215)	-2,013 (-2,129)	-	-2,013 (-2,129)	-
Jaypee Cement Cricket (India) Limited	5	-52	5	52	-	-	-52	-	-52	-
Jaypee Health Care Limited	25,000	-126	52,565	27,691	-	-	-126	-	-126	-
Jaypee Cement Hockey (India) Limited	100	-1,241	677	1,818	-	1,662	-1,241	-	-1,241	-

* Figures based on Balance Sheet for Tax purpose

Previous Year figures are given in brackets

CONSOLIDATED NOTE No."48"

Figures for the previous year have been regrouped/ recast/ rearranged wherever considered necessary to conform to this year's classification..

CONSOLIDATED NOTE No."49"

Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Parent Company's Financial statements.

CONSOLIDATED NOTE No."50"

All the figures have been rounded off to the nearest lakh ₹

Signatures to Consolidated Note No. "1" to "50"

For and on behalf of the Board

For M.P. SINGH & ASSOCIATES

Chartered Accountants
Firm Registration No. 002183C

MANOJ GAUR
Executive Chairman & C.E.O.

SUNIL KUMAR SHARMA
Executive Vice Chairman

RAVINDER NAGPAL

Partner

M. No. 081594

GOPAL DAS BANSAL
Jt. President
[Accounts]

RAM BAHADUR SINGH
C.F.O. [Cement]

HARISH K. VAID
Sr. President
[Corporate Affairs] &
Company Secretary

RAHUL KUMAR
Director & C.F.O.

SHYAM DATT NAILWAL
Director [Finance]

Place : Noida

Dated: 27th May, 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

		2013-14 ₹ Lakhs		2012-13 ₹ Lakhs
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Minority Shareholders Interest as per Statement of Profit & Loss		(87,408)		92,540
Add back:				
(a) Depreciation & Amortisation	171,645		144,365	
(b) Deferred Revenue on account of advance against depreciation	7,551		9,509	
(d) Finance Costs	609,420		456,884	
(e) Loss on sale of Assets [Net]	2,495	791,111	-	610,758
		703,703		703,298
Deduct:				
(a) Interest Income	(13,123)		(9,482)	
(b) Dividend Income	(22)		(37)	
(c) Profit on sale of Assets [Net]	-		(2,059)	
(d) Profit on Sale of Equity Shares	(39,528)		(72)	
(e) Profit on Sale/Redemption of Exchange Traded Funds/ Mutual Funds	(1,055)	(53,728)	(6,194)	(17,844)
Operating Profit before Working Capital Changes		649,975		685,454
(a) (Increase)/Decrease in Trade Receivables	(79,373)		(74,285)	
(b) (Increase)/Decrease in Inventories	41,015		(47,211)	
(c) (Increase)/Decrease in Projects under Development	(32,741)		(100,733)	
(d) (Increase)/ Decrease in Loans and Advances [including other Current Assets]	(83,709)		(197,660)	
(e) Increase/(Decrease) in Trade Payables, Other Liabilities & Provisions	(3,904)	(158,712)	326,213	(93,676)
Cash Generated from Operations		491,263		591,778
Deduct:				
Tax Paid		(35,963)		(39,543)
Cash inflow / (outflow) from operating activities	"A"	455,300		552,235
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Outflow:				
(a) Purchase of Fixed Assets [including Capital Work in Progress]	(886,122)		(1,232,018)	
(b) Purchase of Investments in Shares [including Share Application Money]	(5,487)	(891,609)	(21,157)	(1,253,175)
Inflow:				
(a) Sale/Transfer of Fixed Assets	18,059		9,273	
(b) Sale of Investments in Equity Shares	60,283		124	
(c) Sale of Investments in units of Mutual Fund / Exchange Traded Funds [Net]	27,491		10,570	
(d) Changes in Fixed Deposits	40,317		39,354	
(e) Interest Received	13,857		13,486	
(f) Dividend Received	22	160,029	37	72,844
NET CASH USED IN INVESTING ACTIVITIES	"B"	(731,580)		(1,180,331)

		2013-14 ₹ Lakhs	2012-13 ₹ Lakhs
(C) CASH FLOW FROM FINANCING ACTIVITIES:			
Inflow:			
(a) Increase in Share Capital (Refer Note No.1)		-	1853
(b) Increase in Security Premium (Net of expenses) (Refer Note No.1 & 2)		23	132,757
(c) Increase in Minority Interest		10,349	35,904
(d) Increase in Capital Reserve		-	16,676
(e) Increase in Borrowings (Net of Repayments)		948,543	994,684
		958,915	1,181,874
Outflow:			
(a) Finance Costs		(638,792)	(497,820)
(b) Dividend Paid (including Tax on Dividend)		(19,407)	(12,770)
(c) Decrease in Capital Reserve		(46,071)	-
		(704,270)	(510,590)
NET CASH FROM FINANCING ACTIVITIES	"C"	254,645	671,284
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	"A+B+C"	(21,635)	43,188
CASH AND CASH EQUIVALENTS AS AT 01.04. (OPENING BALANCE)		191,193	148,005
CASH AND CASH EQUIVALENTS AS AT 31.03. (CLOSING BALANCE)		169,558	191,193

Notes:

- Increase in Share Capital & Security Premium is on account of Conversion of Foreign Currency Convertible Bonds issued by the Parent Company into Equity Shares. Correspondingly, the Borrowings have been decreased.
- Increase in Security Premium also includes premium received by Parent & Subsidiary Companies on issue of Shares and provision of expenses reversed.
- The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS - 3) "Cash Flow Statement".
- Previous year figures have been regrouped/rearranged wherever necessary.

For and on behalf of the Board

For **M.P. SINGH & ASSOCIATES**
Chartered Accountants
Firm Registration No. 002183C

MANOJ GAUR
Executive Chairman & C.E.O.

SUNIL KUMAR SHARMA
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C.F.O. [Cement]

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Sr. President
[Corporate Affairs] &
Company Secretary

RAHUL KUMAR
Director & C.F.O.

SHYAM DATT NAILWAL
Director [Finance]

Place : Noida

Dated: 27th May, 2014



0.80 MnTPA Durga Cement Works (DCW), Andhra Pradesh



Upstream coffer dam permeation grouting in progress at 1020 MW Punatsangchu-II HEP, Bhutan

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