IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the offering document (the "**Placement Document**") following this page and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Placement Document. In accessing the Placement Document, you have acknowledged and agreed to be bound by the following restrictions, terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access. **You acknowledge that the Placement Document is intended for use by you only and you agree not to forward it to any other person, internal or external to your company, in whole or in part, or otherwise provide access via e-mail or otherwise to any other person.**

NOTHING HEREIN CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION. ACCORDINGLY, THE EQUITY SHARES ARE BEING OFFERED AND SOLD ONLY TO INVESTORS OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT ("**REGULATION S**").

THE PLACEMENT DOCUMENT MAY NOT BE DOWNLOADED, FORWARDED OR DISTRIBUTED, IN WHOLE OR IN PART, TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED, IN WHOLE OR IN PART, TO ANY U.S. ADDRESS. ANY DOWNLOADING, FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

THE PLACEMENT DOCUMENT HAS NOT BEEN AND WILL NOT BE REGISTERED AS A PROSPECTUS OR A STATEMENT IN LIEU OF PROSPECTUS WITH ANY REGISTRAR OF COMPANIES IN INDIA AND IS NOT AND SHOULD NOT BE CONSTRUED AS AN OFFER DOCUMENT UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "**SEBI REGULATIONS**") OR ANY OTHER APPLICABLE LAW. THE PLACEMENT DOCUMENT HAS NOT BEEN AND WILL NOT BE REVIEWED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE RESERVE BANK OF INDIA, ANY REGISTRAR OF COMPANIES IN INDIA OR ANY STOCK EXCHANGE IN INDIA. THE PLACEMENT DOCUMENT IS NOT AND SHOULD NOT BE CONSTRUED AS AN INVITATION, OFFER OR SALE OF ANY SECURITIES TO THE PUBLIC IN INDIA.

You have accessed the Placement Document on the basis that you have confirmed your representation to Standard Chartered Securities (India) Limited that (1) you are either not resident in the United States as defined in Regulation S under the Securities Act and, to the extent you purchase the securities described in the Placement Document, you will be doing so pursuant to Regulation S under the Securities Act; (2) you are a "qualified institutional buyer" as defined under Regulation 2(1)(zd) in the SEBI Regulations and are not restricted from participating in the offering under the SEBI Regulations and other applicable laws, (3) you are not a resident in a country where delivery of the attached Placement Document by electronic transmission may not be lawfully made in accordance with the laws of the applicable jurisdiction **AND** (4) that you consent to delivery of the Placement Document by electronic transmission. You are reminded that the Placement Document has been delivered to you on the basis that you are a person into whose possession the Placement Document may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you are not authorized to deliver this Placement Document, electronically or otherwise, to any other person. The materials relating to the offering of securities referred to in the Placement Document do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

The Placement Document has been made available to you in electronic form. You are reminded that documents transmitted through this medium may be altered or changed during the process of transmission and consequently Standard Chartered Securities (India) Limited or any of its respective employees, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the Placement Document distributed to you in electronic format and the hard copy version.

The Placement Document is intended only for use by the addressee named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of the Placement Document, you are hereby notified that any dissemination, distribution or copying of the Placement Document is strictly prohibited. If you have received the Placement Document in error, please immediately notify the sender or Standard Chartered Securities (India) Limited by reply email and destroy any printouts of it.

Neither Standard Chartered Securities (India) Limited nor the Company, nor any person who controls any of them or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers accepts any liability whatsoever for any loss howsoever arising from any use of this e-mail or the attached Placement Document or their respective contents or otherwise arising in connection therewith.

This Placement Document does not constitute a public offer to any person to purchase the Equity Shares of the Company and is being issued for the sole purpose of inviting Bids from QIBs for the Equity Shares being offered pursuant to this Issue. This Placement Document is not an offer to sell securities, and is not soliciting an offer to buy securities in any jurisdiction where such offer or sale is not permitted. The information in this Placement Document is not complete and may be changed.

Placement Document
Not for Circulation
Serial Number [●]
Dated February 4, 2013

JAYPEE GROUP

JAIPRAKASH ASSOCIATES LIMITED

JAIPRAKASH ASSOCIATES LIMITED

(A public company incorporated with limited liability in the Republic of India under the Companies Act, 1956)

Jaiprakash Associates Limited (the "**Company**" or the "**Issuer**") is issuing 64,204,810 equity shares of face value of Rs. 2 each (the "**Equity Shares**") at a price of Rs. 83.00 per Equity Share, including a premium of Rs. 81.00 per Equity Share, aggregating to Rs. 5,329.00 million (the "**Issue**").

ISSUE IN RELIANCE UPON CHAPTER VIII OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI REGULATIONS")

THIS ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS IN RELIANCE UPON CHAPTER VIII OF THE SEBI REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC, OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO QUALIFIED INSTITUTIONAL BUYERS ("QIBs"), AS DEFINED IN THE SEBI REGULATIONS.

Invitations, offers and sales of the Equity Shares shall only be made pursuant to this Placement Document, the Application Form and the Confirmation of Allocation Note. For further information, see the section titled "Issue Procedure" on page 134. The distribution of this Placement Document or the disclosure of its contents without the prior consent of the Company, to any person, other than QIBs and persons retained by QIBs to advise them with respect to their purchase of Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions, and to make no copies of this Placement Document or any documents referred to in this Placement Document.

This Placement Document has not been reviewed by the Securities and Exchange Board of India (the "SEBI"), the Reserve Bank of India (the "RBI"), the National Stock Exchange of India Limited (the "NSE"), the BSE Limited (the "BSE", and together with the NSE, the "Stock Exchanges") or any other regulatory or listing authority and is intended for use by QIBs only. This Placement Document has not been and will not be registered as a prospectus with the Registrar of Companies ("RoC") in India, and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction. The placement of Equity Shares proposed to be made pursuant to this Placement Document is meant solely for QIBs on a private placement basis and is not an offer to the public or to any other class of investors.

Investments in equity shares involve a degree of risk, and prospective investors should not invest in this Issue unless they are prepared to take the risk of losing all or part of their investment. Prospective investors are advised to read the section titled "Risk Factors" on page 27 carefully before taking an investment decision related to this Issue. Each prospective investor is advised to consult its advisors about the consequences of its investment in the Equity Shares being issued pursuant to this Placement Document.

The information on the Company's website or any website directly or indirectly linked to our website does not form part of this Placement Document and prospective investors should not rely on such information contained in, or available through, such websites for their investment in this Issue.

The Company's outstanding Equity Shares are listed on the Stock Exchanges (as defined hereinafter). Applications shall be made for the listing of the Equity Shares offered through this Placement Document on the Stock Exchanges. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to trading on the Stock Exchanges should not be taken as an indication of the merits of the Company or the Equity Shares.

YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

A copy of this Placement Document has been delivered to the Stock Exchanges. A copy of the Placement Document will also be filed with each of the Stock Exchanges.

THIS PLACEMENT DOCUMENT HAS BEEN PREPARED BY THE COMPANY SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE OF THE EQUITY SHARES DESCRIBED IN THIS PLACEMENT DOCUMENT.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only to QIBs outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**"). For further information, see the sections titled "Transfer Restrictions and Purchaser Representations" and "Selling Restrictions" on pages 149 and 144, respectively.

This Placement Document is dated February 4, 2013.

GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGER

Standard Chartered

Standard Chartered Securities (India) Limited
1st Floor, Standard Chartered Tower
201B/1, Western Express Highway
Goregaon (East)
Mumbai – 400 063
Tel : + 91 22 4205 6117
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NOTICE TO INVESTORS

The Company accepts full responsibility for the information contained in this Placement Document and to the best of its knowledge and belief, having made all reasonable enquiries, confirms that this Placement Document contains all information with respect to the Company and its subsidiaries and joint venture subsidiaries (collectively, the "**Group**") and the Equity Shares, which is material in the context of this Issue. The statements contained in this Placement Document relating to the Group and the Equity Shares are, in all material respects, true and accurate and not misleading, the opinions and intentions expressed in this Placement Document with regard to the Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on information presently available to the Company and are based on reasonable assumptions. There are no other facts in relation to the Group or the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, all reasonable enquiries have been made by the Company to ascertain such facts and to verify the accuracy of all such information and statements. The Global Coordinator and Book Running Lead Manager has not separately verified the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the Global Coordinator and Book Running Lead Manager nor any of its respective members, employees, counsel, officers, directors, representatives, agents or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted, by the Global Coordinator and Book Running Lead Manager, as to the accuracy or completeness of the information contained in this Placement Document or any other information supplied in connection with the Equity Shares. Each person receiving this Placement Document acknowledges that such person has neither relied on the Global Coordinator and Book Running Lead Manager nor on any person affiliated with the Global Coordinator and Book Running Lead Manager in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Group and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of the Company or the Global Coordinator and Book Running Lead Manager. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Placement Document.

The Equity Shares have not been recommended by any foreign federal or state securities commission or regulatory authority. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by the Company and the Global Coordinator and Book Running Lead Manager which would permit an issue of the Equity Shares or distribution of this Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any other Issue-related materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

The information contained in this Placement Document has been provided by the Company and other sources identified herein. Distribution of this Placement Document to any person other than the investor specified by the Global Coordinator and Book Running Lead Manager or their representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorized, and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

In making an investment decision, investors must rely on their own examination of the Group and the terms of this Issue, including the merits and risks involved. Investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning this Issue. In addition, neither the Company nor the Global Coordinator and Book Running Lead Manager are making any representation to any investor, purchaser or subscriber of the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares in this Issue by such investor, subscriber or purchaser under applicable legal, investment or similar laws or regulations. Each such investor, subscriber or purchaser of the Equity Shares in this Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in the Company under Indian law, including Chapter VIII of the SEBI Regulations and is not prohibited by SEBI or any other statutory, regulatory or judicial authority in India or any other jurisdiction from buying, selling or dealing in securities. Each investor, subscriber, purchaser of Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from the Company and review information relating to the Group and the Equity Shares.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

The information on our website, www.jalindia.com or on the website of the Global Coordinator and Book Running Lead Manager does not constitute or form part of this Placement Document. Prospective investors should not rely on the information contained in, or available through such websites.

NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Placement Document has been prepared on the basis that all offers of Equity Shares will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area ("**EEA**"), from the requirement to produce a prospectus for offers of Equity Shares. The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State (as defined below) and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU. Accordingly, any person making or intending to make an offer within the EEA of Equity Shares which are the subject of the placement contemplated in this Placement Document should only do so in circumstances in which no obligation arises for our Company or the Global Coordinator and Book Running Lead Manager to produce a prospectus for such offer. Neither the Company nor the Global Coordinator and Book Running Lead Manager has authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offer made by the Global Coordinator and Book Running Lead Manager which constitutes the final placement of the Equity Shares contemplated in this Placement Document.

This Placement Document is an advertisement and is not a prospectus for the purposes of EU Directive 2003/71/EC.

NOTICE TO INVESTORS IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE

This Placement Document relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This Placement Document is intended for distribution only to Persons of a type specified in those rules. It must not be delivered to, or relied on by, any other Person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The Equity Shares to which this Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Placement Document you should consult an authorised financial adviser.

REPRESENTATIONS BY INVESTORS

All references to "you" or "your" in this section are to the prospective investors in the Issue. By Bidding for and subscribing to any of the Equity Shares under the Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company and the Global Coordinator and Book Running Lead Manager, as follows:

- you (i) are a QIB as defined under Regulation 2(1)(zd) of the SEBI Regulations, (ii) have a valid and existing registration under applicable laws of India, (iii) undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to you for the purposes of your business in accordance with Chapter VIII of the SEBI Regulations, and (iv) undertake to comply with the SEBI Regulations and all other applicable laws, including in respect of reporting requirements, if any;

- you confirm that if you are Allotted Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment (hereinafter defined), sell the Equity Shares so acquired, except on the Stock Exchanges;

- you are aware that the Equity Shares have not been and will not be registered under the Companies Act, the SEBI Regulations or under any other law in force in India. This Placement Document has not been reviewed by the SEBI, the RBI, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by QIBs. Further, this Placement Document has not been verified or affirmed by the SEBI or the Stock Exchanges and will not be filed or registered with the Registrar of Companies. This Placement Document has been filed with the Stock Exchanges and has been displayed on the websites of the Company and the Stock Exchanges;

- you are permitted to subscribe to the Equity Shares under the laws of all relevant jurisdictions which are applicable to you and that you have fully observed such laws and have all necessary capacity and have obtained all necessary consents and authorities as may be required, to enable you to commit to this participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Placement Document) and complied with all the necessary formalities and that you will honour such obligations;

- neither the Company nor the Global Coordinator and Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates is making any recommendations to you, or advising you regarding the suitability of any transactions they may enter into in connection with the Issue, and that your participation in the Issue is on the basis that you are not and will not be a client of the Global Coordinator and Book Running Lead Manager and that the Global Coordinator and Book Running Lead Manager has no duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are in no way acting in a fiduciary capacity;

- all statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Group's business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and environment in which the Group will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. The Company or any of our shareholders, Directors, officers, employees, counsel, advisors, representatives, agents or affiliates assumes no responsibility to update any of the forward-looking statements contained in this Placement Document;

- you are aware and understand that the Equity Shares are being offered only to QIBs and are not being offered to the general public and the Allotment of the same shall be on a discretionary basis, at the discretion of the Company in consultation with the Global Coordinator and Book Running Lead Manager;

- you have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgements and undertakings as set forth under the section titled "Transfer Restrictions and Purchaser Representations" on page 149;

- you have been provided a serially numbered copy of the Placement Document and have read this Placement Document in its entirety including "*Risk Factors–Certain consents that are required to be obtained under the Company's financing documents from its lenders for undertaking any further issue of Equity Shares, including for this Issue, have been sought but not obtained which may constitute a default under such financing documents*."

- that in making your investment decision, (i) you have relied on your own examination of the Group and the terms of the Issue, including the merits and risks involved, (ii) you have made and will continue to make your own assessment of the Group, the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) you have relied upon your own investigation and resources in deciding to invest in the Equity Shares, (iv) you have consulted your own independent advisors (including tax advisors) or otherwise have satisfied yourself concerning, without limitation, the effects of local laws and taxation matters, (v) you have relied solely on the information contained in this Placement Document and no other disclosure or representation by our Company or any other party and (vi) you have received all information that you believe is necessary or appropriate in order to make an investment decision in respect of the Company and the Equity Shares;

- neither the Global Coordinator and Book Running Lead Manager nor its affiliates has provided you with any tax advice or otherwise made any representations regarding the tax consequences of the Equity Shares (including, but not limited to, the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Global Coordinator and Book Running Lead Manager when evaluating the tax consequences in relation to the Equity Shares (including, but not limited to, the Issue and the use of the proceeds from the Equity Shares). You waive and agree not to assert any claim against the Global Coordinator and Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- you have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares, and you and any accounts for which you are subscribing the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the Global Coordinator and Book Running Lead Manager or their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares;

- that where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing by each such managed account to acquire the Equity Shares for each such managed account and to make (and you hereby make) the representations, warranties, acknowledgements and undertakings herein for and on behalf of each such managed account, reading the reference to "you" to include such accounts;

- you are not a Promoter or a person related to the Promoters, either directly or indirectly and your Bid does not directly or indirectly represent the Promoters or Promoter group of the Company;

- in relation to the Company, you have no rights under a shareholders' agreement or voting agreement, no veto rights or right to appoint any nominee director on the Board other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares;

- you will have no right to withdraw your Bid after the Bid Closing Date;

- you are eligible to Bid and hold the Equity Shares so Allotted to you, together with any Equity Shares held by you prior to the Issue. You further confirm that your holding, upon the issue of the Equity

Shares, shall not exceed the level permissible as per any applicable law;

- the Bid submitted by you would not eventually result in triggering an open under the Takeover Code;

- to the best of your knowledge and belief together with other QIBs in the Issue that belong to the same group or are under common control as you, the Allotment under this Issue to you shall not exceed 50% of the Issue. For the purposes of this representation:

  1. the expression 'belongs to the same group' shall be interpreted by applying the concept of 'companies under the same group' as provided in sub-section (11) of section 372 of the Companies Act; and

  2. 'control' shall have the same meaning as is assigned to it by clause (e) of sub-regulation 1 of regulation 2 of the Takeover Code;

- you are aware that if you are Allotted more than five per cent of the Equity Shares, we shall be required to disclose your name, the number of Equity Shares Allotted to you, the pre and post issue shareholding pattern of the Company in the format prescribed in clause 35 of the Listing Agreements, to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosure being made by us;

- you are aware that pursuant to the Allotment of the Equity Shares, applications shall be made by the Company to the Stock Exchanges for listing approvals and that the applications for obtaining the final listing and trading approvals will be made to the Stock Exchanges only after the credit of the Equity Shares to the beneficiary account with the Depository Participant, and that there can be no assurance that such approvals will be obtained on time or at all;

- you shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares under this Issue are granted by the Stock Exchanges;

- you are aware and understand that the Global Coordinator and Book Running Lead Manager will have entered into a Placement Agreement with the Company whereby the Global Coordinator and Book Running Lead Manager has, subject to the satisfaction of certain conditions set out therein, undertaken to use its reasonable endeavours to seek to procure subscription for the Equity Shares on the terms and conditions set forth therein;

- the contents of this Placement Document are exclusively the responsibility of the Company and neither the Global Coordinator and Book Running Lead Manager nor any person acting on its behalf or any of the counsel, advisors, to the Issue has or shall have any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of the Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting a participation in this Issue, you agree to the same and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Global Coordinator and Book Running Lead Manager or the Company or any other person and that neither the Global Coordinator and Book Running Lead Manager nor the Company nor any other person including their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

- that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares and that you have neither received nor relied on any other information given or representations, warranties or statements made by the Global Coordinator and Book Running Lead Manager (including any view, statement, opinion or representation expressed in any research published or distributed by the Global Coordinator and Book Running Lead Manager or its affiliates or any view, statement, opinion or representation expressed by any staff (including research staff) of the Global Coordinator and Book

Running Lead Manager or its affiliates) or the Company or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates and neither the Global Coordinator and Book Running Lead Manager nor the Company or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- you agree to indemnify and hold the Company and the Global Coordinator and Book Running Lead Manager or its affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements and undertakings in this section. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares Allotted under this Issue by or on behalf of the managed accounts;

- you understand that neither the Global Coordinator and Book Running Lead Manager nor its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses, directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by the Company of any of our respective obligations or any breach of any representations or warranties by the Company, whether to you or otherwise;

- that you are eligible to invest in India under applicable law, including the Foreign Exchange Management (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000, as amended from time to time, and have not been prohibited by the SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities;

- any dispute arising in connection with the Issue will be governed and construed in accordance with the laws of the Republic of India, and the courts in New Delhi, India shall have the exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Placement Document;

- that you are a sophisticated investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribution. In particular, you acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investment matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

- you confirm that either (i) you have not participated in or attended any investor meetings or presentations by the Company or our agents with regard to the Company or this Issue ("**Company Presentations**"); or (ii) if you have participated in or attended any Company Presentations, (a) you understand and acknowledge that the Global Coordinator and Book Running Lead Manager may not have the knowledge of the statements that the Company or our agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentation may have included any material misstatements or omissions, and, accordingly you acknowledge that the Global Coordinator and Book Running Lead Manager has advised you not to rely in any way on any such information that was provided to you at such Company Presentations, and (b) confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

- you are, at the time the Equity Shares are purchased, located outside of the United States (within the meaning of Regulation S) and you not an affiliate of the Company or a person acting on behalf of such an affiliate;

- you are purchasing the Equity Shares in an offshore transaction meeting the requirements of Rule 903 or Rule 904 of Regulation S;

- you understand that the Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States, and that the Equity Shares may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

- that each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment of the Equity Shares in the Issue; and

- that the Company, the Global Coordinator and Book Running Lead Manager, their respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements which are given to the Global Coordinator and Book Running Lead Manager on their own behalf and on behalf of the Company and are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 15A(1) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended ("**FII Regulations**") an FII may issue or otherwise deal in offshore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments against underlying securities (all such offshore derivative instruments are referred to herein as "**P-Notes**") listed or proposed to be listed on any stock exchange in India only in favour of those entities which are regulated by foreign regulatory authorities in the countries of their incorporation or establishment subject to compliance with "know your client" requirements. An FII shall also ensure no further issue or transfer is made of any offshore derivative instruments issued by or on behalf of it to any person other than a person regulated by an appropriate foreign regulatory authority. P-Notes have not been and are not being offered or sold pursuant to this Placement Document. This Placement Document does not contain any information concerning P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

Any P-Notes that may be issued are not securities of the Company and do not constitute any obligation of, claims on or interests in the Company. The Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to us. The Company does not make any recommendation as to any investment in P-Notes and does not accept any responsibility whatsoever in connection with the P-Notes. Any P-Notes that may be issued are not securities of the Global Coordinator and Book Running Lead Manager and do not constitute any obligations or claims on the Global Coordinator and Book Running Lead Manager. FII affiliates of the Global Coordinator and Book Running Lead Manager may purchase, to the extent permissible under law, Equity Shares in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Placement Document has been submitted to the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of any of the contents of the Placement Document;

2. warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company; and

4. it should not for any reason be deemed or construed to mean that the Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

In this Placement Document, unless the context otherwise indicates or implies, references to “you,” “offeree,” “purchaser,” “subscriber,” “recipient,” “investors” and “potential investor” are to the prospective investors in this Issue. In this Placement Document, unless the context otherwise requires, references to the “Company” are to Jaiprakash Associates Limited and references to the “Group” are to the Company and its subsidiaries and joint venture subsidiaries taken as a whole, as appropriate.

In this Placement Document, references to (a) “Rs.”, “Rupees”, “INR” or “₹” are to the legal currency of the Republic of India and “U.S.$” or “U.S. Dollars” are to the legal currency of the United States, and (b) the words “Lakh” or “Lac” mean “100 thousand”, the word “million” means “10 lakh”, the word “crore” means “10 million” or “100 lakhs” and the word “billion” means “1,000 million” or “100 crores”.

All references herein to the “U.S.” or the “United States” are to the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all references to “India” are to the Republic of India and its territories and possessions. All references herein to the “Government of India” are to the Central Government of India and all references to the “Government” are to Government of India or an Indian state government as applicable.

The Company’s audited financial statements for the years ended March 31, 2012, 2011 and 2010 have been prepared on a consolidated basis (the “**Audited Consolidated Financial Statements**”). The Company’s unaudited interim financial statements for the six month periods ended September 30, 2012 and September 30, 2011 have been prepared on a non-consolidated basis (the “**Unaudited Interim Financial Statements**”). The Audited Consolidated Financial Statements and the Unaudited Interim Financial Statements were audited and reviewed, respectively, by M/s M.P Singh & Associates, Chartered Accountants, the Company’s independent statutory auditor, who has agreed to the inclusion of their audit reports and review report in this Placement Document.

Pursuant to the Notification S.O. 447(E) dated February 28, 2011, the old format prescribed under Schedule VI to the Companies Act (the “**Old Schedule VI**”) was replaced with the revised Schedule VI (the “**Revised Schedule VI**”), which significantly changes the presentation of, and disclosure made in, the financial statements of Indian companies. Accordingly, the Company has modified the manner in which it presents its financial statements as of and for the fiscal year ended March 31, 2012 so that the presentation of the Company’s financial statements is consistent with the Revised Schedule VI, which became applicable to the Company in Fiscal 2012. In connection with this exercise, the Company has also reclassified its financial statements as of and for the financial year ended March 31, 2011 in order to provide comparability with its financial statements as of and for the financial year ended March 31, 2012. The Company’s historical audited financial statements for Fiscal 2011 and Fiscal 2010, however, have been presented in this Placement Document in accordance with the Old Schedule VI. The adoption of the Revised Schedule VI does not impact the recognition and measurement principles followed for the preparation of the Company’s financial statements. However, it does have a significant impact on the presentation of, and disclosure made in, the Company’s financial statements, particularly with respect to the presentation of the statement of assets and liabilities. For financial periods ending subsequent to March 31, 2012, the Company has been, and will be, presenting its financial statements in accordance with the Revised Schedule VI.

This Placement Document also includes the audited consolidated financial statements for the years ended March 31, 2012, 2011 and 2010 and the unaudited interim standalone financial statements for the six month periods ended September 30, 2012 and September 30, 2011 of Jaiprakash Power Ventures Limited (“**JPVL**”), which have been audited and reviewed, respectively, by M/s R. Nagpal Associates, Chartered Accountants, JPVL’s independent statutory auditor, who have agreed to the inclusion of their audit reports and review report in this Placement Document. Further, this Placement Document also includes the audited non-consolidated financial statements for the years ended March 31, 2012, 2011 and 2010 and the unaudited interim standalone financial statements for the six month periods ended September 30, 2012 and September 30, 2011 of Jaypee Cement Corporation Limited (“**JCCL**”) and Jaypee Infratech Limited (“**Jaypee Infratech**”), which have been audited and reviewed, respectively, by their respective statutory auditors at the relevant time, who have agreed to the inclusion of their audit reports and review reports in this Placement Document.

All the numbers in this document, other than in sections titled “Summary Financial Information” and “Financial Statements” on pages 26 and 180, respectively, have been presented in thousands, millions or billions of units, and amounts may have been rounded to the nearest one hundred, one hundred thousand or one hundred million units, as the case may be. Unless otherwise indicated, all financial information in this Placement Document is derived from the Company's financial statements on a consolidated and non-consolidated basis, and the financial statements of its subsidiaries – JVPL, JCCL and Jaypee Infratech, each prepared in accordance with Indian GAAP, and accounting records of the Company and schedules from such accounting records. Indian GAAP differs in certain significant respects from International Financial Reporting Standards ("**IFRS**") and U.S. GAAP. The Company does not provide a reconciliation of its financial statements to IFRS or U.S. GAAP financial statements.

Unless otherwise stated, references in this Placement Document to a particular year are to the calendar year ended on December 31 and to a particular "financial year", "Fiscal", "fiscal year", or "FY" are to the financial year of the Company ending on March 31 of a particular year.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

INDUSTRY AND MARKET DATA

Market data and certain industry related information used throughout this Placement Document have been obtained from publicly available information and government and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys and other sources for industry related information referred to in this Placement Document, while believed to be reliable, have not been independently verified. Neither the Company nor the Global Coordinator and Book Running Lead Manager or any of their respective shareholders, affiliates, representatives or agents, makes any representation as to the accuracy and completeness of such information.

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so the Company has relied on internally developed estimates.

Neither the Company nor any of the Global Coordinator and Book Running Lead Manager has independently verified this data and neither the Company nor any of the Global Coordinator and Book Running Lead Manager makes any representation regarding the accuracy or completeness of such data. Similarly, while we believe that our internal estimates are reasonable, such estimates have not been verified by any independent sources, and neither the Company nor the Global Coordinator and Book Running Lead Manager can assure potential investors as to their accuracy.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute "forward-looking statements." Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would", or other words or phrases of similar import. All statements regarding the Company's expected financial condition and results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Company' business strategy, revenue and profitability, planned projects and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements and any other projections contained in this Placement Document (whether made by the Company or any third party) are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Important factors that could cause actual results, performance or achievements to differ materially include, among others:

- materialization of risks with respect to the Company's engineering and construction business in various sectors;
- adverse conditions in the main markets in which the Company's cement plants and facilities are located and business is conducted;
- Company's inability to respond adequately to increased competition in the future;
- lowering the prices the Company charges for its products in response to competition;
- non completion of the Group's land acquisition transactions; and
- seasonal nature of the Company's hospitality business.

All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to those discussed under "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations of Company", "Industry Overview" and "Business".

The forward-looking statements contained in this Placement Document are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the Company's underlying assumptions prove to be incorrect, the Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public company incorporated under the laws of India. Majority of our Directors and key managerial personnel are residents of India. A substantial portion of our assets are located in India. As a result, it may be difficult for the investors to affect service of process upon the Company or such persons outside India or to enforce judgments obtained against such parties outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments and execution of a foreign judgment is provided for under Sections 13 and 44A respectively, of the Code of Civil Procedure, 1908 (the "**Civil Procedure Code**") on a statutory basis.

Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud, or (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

Under Section 14 of the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record; but such presumption may be displaced by proving want of jurisdiction.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code can be enforced in India (i) by instituting execution proceedings; or (ii) by instituting a suit on such judgment. Foreign judgments may be enforced by proceedings in execution in certain cases. Section 44A of the Civil Procedure Code provides that where a foreign judgment has been rendered by a superior court within the meaning of that section in any country or territory outside India which the Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards. Furthermore, the execution of the foreign decree under Section 44A of the Civil Procedure Code is also subject to the exceptions under Section 13 of the Civil Procedure Code, as mentioned above.

Each of the United Kingdom, Singapore and Hong Kong has been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code but the United States has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such a judgement.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and the U.S. Dollar will affect the U.S. Dollar equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into U.S. Dollars of any cash dividends paid in Rupees on the Equity Shares. The exchange rate between the Rupee and the U.S. Dollar has been volatile over the past year.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the U.S. Dollar (in Rupees per U.S. Dollar) based on the reference rate released by the RBI. The exchange rate as at January 31, 2013 was Rs. 53.29 = U.S. Dollar 1.00. No representation is made that the Rupee amounts actually represent such U.S. dollar amounts or could have been or could be converted into U.S. Dollar at the rates indicated, any other rate, or at all.

Exchange Rate (Rs. per U.S. Dollar)				
	Period End	**Average**	**High**	**Low**
Financial year ended March 31, 2012	51.16	47.95	54.24	43.95
Financial year ended March 31, 2011	44.65	45.58	47.57	44.03
Financial year ended March 31, 2010	45.14	47.42	50.53	44.94
Months ended:				
December 31, 2012	54.78	54.65	55.09	54.20
November 30, 2012	54.53	54.78	55.71	53.67
October 31, 2012	54.12	53.02	54.17	51.62
September 30, 2012	52.70	54.61	55.97	52.70
August 31, 2012	55.72	55.56	56.08	55.15
July 31, 2012	55.81	55.49	56.38	54.55
June 30, 2012	56.31	56.03	57.22	55.15
May 31, 2012	56.42	54.47	56.42	52.86
April 30, 2012	52.52	51.80	52.79	50.56
March 31, 2012	51.16	50.32	51.31	49.15
February 29, 2012	48.94	49.16	49.64	48.68

Source: www.rbi.org.in

No representation is made that the Rupee amounts actually represent such U.S. Dollar amounts or could have been or could be converted into U.S. Dollars at the rates indicated, or at all.

DEFINITIONS AND ABBREVIATIONS

The Company has prepared this Placement Document using certain definitions and abbreviations which you should consider when reading the information contained herein.

Capitalised terms used in this Placement Document shall have the meaning set forth below, unless specified otherwise or the context indicates or requires otherwise, and references to any statute or regulations or policies shall include amendments thereto, from time to time.

Terms Related to the Company

Term	Description
Our "Company", the "Company" or the "Issuer"	Jaiprakash Associates Limited, a public limited company incorporated under the Companies Act, having its registered office at sector 128, Noida – 201 304, Uttar Pradesh, India.
"Articles" or "Articles of Association"	The articles of association of the Company.
Auditors	The statutory auditors of the Company, M/s. M.P. Singh Associates.
"Board of Directors" or "Board"	The board of directors or any duly constituted committee thereof.
CCL	Central Coalfields Limited.
DIL	Duncan Industries Limited.
Directors	Directors of the Company.
Equity Shares or Shares	Equity shares of the Company of face value of Rs. 2 each.
FCCB-III	Foreign currency convertible bonds aggregating to U.S.$ 400 million issued by the Company on September 11, 2007 and subsequently, redeemed on September 12, 2012.
GAIL	Gas Authority of India Limited.
Group	The Company and its subsidiaries and joint venture subsidiaries.
HPSEB	Himachal Pradesh State Electricity Board.
JAPL	Jaypee Arunachal Power Limited.
JCL	Jaypee Cement Limited.
JCCL	Jaypee Cement Corporation Limited.
JFIL	Jaypee Fertilizers and Industries Limited.
JIL	Jaiprakash Industries Limited.
JIV	Jaypee Infra Ventures (A Private Company with Unlimited Liability).
JMPL	Jaypee Meghalaya Power Limited.
JPL	Jaypee Powergrid Limited.
JPVL	Jaiprakash Power Ventures Limited.
Jaypee Infratech	Jaypee Infratech Limited.
JRCL	Jaypee Rewa Cement Limited.
JUBVPL	Jaypee Uttar Bharat Vikas Private Limited.
Memorandum/ MoA/ Memorandum of Association	The memorandum of association of the Company.
MHI	Mitsubishi Heavy Industries.
MPSEB	Madhya Pradesh State Electricity Board.
NEERI	National Environmental Engineering Research Institute.
PGCIL	Power Grid Corporation of India Limited.
PPGCL	Prayagraj Power Generation Company Limited.
Promoters	The promoters of the Company, being Mr. Jaiprakash Gaur and his associates.
PTC	PTC India Limited.
Registered Office	The registered office of the Company located at sector 128, Noida – 201 304, Uttar Pradesh, India.
"Registrar of Companies" or "RoC"	Registrar of Companies, Uttar Pradesh and Uttarakhand.
SECL	South Eastern Coalfields Limited.
SPGCL	Sangam Power Generation Company Limited.
UPPCL	Uttar Pradesh Power Corporation Limited.

Issue Related Terms

Term	Description
"Allocated" or "Allocation"	The allocation of Equity Shares, in consultation with the Global Coordinator and Book Running Lead Manager, following the determination of the Issue Price to QIBs on the basis of the Application Forms submitted by them in compliance with Chapter VIII of the SEBI Regulations.
Allotees	Persons to whom Equity Shares are Allotted pursuant to the Issue.
"Allotment" or "Allotted"	Unless the context otherwise requires, the issue and allotment of Equity Shares pursuant to the Issue.
Application Form	The form pursuant to which a QIB shall submit a bid in the Issue.
Bid	An indication of interest by a QIB, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for Equity Shares in the Issue.
Bidding Period	The period between the Bid Opening Date and Bid Closing Date, inclusive of both dates, during which QIBs can submit their Bids.
Bid Closing Date	February 4, 2013, which is the date on which the Company (or the Global Coordinator and Book Running Lead Manager on behalf of the Company) shall cease acceptance of the Application Forms.
Bid Opening Date	January 31, 2013, which is the date on which the Company (or the Global Coordinator and Book Running Lead Manager on behalf of the Company) shall commence acceptance of the Application Forms.
"CAN" or "Confirmation of Allocation Note"	Note or advice or intimation to not more than 49 QIBs confirming the Allocation of Equity Shares to such QIBs after discovery of the Issue Price and to pay the entire Issue Price for all the Equity Shares allocated to such QIBs.
Escrow Account	A bank account opened by the Company with the Escrow Agent into which application money shall be deposited by the QIBs.
Escrow Agent	Standard Chartered Bank.
Floor Price	The price of Rs. 87.28 per Equity Share which has been calculated in accordance with Chapter VIII of the SEBI Regulations and below which the Equity Shares shall not be Allotted. The committee of the Board approved a discount of Rs. 4.28 (i.e., 4.92%) to the Floor Price of Rs. 87.28 in accordance with Regulation 85(1) of the SEBI Regulations.
"Global Coordinator and Book Running Lead Manager" or "GCBRLM"	Global Coordinator and Book Running Lead Manager to the Issue, being Standard Chartered Securities (India) Limited.
Issue	The offer and issuance of 64,204,810 Equity Shares to QIBs, pursuant to Chapter VIII of the SEBI Regulations.
Issue Price	Rs. 83.00 per Equity Share, which shall be equal to or more than the Floor Price. The committee of the Board approved a discount of Rs. 4.28 (i.e., 4.92%) to the Floor Price of Rs. 87.28 in accordance with Regulation 85(1) of the SEBI Regulations.
Issue Size	The issue of 64,204,810 Equity Shares aggregating to Rs. 5,329.00 million.
Listing Agreements	The agreements entered into between the Company and each Stock Exchange in relation to listing of the Equity Shares on such Stock Exchange.
Pay-In Date	The last date specified in the CAN for payment of subscription money in relation to the Issue.
Placement Agreement	The placement agreement dated January 7, 2013 entered into between the Company and the Global Coordinator and Book Running Lead Manager.
Placement Document	The placement document to be issued in accordance with Chapter VIII of the SEBI Regulations.
Placement Document	This placement document for the Issue issued in accordance with Chapter VIII of the SEBI Regulations.
Preliminary Placement Document	The preliminary placement document dated January 31, 2103 for the Issue issued in accordance with Chapter VIII of the SEBI Regulations.
"QIBs" or "Qualified Institutional Buyers"	Qualified institutional buyers as defined in Regulation 2(1) (zd) of the SEBI Regulations.
QIP	Qualified Institutions Placement under Chapter VIII of the SEBI Regulations.

Industry related terms

Term	Description
BOO	Build-Own-Operate.
BOOT	Build-Own-Operate-Transfer.
BOT	Build, own and transfer.
BTG	Boiler Turbine Generators.

Term	Description
CEA	Central Electricity Authority.
CO_2	Carbon dioxide.
DGH	Director General of Hydrocarbons.
EPC	Engineering Procurement and Construction.
FSA	Fuel supply agreement.
GR	Growth Rate.
GWH	Giga watt hour.
IPP	Independent Power Producer.
IFA	International Fertilizer Association.
km	Kilometres.
Kwh	Kilowatt hour.
LMT	Lakh metric tonnes.
m3	Cubic metres.
MCA	Modern Concession Agreements.
MDR	Major district road.
mg/nm3	Milligrams per normal cubic metre.
Mham	Million hectare metres.
MMSCMD	Million metric standard cubic meter.
MT	Metric tons.
MTPA	Million metric tons per annum.
MU	Million units.
MW	Megawatt.
MNRE	Minister of New and Renewable Energy.
NIT	Notice Inviting Tender.
ODR	Other Rural Road.
PPP	Public Private Partnership.
PYKKA	*Panchayat Yuva Krida aur Khel Abhiywan*.
SARDP – NE	Special Accelerated Programme for Road Development Programme for the North-East.
SEB	State Electricity Board.
SH	State Highway.
sq. ft	Square feet.
TWH	Trillion watt hours.
USIS	Urban Sports Infrastructure.
VGF	Viability Gap Funding.

Conventional and General Terms/ Abbreviations

Term	**Description**
ADR	American Depository Receipts.
AGM	Annual general meeting.
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
APAC	Asia-Pacific Region.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
BCM	Billion cubic meter.
BIFR	Board for Industrial and Financial Reconstruction.
BIS	Bureau of Indian Standards.
BOP	Balance of Payment.
BSE	BSE Limited.
BTKM	Billion Tonne KM.
BU	Billion Units.
CAGR	Compounded annual growth rate.
CDSL	Central Depository Services (India) Limited.
CEA	Central Electricity Authority.
CERC	Central Electricity Regulatory Commission.
Civil Procedure Code, Civil Code	The Code of Civil Procedure, 1908, as amended.
Companies Act	The Companies Act, 1956, as amended.
CSR	Corporate Social Responsibility.
Delisting Regulations	The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended.
Depositories Act	The Depositories Act, 1996, as amended.

Term	Description
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended.
Depository Participant	A depository participant as defined under the Depositories Act.
DIL	Duncan Industries Limited.
DIPP	The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI.
DTC	The direct tax code.
EBITDA	Earnings before interest, tax, depreciation and amortisation.
EGM	Extra ordinary general meeting.
EIA	Environmental Impact Assessments.
Electricity Act	Electricity Act, 2003.
EMP	Environmental Management Plans
EPS	Earnings per share.
FCCB	Foreign currency convertible bonds.
FDI	Foreign direct investment.
FEMA	The Foreign Exchange Management Act, 1999, as amended, and the regulations issued thereunder.
FERA	Foreign Exchange Regulation Act, 1973.
FII	Foreign Institutional Investor (as defined under the FII Regulations) registered with SEBI.
FII Regulations	The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
"financial year", "Fiscal", "FY" or "fiscal year"	Unless stated otherwise, financial year of the Company ending on March 31 of a particular year.
FVCI	Foreign venture capital investors (as defined and registered with SEBI under the (Foreign Venture Capital Investors) Regulations, 2000).
GAAP	Generally Accepted Accounting Principles.
GAIL	Gas Authority of India Limited.
GDP	Gross domestic product.
GDR	Global Depository Receipts.
Government	Government of India or State Government, as applicable.
Government of India	Central government of India.
GR	Growth Rate.
HPSEB	Himachal Pradesh State Electricity Board.
HUF	Hindu undivided family.
ICAI	Institute of Chartered Accountants of India.
IDBI Act	The Industrial Development Bank of India Act, 1964.
IFA	International Fertilizer Association.
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
IND-AS	Indian Accounting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
IPP	Independent Power Producer.
IT	Information technology.
"IT Act" or "Income Tax Act"	The Income Tax Act, 1961, as amended.
LMT	Lakh metric tones.
MCA	Modern Concession Agreements.
MDR	Major district road.
MHI	Mitsubishi Heavy Industries.
MICR	Magnetic ink character recognition.
MMSCMD	Million metric standard cubic meter.
MNRE	Ministry of New and Renewable Energy, Government of India.
MoP	Ministry of Power, Government of India.
MoU	Memorandum of understanding.
MPSEB	Madhya Pradesh State Electricity Board.
Mutual Fund / MF	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
NASDAQ	National Association of Securities Dealers Automated Quotations.

Term	Description
NEERI	National Environmental Engineering Research Institute.
NELP	New Exploration Licensing Policy of the Government of India.
NEP	New Economic Policy of the Government of India.
NH	National Highway.
NHDP	National Highway Development Program.
NIT	Notice Inviting Tender.
NPA	Non-Performing Asset.
NRI	Non resident Indian.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit after tax.
PBT	Profit before tax.
PGCIL	Power Grid Corporation of India Limited.
PIO	Persons of Indian origin.
PIT Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended.
Portfolio Investment Scheme	Portfolio investment scheme under the FEMA.
PPGCL	Prayagraj Power Generation Company Limited.
PSU	Public sector undertaking.
PTC	PTC India Limited.
RBI	Reserve Bank of India.
Regulation S	Regulation S under the U.S. Securities Act.
RR	Rural Road.
“Rs.”, “Rupees”, “INR” or “`”	The legal currency of the Republic of India.
SAI	Sports Authority India.
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended.
SAT	Securities Appellate Tribunal.
SCRA	Securities Contract (Regulation) Act, 1956, as amended.
SCRR	Securities Contract (Regulation) Rules, 1957, as amended.
SEBI	Securities and Exchange Board of India.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
U.S. Securities Act	The U.S. Securities Act of 1933, as amended.
SENSEX	The index of a basket of 30 constituent stocks traded on the BSE representing a sample of liquid securities of large and representative companies.
STT	Securities Transaction Tax.
State Government	Government of a state of the Republic of India.
Stock Exchanges	The BSE and the NSE.
Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011, as amended.
UPPCL	Uttar Pradesh Power Corporation Limited.
“U.S.$”, or “U.S. Dollars”	The legal currency of the United States.
“U.S.” or “United States”	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.
U.S. GAAP	Generally accepted accounting principles in the U.S.
UT	One of the seven union territories of India.
VCF	A venture capital fund (as defined and registered with SEBI under the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996).
WTD	Whole-time director.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed terms appearing elsewhere in this Placement Document, including under the sections titled "Issue Procedure" and "Description of Shares" on pages 134 and 153, respectively.

Issuer	Jaiprakash Associates Limited	
Issue Size	64,204,810 Equity Shares aggregating to Rs. 5,329.00 million. A minimum of 10% of the Issue Size, or at least 6,420,481 Equity Shares, shall be available for Allocation to Mutual Funds only, and the balance 57,784,329 Equity Shares shall be available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allocated to other QIBs.	
Face Value	Rs. 2 per Equity Share.	
Issue Price	Rs. 83.00 per Equity Share.	
Floor Price	The floor price for the Issue calculated on the basis of Chapter VIII of the SEBI Regulations is Rs. 87.28 per Equity Share. The committee of the Board approved a discount of Rs. 4.28 (i.e., 4.92%) to the Floor Price of Rs. 87.28 in accordance with Regulation 85(1) of the SEBI Regulations.	
Eligible Investors	QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations to whom the Placement Document and the Application Form is circulated and who are eligible to bid and participate in the Issue. The list of QIBs to whom the Placement Document and Application Form is delivered shall be determined by the Global Coordinator and Book Running Lead Manager to the Issue, being Standard Chartered Securities (India) Limited, in consultation with the Company, at their sole discretion.	
Equity Shares issued and outstanding immediately prior to the Issue	2,154,878,749 Equity Shares.	
Equity Shares issued and outstanding immediately after the Issue	2,219,083,559 Equity Shares	
Listing	The Company has received in principle approvals dated January 31, 2013, from the NSE and January 31, 2013 from the BSE, respectively, under Clause 24(a) of the Listing Agreements. The Company shall apply to the Stock Exchanges for the listing approvals and the final listing and trading approvals, after the Allotment and after the credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.	
Lock-up	Please see the sub-section titled "Placement-Lock-up" on page 142 for a description of restrictions on the Company and our Promoters in relation to Equity Shares.	
Transferability Restriction	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the Stock Exchanges. For details in relation to other transfer restrictions, see the section titled "Transfer Restrictions and Purchaser Representations".	
Use of Proceeds	The net proceeds of the Issue, after deduction of fees, commissions and expenses in relation to the Issue, are expected to total approximately Rs. 5,202.00 million. Please see the section titled "Use of Proceeds".	
Risk Factors	Please see the section titled "Risk Factors" on page 27 for a discussion of factors that you should consider before deciding whether to buy the Equity Shares.	
Closing Date	The Allotment is expected to be made on or about February 6, 2013.	
Ranking	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividends after the closing. The holders of such Equity Shares will be entitled to participate in dividends and other corporate benefits, if any, declared by the Company after the Closing Date, in compliance with the Companies Act. The holders of such Equity Shares may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. Please see the section titled "Description of the Shares".	
Security Codes for the Equity Shares	ISIN	INE238A01026
	BSE Code	532532
	NSE Code	JPASSOCIAT

SUMMARY OF BUSINESS

Overview

The Company, or JAL, is the flagship company of the Jaypee Group (the "**Group**"). The Group is a diversified infrastructural industrial group based in India with significant interests in the areas of civil engineering and construction, cement manufacturing and marketing, power, real estate, roads and expressways, hospitality and sports events including Formula One. The Company was incorporated on November 15, 1995 under the name of 'Bela Cement Limited' which was changed to 'Jaypee Rewa Cement Limited' with effect from August 30, 2000. Following which the name was changed to 'Jaypee Cement Limited' with effect from January 3, 2002 and subsequently changed to the present name of 'Jaiprakash Associates Limited' with effect from March 11, 2004.

The Company is engaged primarily in the business of:

- Engineering and construction;
- Manufacture and marketing of cement and cement products; and
- Real estate development.

The Group's principal areas of activities are categorized into the following segments:

- Engineering and construction;
- Cement production;
- Power generation (including Thermal, Wind and Hydro-power);
- Real estate;
- Hotels/Hospitality
- Expressways;
- Sports Events;
- Fertilizer production;
- Oil and gas exploration; and
- Mining.

For the year ended March 31, 2012, the Group had a consolidated income of Rs.151,205 million (March 31, 2011: Rs.116,298 million) and a consolidated net profit after tax of Rs.9,471 million (March 31, 2011: Rs.20,590 million). Further, as of March 31, 2012, the Group had consolidated assets of Rs.792,762 million (March 31, 2011: Rs.669,827 million). (The figures of profit after tax for the year ended March 31, 2011 are inclusive of profit on sale of shares of Rs.4,109 million, net of tax).

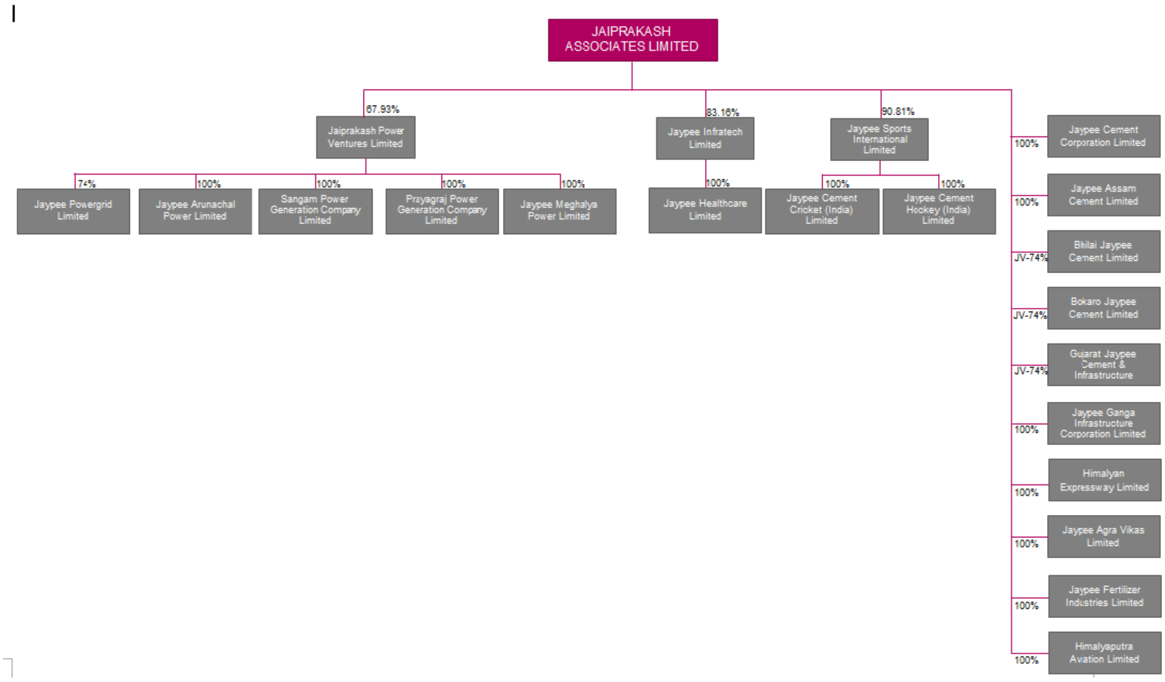
The Equity Shares are listed on the NSE and the BSE.

The promoters of JAL are Shri Jaiprakash Gaur and his associates, who together with their associated interests, comprise the "**Promoter Group**". As of December 31, 2012, the Promoters and Promoter Group held approximately 46.08% of the issued and outstanding Equity Shares.

As of the date of this Placement Document, the Company has 21 subsidiaries, namely Jaiprakash Power Ventures Limited, Jaypee Infratech Limited, Himalayan Expressway Limited, Jaypee Ganga Infrastructure Corporation Limited, Jaypee Sports International Limited, Jaypee Agra Vikas Limited, Jaypee Cement Corporation Limited, Jaypee Fertilizer & Industries Limited, Himalyaputra Aviation Limited, Jaypee Assam Cement Limited, Sangam Power Generation Company Limited, Prayagraj Power Generation Company Limited, Jaypee Meghalaya Power Limited, Bhilai Jaypee Cement Limited, Bokaro Jaypee Cement Limited, Gujarat Jaypee Cement & Infrastructure Limited, Jaypee Powergrid Limited, Jaypee Arunachal Power Limited, Jaypee Cement Cricket (India) Limited, Jaypee Healthcare Limited and Jaypee Cement Hockey (India) Limited.

Organization Chart

The following is the organization chart of the Company and its subsidiaries:



Business Strategy

The Group continues to execute an overall strategy designed to take advantage of the opportunities arising in the infrastructure and power sectors in India. To this end, the Group has expanded its cement manufacturing capabilities substantially from 7 MTPA in 2007 to 33.3 MTPA as of November 30, 2012 and has become one of the largest cement producers in India with a pan-India presence.

In relation to its engineering and construction business, the Company's strategy is to place particular focus on hydro-power projects both as a construction company and as an independent power producer ("**IPP**"), whilst also looking to capitalize on opportunities in emerging infrastructure development projects, including projects being undertaken on a Build-Own-Operate ("**BOO**") basis, and to seek opportunities in relation to highways or expressway projects, and real estate development. The Company has recently completed the construction of one of Asia's largest expressway, the Yamuna Expressway, a 165 km six lane access controlled expressway, expandable to eight lanes, linking Agra and Noida-Greater Noida expressway. The construction also includes the development of 6,175 acres of land at five locations along the Yamuna Expressway for commercial, industrial, institutional, residential and amusement purposes.

The Company also intends to leverage on the growing economy of India and has diversified into the fast growing real estate sector. The Company is currently developing large and integrated real estate projects on land parcels owned by the Company and the Group. As of the date of this Placement Document, the Group owns 695 million sq. ft. of developable land, of which 32 million sq. ft. is owned by the Company, 530 million sq. ft. is owned by Jaypee Infratech Limited and 133 million sq. ft. is owned by Jaypee Sports International Limited.

With an established presence in the development of hydro-power projects as an engineering, procurement and construction ("**EPC**") contractor and on a BOO basis, the Company is now entering into other areas related to the energy sector including, amongst others, oil and gas exploration and, coal mining with a focus on developing into an integrated power player. To this end, the Company, as part of a consortium with Prize Petroleum Company Limited (a subsidiary of Hindustan Petroleum Corporation Limited), participated in the New Exploration Licensing Policy-VI round of bidding for various potential oil blocks in India. The consortium (with the Company holding 90% and Prize Petroleum Company Limited holding 10% of the participating interest in the block) has been allotted the South Rewa Block for exploration. The seismic survey, the 2D and 3D data acquisition and the interpretation of such data has since been completed and three well locations have been identified. The contracts for the supply of tubulars, drilling, rig, and the civil works at the site have been or are being finalized. The spudding of the first well is expected to commence in January 2013. An expenditure of Rs.1,086.5 million has been incurred on the development of the South Rewa Block as of September 30, 2012.

Engineering and Construction

The Company's principal strategy is to focus on undertaking medium to large river valley/hydro-power projects on an EPC contract basis, whereby the Company takes responsibility not only for the design, construction, testing and commissioning of civil and hydro-mechanical works, for which the Company possesses the capacity, expertise and experience, but also for the design, construction, testing and commissioning of electro-mechanical works through joint venture partners. In addition, the Company, leveraging on its strength in engineering and construction in relation to hydro-power projects continues to look at opportunities to undertake hydro-power projects on a BOO basis. In view of the Government's encouragement of hydro-power projects to meet the current energy supply-demand imbalance and to meet projected increases in power demands and to rebalance the thermal power/hydro-power mix, the Company expects that there will be increased business opportunities in the hydro-power sector, both on an EPC contract basis and on a BOO basis. The Company believes its success in the hydro-power sector in integrating its strengths in engineering, technology, project management and construction expertise together with its large well-trained workforce and its highly specialized machinery, plant and equipment, provide it with a significant competitive advantage.

In addition, the Company has diversified its power business and has undertaken to develop four thermal power projects with an aggregate capacity of 7,800 MW on a BOO basis as an IPP. The first phase of the Bina thermal power plant with a capacity of 500 MW will be fully operational in Fiscal 2013 with its first unit of 250 MW having commenced operations in August 2012 and the second unit of 250 MW commencing operations in Fiscal 2013. The remaining thermal power plants are expected to be operational in phases by Fiscal 2016. The Company also believes that its focus on real estate development and construction will provide an additional income stream for the engineering and construction business on a sustainable basis.

Pursuant to its strategy, the Group is one of India's largest hydro-power developers with an operational capacity of 1,700 MW and an additional 3,920 MW currently under development in the north eastern states of Meghalaya and Arunachal Pradesh, which are due to be completed in phases by 2019.

Cement

The Company has a pan-India presence either directly or through its subsidiaries with cement production facilities located in Uttar Pradesh, Uttarakhand, Himachal Pradesh, Haryana, Madhya Pradesh, Chhattisgarh, Gujarat and Andhra Pradesh. As of November 30, 2012, the Group's installed capacity is 33.3 MTPA.

In order to take advantage of the anticipated increase in demand for cement in its markets, the Company plans to expand its cement capacity by setting up a new cement plant at Sidhi in Madhya Pradesh, with an installed capacity of 1.5 MTPA, a plant at Kota in Uttar Pradesh with an installed capacity of 1.6 MTPA of clinker and 1.1 MTPA of cement grinding and a grinding unit at Churk in Uttar Pradesh with an installed capacity of 1.5 MTPA. In addition, the Company's subsidiary, Jaiprakash Power Ventures Limited ("**JPVL**"), is in the process of setting up a cement grinding unit at Nigrie in Madhya Pradesh with an installed capacity of 4.0 MTPA. Jaypee Cement Corporation Limited ("**JCCL**"), another subsidiary of the Company, is renovating and expanding the cement plant at Shahabad in Karnataka to increase the installed capacity to 3.0 MTPA. The Company believes that these developments will increase its own as well as the Group's presence in India.

With the recent completion of the expansion and modernization programs, the Company's cement business has also addressed the issue of cost and reliability of power. The cost of power accounts for approximately 20% of the total cost of producing cement. The Company has set up coal based thermal power plants for captive consumption of power with an installed capacity of 308 MW already in operation as of the date of this Placement Document, making it self-sufficient in power and allowing it to benefit from significant production synergies. The Company believes that the cost savings made as a result of its power plant construction will enhance its competitive position.

Real Estate

The Company believes that the long-term outlook for the real estate sector in India is positive, driven in part by increasing urbanization, favorable demographics, growth of the services sector and rising disposable incomes. Urbanization would be the single largest factor driving the demand for real estate and in particular, housing.

The Company is positioning itself to benefit from this growth and is currently developing integrated real estate projects primarily along the Yamuna Expressway from Noida to Agra in Uttar Pradesh. Located in the northern region of India, Uttar Pradesh is the fourth largest state in India and has the largest economy in the country in terms of gross state domestic product.

SUMMARY FINANCIAL INFORMATION

The following selected financial information, which is extracted from the Company's audited consolidated financial statements for the years ended March 31, 2012, 2011 and 2010 (the "Audited Consolidated Financial Statements") and the Company's unaudited interim financial statements (the "Unaudited Interim Financial Statements") for the six month periods ended September 30, 2012 and September 30, 2011, should be read in conjunction with the sections titled "Financial Statements" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on pages 180 and 49, respectively.

*Pursuant to the Notification S.O. 447(E) dated February 28, 2011, the old format prescribed under Schedule VI to the Companies Act (the "**Old Schedule VI**") was replaced with the revised Schedule VI (the "**Revised Schedule VI**"), which significantly changes the presentation of, and disclosure made in, the financial statements of Indian companies. Accordingly, the Company has modified the manner in which it presents its financial statements as of and for the fiscal year ended March 31, 2012 so that the presentation of the Company's financial statements is consistent with the Revised Schedule VI, which became applicable to the Company in Fiscal 2012. In connection with this exercise, the Company has also reclassified its financial statements as of and for the financial year ended March 31, 2011 in order to provide comparability with its financial statements as of and for the financial year ended March 31, 2012. The Company's historical audited financial statements for Fiscal 2011 and Fiscal 2010, however, have been presented in this Placement Document in accordance with the Old Schedule VI. The adoption of the Revised Schedule VI does not impact the recognition and measurement principles followed for the preparation of the Company's financial statements. However, it does have a significant impact on the presentation of, and disclosure made in, the Company's financial statements, particularly with respect to the presentation of the statement of assets and liabilities. For financial periods ending subsequent to March 31, 2012, the Company has been, and will be, presenting its financial statements in accordance with the Revised Schedule VI. For further details, see the section titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 49.*

JAIPRAKASH ASSOCIATES LIMITED

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Head Office:"JA House", 63, Basant Lok, Vasant Vihar, New Delhi - 110 05
website : www.jalindia.com, e-mail: jal.investor@jalindia.co.in

PART - I

UN-AUDITED STANDALONE FINANCIAL RESULTS [PROVISIONAL]
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

₹ Lakhs

Particulars	Quarter Ended			Half Year Ended		Year Ended [Audited]
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
1. Income from Operations						
[a] Net Sales/Income from Operations [Net of Excise Duty]	298254	296357	286724	594611	576954	1274290
[b] Other Operating Income	2245	4456	3542	6701	5198	11022
Total Income from Operations [Net]	300499	300813	290266	601312	582152	1285312
2 Expenses						
[a] Cost of Materials Consumed	77978	70599	60702	148577	121824	286447
[b] Changes in Inventories of Finished Goods and Work-in-Progress	(8393)	5766	4213	(2627)	9211	(5362)
[c] Direct Construction, Manufacturing, Real Estate, Hotel/Hospitality and Power Expenses	83173	79095	91338	162268	189465	423450
[d] Employee Benefits Expense	20693	17713	17033	38406	33105	66132
[e] Depreciation and Amortisation Expense	17776	17633	14408	35409	28538	61415
[f] Other Expenses	45695 236922	46059 236865	37965 225659	91754 473787	73224 455367	170680 1002762
3. Profit from Operations before Other Income, Finance Costs & Exceptional Items	63577	63948	64607	127525	126785	282550
4. Other Income	2233	2854	7934	5087	9993	26449
5. [a] Profit from Ordinary activities before Finance Costs & Exceptional Items	65810	66802	72541	132612	136778	308999
[b] EBIDTA [5(a) + 2(e)]	83586	84435	86949	168021	165316	370414
6. Finance Costs	46436	46526	37664	92962	76028	178174
7. Profit from Ordinary activities after Finance Costs but before Exceptional Items	19374	20276	34877	39650	60750	130825
8. Exceptional Items	-	-	-	-	-	-
9. Prior Period Adjustments	328	93	(34)	421	(47)	609
10 Profit from Ordinary Activities before Tax	19702	20369	34843	40071	60703	131434
11 Tax Expense						
[a] Current Tax	3932	4080	6960	8012	12026	23835
[b] Excess Provision for Income Tax in Earlier Years Reversed	-	-	-	-	-	(14)
[c] Deferred Tax	2969 6901	2405 6485	3009 9969	5374 13386	5397 17423	4975 28796
12 Net Profit for the Period	12801	13884	24874	26685	43280	102638
13 Paid-up Equity Share Capital [Face Value of ₹ 2/- per share]	42529	42529	42529	42529	42529	42529
14 Reserves excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year						1167846
15 Earnings Per Share [EPS] [Face Value of ₹ 2/- per share]						
[i] Before Exceptional item						
Basic	₹ 0.60	₹ 0.65	₹ 1.17	1.25	2.04	₹ 4.83
Diluted	₹ 0.58	₹ 0.63	₹ 1.13	1.21	1.96	₹ 4.64
[ii] After Exceptional item						
Basic	₹ 0.60	₹ 0.65	₹ 1.17	1.25	2.04	₹ 4.83
Diluted	₹ 0.58	₹ 0.63	₹ 1.13	1.21	1.96	₹ 4.64

PART - II

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
Number of Shares [of ₹ 2/- per share]	1133066436	1132886236	1129498318	1133066436	1129498318	1132207461
Percentage of Shareholding	53.28%	53.28%	53.12%	53.28%	53.12%	53.24%
2 Promoters and Promoter Group Shareholding:						
[a] Pledged/Encumbered						
- Number of Shares	4332500	4362500	2862500	4332500	2862500	4162500
- Percentage of Shares [as a % of the total share-holding of Promoter & Promoter Group]	0.44%	0.44%	0.29%	0.44%	0.29%	0.42%
- Percentage of Shares [as a % of the total share capital of the Company]	0.21%	0.21%	0.13%	0.21%	0.13%	0.20%
[b] Non-encumbered						
- Number of Shares	989034246	989184446	994072364	989034246	994072364	990063221
- Percentage of Shares [as a % of the total share-holding of Promoter & Promoter Group]	99.56%	99.56%	99.71%	99.56%	99.71%	99.58%
- Percentage of Shares [as a % of the total share capital of the Company]	46.51%	46.51%	46.75%	46.51%	46.75%	46.56%

Particulars	30.09.2012
B INVESTOR COMPLAINTS	
Pending at the beginning of the Quarter	1
Received during the Quarter	157
Disposed of during the Quarter	157
Remaining unresolved at the end of the Quarter	1

₹ Lakhs

UN-AUDITED STANDALONE SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

Particulars	Quarter Ended			Half Year Ended		Year Ended [Audited]
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
1. Segment Revenue						
[a] Cement	137191	156294	111666	293485	239971	546496
[b] Construction	128988	121602	155478	250590	282962	584226
[c] Power	1941	985	1609	2926	2803	3557
[d] Hotel/Hospitality & Golf Course	4421	4939	3799	9360	8036	19654
[e] Real Estate	26780	16506	20176	43286	54869	141696
[f] Investments	697	2040	5602	2737	6143	20121
[g] Others	6965	36	25	7001	68	133
[h] Unallocated	1341	2246	2487	3587	4195	7177
Total	308324	304648	300842	612972	599047	1323060
Less:Inter-segment Revenue	5592	981	2642	6573	6902	11299
Total Sales/Income	302732	303667	298200	606399	592145	1311761
2. Segment Results						
[a] Cement	13371	22663	2594	36034	23410	65257
[b] Construction	43925	36027	56153	79952	81147	160536
[c] Power	1427	468	1108	1895	1813	1561
[d] Hotel/Hospitality & Golf Course	(622)	56	(697)	(566)	(865)	358
[e] Real Estate	9514	6661	8728	16175	27238	66467
[f] Investments	697	2040	5602	2737	6143	20121
[g] Others	(159)	(101)	(123)	(260)	(221)	(468)
Total	68153	67814	73365	135967	138665	313832
Less:						
[a] Finance Costs	46436	46526	37664	92962	76028	178174
[b] Other Un-allocable Expenditure net off Un-allocable Income	2015 48451	919 47445	858 38522	2934 95896	1934 77962	4224 182398
Profit before Tax	19702	20369	34843	40071	60703	131434
3. Capital Employed						
[a] Cement [including Capital Work-in-Progress]	1268726	1208529	1108778	1268726	1108778	1148074
[b] Construction [including Capital Work-in-Progress]	347780	423910	329146	347780	329146	408026
[c] Power [including Capital Work-in-Progress]	222369	216373	181571	222369	181571	207209
[d] Hotel/Hospitality & Golf Course [including Capital Work-in-Progress]	63737	62359	58466	63737	58466	61849
[e] Real Estate [including Capital Work-in-Progress]	359228	350441	296792	359228	296792	355557
[f] Investments [including Investment in Subsidiaries out of which 7 are operational]	832868	777388	677894	832868	677894	688247
[g] Others [including Capital Work-in-Progress]	19078	18121	12036	19078	12036	16898
[h] Un-allocated	550998	463983	608818	550998	608818	566071
Total	3664784	3521104	3273501	3664784	3273501	3451931

JAIPRAKASH ASSOCIATES LIMITED

STATEMENT OF ASSETS AND LIABILITIES

₹ Lakhs

Particulars	Unaudited		Audited
	30.09.2012	30.09.2011	31.03.2012
A EQUITY AND LIABILITIES			
1 SHAREHOLDERS FUNDS			
(a) Share Capital	42529	42529	42529
(b) Reserves and Surplus	1209822	1144412	1187901
Sub-total - Shareholders' funds	1252351	1186941	1230430
2 NON-CURRENT LIABILITIES			
(a) Long-term Borrowings	1859910	1456250	1503700
(b) Deferred Tax Liabilities [Net]	129747	124795	124372
(c) Other Long-term Liabilities	174660	164200	160878
(d) Long-term Provisions	17268	9288	13263
Sub-total - Non-current Liabilities	2181585	1754533	1802213
3 CURRENT LIABILITIES			
(a) Short-term Borrowings	94940	71965	107929
(b) Trade Payables	227396	166599	222550
(c) Other Current Liabilities	586848	595326	698373
(d) Short-term Provisions	12245	9406	12937
Sub-total - Current Liabilities	921429	843296	1041789
TOTAL - EQUITY AND LIABILITIES	4355365	3784770	4074432
B ASSETS			
1 NON-CURRENT ASSETS			
(a) Fixed Assets	1684388	1401986	1542618
(b) Non-current Investments	776080	637438	654550
(c) Long-term Loans and Advances	120127	131041	117455
(d) Other Non-current Assets	142901	570001	156890
Sub-total - Non-current Assets	2,723,496	2,740,466	2,471,513
2 CURRENT ASSETS			
(a) Current Investments	56788	40457	33697
(b) Inventories	183811	155335	169149
(c) Projects Under Development	242668	210927	233631
(d) Trade Receivables	222875	140818	286637
(e) Cash and Cash Equivalents	147078	178839	102223
(f) Short-term Loans and Advances	372314	315574	313464
(g) Other Current Assets	406335	2354	464118
Sub-total - Current Assets	1,631,869	1,044,304	1,602,919
TOTAL - ASSETS	4355365	3784770	4074432

Notes:

1. Previous Year's / Quarter's figures have been regrouped / rearranged / recast wherever necessary.

2. During the quarter the Company has fully redeemed outstanding FCCBs of USD 354.475 Mn on 12th September 2012 (due date) out of FCCB issue of USD 400 Mn. raised in September, 2007. The Company paid ₹ 1930.16 Crores towards Principal amount of the Bonds and ₹ 920.70 Crores (equivalent to USD 169.09 Mn) as Premium payable on redemption of the above said Bonds.

3. The Company has successfully raised 5.75% Foreign Currency Convertible Bonds of USD 150 Mn convertible into Equity Shares of ₹ 2/- each at a predetermined price of ₹ 77.50 per share. The proceeds of the issue were utilised for redemption of the Foreign Currency Convertible Bonds mentioned at Sl. No.2 above.

4. Figures for the Quarter/Half Year Ended 30th Sept, 2011 had been reworked pursuant to Demerger of (i) South Cement Undertaking, (ii) West Cement Undertaking , (iii) Asbestos Undertaking, (iv) Heavy Engineering Works undertaking & (v) Foundry Undertaking approved by Hon'ble High Court of Judicature at Allahabad u/s Section 391/394 of the Companies Act,1956. The demerged undertakings stood transferred to and vested in the Transferee Company i.e.Jaypee Cement Corporation Limited [100% subsidiary of the Company] w.e.f. 1st April, 2011 [Appointed Date].

5. 189,316,882 Equity Shares held by the Four Trusts, of which the Company is the sole beneficiary, are pledged for securing the loan obtained by the Company. Shares in respect of which Non Disposal Undertaking (NDU) has been issued are not included in 'Encumbered Shares'. The details of such shares are as follows: Out of the total holding of 717,656,303 Equity Shares of the Company held by Jaypee Infra Ventures (A Private Company With Unlimited Liability), a Promoter/Promoter Group Company, 8,939,157 Shares are under NDU.

6. The above results have been subjected to the limited review by the Statutory Auditors in terms of Clause 41 of the Listing Agreement. The same were reviewed by the Audit Committee and then approved by the Board of Directors in their respective meetings held on 12th November, 2012.

Date : New Delhi
Place: 12th November, 2012

Manoj Gaur
Executive Chairman & CEO

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

	CONSOLIDATED NOTE No.	As At 31.03.2012 ₹ LAKHS		As At 31.03.2011 ₹ LAKHS	
EQUITY AND LIABILITIES					
SHAREHOLDERS FUNDS					
(a) Share Capital	2	42,529		42,529	
(b) Reserves and Surplus	3	1,105,274		1,035,382	
			1,147,803		1,077,911
MINORITY INTEREST					
(a) Share Capital		129,118		92,142	
(b) Share Capital Suspense		-		34,408	
(c) Reserves and Surplus		163,603		140,211	
(d) Share Application Money		1,500		24,000	
(e) Preference Share Capital		435	294,656	-	290,761
Deferred Revenue	4		39,206		31,302
NON-CURRENT LIABILITIES					
(a) Long Term Borrowings	5	4,391,272		3,922,696	
(b) Deferred Tax Liabilities [Net]	6	141,040		121,501	
(c) Other Long Term Liabilities	7	85,554		76,996	
(d) Long Term Provisions	8	49,649		32,757	
			4,667,515		4,153,950
CURRENT LIABILITIES					
(a) Short Term Borrowings	9	145,768		194,365	
(b) Trade Payables	10	384,554		216,411	
(c) Other Current Liabilities	11	1,201,230		720,743	
(d) Short Term Provisions	12	46,892		12,828	
			1,778,444		1,144,347
TOTAL			7,927,624		6,698,271
ASSETS					
NON-CURRENT ASSETS					
(a) FIXED ASSETS					
(i) Tangible Assets	13	2,659,439		1,639,694	
(ii) Intangible Assets		6,089		4,509	
(iii) Capital Work-in-Progress [including Expenditure During Construction Period]		2,605,457		2,239,500	
(iv) Intangible Assets under Development		54,400		54,025	
		5,325,385		3,937,728	
(b) NON-CURRENT INVESTMENTS	14	289,419		267,596	
(c) LONG TERM LOANS AND ADVANCES	15	368,994		395,460	
(d) OTHER NON-CURRENT ASSETS	16	163,168	6,146,966	157,569	4,758,353
CURRENT ASSETS					
(a) Current Investments	17	33,697		43,516	
(b) Inventories	18	194,746		166,895	
(c) Projects Under Development	19	632,978		543,051	
(d) Trade Receivables	20	197,784		115,664	
(f) Cash and Cash Equivalents	21	286,059		681,860	
(g) Short-term Loans and Advances	22	430,944		382,052	
(h) Other Current Assets	23	4,450	1,780,658	6,880	1,939,918
TOTAL			7,927,624		6,698,271

Significant Accounting Policies & Notes to the Financial Statements "1" to "46"

For and on behalf of the Board

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

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

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

M.P. SINGH
Partner
M.No 1454

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: 30th May, 2012

CONSOLIDATED STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH, 2012

	CONSOLIDATED NOTE No.		2011-12 ₹ LAKHS		2010-11 ₹ LAKHS
REVENUE FROM OPERATIONS	24		1,487,350		1,137,491
OTHER INCOME	25		24,699		25,490
TOTAL REVENUE			1,512,049		1,162,981
EXPENSES					
Cost of Materials Consumed	26	245,686		181,305	
Changes in Inventories of Finished Goods & Work-in-Progress	27	3,364		(25,653)	
Manufacturing, Construction, Real Estate, Infrastructure Hotel/Hospitality/Event & Power Expenses	28	396,612		274,495	
Employee Benefits Expense	29	66,001		52,493	
Finance Costs	30	313,414		197,950	
Depreciation and Amortisation Expense	31	95,155		64,773	
Other Expenses	32	229,213		158,705	
TOTAL EXPENSES			1,349,445		904,068
Profit before Exceptional, Prior Period Items & Tax			162,604		258,913
Profit on Sale of Shares - Exceptional Item			-		51,316
Adjustment for Tariff for FY 04 to FY 08			-		(1,002)
Prior Period Adjustments			(66)		(458)
Profit before Tax			162,538		308,769
Tax Expense					
Current Tax		55,839		75,116	
Deferred Tax		13,199		29,159	
Excess Provision for Income Tax in Earlier Years Reversed		(1,208)	67,830	(1,409)	102,866
Net Profit after Tax and before Minority Interest and Share in Earnings of Associates			94,708		205,903
Minority Share Holders Interest			(31,412)		(26,536)
Share in Earnings of Associates			(4)		(85)
Profit for the year			**63,292**		**179,282**
Earnings Per Equity Share [EPS] [Face Value of ₹ 2/- per share]					
Before Extraordinary Items					
Basic Earnings Per Share			2.98		8.43
Diluted Earnings Per Share			2.86		8.10
After Extraordinary Items					
Basic Earnings Per Share			2.98		8.43
Diluted Earnings Per Share			2.86		8.10
Significant Accounting Policies & Notes to the Financial Statements	"1" to "46"				

For and on behalf of the Board

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

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

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

M.P. SINGH
Partner
M.No 1454

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: 30th May, 2012

JAIPRAKASH ASSOCIATES LIMITED [CONSOLIDATED]

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

		2011-2012 ₹ LAKHS		2010-2011 ₹ LAKHS
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Minority Shareholders Interest as per Statement of Profit & Loss		162,538		308,769
Add back:				
(a) Depreciation	94,898		64,635	
(b) Deferred Revenue on account of advance against depreciation	7,904		7,905	
(c) Miscellaneous Expenses and Amortisation	1,152		1,419	
(d) Finance Costs	313,414		197,950	
(e) Loss on sale of Assets [Net]	102	417,470	179	272,088
		580,008		580,857
Deduct:				
(a) Interest Income	(16,129)		(23,749)	
(b) Dividend Income	(645)		(1,561)	
(c) Profit on Sale of Equity Shares	-		(51,316)	
(d) Profit on Sale/Redemption of Exchange Traded Funds/ Mutual Funds	(7,925)		(180)	
(e) Other Income	(368)	(25,067)	(426)	(77,232)
Operating Profit before Working Capital Changes		554,941		503,625
Deduct:				
(a) Increase in Trade Receivables	(86,597)		(121,506)	
(b) Increase in Inventories	(27,851)		(24,741)	
(c) Increase in Projects under Development	(89,927)		(148,225)	
(d) (Increase)/ Decrease in Loans and Advances [including other Current Assets]	(62,103)		(103,886)	
		(266,478)		(398,358)
		288,463		105,267
Add:				
Increase in Trade Payables, Other Liabilities & Provisions		174,233		165,993
Cash Generated from Operations		462,696		271,260
Deduct:				
Tax Paid [except Tax paid on Profit on sale of Equity Shares]		(49,618)		(80,547)
CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES "A"		413,078		190,713
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Outflow:				
(a) Purchase of Fixed Assets [including Capital Work in Progress]	(1,428,893)		(1,290,924)	
(b) Purchase of Investments in Shares [including Share Application Money]	(21,823)		(28,426)	
(c) Purchase/ Sale of Investments in units of Mutual Fund / Exchange Traded Funds [Net]	17,744		(2,401)	
(d) Miscellaneous Expenditure	(70)		(301)	
		(1,433,042)		(1,322,052)
Inflow:				
(a) Sale/Transfer of Fixed Assets	3,147		2,336	
(b) Sale of Investments in Equity Shares	-		57,316	
(c) Interest Received	17,437		22,433	
(d) Dividend Received	645		1,561	
(e) Other Income	368		426	
		21,597		84,072
Deduct:				
Tax Paid on Profit on Sale of Equity Shares		-		(10,228)
NET CASH USED IN INVESTING ACTIVITIES "B"		(1,411,445)		(1,248,208)

(C) CASH FLOW FROM FINANCING ACTIVITIES:			2011-2012 ₹ LAKHS		2010-2011 ₹ LAKHS
Inflow:					
(a) Increase in Share Capital (Refer Note No.1)		-		36	
(b) Increase in Security Premium (Net of expenses) (Refer Note No.1 & 2)		41,550		144,236	
(c) Increase in Minority Interest		-		46,857	
(d) Increase in Capital Reserve		2,803		2,929	
(e) Increase in Borrowings (Net of Repayments)		891,064		909,777	
(f) Adjustment in General Reserve		61		-	
			935,478		1,103,835
Outflow:					
(a) Finance Costs [including Redemption Premium]		(300,361)		(189,375)	
(b) Dividend Paid (including Tax on Dividend)		(12,784)		(23,601)	
(c) Decrease in Minority Interest		(19,767)		-	
			(332,912)		(212,976)
NET CASH FROM FINANCING ACTIVITIES	"C"		602,566		890,859
CASH AND CASH EQUIVALENTS ADJUSTMENT	"D"		-		(23)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	"A+B+C+D"		(395,801)		(166,659)
CASH AND CASH EQUIVALENTS AS AT 01.04. (OPENING BALANCE)			681,860		848,519
CASH AND CASH EQUIVALENTS AS AT 31.03. (CLOSING BALANCE)			286,059		681,860

Notes:

1. 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.

2. Increase in Security Premium also includes premium received by Subsidiary Companies on issue of Shares.

3. Previous year figures have been regrouped/rearranged wherever necessary.

For and on behalf of the Board

for M.P. SINGH & ASSOCIATES
Chartered Accountants
Firm Regn No.002183C

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

M.P. SINGH
Partner
MNo.1454

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

GOPAL DAS BANSAL
Jt. PRESIDENT
[Accounts]

RAM BAHADUR SINGH
C.F.O
[Cement]

HARISH K. VAI D
Sr. PRESIDENT [Corporate Affairs] & COMPANY SECRETARY]

RAHUL KUMAR
DIRECTOR & C.F.O.

SHYAM DATT NAILWAL
DIRECTOR [Finance]

Place : Noida
Dated: 30th May,2012

CONSOLIDATED BALANCE SHEET	SCHEDULE		As At 31.03.2011 ₹ LAKHS		As At 31.03.2010 ₹ LAKHS
SOURCES OF FUNDS					
SHAREHOLDERS FUNDS					
Share Capital	A	42,529		42,493	
Reserves and Surplus	B	1,035,382	1,077,911	811,534	854,027
MINORITY INTEREST (in Subsidiaries)					
Share Capital		92,142		67,940	
Share Capital Suspense		34,408		-	
Reserves and Surplus		140,211		30,991	
Share Application Money		24,000	290,761	1,708	100,639
DEFERRED REVENUE	C		31,302		23,397
LOAN FUNDS					
Secured Loans	D	3,524,802		2,616,081	
Unsecured Loans	E	919,699	4,444,501	911,027	3,527,108
DEFERRED TAX LIABILITY			126,724		96,392
TOTAL FUNDS EMPLOYED			5,971,199		4,601,563
APPLICATION OF FUNDS					
FIXED ASSETS	F				
Gross Block		1,993,552		1,848,684	
Less: Depreciation		349,349		284,687	
Net Block		1,644,203		1,563,997	
Capital Work-in-Progress [Including Incidental Expenditure Pending Allocation]		2,565,592	4,209,795	1,545,929	3,109,926
INVESTMENTS	G		311,112		105,864
DEFERRED TAX ASSET			5,223		4,079
CURRENT ASSETS, LOANS & ADVANCES	H				
CURRENT ASSETS					
Inventories		166,889		141,591	
Projects under Development		543,106		380,696	
Sundry Debtors		267,115		145,168	
Cash and Bank Balances		681,860		848,519	
Other Current Assets		12,966		12,764	
Loans & Advances		608,865		456,982	
		2,280,801		1,985,720	
LESS: CURRENT LIABILITIES & PROVISIONS	I				
Current Liabilities		686,188		516,644	
Provisions		149,601		90,723	
		835,789		607,367	
NET CURRENT ASSETS			1,445,012		1,378,353
MISCELLANEOUS EXPENDITURE	J		57		3,341
TOTAL APPLICATION OF FUNDS			5,971,199		4,601,563

Accounting Policies and Notes to the Consolidated Accounts — T

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

for M.P. SINGH & ASSOCIATES
Chartered Accountants

M.P. SINGH
Partner
M.No 1454
Firm Regn No. 002183C

Place : Noida
Dated: 12th August, 2011

GOPAL DAS BANSAL
Sr. VICE-PRESIDENT
[Accounts]

RAM BAHADUR SINGH
C.F.O.
[Cement]

HARISH K. VAID
Sr. PRESIDENT
[Corporate Affairs]
& COMPANY SECRETARY

RAHUL KUMAR
DIRECTOR &
C.F.O.

For and on behalf of the Board

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

SHYAM DATT NAILWAL
DIRECTOR [Finance]

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED	SCHEDULE			2010-2011 ₹ LAKHS		2009-2010 ₹ LAKHS
INCOME						
Cement Sales [Gross]		562,133			392,173	
Less: Excise Duty on Sales		60,262			40,218	
			501,871		351,955	
Construction Revenue			85,015		131,864	
Real Estate/ Infrastructure Revenue			427,658		67,565	
Hotel/Hospitality Revenue			17,629		15,122	
Sale of Energy			81,699		73,707	
Sale of VERs			3,821		4,111	
Asbestos Sheets Sales [Gross]		9,078			8,793	
Less: Excise Duty on Sales		837			(562)	
			8,241			
Other Revenue	K		88,363		157,956	
				1,214,297		810,511
EXPENDITURE						
(Increase)/Decrease in Stocks & Work -in-Progress	L		(29,489)		10,091	
Manufacturing, Construction, Real Estate , Infrastructure, Hotel/ Hospitality & Power Expenses	M		455,735		243,445	
Excise Duty on Stocks			3,836		2,268	
Personnel	N		52,493		59,409	
Selling & Distribution Expenses	O		111,543		60,459	
Other Expenses	P		57,846		57,709	
Interest	Q		187,469		128,638	
Depreciation			64,635		47,220	
				904,068		609,239
				310,229		201,272
Adjustment of Tariff for FY 04 to FY 08				(1,002)		-
Prior Period Adjustments [Net]				(458)		(593)
Profit before Tax				308,769		200,679
Provision for Taxation						
Current Tax			75,116		59,144	
Deferred Tax			29,159		23,351	
Excess Provision for Income Tax in Earlier Years Reversed			(1,409)	102,866	-	82,495
Net Profit after Tax and before Minority Interest and Share in Earnings of Associates				205,903		118,184
Minority Share Holders Interest				(26,536)		(6,266)
Share in Earnings of Associates				(85)		-
Net Profit for the Period				179,282		111,918
Profit brought forward from Previous Year				166,200		152,192
Profit Available for Appropriation				345,482		264,110
Less: Dividend Paid Pertaining to Previous year				11		1
Less: Transferred to Reserve for Redemption Premium on Foreign Currency Convertible Bonds				17,200		11,975
Less:Transferred to Debenture Redemption Reserve				76,523		47,986
Less:Transferred to General Reserve				15,300		24,000
Add: Tax on Proposed Final Dividend Reversed				-		396
Add: Final Dividend Received by Jaiprakash Enterprises Limited [Transferor Company]				-		240
Add: Final Dividend Transferred from Trusts				1,022		705
Add: Minority Shareholders Interest for Appropriation				26,536		6,266
Less:Interim Dividend			10,260		7,571	
Less:Interim Dividend received by Trusts			(757)		(682)	
Tax on Interim Dividend			1,730		1,287	
Proposed Final Dividend			9,675		11,473	
Tax on Proposed Final Dividend			2,506	23,414	1,906	21,555
Balance carried to Balance Sheet				240,592		166,200
Accounting Policies and Notes to the Consolidated Accounts	T					
Earnings Per Share [EPS] [Face Value of ₹ 2/- per Share] [Refer Schedule "T" of Sl. No. 14]						
Before Extraordinary Items						
Basic Earnings per Share				8.43		6.30
Diluted Earnings per Share				8.10		5.98
After Extraordinary Items						
Basic Earnings per Share				8.43		5.30
Diluted Earnings per Share				8.10		5.03

As per our report of even date attached to the Balance Sheet
for M.P. SINGH & ASSOCIATES
Chartered Accountants

M.P. SINGH
Partner
M.No 1454
Firm Regn No. 002183C

Place : Noida
Dated: 12th August, 2011

GOPAL DAS BANSAL
Sr. VICE-PRESIDENT
[Accounts]

RAM BAHADUR SINGH
C.F.O.
[Cement]

HARISH K. VAID
Sr. PRESIDENT
[Corporate Affairs]
& COMPANY SECRETARY

RAHUL KUMAR
DIRECTOR & C.F.O

For and on behalf of the Board

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

SHYAM DATT NAILWAL
DIRECTOR [Finance]

JAIPRAKASH ASSOCIATES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

			2010-2011 ₹ Lakhs		2009-2010 ₹ Lakhs
(A)	CASH FLOW FROM OPERATING ACTIVITIES:				
	Net Profit before Tax and Minority Shareholders Interest as per Profit & Loss Account		308,769		200,679
	Add back:				
	(a) Depreciation	64,635		47,220	
	(b) Deferred Revenue on account of advance against depreciation	7,905		7,530	
	(c) Miscellaneous Expenses (Amortized)	1,419		2,015	
	(d) Interest on Borrowings	187,469		128,638	
	(e) Employee Compensation Expense	-		21,194	
	(f) Loss on sale of fixed assets	179		98	
			261,607		206,695
			570,376		407,374
	Deduct:				
	(a) Interest Income	(23,749)		(15,840)	
	(b) Dividend Income	(1,561)		(758)	
	(c) Profit on Sale of Equity Shares [Previous Year - held through Beneficiary Trusts]	(51,316)		(131,635)	
	(d) Profit on Sale/Redemption of Preference Shares/Mutual Funds	(180)		(849)	
	(e) Other Income	(426)		(119)	
			(77,232)		(149,201)
	Operating Profit before Working Capital Changes		493,144		258,173
	Deduct:				
	(a) (Increase)/ Decrease in Sundry Debtors	(121,506)		(68,884)	
	(b) (Increase)/ Decrease in Inventories	(24,741)		(33,434)	
	(c) (Increase)/ Decrease in Projects under Development	(148,225)		(265,268)	
	(d) (Increase)/Decrease in Other Receivables	1,114		656	
	(e) (Increase)/ Decrease in Loan and Advances	(105,000)		(49,030)	
			(398,358)		(415,960)
			94,786		(157,787)
	Add:				
	Increase/ (Decrease) in Trade Payables & other Liabilities		160,930		161,389
	Cash Generated from Operations		255,716		3,602
	Deduct:				
	Tax Paid [except Tax paid on Profit on sale of Equity Shares]		(80,547)		(35,688)
	CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	"A"	175,169		(32,086)
(B)	CASH FLOW FROM INVESTING ACTIVITIES:				
	Outflow:				
	(a) For Fixed Assets and Capital Work in progress	(1,290,924)		(1,120,242)	
	(b) Purchase of Investments in Equity Shares [including Share Application Money]	(28,426)		(1,877)	
	(c) Purchase of Investments in units of Mutual Fund/ Exchange Traded Funds	(312,969)		(179,144)	
	(d) Miscellaneous Expenditure	(301)		(2,995)	
			(1,632,620)		(1,304,258)
	Inflow:				
	(a) Sale/Transfer of Fixed Assets	2,336		3,702	
	(b) Sale/Redemption of Investments in shares/Mutual Fund	310,568		149,185	
	(c) Sale of Equity Shares [Previous Year held in beneficiary trusts]	57,316		168,079	
	(d) Interest Received	22,433		13,204	
	(e) Dividend Received	1,561		758	
	(f) Other Income	426		119	
			394,640		335,047
	Deduct:				
	Tax Paid on Profit on Sale of Equity Shares		(10,228)		(22,371)
	NET CASH USED IN INVESTING ACTIVITIES	"B"	(1,248,208)		(991,582)

			2010-2011 ₹ Lakhs		2009-2010 ₹ Lakhs
(C)	CASH FLOW FROM FINANCING ACTIVITIES:				
	Inflow:				
	(a) Increase in Share Capital (Refer Note No.1)	36		311	
	(b) Increase in Security Premium (Refer Note No. 1 & 2)	144,236		8,348	
	(c) Increase in Minority Interest	46,857		9,624	
	(d) Increase in Capital Reserve	2,929		5,700	
	(e) Increase in Borrowings (Net)	914,840	1,108,898	1,595,093	1,619,076
	Outflow				
	(a) Interest Paid	(178,894)		(119,503)	
	(b) Dividend Paid (including Tax on Dividend)	(23,601)	(202,495)	(19,527)	(139,030)
	NET CASH FROM FINANCING ACTIVITIES	"C"	906,403		1,480,046
	CASH AND CASH EQUIVALENT ADJUSTMENT	"D"	(23)		-
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C+D"		(166,659)		456,378
	CASH AND CASH EQUIVALENTS AS AT 01.04 (OPENING BALANCE)		848,519		392,141
	CASH AND CASH EQUIVALENTS AS AT 31.03 (CLOSING BALANCE)		681,860		848,519

Notes:

1. 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.
2. Increase in Security Premium also includes premium received on Public Issue of Equity Shares by Jaypee Infratech Limited [Subsidiary Company].
3. Impact in Cash Flows on account of changes in ownership of Subsidiaries have been effected.
4. Previous Year Figures had been regrouped/rearranged wherever necessary.

For and on behalf of the Board

for M.P. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

M.P.SINGH
PARTNER
MNo.1454
Firm Regn No.002183C

Place : Noida
Dated: 12th August, 2011

GOPAL DAS BANSAL
Sr. VICE PRESIDENT
[Accounts]

R.B. SINGH
C.F.O.
[Cement]

HARISH K. VAID
Sr. PRESIDENT
[Corporate Affairs]
& COMPANY SECRETARY

RAHUL KUMAR
DIRECTOR &
C.F.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE-CHAIRMAN

SHYAM DATT NAILWAL
DIRECTOR [Finance]

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. This section should be read together with "Industry", "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as well as the other financial statements and other financial information included elsewhere in this Placement Document.

The risks and uncertainties described below are not the only risks that the Company currently faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also adversely affect its business, results of operations and financial condition. If any or some combination of the following risks, or other risks that are not currently known or believed to be material, actually occur, the Company's business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, the Equity Shares could decline and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of the Company and the terms of this Issue, including the merits and risks involved.

This Placement Document also contains forward-looking statements that involve risks and uncertainties. The Company's results could differ materially from such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this Placement Document.

Risks Associated with the Company's Business

Certain consents that are required to be obtained under the Company's financing documents from its lenders for undertaking any further issue of Equity Shares, including for this Issue, have been sought but not obtained which may constitute a default under such financing documents

Under the terms of certain of its financing documents, the Company requires the consent of its lenders to undertake this Issue. Although the Company has sought such consents from its lenders, certain consents have not been obtained as of the date of this Placement Document. In addition, the Company may not have obtained all of the required consents on previous occasions when it incurred additional indebtedness. As a result, there may have been breaches under certain of the Company's financing documents in respect of which the Company has not sought waivers. The Company believes it has strong relationships with its lenders and continuously engages with them on changes to its indebtedness profile and has informed all its lenders that it is undertaking this Issue. Further, the Company has also obtained the consent of ICICI Bank Limited, its lead term lender.

Facilities in respect of which lender consent is required and has not been obtained aggregate to Rs. 70.511 million and account for 30.69 % of the aggregate principal amount of the Company's outstanding indebtedness as of September 30, 2012, of which lender's consent for Rs.24,638 million accounting for 34.94% of the consent required, has been received.

Defaults under, or the acceleration of, the Company's loans or debentures arising from not obtaining the relevant consents to undertake this Issue or waivers in relation to past defaults or as a consequence of the operation of cross-default or cross-acceleration clauses may, individually or in the aggregate, have a material adverse effect on the Company's operations, financial position and credit rating. If all or a significant portion of the Company's indebtedness is accelerated and becomes due and payable, it is unlikely that the Company will be able to repay its lenders or debenture holders.

The Company is subject to penalties imposed by the Competition Commission of India.

The Competition Commission of India ("**CCI**") passed an order on June 20, 2012 in relation to a complaint filed by the Builders Association of India against the Cement Manufacturer's Association (the "**CMA**") and 11 cement manufacturers, including the Company. The CCI held the cement manufacturers guilty of cartelization in the cement industry and as a result a penalty, at the rate of 0.5 times the net profit for the financial years 2009-2010 and 2010-2011, of Rs.13,236 million has been imposed on the Company. Additionally, the CCI has also imposed a fine on the CMA, at 10% of its total receipts for the past two years, for its role in providing a platform from which the cement manufacturers' cartel activity took place. The CCI had ordered an investigation into the conduct of the cement manufacturers and the director general of the CCI submitted a report detailing the contraventions by the said cement manufacturers, including 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.

The Company has not made any provision for the penalty imposed by the CCI in its financial statements. There can be no assurance that the Company will be successful in its appeal. The failure of the appeal and the payment of the penalty may have a material adverse effect on the reputation, business, financial condition and prospects of the Company.

Further, the Company has received a notice dated December 13, 2012 from the CCI, requesting certain information to enable it to conduct an investigation into the existence of a cartel amongst manufacturers of asbestos cement sheets. See "Legal Proceedings".

The Company is subject to damages imposed by the Himachal Pradesh High Court in relation to compliance with environmental laws.

The High Court of Himachal Pradesh in an order dated May 4, 2012 imposed damages aggregating Rs.1,000 million (to be paid in four installments until March 31, 2015) on the Company for alleged violation of various provisions of environmental laws in the state of Himachal Pradesh in relation to its grinding and blending unit at Bagheri. In addition, the High Court of Himachal Pradesh ordered the Company to dismantle the thermal power plant attached to the grinding unit within three months from the date of the order. The review petition filed by the Company was also dismissed. The Company filed a special leave petition ("**SLP**") before the Supreme Court of India on August 3, 2012 against the High Court order dated May 4, 2012. The SLP has been admitted by the Supreme Court of India. However, while disposing of the Company's interim application for stay, the Supreme Court of India has ordered the Company to deposit the amount of damages with the Government of Himachal Pradesh in accordance with the installments specified in the impugned order and also ordered the hearing of the SLP to be expedited. The Company has deposited the first installment of Rs. 250 million with the Chief Secretary, Government of Himachal Pradesh in accordance with the said Order

Based on the Ministry of Environment and Forests ("**MoEF**") notification of 1999, the Company's view was that it did not require any environmental clearances for setting up a grinding and blending unit. During the course of the proceedings before the High Court of Himachal Pradesh and the Supreme Court of India, the MoEF has also, pursuant to affidavits, confirmed the Company's understanding that no environmental clearances were required. In respect of dismantling the captive thermal power plant, since the Company had only undertaken civil works and as the plant had not been set up, there was no further action required on the part of the Company to dismantle it.

There can be no assurance that the Company will be successful in its application. The failure of the application and the payment of the damages may have an adverse effect on the business, financial condition and prospects of the Company.

The Company is subject to various risks with respect to its engineering and construction business in various sectors.

A significant number of the Company's contracts are and will continue to be awarded following competitive bidding. The revenue, cost and gross profit realized on a contract may vary from original estimates because of, among other things, changes in project conditions, fluctuations in costs of raw materials, variations in labor and equipment costs or productivity and weather conditions. These variations and the risks generally inherent in the engineering and construction business may result in gross profits realized by the Company being different from those originally estimated and may result in the Company experiencing reduced profitability or losses on projects. Depending on the size of a project, these variations from estimated contract performance could have a material adverse effect on the Company's operating results for any particular fiscal or interim period.

Regardless of the type of project, the engineering and construction business is subject to unusual risks, including unforeseen conditions encountered during construction, the impact of inflation upon costs and financing requirements of clients, changes in political and legal circumstances, particularly since contracts for major projects are performed over an extended period of time and damages payable due to delays in projects.

The Company also provides performance guarantees in relation to certain of its projects and other activities. In the event of non-performance of specified obligations, the Company may be liable to pay out significant amounts. Although the Company seeks to minimize and spread its risks over a large number of projects, a combination of circumstances may result in significant losses on a particular project.

Although the Company maintains insurance in respect of its engineering and construction projects in accordance with industry standards in India, there can be no assurance that such insurance will be sufficient to cover liabilities resulting from claims relating to the Company's engineering and construction projects. See "Business — Insurance".

Adverse conditions in the main markets in which the Company's cement plants and facilities are located and business is conducted could have a negative effect on the Company's business.

Demand for the Company's cement is significantly affected by general economic activity in the areas where its manufacturing plants and other business operations are located, as well as by adverse weather conditions which are not conducive to home building, or which may affect harvests, and thus impact on the spending power of the Company's target retail customers. As a practical matter, it is generally less economic to sell cement more than 600 kilometers from where it is produced and, accordingly, the Company is generally subject to the prevailing conditions in the markets where its cement is produced.

The cement industry in India has historically been subject to cyclical variations reflecting a number of factors, including favorable monsoons, economic activity, particularly in the housing and building sectors, and levels of and changes in interest rates. No assurance can be given that cement consumption will not decrease, or that rates of consumption will return to those that have previously been experienced. Any decrease in consumption could have a material adverse effect on the results of operations and profitability of the Company's cement business.

If the Company cannot respond adequately to increased competition in the future, it may lose market share and its profits may go down.

Historically, the Company has faced limited competition in India for certain of its businesses, including its engineering and construction business. Substantial trade barriers have restricted foreign competition in India. In recent years, India has adopted new economic policies which have created opportunities for increased competition in engineering and construction related businesses, especially from foreign companies forming joint ventures with other Indian engineering and construction companies. While the Company believes that the liberalization of the Indian economy creates attractive business opportunities for it, the Company also anticipates that competition from both Indian and foreign companies will increase in relation to its engineering and construction activities. Although the Company has a business strategy which seeks to minimise the effects of such competition, there can be no assurance that such competition will not erode the Company's historical profit margins.

The Indian cement industry has in the past been and is presently characterized by excess capacity and intense competition. The Company may be required to lower the prices it charges for its products in response to such competition, which could adversely impact the operating revenue and profitability of the cement business of the Company.

There was a large increase in demand for cement in India in the mid-1990s, which led to Indian cement companies substantially expanding their capacities.

The long lead time required to add or expand capacity has also led to demand and supply imbalances. The long lead time also makes it more difficult for Indian cement companies to estimate the balance of future supply and demand. This uncertainty is compounded by the fact that, with approximately 45 active cement companies, India is a much more fragmented cement market than the cement markets in most other cement producing countries.

The Company faces intense competition from other cement companies, including some that are subsidiaries of or joint ventures with international cement companies. These competitors may limit the Company's ability to expand its business into new markets and may compete with the Company on pricing of products. In addition, the Company is also subject to competition from numerous smaller, localized competitors who generally try to gain market share by discounting their prices, thereby requiring cement companies, including the Company, to lower prices so as to maintain their respective market shares. This forced reduction in prices, could have a material adverse effect on the results of operations and profitability of the Company. The level of competition among cement producers has at times resulted in downward pricing pressures. Current and potential competitors may also introduce new and more competitive products and ancillary services, make strategic acquisitions or establish cooperative relationships among themselves or with third parties, thereby increasing their ability to address the needs of the target customers of the Company.

Although the Company believes that its current cost structure enables it to compete with its main competitors, there can be no assurance that the Company will be able to compete successfully in the future. If the Company is unable to price its products competitively, provide competitive products or services or expand into new markets, this could have a material adverse effect on its business, financial condition and prospects.

The Company's engineering and construction revenues are highly dependent upon a limited number of customers.

A significant proportion of the Company's engineering and construction revenue has historically been derived from a limited number of customers. The nature of the Company's engineering and construction business is such that it is heavily reliant upon the ability of a relatively small number of customers to pay amounts due to the Company for services provided. A failure to pay amounts due by a number of these clients at any one time could have a material adverse effect on the Company's cash flows and operations.

The Company relies heavily upon central and state governments and public sector undertakings ("**PSUs**", in which central and/or state governments hold a majority stake) for executing large scale infrastructure projects in India. PSUs can be subject to political influence; there have been instances in India where a party has been awarded a contract by a PSU, which was subsequently rescinded for reasons not connected to the project or the successful party. Additionally, many of the Company's projects are public sector sponsored projects and these are often subject to delay, which could have a material adverse effect on the results of operations and profitability of the Company.

The Group's land acquisition transactions may not be completed and may be subject to disputes from time to time.

As part of the Group's land acquisition process for its various business segments, the Group enters into purchase agreements or memoranda of understanding with third parties, including state governments, prior to the transfer of interest or conveyance of title of land to the Group. Such third parties may own the lands themselves or have contracts to purchase such lands from the current owners. There can be no assurance that these third parties will be able to satisfy their conditions within the time frames stipulated in the purchase agreements or memoranda of understanding, or at all. Further, the Group is also involved in disputes in relation to land acquisition matters, both as plaintiff and as defendant.

While the financial implication of such disputes individually may not be significant, any adverse adjudication in these matters may have a material adverse impact on the Group's business. There can be no assurance that the Group will be able to procure land for its business in the future. There can also be no assurance that the Group will not receive any adverse adjudication in the disputes relating to land acquisition. Any such factors could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group.

The real estate business of the Company is linked to the prevailing real estate market conditions and the availability of financing for buyers in India.

The real estate business of the Company is linked to the prevailing real estate market conditions in India and could be affected if market conditions become unfavorable. The real estate market in India is significantly influenced by the prevailing economic environment, income and employment levels, regulatory regime and the availability of funding. Further increases in interest rates could impact the availability of finance to prospective real estate buyers thus ultimately affecting the demand for real estate. A downturn in one or a combination of these factors may adversely influence the Company's real estate business which could have a material adverse effect on the results of operations and profitability of the Company.

The real estate business of the Company is not geographically diversified.

The real estate business of the Company is primarily based on developments along the Yamuna Expressway and in particular, in Greater Noida. Accordingly, the Company is exposed to the risks associated with the geographical concentration of its real estate developments. There can be no assurance that the demand for real estate in the Greater Noida region will be sustainable. There can also be no assurance that Company will be able to realize the benefits for its real estate developments which it expects from the Yamuna Expressway.

The hospitality business of the Company is subject to economic conditions and is seasonal in nature.

The ownership and management of hotels is subject to various risks and there can be no assurance that the hotel properties will be operated profitably. The operating income derived from, and value of, the Company's hotel properties will be subject to many factors beyond the Company's control. These factors include changes in the supply and demand for hotel services, changes in international, national or regional economic conditions, changes in travel patterns, governmental regulations which influence or determine wages, prices, interest rates and construction procedures; the cost and availability of electricity and water; and the cost and availability of credit. The Company's hotels are subject to low revenue during varying seasons in the country. In particular, during India's summer and monsoon seasons international travelers to, and domestic travelers in, India are substantially fewer.

Hotels in the Company's portfolio have certain fixed costs that it may not be able to adjust to in a timely manner in response to a reduction in demand and revenues, and rising expenses could materially adversely affect its business, financial condition and results of operations.

The fixed costs associated with owning hotels, including committed maintenance costs, property taxes, leasehold payments and maintaining minimum levels of services may be significant. The Company may be unable to reduce these fixed costs in a timely manner in response to changes in demand for services, and failure to adjust its fixed costs may adversely affect its business, financial condition and results of operations. Moreover, its properties may be subject to increases in operating and other expenses due to increasing age of the property and increases in property and other tax rates, utility costs, operating expenses, insurance costs, repairs and maintenance and administrative expenses.

Certain financial institutions and banks that lend to the Company have the benefit of certain restrictive covenants and rights.

Certain of the Company's loan agreements contain covenants which, among other things, require the Company or its subsidiaries to obtain the approval of the relevant lenders before issuing new securities (debt or equity), changing management, effecting mergers, consolidations or sales of assets, incurring capital expenditure beyond certain limits, declaring dividends at any time while in default, undertaking material diversification in the business of those companies, creating subsidiaries or making certain investments. Some of these borrowings also contain financial covenants, which may limit the ability of the Company or its subsidiaries to borrow additional money or to incur additional liens.

Despite the extensive nature of these covenants, the Company believes that it and its subsidiaries are in material compliance with them. The Company is not aware of any lender providing notice of non-compliance with any requirement in its domestic loan agreements.

Pursuant to the terms of certain of the loan agreements, certain lenders have the right to nominate directors to the Board. See "Board of Directors and Senior Management".

Certain loan agreements also entitle the lenders, upon a debt service default, to convert their loans into Equity Shares.

The Company is subject to ongoing enforcement directorate investigations.

The Directorate of Enforcement, Ministry of Finance, Government of India ("**ED**") initiated an investigation against the Company pursuant to its letter dated February 12, 2008. The ED in its letter had asked the Company to furnish details with respect to any offerings of American depositary receipts, global depositary receipts and foreign currency convertible bonds that the Company had undertaken since 2004 along with other documents and clarification. The Company has furnished all information required by the ED, from time to time between 2008 and December 2012 in respect of the FCCBs/ECBs raised between 2005 and 2007 and the investigation remains pending. See "Legal Proceedings".

There can be no assurance of the outcome of this investigation. There can also be no assurance that the ED will not impose a penalty or sanctions against the Company as a result of its investigation, which may have a material adverse effect on the ability of the Company to raise financing and its business, financial condition and prospects.

There are outstanding litigations against the Company, its subsidiaries and Directors, which if determined adversely, could affect its operations

The Company is involved in several legal proceedings in India, as plaintiff and as defendant. See "Business — Litigation" and "Legal Proceedings".

These legal proceedings are pending at different levels of adjudication before various courts, tribunals, the CCI and their appellate bodies.

Such legal proceedings could divert management time and attention, and consume financial resources in their defense or prosecution. No assurance can be given that the Company will be successful in all, or any, of such proceedings.

The amounts claimed in these proceedings have been disclosed to the extent ascertainable. Should any new developments arise, such as a change in Indian law or rulings against it by appellate courts or tribunals, it may need to make provisions in financial statements that could increase expenses and current liabilities.

The growth of the Group is dependent on the successful and timely completion of new plants, projects and other facilities and the optimization and modernization of its existing plants, and other facilities.

The Group intends to continue its growth through the construction of additional greenfield cement plants, captive power units and grinding units and by increasing output capacity through optimization and modernization schemes. The Group also intends to grow its power business and has diversified into thermal power plants in addition to its existing hydro power projects. The construction and expansion of these plants and power projects involves substantial capital expenditure and other risks associated with major projects, such as cost overruns, delays in implementation and damages payable therefor, technical and economic viability and changes in market conditions, any of which may have a material adverse effect on the results of operations and profitability of the Group.

The Group acts as its own project manager for its construction projects. Given its experience in construction, the Group does not intend to enter into turnkey construction contracts and undertakes the civil works on its plants and facilities, and therefore faces the risk that it will have to fund any project delays or cost overruns on such projects. Although the Group builds a contingency into its expected total project costs, there can be no certainty that such a contingency will be sufficient to fund any such costs. Any project delays or cost overruns on its projects could have a material adverse effect on the results of operations of the Group. In addition, any project delays or cost overruns could lead to an early termination of the relevant project contract by the Group's counterparties.

The future growth of the Company may depend on its ability to raise new capital and obtain financing.

The Company's strategy of growth through the optimization and modernization of existing facilities and equipment, construction of new facilities, and implementation of build, own and operate projects, requires substantial investment and is dependent on the Company's ability to finance these projects and other investments out of retained profits or new capital. If the financial performance of the Company in the future fails to meet the expectations of its lenders and investors, there can be no assurance that it will be able to raise the new capital required to fund its growth or that such financing will be obtained on satisfactory terms.

In addition, the Company is subject to a number of risks associated with debt financing, including the risk that cash flow from operations will be insufficient to meet required payments of principal and interest, the risk that, to the extent that the Company maintains floating rate indebtedness, interest rates will fluctuate, and the risk that it may not be possible to obtain refinancing on favorable terms when required. Although the Company anticipates that it will be able to repay or refinance existing debt, and any other indebtedness when it matures, there can be no assurance that it will be able to do so.

The Company is subject to risks arising from interest rate fluctuations.

Changes in interest rates could affect results of operations of the Company. If the interest rates for its existing or future borrowings increase significantly, its cost of servicing such debt will increase. Although the Company has on occasions entered into cost reduction arrangements or hedging arrangements against interest rate risks, there can be no assurance that these arrangements will successfully protect the Company from losses due to fluctuations in interest rates.

The inability of the Company to obtain, renew or maintain its statutory and regulatory permits and approvals required to operate its business may have a material adverse effect on its business.

The Company requires certain statutory and regulatory permits and approvals to operate its business. In the future, the Company will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations. While the Company believes that it will be able to renew or obtain such permits and approvals as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by the Company or at all. Failure by the Company to obtain, renew or maintain the required permits or approvals may result in the interruption of its operations and may have a material adverse effect on the results of operations and profitability of the Company.

The Company is dependent upon the continued supply of raw materials, the supply and costs of which can be subject to significant variation due to factors outside its control.

The Company currently relies on a number of domestic suppliers to provide certain raw materials, including coal, fuel, cement, steel, building products, electricity and support services. The Company believes that comparable supplies are available from other established suppliers. However, if the Company is unable to continue to obtain adequate supplies of materials or services in a timely manner or on acceptable commercial terms, or if there are significant increases in the cost of these supplies, the business and results of operation of the Company may be materially and adversely affected.

As a substantial portion of the Company's annual coal requirement is sourced from coal mines owned by Government undertakings, the Company is exposed to the risk of increases in coal prices by the Government. In addition, the Government appointed coal linkage committee determines the amount of coal the Company and other users of coal can source from a particular mine. The quality of coal, especially its carbon content, may vary significantly depending upon the quality of the reserves from which the coal originates. Any deterioration in the quality of the coal supplied to the Company may adversely impact on the ability of the Company to manufacture cement to acceptable yield levels and quality standards and may have an adverse effect on the operations of the Company. In addition, the Comptroller and Auditor General ("**CAG**") of India in 2012 tabled a parliamentary report which alleged that the Government had allocated coal blocks to private firms without going through a competitive bidding process and that excess coal reserves may have been allocated to such companies, including the Company. There can also be no assurance that there will not be a reallocation of the coal blocks pursuant to the report. Even if the Company is able to obtain acceptable substitute raw materials, the Company could incur increased expenses in procuring them from alternative sources and may suffer reduced profit margins which could have an adverse impact on the business of the Company. These factors could result in an increase in the operating expenses of the Company and, if it is unable to pass these increased costs on to consumers, it could have a material adverse effect on the Company's operating margins and profitability.

The Company is reliant upon mining rights for its cement operations.

The Company obtains limestone, the key raw material for cement production, as well as shale, clay and silica sand, from quarries adjacent to its sites. As of the date of this Placement Document, the Company has mining rights over 11,105.924 hectares of land in different states in India. The Company's mining rights have initial terms of 20 to 30 years and are generally renewable for subsequent 20 to 30 year periods. The Company's mining rights are subject to compliance with certain conditions, and various state and central governments have the power to take action with respect to such mining rights, including imposing fines or restrictions or revoking such mining rights. Although the Company believes that its mining rights are sufficient to meet current and projected production levels, if its mining rights were revoked or were not renewed upon expiration, or significant restrictions on the usage of the rights were imposed, its ability to operate its plants adjacent to the affected mining sites at their optimum capacity could be disrupted until alternative limestone sources were located, which in turn could have a material adverse effect on the financial condition and results of operations of the Company.

The Group depends on its distribution network for the sales and distribution of its cement products.

The Group relies on an extensive network of authorized dealers, consignment stockists and distributors for the sale and distribution of its cement products and for collection of payments. As its authorized dealers and sales promoters have day to day contact with customers, the Group is exposed to the risk of these dealers failing to adhere to the standards set for them in respect of sales and after-sales service, which in turn could affect the customers' perception of the brands and products of the Group. In addition, some of its authorized dealers and sales promoters are retained on a non-exclusive basis and could engage in other competing businesses. If competitors provide better incentives to these dealers and promoters than the incentives provided by the Group, it could result in these dealers and promoters promoting the products of competitors instead of the Group's products, which in turn could have a material adverse effect on the results of operations and profitability of the Group.

The Group's success depends on a smooth supply and transportation of the various inputs required for its engineering and construction, power, cement and real estate business and of cement from plants to its customers, both of which are subject to various uncertainties and risks.

The engineering and construction, power, cement and real estate business relies on steady supplies of various inputs including coal, cement, steel and fuel. Some of these are transported by land transport, which is subject to various bottlenecks and other hazards beyond the control of the Group, including poor road and other transport infrastructure, weather and civil commotion or unrest. Either an increase in the prices of these inputs or a failure to maintain a continuous supply could have an adverse effect on the business, financial condition and prospects of the Group. In addition, cement is a perishable product, since its quality deteriorates upon contact with moisture over a period of time. A disruption in the supply chain to customers could result in an adverse effect on the business, financial condition and prospects of the Group. The Group maintains business interruption insurance with respect to only some and not all of its operations.

Although the Group has not encountered any significant disruption to the supply and transportation of inputs and finished products, no assurance can be given that no such disruption will occur in the future as a result of these factors. If the Group were to experience such disruptions, it could have a material adverse effect on the results of operations and profitability of the Group.

Labor disputes could affect the Company's operations.

The Company's operations depend upon the productivity of its labor force. Relations with employees could deteriorate due to disputes related to, inter alia, wage or benefit levels. In the event of any labor dispute, the Company's business and results of operations could be adversely affected. See "Business — Employees and Employee Relations".

The operations of the Group are subject to environmental, health and safety laws and regulations.

The business operations of the Group are subject to various Indian national and state environmental laws and regulations relating to the control of pollution in the various locations in India where it operates. In particular, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liability to the Government and third parties, and may result in the Group incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of production or a material increase in the costs of production or otherwise have a material adverse effect on the financial condition and results of operations of the Group. Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on the Group or result in the need for additional investment in pollution control equipment, either of which could adversely affect the business, financial condition or prospects of the Group. The Company is subject to various environmental litigations in the course of its business. Such litigations could divert management time and attention, and consume financial resources in their defense or prosecution. No assurance can be given that the Company will be successful in all, or any, of such proceedings. For further details see "Legal Proceedings".

If there is a change in tax regulations, the tax liabilities of the Company may increase and thus adversely affect the Company's financial results.

Currently, the Company enjoys certain fiscal benefits under Indian income tax laws. Any changes in these laws, or their application in matters such as tax exemption on export income and transfer pricing, may increase the Company's tax liabilities and thus adversely affect its financial results.

The Company is involved in several legal proceedings in India, both as plaintiff and as defendant. See "Legal Proceedings". Such litigations could divert management time and attention, and consume financial resources in their defense or prosecution. No assurance can be given that the Company will be successful in all, or any, of such proceedings.

The Company does not prepare consolidated financial statements for interim periods and has not prepared such financial statements as of and for the six month periods ended September 30, 2012 and 2011.

The Company does not prepare consolidated financial statements for interim periods and has not prepared such statements as of and for the six month periods ended September 30, 2012 and 2011. As a result, the Company has presented a discussion of its results of operations for the six month periods ended September 30, 2012 and 2011 on the basis of its published unaudited interim standalone financial statements, together with a discussion of the (a) published unaudited interim standalone financial statements for such periods of JPVL and Jaypee Infratech Limited, its listed material subsidiaries, and (b) unaudited interim standalone financial statements for such periods of Jaypee Cement Corporation Limited, its unlisted material subsidiary.

Potential investors should note that the financial statements for the six month periods ended September 30, 2012 and 2011 of the Company, JPVL and Jaypee Infratech Limited have been prepared in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges and not in accordance with the provisions and standards of Indian GAAP and the Companies Act. Accordingly, the basis of presentation of the Company's annual results of operations differs from the basis of presentation of its interim results of operations for the six month periods ended September 30, 2012 and 2011 and there can be no assurance provided with respect to the comparability of the two.

The Company is controlled by certain shareholders and, if they take actions that are not in the Shareholders' best interests, it may harm the value of an investment in the Equity Shares.

As of December 31, 2012, 46.08% of the issued and outstanding Equity Shares are owned by the Promoters and Promoter Group. Consequently the Promoter and Promoter Group are likely to have the ability to exercise significant control over most matters requiring approval by shareholders, including the election and removal of directors and significant corporate transactions. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if that was in the best interests of shareholders as a whole.

The Company is dependent on the expertise and experience of its Directors, senior management and skilled employees and the profitability and results of operations of the Company may be adversely affected by the departure of its Directors, senior management and experienced skilled employees or its inability to attract new skilled employees.

The Company is dependent on its Directors and senior management for setting the strategic direction and managing its business, both of which are crucial to the success of the Company. Also, a significant number of employees of the Company are skilled personnel and due to their limited supply, the Company may face strong competition to recruit and retain skilled and professionally qualified staff. The Company's continued success also depends upon its ability to attract, recruit and retain a large group of experienced professionals and staff. The loss of the services of its senior management, including directors, or its inability to recruit, train or retain a sufficient number of experienced personnel could have a material adverse effect on the operations and profitability of the Company. The Company's ability to retain experienced staff members as well as senior management, including its Directors, will in part depend on the Company maintaining appropriate staff remuneration and incentive schemes. There is no assurance that the remuneration and incentive schemes the Company has in place will be sufficient to retain the services of the senior management and skilled employees.

All of the revenues of Jaiprakash Power Ventures Limited's Baspa II HEP and Vishnuprayag HEP will be derived from the supply of power to a single client.

Jaiprakash Power Ventures Limited ("**JPVL**") will rely on a single customer for all income in respect of two of its hydro power projects, Baspa II HEP (300 MW) and Vishnuprayag HEP (400 MW). Under the relevant power purchase agreement, JPVL is required to sell the entire power available for sale generated by these power plants to the respective state electricity boards.

Any material failure or inability, financial or otherwise, on the part of the relevant customer to fulfill its obligations under the relevant power purchase agreement would have a material adverse effect on the business and operations of JPVL.

The subsidiaries of the Company which operate power plants may face competition on termination of the relevant power purchase agreement.

In the recent past, a number of independent power plants have been set up across the country. In the event the relevant power purchase agreement entered into by the relevant Group subsidiary is terminated prematurely, there can be no assurance that such subsidiary will be able to enter into similar arrangements and, accordingly, such subsidiary will be exposed to competition. Failure of the subsidiaries to compete effectively in this scenario could have a material adverse effect on the business and operations of the Company.

Risks Associated with India

Acts of terrorism and other similar threats to security could adversely affect the Company's business, cash flows, results of operations and financial condition.

Increased political instability, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several regions in which the Company operates, strained relations arising from these conflicts and the related decline in consumer confidence may hinder the Company's ability to do business. Any escalation in these events or similar future events may disrupt the Company's operations or those of its customers and suppliers and could affect the availability of raw materials needed to produce the Company's products or the means to transport those materials to the Company's facilities and finished products to customers. These events have had and may continue to have an adverse impact on the global economy and customer confidence and spending in particular, which could in turn adversely affect the Company's revenue, operating results and cash flows. The impact of these events on the volatility of global financial markets could increase the volatility of the market price of the Company's securities and may limit the capital resources available to the Company and to its customers and suppliers.

Natural disasters could have a negative impact on the Indian economy and damage the Group's facilities.

Natural disasters such as floods, earthquakes or famines have in the past had a negative impact on the Indian economy. If any such event were to occur, the Group's business could be affected due to the event itself or due to the Group's inability to effectively manage the effects of the particular event. Potential effects include the damage to infrastructure and the loss of business continuity, business information or inventories of raw materials or finished goods. In the event that the Group's facilities are affected by any of these factors, the Group's operations may be significantly interrupted, which may have a material adverse effect on its business, results of operations, financial condition and prospects.

Political instability or significant changes in the economic liberalization and deregulation policies of the Government of India or in the government of the states where the Group operates could disrupt its business.

The Indian Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. The Group's businesses, and the market price and liquidity of its securities may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments in or affecting India.

In recent years, India has been following a course of economic liberalization and the Group's business could be significantly influenced by economic policies followed by the central government. Further, the Group's businesses are also impacted by regulation and conditions in the various states in India where the Group operates. Since 1991, successive central governments have pursued policies of economic liberalization and reforms.

However, the Company cannot assure you that such policies will continue in the future. Indian government corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. A significant change in India's economic liberalization and deregulation policies, in particular, those relating to the businesses in which the Company operates, could disrupt business and economic conditions in India generally and, the Company's businesses in particular.

Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Capital gains arising from the sale of the Equity Shares are generally taxable in India. Any gain realized on the sale of the Equity Shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if securities transaction tax, or STT, has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which the Equity Shares are sold. Any gain realized on the sale of the Equity Shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of the Equity Shares held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the Equity Shares. For more information, see "Taxation". However, capital gains on the sale of the Equity Shares purchased in the Issue by residents of certain countries will not be taxable in India by virtue of the provisions contained in the taxation treaties between India and such countries.

Trade deficits could have a negative effect on the Company's business and the trading price of the Equity Shares.

India's trade relationships with other countries can influence Indian economic conditions. In Fiscal 2012, India experienced a trade deficit of U.S.$184.9 billion, which was significantly higher than the trade deficit of U.S.$118.6 billion in Fiscal 2011. *(Source: Department of Commerce, Ministry of Commerce and Industry, Government of India, http://commerce.nic.in/, October 2012.)* If India's trade deficits increase or become unmanageable, the Indian economy, and therefore the Company's business, its future financial performance and the trading price of its securities could be adversely affected.

Any downgrading of India's debt rating by an international rating agency could have a negative impact on the Company's business and the trading price of the Equity Shares.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect the Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on the Company's business and future financial performance and the Company's ability to obtain financing to fund its growth, as well as on the trading price of the Equity Shares.

Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of the Company's financial condition.

As stated in the reports of the Company's independent auditors included in this Placement Document, the Company's financial statements are prepared and presented in conformity with Indian GAAP which has been consistently applied during the periods stated, except as provided in such report. No attempt has been made to reconcile any of the information given in this Placement Document to any other principles or to base it on any other standards. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles and auditing standards with which prospective investors may be familiar in other countries. If the financial statements of the Company were to be prepared in accordance with such other accounting principles, the Company's results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of the Company's financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

There may be less information available in the Indian securities markets than in more developed securities markets in other countries.

There is a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in securities markets in more developed economies. SEBI is responsible for monitoring disclosure and other regulatory standards for the Indian securities market. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may be, however, less publicly available information about Indian companies than is regularly made available by public companies in more developed countries, which could adversely affect the market for the Equity Shares. As a result, investors may have access to less information about the Company's business, financial condition, cash flows and results of operation, on an on-going basis, than investors in companies subject to the reporting requirements of other more developed countries.

Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against the Company.

The Company is a limited liability company incorporated under the laws of India. All the Directors of the Company and substantially all of its senior management are residents of India. A substantial portion of the Company's assets and the assets of its Indian resident Directors and executive officers are located in India. As a result, it may be difficult for investors to effect service of process upon the Company or such persons outside India or to enforce judgments obtained against the Company or such parties outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian practice. For further details, see "Enforcement of Civil Liabilities".

Public companies in India, including the Company, may be required to prepare financial statements under IFRS or a variation thereof, Indian Accounting Standards ("IND AS"). The transition to IND AS in India is still unclear and the Company may be adversely affected by this transition.

Public companies in India, including the Company, may be required to prepare annual and interim financial statements under IFRS or a variation thereof. The ICAI has released a near-final version of IND AS titled "First-time Adoption of Indian Accounting Standards" and the Ministry of Corporate Affairs of the Indian Government ("**MCA**"), on February 25, 2011, has notified that IND AS will be implemented in a phased manner and the date of such implementation will be notified at a later date. As of the date of this Placement Document, the MCA has not notified the date of implementation of IND AS. There is not yet a significant body of established practice for forming judgments regarding its implementation and application. Additionally, IND AS has fundamental differences with IFRS and therefore financial statements prepared under IND AS may be substantially different from financial statements prepared under IFRS. The Company cannot assure you that its financial condition, results of operations, cash flow or changes in shareholders' equity will not appear materially different under IND AS from that under Indian GAAP or IFRS. As the Company adopts IND AS reporting, it may encounter difficulties in the on-going process of implementing and enhancing its management information systems. The Company cannot assure you that its adoption of IND AS will not adversely affect the Company's reported results of operations or financial condition and any failure to successfully adopt IND AS in accordance with the prescribed timelines may materially and adversely affect the Company's financial position and results of operations.

The Company's business and activities may be further regulated by the Competition Act, 2002 (the "Competition Act") and any adverse application or interpretation of the Competition Act could materially and adversely affect the Company's business, financial condition and results of operations.

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the "**CCI**"). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement which, directly or indirectly determines purchase or sale prices, limits or controls the production, supply or distribution of goods and services, or shares a market by way of geographical area or number of customers is presumed to have an appreciable adverse effect on competition. Provisions of the Competition Act relating to the regulation of certain acquisitions, mergers or amalgamations, which have a material adverse effect on competition and regulations with respect to notification requirements for such combinations, came into force on June 1, 2011. It is difficult to predict the impact of the Competition Act on the Company's growth and expansion strategies. If the Company is affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act or any enforcement proceedings initiated by the CCI or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, it may adversely affect the Company's business, results of operations, financial condition, prospects and the trading price of the Equity Shares.

The CCI has initiated certain inquiries and has instituted certain proceedings against the Company. For further details see "Legal Proceedings".

Statistical and financial data in this Placement Document may be incomplete or unreliable.

The Company has not independently verified data obtained from industry publications and other sources referred to in this Placement Document and therefore, while the Company believes them to be true, it cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy and the industries in which the Company currently operates, in this Placement Document, are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. In addition, internal company reports may be based on a number of variables and have not been verified by independent sources and may be incomplete or unreliable. See "Industry Overview".

Risks relating to the Equity Shares

The trading price of the Equity Shares may be subject to volatility and you may not be able to sell your Equity Shares at or above the Issue Price.

The trading prices of publicly traded securities may be highly volatile. Factors affecting the trading price of the Equity Shares include:

- variations in the Company's operating results;
- announcements of new products, strategic alliances or agreements by the Company or by its competitors;
- recruitment or departure of key personnel;
- favorable or unfavorable reports by a section of the media concerning the industry in general, or in relation to the Company's business and operations;
- changes in the estimates of the Company's operating results or changes in recommendations by any securities analysts that elect to research and report on the Equity Shares;
- market conditions affecting the economy as a whole; and
- adoption or modification of regulations, policies, procedures or programs applicable to the Company's business.

In addition, if the stock markets experience a loss of investor confidence, the trading price of the Equity Shares could decline for reasons unrelated to the Company's business, financial condition or operating results. The trading price of the Equity Shares might also decline in reaction to events that affect other companies in the Company's industries even if these events do not directly affect the Company. Each of these factors, among others, could materially affect the price of the Equity Shares.

Any future issuance of Equity Shares may dilute your shareholding and any future sales of the Equity Shares by the Company's major shareholders may adversely affect the trading price of the Equity Shares.

Except for the customary lock-up on the Company's ability to issue equity or equity linked securities discussed in the section "Placement" and certain consents required from certain of its lenders, there is no restriction on the Company's ability to issue Equity Shares or the Company's principal shareholders' ability to dispose of their Equity Shares, and the Company cannot assure you that it will not issue Equity Shares or that any such shareholder will not dispose of, encumber, or pledge, its Equity Shares.

There is no guarantee that the Equity Shares purchased in this Issue will be listed on the Stock Exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell their Equity Shares on the Stock Exchanges.

In accordance with Indian law and practice, final approvals for listing and trading of the Equity Shares offered in this Issue will not be applied for or granted until after the Equity Shares have been issued and allotted. Such approvals will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on the Stock Exchanges, which could adversely affect your ability to sell the Equity Shares.

An investor will not be able to sell any of the Equity Shares purchased in the Issue other than on a recognized Indian stock exchange for a period of 12 months from the date of issue of such Equity Shares.

Pursuant to the SEBI Regulations, for a period of 12 months from the date of the issue of the Equity Shares in the Issue, investors purchasing the Equity Shares in the Issue may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of their Equity Shares. The Company cannot be certain that these restrictions will not have an impact on the price of the Equity Shares.

Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.

The articles of association, resolutions of the board of directors and Indian law govern the corporate affairs of companies operating in India. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company incorporated in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as the Company's shareholders than as a shareholder of a corporation in another jurisdiction.

You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.

Under the Companies Act, a company incorporated in India must offer its holders of shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares which are voted on the resolution, or unless the Company has obtained approval from the government to issue without such special resolution, subject to votes being cast in favor of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without the Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless the Company makes such a filing. If the Company elects not to make such a filing, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian would receive upon the sale of such securities, if any, and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in the Company would be reduced.

There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder 's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

The Company is subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Company's circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform the Company of the percentage limit of the circuit breaker from time to time, and may change it without the Company's knowledge. This circuit breaker effectively limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the underlying Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular time.

Foreign investors are subject to foreign investment restrictions under Indian law that limit the Company's ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. The Company cannot assure you that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

MARKET PRICE INFORMATION

The Company's Equity Shares are listed on the NSE and the BSE.

The Company has 2,154,878,749 Equity Shares outstanding as on December 31, 2012.

The tables set forth below provide certain stock market data for the BSE and the NSE and is for the periods that indicate the high and low closing prices of the Equity Shares and also the volume of trading activity.

1. The high, low and average market prices of the Equity Shares during the preceding three years:

BSE

Period	High (Rs.)	Date of High	No. of Equity Shares Traded on Date of High	Total Volume of Equity Shares Traded on Date of High (Rs. in millions)	Low (Rs.)	Date of Low	No. of Equity Shares Traded on Date of Low	Total Volume of Equity Shares Traded on Date of Low (Rs. in millions)	Average Closing Price for the Period (Rs.)	Equity Shares Traded in the Periods	
										Volume	Value (Rs. in millions)
For the year ended March 31, 2012	102.65	April 25, 2011	1,262,291	127.5	50.45	January 9, 2012	2,931,738	152.6	73.69	551,018,812	40,031.6
For the year ended March 31, 2011	162.85	April 26, 2010	2,960,162	475.3	70.25	February 9, 2011	4,515,383	342.9	115.87	449,802,996	50,810.9
For the year ended March 31, 2010	270.00	October 20, 2009	4,211,026	1,106.1	81.50	April 1, 2009	5,339,907	453.2	189.20	971,792,704	180,308.6

(Source: www.bseindia.com)
Note: High and low prices are of the daily prices. In case of two days with the same price, the date with higher volume has been used.

NSE

Period	High (Rs.)	Date of High	No. of Equity Shares Traded on Date of High	Total Volume of Equity Shares Traded on Date of High (Rs. in millions)	Low (Rs.)	Date of Low	No. of Equity Shares Traded on Date of Low	Total Volume of Equity Shares Traded on Date of Low (Rs. in millions)	Average Closing Price for the Period (Rs.)	Equity Shares Traded in the Periods	
										Volume	Value (Rs. in millions)
For the year ended March 31, 2012	102.55	April 25, 2011	6,757,017	682.5	50.35	January 9, 2012	20,680,954	1078.2	73.70	3,802,940,925	275,169.4
For the year ended March 31, 2011	162.90	April 26, 2010	14,262,752	2,290.5	70.05	February 9, 2011	24,791,309	1875.3	115.86	2,681,253,123	301,757.7
For the year ended March 31, 2010	269.95	October 21, 2009	19,685,318	5,157.8	81.50	April 1, 2009	18,525,077	1572.9	189.22	3,807,780,819	704,171.8

(Source: www.nseindia.com)
Note: High and low prices are of the daily prices. In case of two days with the same price, the date with higher volume has been used.

2. Monthly high and low prices of the Equity Shares for the six months preceding the date of filing of the Placement Document:

BSE

Months	High (Rs.)	Date of High	No. of Equity Shares Traded on Date of High	Total Volume of Equity Shares Traded on Date of High (Rs. in millions)	Low (Rs.)	Date of Low	No. of Equity Shares Traded on Date of Low	Total Volume of Equity Shares Traded on Date of Low (Rs. in millions)	Average Closing Price for the Month (Rs.)	Equity Shares traded in the Month	
										Volume	Value (Rs. in millions)
January 2013	102.55	January 3, 2013	828,806	83.94	82.00	January 24, 2013	2,275,775	192.76	92.95	33,472,494	3,089.25
December 2012	106.75	December 12, 2012	2,018,487	212.67	92.95	December 21, 2012	1,832,919	179.42	100.69	32,149,227	3,255.9
November 2012	97.35	November 30, 2012	2,262,709	218.0	84.70	November 21, 2012	2,442,965	213.6	90.66	37,147,173	3381.5
October 2012	96.40	October 22, 2012	1,796,085	170.5	82.45	October 1, 2012	2,239,338	190.1	90.31	43,077,792	3884.1
September 2012	86.90	Septembe r 24, 2012	2,166,228	184.2	63.40	September 3, 2012	1,559,373	100.4	73.63	31,432,384	2391.2
August 2012	79.10	August 23, 2012	1,304,949	101.5	61.00	August 30, 2012	4,197,059	266.1	73.98	33,640,689	2,414.7

(Source: www.bseindia.com)
Note: High and low prices are of the daily prices. Data for low price is the earliest date in the month when the stock price reached the low price.

NSE

Months	High (Rs.)	Date of High	No. of Equity Shares Traded on Date of High	Total Volume of Equity Shares Traded on Date of High (Rs. in millions)	Low (Rs.)	Date of Low	No. of Equity Shares Traded on Date of Low	Total Volume of Equity Shares Traded on Date of Low (Rs. in millions)	Average Closing Price for the Month (Rs.)	Equity Shares traded in the Month	
										Volume	Value (Rs. in millions)
January 2013	102.45	January 3, 2913	9,126,984	924.32	82.00	January 25, 2013	21,842,592	1,866.60	92.92	371,659,804	34,355.34
December 2012	106.70	December 12, 2012	21,752,936	2,291.59	95.00	December 24, 2012	12,537,292	1,202.7	100.71	332,717,387	33,660.8
November 2012	97.40	November 30, 2012	21,368,074	2,058.1	84.60	November 21, 2012	23,191,023	2,023.2	90.68	340,755,791	31,020.0
October 2012	96.35	October 22, 2012	15,134,529	1,435.4	82.45	October 1, 2012	20,552,715	1,745.4	90.32	398,072,213	35,849.6
September 2012	87.05	September 24, 2012	25,415,005	2,162.4	63.35	September 3, 2012	13,407,782	862.6	73.70	344,255,406	26,132.8
August 2012	79.10	August 23, 2012	13,214,381	1,026.9	61.05	August 30, 2012	34,630,775	2214.0	74.01	316,673,189	22,821.2

(Source: www.nseindia.com)
Notes: High and low prices are of the daily prices. Data for low price is the earliest date in the month when the stock price reached the Low price

3. Market Price on the first working day following the Board meeting approving the Issue on May 30, 2012:

BSE

Date	Open	High	Low	Close	Traded Volume (No. of Equity Shares)	Total Value of Equity Shares traded (Rs. in millions)
May 31, 2012	59.00	62.50	59.00	62.05	19,28,023	117.79

(Source: www.bseindia.com)

NSE

Date	Open	High	Low	Close	Traded Volume (No. of Equity Shares)	Total Value of Equity Shares traded (Rs. in millions)
May 31, 2012	59.00	64.35	59.00	62.15	21,442,572	1,314.16

(Source: www.nseindia.com)

USE OF PROCEEDS

The total gross proceeds of the Issue will be Rs. 5,329.00 million. After deducting the estimated Issue expenses of approximately Rs. 127.00 million, the net proceeds of the Issue will be approximately Rs. 5,202.00 million.

Purpose of Issue

Subject to compliance with applicable laws and regulations, the Company intends to use the net proceeds of the Issue primarily towards (i) repayment / prepayment of certain of its loan facilities; (ii) investment in the subsidiaries and joint ventures of the Company, primarily in cement and fertilizer sectors; and (iii) general corporate purposes including working capital requirements and any other purpose as may be permissible under applicable law.

In accordance with the policies set up by the Board and as permissible under applicable laws and government policies, the management will have flexibility in deploying the proceeds received from the Issue. Pending utilization for the purposes described above, we intend to temporarily invest the funds in creditworthy instruments (other than equity shares), including money market Mutual Funds and deposits with banks and corporates. Such investments would be in accordance with the investment policies approved by the Board from time to time and will also be in accordance with all applicable laws and regulations.

CAPITALIZATION

The Company's authorized share capital is Rs. 25,000 million divided into 12,344,000,000 Equity Shares of Rs. 2 each and 3,120,000 preference shares of Rs. 100 each. As on the date of this Placement Document, the Company's issued, subscribed and paid up capital is Rs. 4,309.76 million divided into 2,154,878,749 Equity Shares of Rs. 2 each.

The following table sets forth the Company's capitalization (including indebtedness) as of March 31, 2012 on the basis of its audited consolidated financial statements for Fiscal 2012 and as adjusted to give effect to the receipt of the gross proceeds of the Issue and the application thereof. This table should be read in conjunction with the sections titled "Management Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 49 and 180, respectively.

(Rs. million)

	As of March 31, 2012	**As adjusted for the Issue**
Short-term debt(1)		
Secured debt(3)	3,455	3,455
Unsecured debt	11,122	11,122
Current Maturities of Long-Term Secured debt(1) (3)	41,362	41,362
Current Maturities of Long-Term Unsecured debt(1)	36,677	36,677
Total short-term debt	92,616	92,616
Long-term debt(2)		
Secured debt(3)	394,940	394,940
Unsecured debt	44,187	44,187
Total long-term debt	439,127	439,127
Shareholders' funds		
Issued Share capital:		
2,190,637,992 Equity Shares of Rs.2 each fully paid, including 64,204,810 Equity Shares now being issued(4)	4,253	4,381
Reserves and surplus(5)	110,527	115,728
Minority interest	29,466	29,466
Total	144,246	149,575
Total capitalization(6)	**675,989**	681,318

Notes:

(1) Short-term debt includes the current portion of long-term debt.

(2) The Company has guaranteed Rs.20,259 million of long-term debt of its subsidiaries, secured by certain assets of such subsidiaries. These are disclosed as contingent liabilities in the non-consolidated financial statements of the Company and as debt in the Company's consolidated financial statements.

(3) Secured debt is secured/yet to be secured by charges on substantially all of the assets of the respective borrowers within the Group.

(4) The proceeds of the Issue, amounting to U.S.$ 100 million, are translated into Indian Rupees on the basis of the Reserve Bank of India reference rate of exchange between Indian Rupees and U.S. dollars on January 31, 2013 of Rs. 53.29 = U.S.$ 1.00.

(5) Reserves and surplus includes securities premium, general reserves, capital redemption reserves, debenture redemption reserves, revaluation reserves, capital reserves, reserves for redemption of FCCBs, securities premium redemption reserve, capital reserve on consolidation, share forfeited and surplus of the profit and loss account excluding minority interest in reserves and surplus.

(6) Total capitalization consists of long-term debt, short-term debt, minority interest and total shareholders' funds.

Other than as stated below, there has been no material change in the total capitalization of the Company since March 31, 2012.

- The Company redeemed foreign currency convertible bonds aggregating U.S.$ 523.56 million (face value of U.S.$ 354.47 million and redemption premium of U.S.$ 169.09 million) that were due for redemption on September 12, 2012. These foreign currency convertible bonds aggregating U.S.$ 400 million were issued by the Company in September 2007, of which bonds worth U.S.$ 4.5 million were converted into 732,876 Equity Shares in the financial year ended March 31, 2008 and bonds worth U.S.$ 41.03 million were bought back by the Company in the financial years ended March 31, 2009 and March 31, 2010.

- Issue of U.S.$ 150.00 million of foreign currency convertible bonds in September 2012 for redemption of the then existing foreign currency convertible bonds that were due for redemption on September 12, 2012. As of September 30, 2012, foreign currency convertible bonds aggregating to U.S.$ 150.00 million were outstanding; however, as of December 31, 2012 bonds in an aggregate amount of U.S.$ 39.6 million have been converted and 28,445,567 Equity Shares issued upon conversion. The bonds mature on September 8, 2017; and

- External commercial borrowing of U.S.$ 150.0 million raised during September 2012. The proceeds were used for redemption of the then existing outstanding foreign currency convertible bonds due for redemption on September 12, 2012. As of September 30, 2012, U.S.$ 150.0 million of this borrowing was outstanding.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the annual general meeting, who have the right to decrease but not to increase the amount of the dividend recommended by the board of directors. The Board of Directors may also declare interim dividends based on expected profits. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous Fiscal or out of both. A listed company in India may declare and disclose the dividend it issues only on per share basis.

The Company has been a dividend paying company and has paid dividends in each of the last three Fiscals, details of which are as follows:

	For Fiscal 2012	For Fiscal 2011	For Fiscal 2010
Face value of Equity Shares (Rs. per Equity Share)	2.00	2.00	2.00
Final dividend on Equity Shares (Rs. per Equity Share)	0.50	0.40 (interim) 0.40(final)	0.54 (interim) 0.54 (final)
Total dividend (including dividend distribution tax) on Equity Shares (Rs. in millions)	1,142.00	850.57 (interim) 894.87 (final)	885.78(interim) 1,338.99 (final)

The amounts paid as dividends in the past are not necessarily indicative of the Company's dividend policy or dividend amounts, if any, in the future.

Dividends are payable within 30 days of declaration. When dividends are declared, all the shareholders whose names appear in the share register as on the "record date" or "book closure date" are entitled to be paid dividend declared by the Company. Any shareholder who ceases to be a shareholder prior to the record date, or who becomes a shareholder after the record date, will not be entitled to the dividend declared by the Company.

Under the current Indian tax laws, dividends are not subject to income tax in India in the hands of the recipient. However, a company is liable to pay 'dividend distribution tax' currently at the rate of 15% (plus surcharge at 5% and education cess on dividend distribution tax and surcharge at the rate of 3 %) on the total amount distributed as dividend. The effective rate of dividend distribution tax is approximately 16.2225%. For further details, see the section titled 'Taxation' on page 159.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the audited consolidated financial statements of the Company as of and for the years ended March 31, 2010, 2011 and 2012. These financial statements are presented in this Placement Memorandum and have been prepared in accordance with the Companies Act and Indian GAAP.

*Unless stated otherwise, references to the audited consolidated financial statements as of and for the years ended March 31, 2010 and 2011 are to the audited consolidated financial statements for those years, prepared and presented in accordance with the format prescribed under Schedule VI to the Companies Act (the "**Old Schedule VI**") before it was replaced by the revised Schedule VI (the "**Revised Schedule VI**") pursuant to Notification S.O. 447(E) dated February 28, 2011 issued by the Ministry of Corporate Affairs, Government of India. Similarly, references to the audited consolidated financial statements as of and for the fiscal year ended March 31, 2012 are to the audited consolidated financial statements prepared and presented in accordance with the Revised Schedule VI. References to financial information relating to Fiscal 2010 and references to financial information relating to Fiscal 2011 in the context of comparisons to financial information relating to Fiscal 2010 are to financial information presented in the audited consolidated financial statements for that year prepared in accordance with the Old Schedule VI. References to financial information relating to Fiscal 2011 in all other contexts in this section are references to financial information presented in the audited consolidated financial statements as of and for the fiscal year ended March 31, 2012, wherein financial information relating to Fiscal 2011 has been reclassified in accordance with the Revised Schedule VI in order to provide comparability with the Company's audited consolidated financial statements as of and for the financial year ended March 31, 2012.*

*The Company does not prepare consolidated financial statements for interim periods, including the six month periods ended September 30, 2012 and 2011. As a result, we have presented a discussion of the results of operations of the Company, along with three of its material subsidiaries, namely, Jaiprakash Power Ventures Limited ("**JPVL**"), Jaypee Infratech Limited ("**Jaypee Infratech**") and Jaypee Cement Corporation Limited ("**JCCL**") , for the six month periods ended September 30, 2012 and 2011. The unaudited standalone financial results of each of the Company, JPVL and Jaypee Infratech have been prepared in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges.*

The Company's fiscal year ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the twelve-month period ended on March 31 of that year.

Some of the information in the following discussion contains forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect the Company's business, results of operations and financial condition.

Overview

The Company is the flagship company of the Jaypee Group (the "**Group**"). The Group is a diversified infrastructural industrial group based in India with significant interests in the areas of civil engineering and construction, cement manufacturing and marketing, power, real estate, roads and expressways, hospitality and sports events. As of September 30, 2012, the Company had 18 subsidiaries and joint ventures and the Group's principal areas of activity are categorized into the following segments:

- engineering and construction;
- cement production;
- power generation (including thermal, wind and hydro-power);
- real estate;
- hotels/hospitality;
- expressways;

- sports events;
- fertilizer production;
- oil and gas exploration; and
- mining.

Given the broad range of sectors and businesses in which the Group has operations, its financial condition and results of operations are affected by a wide range of factors, including macroeconomic factors that affect the performance of the Indian economy as a whole. Significant factors include:

- the rate of infrastructure development and construction in India, which is affected by policy considerations and regulatory developments;
- the rate of GDP growth in India;
- cement prices, production costs and sales volumes in India;
- the ability to secure new orders in relation to the Company's engineering and construction business;
- the prevailing real estate market conditions in India and the availability of financing for buyers of property in India;
- applicable tariffs and the terms of power purchase agreements in relation to the sale of power; and
- the ability of the Company to raise funds at competitive rates.

Basis of Presentation of Financial Statements

Pursuant to Notification S.O. 447(E) dated February 28, 2011, the Old Schedule VI was replaced with the Revised Schedule VI, which significantly changes the presentation of, and disclosure made in, the financial statements of Indian companies. Accordingly, the Company has modified the manner in which it presents its financial statements as of and for the fiscal year ended March 31, 2012 so that the presentation of the Company's financial statements is consistent with the Revised Schedule VI, which became applicable to the Company during Fiscal 2012. In connection with this exercise, the Company has also reclassified its financial statements as of and for the financial year ended March 31, 2011 in order to provide comparability with its financial statements as of and for the financial year ended March 31, 2012. The Company's historical audited financial statements for Fiscal 2011 and Fiscal 2010, discussed under "Results of Operations for Fiscal 2011 Compared with Fiscal 2010, Based on the Company's Consolidated Statement of Profit and Loss for Fiscal 2011 Prepared in Accordance with the Old Schedule VI", have been presented in accordance with the Old Schedule VI.

The adoption of the Revised Schedule VI does not impact the recognition and measurement principles followed for the preparation of the Company's financial statements. However, it does have a significant impact on the presentation of, and disclosure made in, the Company's financial statements, particularly with respect to the presentation of the statement of assets and liabilities. For financial periods ending subsequent to March 31, 2012, the Company has been and will be presenting its financials statements in accordance with the Revised Schedule VI.

The Company does not prepare consolidated financial statements for interim periods, including the six month periods ended September 30, 2012 and 2011, respectively. As a result, presented below is a discussion of the results of operations of the Company for the six month periods ended September 30, 2012 and 2011 on the basis of the unaudited standalone financial statements of the Company, along with the unaudited standalone financial statements of JPVL and Jaypee Infratech, its material subsidiaries which are also listed on the Stock Exchanges, prepared in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges and the unaudited standalone financial results of JCCL. Accordingly, the basis of preparation of the Company's annual results of operations differ from the basis of presentation of its interim results of operations for the six month periods ended September 30, 2012 and 2011 and no representations are made as to the comparability of the two. Also see “Risk Factors – The Company does not prepare consolidated financial statements for interim periods and has not prepared such financial statements as of and for the six month periods ended September 30, 2012 and 2011.”

The discussion below compares:

(a) the Company’s results of operations for the financial years ended March 31, 2012 and 2011 based on the Company’s audited consolidated financial statements for Fiscal 2012, prepared and presented in accordance with the Revised Schedule VI;

(b) the Company’s results of operations for the financial years ended March 31, 2011 and 2010, based on the Company’s audited consolidated financial statements for Fiscal 2011, prepared and presented in accordance with the Old Schedule VI;

(c) the Company’s results of operations for the six month periods ended September 30, 2012 and 2011, based on the Company’s unaudited standalone financial results, prepared and presented in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges;

(d) JPVL’s results of operations for the six month periods ended September 30, 2012 and 2011, based on JPVL’s unaudited standalone financial results, prepared and presented in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges;

(e) Jaypee Infratech’s results of operations for the six month periods ended September 30, 2012 and 2011, based on Jaypee Infratech’s unaudited standalone financial results, prepared and presented in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges; and

(f) JCCL’s results of operations for the six month periods ended September 30, 2012 and 2011, based on JCCL’s unaudited standalone financial results.

Critical Accounting Policies

The preparation of financial statements in conformity with generally accepted accounting principles in India (“**Indian GAAP**”) requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses for the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts/advances and future obligations in respect of retirement benefit plans. Actual results could differ from these estimates. The following is not an exhaustive summary of the Company’s significant accounting policies, which are presented in the notes to the Company’s financial statements included elsewhere in this Placement Document. The Company maintains its accounts on an accrual basis following the historical cost convention in accordance with Indian GAAP except for the revaluation of certain fixed assets and in compliance with the accounting standards referred to in Section 211(3C) and other requirements of the Indian Companies Act, 1956.

Recognition of Revenue and Expenditure

Revenue and expenditure are accounted for on an accrual basis. Additionally:

- Cement sales, clinker sales and asbestos sheets sales are recognized net of excise duty and value added tax and exclusive of self consumption.
- Construction revenue and income from or in respect of contracts entered into on or after April 1, 2003 are accounted as per AS-7 (Revised). Construction revenue and income from/in respect of contracts entered before April 1, 2003 are accounted as per the erstwhile AS-7.
- Entrance fee for golf membership is recognized in the year of receipt, irrespective of the period of membership.

- Advances received for time share weeks are recognized in equal amounts spread over the time share period commencing from the year in which full payment is received.

- Escalations and claims are recognized on the basis of receipt or as acknowledged by the client depending upon the certainty of receipt.

- Revenue from real estate development of constructed properties is recognized based on the "percentage of completion method". Total consideration under sale agreements is recognized as revenue based on the percentage of actual project costs incurred to total estimated project cost, subject to such actual cost incurred being 30% or more of the total estimated project cost. Project cost includes the cost of land and the 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 recognized in the period such changes are determined. Where the aggregate of the payment received from a customer provides insufficient evidence of its commitment to make the complete payment, revenue is recognized only to the extent of payment received.

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

- Revenue from the sale or sub-lease of developed land or plot is recognized based on the "percentage of completion method" when a firm agreement has been entered into and 30% or more of the consideration is received and where no significant uncertainty exists regarding the amount of consideration that will be derived from such sales, it is not unreasonable to expect ultimate collection and all significant risks and rewards are transferred to the customer.

- 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.

- The costs attributable to contracts are normally identified to respective contracts. However, the costs which cannot be identified or identifiable to a specific contract are charged to the general revenue in the year in which such costs are incurred.

Fixed Assets

Fixed assets are stated at cost of acquisition or construction inclusive of freight, erection and commissioning charges, duties and taxes, expenditure during construction period, interest on borrowing and financial cost up to the date of acquisition or installation.

Expenditure during Construction Period

Expenditure incurred on projects during implementation is capitalized and apportioned to various assets on commissioning of the project.

Borrowing Costs

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

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 category-wise. Dividend is accounted for as and when received.

Foreign Currency Transactions

Monetary assets and liabilities related to foreign currency transactions and outstanding, except assets and liabilities hedged by a hedged contract, at the close of the year, are expressed in Indian Rupees at the rate of exchange prevailing on the date of the balance sheet.

Monetary assets and liabilities hedged by a hedged 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 recognized in the statement of profit and 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.

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

The Company uses foreign currency contracts to hedge its risks associated with foreign currency fluctuations. The Company does not use derivative financial instruments for speculative purposes.

Consolidated Results of Operations of the Company for Fiscals 2012 and 2011

A summary of the Company's consolidated results of operations for Fiscals 2012 and 2011 as reflected in the Company's audited consolidated financial statements for Fiscal 2012, prepared and presented in accordance with the Revised Schedule VI, is set out in the table below:

Particulars	**Fiscal**			
	2012		**2011**[1]	
	Rs. million	*%*	*Rs. million*	*%*
Revenues				
Revenue from operations (net)....................	148,735.0	98.4	113,749.1	97.8
Other income……….................................	2,469.9	1.6	2,549.0	2.2
Total revenues	**151,204.9**		**116,298.1**	
Expenses				
Cost of materials consumed	24,568.6	16.3	18,130.5	15.6
Changes in inventories of finished goods and work-in-progress…..	336.4	0.2	(2,565.3)	(2.2)
Manufacturing, construction, real estate, infrastructure hotel/hospitality/event & power expenses……………………..	39,661.2	26.2	27,449.5	23.6
Employee benefits expense.........................	6,600.1	4.4	5,249.3	4.5
Finance costs..	31,341.4	20.7	19,795.0	17.0
Depreciation and amortisation expense	9,515.5	6.3	6,477.3	5.6
Other expenses..	22,921.3	15.2	15,870.5	13.7
Total expenses	**134,944.5**	**89.3**	**90,406.8**	**77.7**
Profit before exceptional, prior period items and tax..	16,260.4	10.8	25,891.3	22.3
Profit on sale of shares – exceptional item...	-	-	5,131.6	4.4
Adjustment for tariff for FY 04 to FY 08……………………..	-	-	(100.2)	(0.1)
Prior period adjustments………	(6.6)	(0.0)	(45.8)	(0.0)
Profit before tax	**16,253.8**	**10.8**	**30,876.9**	**26.6**

Particulars	Fiscal			
	2012		2011[1]	
	Rs. million	*%*	*Rs. million*	*%*
Tax expense	**6,783.0**	**4.5**	**10,286.6**	**8.9**
Net profit after tax and before minority interest and share in earnings of Associates………....................................	**9,470.8**	**6.3**	**20,590.3**	**17.7**
Minority shareholders interest..	(3,141.2)	(2.1)	(2,653.6)	(2.3)
Share in earnings of Associate….	(0.4)	(0.0)	(8.5)	(0.0)
Profit for the year/period	**6,329.2**	**4.2**	**17,928.2**	**15.4**

Note:

(1) References to financial information relating to Fiscal 2011 are references to financial information presented in the financial statements as of and for the fiscal year ended March 31, 2012, wherein financial information relating to Fiscal 2011 has been reclassified in accordance with the Revised Schedule VI in order to provide comparability with the Company's consolidated financial statements as of and for the financial year ended March 31, 2012.

Revenues

Revenue from operations. The Company's net revenue from operations increased by 30.8% to Rs. 148,735.0 million in Fiscal 2012 from Rs. 113,749.1 million in Fiscal 2011. This increase was largely as a result of the following:

- an increase in revenues of the Company's cement/cement products segment by 31.4% to Rs. 69,091.6 million in Fiscal 2012 from Rs. 52,566.9 million in Fiscal 2011 primarily arising from the commissioning of three new plants and increased production and sales during this period;
- an increase in revenues of the Company's construction segment by 12.5% to Rs. 9,767.9 million in Fiscal 2012 from Rs. 8,683.6 million in Fiscal 2011 primarily arising from the commencement of execution of EPC contracts for third parties during this period;
- an increase in revenues of the Company's infrastructure project segment by 22.5% to Rs. 31,587.7 million in Fiscal 2012 from Rs. 25,788.6 million in Fiscal 2011, primarily arising from new project launches and recognition of revenues from sales during this period; and
- an increase in revenues of the Company's power segment by 110.9% to Rs. 16,539.3 million in Fiscal 2012 from Rs. 7,844.2 million in Fiscal 2011, primarily due to the commencement of operations of the Karcham Wangtoo HEP in September 2011.

Other income. Other income decreased by 3.1% to Rs. 2,469.9 million in Fiscal 2012 from Rs. 2,549.0 million in Fiscal 2011. This decrease was primarily due a decrease in interest income during this period.

Expenses

Cost of materials consumed. The cost of materials consumed increased by 35.5% to Rs. 24,568.6 million in Fiscal 2012 from Rs. 18,130.5 million in Fiscal 2011. This increase was primarily due to the following:

- an increase in the cost of coal consumed by 45.9% to Rs. 13,369.9 million in Fiscal 2012 from Rs. 9,161.2 million in Fiscal 2011 due to higher coal procurement costs and an increase in the Company's demand for coal corresponding to increased production of cement and cement products during this period;
- an increase in the cost of raw materials consumed by the Company's cement division and for the manufacture of asbestos sheets by 43.5% to Rs. 9,056.8 million from Rs. 6,310.3 million

corresponding to the new plants that commenced production during this period and the increased production of cement and cement products during this period;

- an increase in the cost of materials consumed by others by 167.4% to Rs. 901.9 million from Rs. 337.3 million, primarily arising from the cost of materials at the Company's heavy engineering workshop and an increase in construction contract work during this period; and

- an increase in the cost of packing materials consumed by 36.4% to Rs. 2,820.9 million from Rs. 2,068.5 million, primarily due to the increased requirement for cement bags during this period.

As a percentage of total revenues, the cost of materials consumed increased to 16.3% in Fiscal 2012 from 15.6% in Fiscal 2011.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress increased by 113.1% to Rs. 336.4 million in Fiscal 2012 from negative Rs. 2,565.3 million in Fiscal 2011, due to the build up of inventories in Fiscal 2011.

Manufacturing, construction, real estate, infrastructure, hotel/hospitality/event and power expenses. Expenses in relation to manufacturing, construction, real estate, infrastructure, hotel/hospitality/event and power expenses increased by 44.5% to Rs. 39,661.2 million in Fiscal 2012 from Rs. 27,449.5 million in Fiscal 2011. This was largely due to the following:

- an increase in real estate/infrastructure expenses by 39.9% to Rs. 21,322.0 million from Rs. 15,240.5 million, arising from an increase in construction and raw material costs, as well as the initiation of new projects during this period, and corresponding to increased sales volumes;

- an increase in event expenses to Rs. 3,192.1 million from Rs. Nil during this period as a result of the Company hosting the Formula 1 race in October 2011;

- an increase in power, electricity and water charges by 21.3% to Rs. 8,810.8 million from Rs. 7,263.9 million, arising primarily from the commissioning of new plants and an increase in power tariffs during this period; and

- an increase in freight, octroi and transportation charges by 28.4% to Rs. 4,910.4 million from Rs. 3,824.8 million, arising primarily from increased fuel costs and transportation expenses.

These increases were partially offset by a decrease in hotel and golf course operating expenses during this period by 24.0%, to Rs. 266.5 million in Fiscal 2012 from Rs. 350.7 million in Fiscal 2011.

Employee benefits. Employee benefits increased by 25.7% to Rs. 6,600.1 million in Fiscal 2012 from Rs. 5,249.3 million in Fiscal 2011. This increase was primarily due to an increase in salaries, wages and bonus to Rs. 5,920.9 million from Rs. 4,612.6 million during this period as a result of an increase in employee headcount and annual salary increments. As a percentage of total revenues, employee benefits decreased to 4.4% in Fiscal 2012 as compared with 4.5% in Fiscal 2011.

Finance costs. Finance costs increased by 58.3% to Rs. 31,341.4 million in Fiscal 2012 from Rs. 19,795.0 million in Fiscal 2011. This was primarily due to:

- an increase in interest on term loans to Rs. 19,392.3 million from Rs. 12,070.7 million, , largely arising from the recognition of interest expenses relating to the new plants commissioned during this period;

- an increase in interest on debentures to Rs. 5,104.8 million from Rs. 3,158.4 million, largely arising from the issue of non-convertible debentures by the Company in 2011 and the interest expenses relating charged for the full year in Fiscal 2012 as compared with only part of the year in Fiscal 2011; and

- an increase in financing charges to Rs. 3,407.1 million from Rs. 1,048.1 million during this period, arising from the incurrence of new indebtedness.

These increases were partially offset by a decrease in interest on bank borrowings and others to Rs. 3,381.3 million from Rs. 3,517.8 million during the same period. As a percentage of total revenues, finance costs increased to 20.7% in Fiscal 2012 as compared with 17.0% in Fiscal 2011.

Depreciation and amortisation expense. Depreciation and amortisation expense increased by 46.9% to Rs. 9,515.5 million in Fiscal 2012 from Rs. 6,477.3 million in Fiscal 2011. This was primarily due to an increase in the Company's fixed assets during this period from the commissioning of new plants, to a net carrying value of Rs. 266,552.8 million as of March 31, 2012 from Rs. 164,420.3 million as of March 31, 2011. As a percentage of total revenues, depreciation and amortisation expense increased to 6.3% in Fiscal 2012 as compared with 5.6% in Fiscal 2011.

Other expenses. Other expenses increased by 44.4% to Rs. 22,921.3 million in Fiscal 2012 from Rs. 15,870.5 million in Fiscal 2011. This was primarily due to:

- an increase in loading, transportation and other charges to Rs. 13,508.0 million from Rs. 8,192.8 million during this period, arising from an increase in transportation and fuel costs;
- an increase in commission and discount on sales to Rs, 2,812.2 million from Rs. 2,113.2 million during this period, arising from increased sales in the Company's cement and real estate segments;
- an increase in sales promotion to Rs. 1,011.4 million from Rs. 867.1 million during this period, arising from increased sales in the Company's cement and real estate segments;
- an increase in legal and professional charges to Rs. 1,064.1 million from Rs. 800.7 million during this period;
- an increase in security and medical service expenses to Rs. 618.4 million from Rs. 523.4 million during this period; and
- an increase in miscellaneous expenses to Rs. 905.5 million from Rs. 753.1 million during this period.

Profit before exceptional, prior period items and tax

As a result of the foregoing, the Company's profit before exceptional, prior period items and tax decreased significantly by 37.2% to Rs. 16,260.4 million in Fiscal 2012 from Rs. 25,891.3 million in Fiscal 2011. This was primarily due to a substantial increase in operating expenses and finance costs during this period.

Profit before tax

The Company's profit before tax decreased significantly by 47.4% to Rs. 16,253.8 million in Fiscal 2012 from Rs. 30,876.9 million in Fiscal 2011. This was primarily due to a substantial increase in operating expenses and finance costs during this period, as well as an exceptional item in the form of a profit on the sale of shares of Rs. 5,131.6 million during Fiscal 2011, which did not recur in Fiscal 2012.

Profit for the year

Profit for the year decreased significantly by 64.7% to Rs. 6,329.2 million in Fiscal 2012 from Rs. 17,928.2 million in Fiscal 2011. This was primarily due to the foregoing, along with an increase in minority shareholders interest by 18.4% to Rs. 3,141.2 million from Rs. 2,653.6 million, as a result of JPVL's increased profits during this period from the commissioning of the Karcham Wangtoo HEP.

Consolidated Results of Operations of the Company for Fiscals 2011 and 2010

A summary of the Company's consolidated results of operations for Fiscals 2011 and 2010 as reflected in the Company's audited consolidated financial statements for Fiscal 2011, prepared and presented in accordance with the Old Schedule VI, is set out in the table below:

Particulars	Fiscal			
	2011[(1)]		2010[(1)]	
	Rs. million	*%*	*Rs. million*	*%*
Income				
Cement sales (gross)	56,213.3	46.3	39,217.3	48.4
Less: Excise duty on sales	6,026.2	5.0	4,021.8	5.0
Construction revenue	8,501.5	7.0	13,186.4	16.3
Real estate/Infrastructure revenue	42,765.8	35.2	6,756.5	8.3
Hotel/Hospitality revenue	1,762.9	1.5	1,512.2	1.9
Sale of energy	8,169.9	6.7	7,370.7	9.1
Sale of VERs	382.1	0.3	411.1	0.5
Asbestos sheets sales (gross)	907.8	0.8	879.3	1.1
Less: Excise duty on sales	83.7	0.1	(56.2)	(0.1)
Other revenue	8,836.3	7.3	15,795.6	19.5
Total Income	**121,429.7**		**81,051.1**	
Expenditure				
(Increase)/Decrease in stocks and work-in-progress	(2,948.9)	(2.4)	1,009.1	1.3
Manufacturing, construction, real estate, infrastructure, hotel/hospitality & power expenses	45,573.5	37.5	24,344.5	30.0
Excise duty on stocks	383.6	0.3	226.8	0.3
Personnel	5,249.3	4.3	5,940.9	7.3
Selling & Distribution expenses	11,154.3	9.2	6,045.9	7.5
Other expenses	5,784.6	4.8	5,770.9	7.1
Interest	18,746.9	15.4	12,863.8	15.9
Depreciation	6,463.5	5.3	4,722.0	5.8
Total expenditure	**90,406.8**	**74.5**	**60,923.9**	**75.2**
Adjustment for Tariff for FY 04 to FY 08	(100.2)	(0.1)	-	-
Prior period adjustments (Net)	(45.8)	(0.0)	(59.3)	(0.1)
Profit before tax	**30,876.9**	**25.4**	**20,067.9**	**24.8**
Provision for taxation	10,286.6	8.5	8,249.5	10.2
Net profit after tax and before minority interest and share in earnings of Associates	20,590.3	17.0	11,818.4	14.6
Minority shareholders interest	(2,653.6)	(2.2)	(626.6)	(0.8)
Share in earnings of Associates	(8.5)	(0.0)	-	-
Net profit for the period	**17,928.2**	**14.8**	**11,191.8**	**13.8**

Note:

(1) References to financial information relating to Fiscal 2010 and references to financial information relating to Fiscal 2011 in the context of comparisons to financial information relating to Fiscal 2010 are to financial information presented in the financial statements for that year prepared in accordance with the Old Schedule VI.

Income

Total income. The Company's total income increased by 49.8% to Rs. 121,429.7 million in Fiscal 2011 from Rs. 81,051.1 million in Fiscal 2010. This was primarily as a result of the following:

- an increase in revenues of the cement segment by 41.4% to Rs. 52,566.9 million from Rs. 37,186.7 million during this period, primarily arising from increased cement sales during this period as a result of the successful commissioning of two units, along with an increase in production to 14.71 million tonnes in Fiscal 2011 from 10.69 million tonnes on Fiscal 2010;

- a significant increase in revenues of the infrastructure segment by 10,215.4% to Rs. 25,788.6 million from Rs. 250.0 million during this period, primarily arising from an increase in sales by Jaypee Infratech; and

- an increase in revenues of the real estate segment by 161.7% to Rs. 17,102.7 million from Rs. 6,535.7 million during this period, primarily arising from an increase in real estate sales by Jaypee Infratech.

This increase was partially offset by:

- a decrease in construction revenues by 34.6% to Rs. 8,683.6 million from Rs. 13,273.9 million, as revenues from third party contracts decreased during this period due to the completion of certain projects in Fiscal 2010; and

- a decrease in other revenues by 81.7% to Rs. 22.4 million from Rs. 122.2 million.

Expenditure

Stocks and work-in-progress. The Company's stocks and work-in-progress decreased by 392.2% to negative Rs. 2,948.9 million in Fiscal 2011 from Rs. 1,009.1 million in Fiscal 2010. This was largely as a result of the increase in finished goods and stock-in-process as of March 31, 2011 in the cement division.

Manufacturing, construction, real estate, infrastructure, hotel/hospitality and power expenses. The Company's manufacturing, construction, real estate, infrastructure, hotel/hospitality and power expenses increased by 87.2% to Rs. 45,573.5 million in Fiscal 2011 from Rs. 24,344.5 million in Fiscal 2010. This increase primarily arose from:

- an increase in raw materials consumed by the cement division by 61.5% to Rs. 5,956.4 million from Rs. 3,688.7 million, due to the commissioning of new plants during this period as well as the increased consumption of raw materials by two plants commissioned in the fourth quarter of Fiscal 2010;

- an increase in real estate infrastructure expenses by 351.3% to Rs. 15,240.5 million from Rs. 3,377.1 million during this period, corresponding to an increase in real estate sales by Jaypee Infratech;
- an increase in power, electricity and water charges by 55.3% to Rs. 7,263.9 million from Rs. 4,676.6 million, due to the commissioning of new plants during this period as well as the increased consumption of power, electricity and water by two plants commissioned in the fourth quarter of Fiscal 2010; and

- an increase in coal consumed by 75.7% to Rs. 9,170.3 million from Rs. 5,219.5 million, as a result of higher volumes consumed and increased prices of coal during this period.

This increase was partially offset by:

- a decrease in construction expenses by 22.8% to Rs. 1,604.7 million from Rs. 2,078.5 million, corresponding to the decrease in construction activities during this period; and

- a decrease in repairs and maintenance of machinery by 68.4% to Rs. 595.7 million from Rs. 1,882.2 million during the same period, as major repairs of certain equipment were carried out in Fiscal 2010.

Personnel. The Company's personnel expenditure decreased by 11.6% to Rs. 5,249.3 million in Fiscal 2011 from Rs. 5,940.9 million in Fiscal 2010. This decrease was primarily due to the employee compensation expense of Rs. 2,119.4 million paid during Fiscal 2010, which was an extraordinary item and did not recur during Fiscal 2011.

Selling and distribution expenses. The Company's selling and distribution expenses increased by 84.5% to Rs. 11,154.3 million in Fiscal 2011 from Rs. 6,045.9 million in Fiscal 2010. This was primarily due to an increase in the Company's loading, transportation and other charges to Rs. 8,230.5 million from Rs. 4,589.9 million, arising from increased sales volumes and transport expenses, and an increase in commission on sales to Rs. 2,007.9 million from Rs. 637.3 million, arising from increased real estate and cement sales, during this period. As a percentage of total income, selling and distribution expenses increased to 9.2% in Fiscal 2011 as compared with 7.5% in Fiscal 2010.

Interest. The Company's interest expenses increased by 45.7% to Rs. 18,746.9 million in Fiscal 2011 from Rs. 12,863.8 million in Fiscal 2010, primarily due to an increase in interest on term loans to Rs. 12,068.0 million from Rs. 8,675.9 million, arising from an increase in the Company's aggregate term loans, coupled with the recognition of interest charges in relation to new plants commissioned during this period and prepayment charges incurred in relation to refinancing of certain existing loans, as well as an increase in interest on bank borrowing and others to Rs. 3,522.8 million from Rs. 1,729.7 million during this period. As a percentage of total revenues, interest and finance charges decreased to 15.4% in Fiscal 2011 as compared with 15.9% in Fiscal 2010.

Depreciation. The Company's depreciation expenses increased by 36.9% to Rs. 6,463.5 million in Fiscal 2011 from Rs. 4,722.0 million in Fiscal 2010, primarily due to an increase in fixed assets during this period, arising from the commissioning of new plants. As a percentage of total revenues, depreciation and amortisation decreased to 5.3% in Fiscal 2011 as compared with 5.8% in Fiscal 2010.

Profit before tax

The Company's profit before tax increased significantly by 53.9% to Rs. 30,876.9 million in Fiscal 2011 from Rs. 20,067.9 million in Fiscal 2010. This was primarily due to the increase in the Company's operating income during this period.

Net profit for the period

As a result of the foregoing, net profit for the period increased by 60.2% to Rs. 17,928.2 million in Fiscal 2011 from Rs. 11,191.8 million in Fiscal 2010.

Standalone Results of Operations of the Company for the Six Month Periods Ended September 30, 2012 and 2011

A summary of the Company's standalone results of operations for the six month periods ended September 30, 2012 and 2011, prepared and presented in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges, is set out in the table below:

Particulars	**For the six month period ended September 30,**			
	2012 (unaudited)		**2011 (unaudited)**	
	Rs. million	*%*	*Rs. million*	*%*
Income from Operations				
Net sales/income from operations (net of excise duty)..	59,461.1	98.9	57,695.4	99.1
Other operating income………..................	670.1	1.1	519.8	0.9
Total income from operations..................	**60,131.2**		**58,215.2**	
Expenses				
Cost of materials consumed........................	14,857.7	24.7	12,182.4	20.9

Particulars	For the six month period ended September 30,			
	2012 (unaudited)		2011 (unaudited)	
	Rs. million	*%*	*Rs. million*	*%*
Changes in inventories of finished goods and work-in-progress…..	(262.7)	(0.4)	921.1	1.6
Manufacturing, construction, real estate, infrastructure hotel/hospitality/event & power expenses……………………..	16,226.8	27.0	18,946.5	32.6
Employee benefits expense.........................	3,840.6	6.4	3,310.5	5.7
Depreciation and amortisation expense	3,540.9	5.9	2,853.8	4.9
Other expenses..	9,175.4	15.3	7,322.4	12.6
Total expenses	**47,378.7**	**78.8**	**45,536.7**	**78.2**
Profit from operations before other income, finance costs and exceptional items	12,752.5	21.2	12,678.5	21.8
Other income	508.7	0.9	999.3	1.7
Profit from ordinary activities before finance costs and exceptional items………	13,261.2	22.1	13,677.8	23.5
EBITDA………	**16,802.1**	**27.9**	**16,531.6**	**28.4**
Finance costs………………………………	9,296.2	15.5	7,602.8	13.1
Profit from ordinary activities after finance costs but before exceptional items……….	3,965.0	6.6	6,075.0	10.4
Prior period adjustments………………….	42.1	0.1	(4.7)	(0.0)
Profit from ordinary activities before tax.....	4,007.1	6.7	6,070.3	10.4
Tax expense	1,338.6	2.2	1,742.3	3.0
Net profit for the period……….	**2,668.5**	**4.4**	**4,328.0**	**7.4**

Income from Operations

Net sales/income from operations. The Company's net sales/income from operations increased by 3.1% to Rs. 59,461.1 million in the six month period ended September 30, 2012 from Rs. 57,695.4 million in the six month period ended September 30, 2011. This increase was primarily due to:

- an increase in revenues from the cement segment by 22.3% to Rs. 29,348.5 million from Rs. 23,997.1 million during this period, primarily arising from increased realisations from cement sales as well as a marginal increase in sales volumes;

- an increase in revenues from the power segment by 4.4% to Rs. 292.6 million from Rs. 280.3 million during this period, primarily arising from increased sales from the wind power division of the Company; and

- an increase in revenues from the hotel/hospitality and golf course segment by 16.5% to Rs. 936.0 million from Rs. 803.6 million during this period, primarily arising from increased revenues from certain of the Company's hotel properties.

This increase was partially offset by:

- a decrease in revenues from the construction segment by 11.4% to Rs. 25,059.0 million from Rs. 28,296.2 million during this period, as a result of the completion of construction activities relating to the Karcham Wangtoo HEP and the Yamuna Expressway project; and

- a decrease in revenues from the real estate segment by 21.1% to Rs. 4,328.6 million from Rs. 5,486.9 million during this period, as a result of lower real estate work execution.

Other operating income. Other operating income increased by 28.9% to Rs. 670.1 million in the six month period ended September 30, 2012 from Rs. 519.8 million in the six month period ended September 30, 2011.

Expenses

Cost of materials consumed. The cost of materials consumed increased by 22.0% to Rs. 14,857.7 million in the six month period ended September 30, 2012 from Rs. 12,182.4 million in the six month period ended September 30, 2011. This increase was primarily due to increased input costs corresponding to increased cement sales during this period. As a percentage of total income from operations, the cost of materials consumed increased to 24.7% in the six month period ended September 30, 2012 as compared with 20.9% in the six month period ended September 30, 2011.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress decreased by 128.5% to negative Rs. 262.7 million in the six month period ended September 30, 2012 from Rs. 921.1 million in the six month period ended September 30, 2011.

Manufacturing, construction, real estate, infrastructure, hotel/hospitality/event and power expenses. Expenses in relation to manufacturing, construction, real estate, infrastructure, hotel/hospitality/event and power decreased by 14.4% to Rs. 16,226.8 million in the six month period ended September 30, 2012 from Rs. 18,946.5 million in the six month period ended September 30, 2011. This decrease was primarily due to the decrease in construction activities during this period.

Employee benefits expense. Employee benefits expense increased by 16.0% to Rs. 3,840.6 million in the six month period ended September 30, 2012 from Rs. 3,310.5 million in the six month period ended September 30, 2011. This increase was primarily due to increased headcount arising from the commencement of two projects in Bhutan during this period. As a percentage of total income from operations, employee benefits expense increased to 6.4% in the six month period ended September 30, 2012 as compared with 5.7% in the six month period ended September 30, 2011.

Depreciation and amortisation expense. Depreciation and amortisation expense increased by 24.1% to Rs. 3,540.9 million in the six month period ended September 30, 2012 from Rs. 2,853.8 million in the six month period ended September 30, 2011. This increase in depreciation and amortisation expense arose primarily in relation to a new plant that was commissioned in the fourth quarter of Fiscal 2012. As a percentage of total income from operations, depreciation and amortisation expense increased to 5.9% in the six month period ended September 30, 2012 as compared with 4.9% in the six month period ended September 30, 2011.

Other expenses. Other expenses increased by 25.3% to Rs. 9,175.4 million in the six month period ended September 30, 2012 from Rs. 7,322.4 million in the six month period ended September 30, 2011. This increase was primarily due to higher loading and transportation expenses and miscellaneous expenses incurred during this period.

Finance Costs

Finance costs increase by 22.3% to Rs. 9,296.2 million in the six month period ended September 30, 2012 from Rs. 7,602.8 million in the six month period ended September 30, 2011. This increase was primarily due to the replacement of the Company's erstwhile zero coupon foreign currency convertible bonds in September 2012 with interest bearing foreign currency convertible bonds, external commercial borrowings and Rupee loans incurred by the Company during this period. As a percentage of total income from operations, finance costs increased to 15.5% from 13.1% during this period.

Net profit for the period

As a result of the foregoing, net profit for the period decreased by 38.3% to Rs. 2,668.5 million in the six month period ended September 30, 2012 from Rs. 4,328.0 million in the six month period ended September 30, 2011.

Standalone Results of Operations of JPVL for the Six Month Periods Ended September 30, 2012 and 2011

A summary of JPVL's standalone results of operations for the six month periods ended September 30, 2012 and 2011, prepared and presented in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges, is set out in the table below:

Particulars	**For the six month period ended September 30,**			
	2012 (unaudited)		**2011 (unaudited)**	
	Rs. million	*%*	*Rs. million*	*%*
Income from Operations				
Net sales/income from operations................	14,405.1	99.3	9,152.2	98.9
Other operating income………...................	106.3	0.7	98.3	1.1
Total income from operations..................	**14,511.4**		**9,250.5**	
Expenses				
Cost of operation and maintenance.............	923.7	6.4	233.8	2.5
Purchases of stock-in-trade……………….	-	-	-	-
Changes in inventories of finished goods and work-in-progress…..	-	-	-	-
Employee benefits expense..........................	244.8	1.7	197.6	2.1
Depreciation and amortisation expense	1,448.1	10.0	938.9	10.2
Other expenses..	328.2	2.3	269.1	2.9
Total expenses	**2,944.8**	**20.3**	**1,639.4**	**17.7**
Profit/(loss) from operations before other income, finance costs and exceptional items	11,566.6	79.7	7,611.1	82.3
Other income	164.0	1.1	297.7	3.2
Profit/(loss) from ordinary activities before finance costs and exceptional items………	11,730.6	80.8	7,908.8	85.5
Finance costs………………………………	5,163.1	35.6	3,530.8	38.2
Profit/(loss) from ordinary activities after finance costs but before exceptional items……….	6,567.5	45.3	4,378.0	47.3
Profit/(loss) from ordinary activities before tax	6,567.5	45.3	4,378.0	47.3
Tax expense	1,077.6	7.4	875.9	9.5
Net profit for the period……….	**5,489.9**	**37.8**	**3,502.1**	**37.9**

Income from Operations

Net sales/income from operations. JPVL's net sales/income from operations increased by 57.4% to Rs. 14,405.1 million in the six month period ended September 30, 2012 from Rs. 9,152.2 million in the six month period ended September 30, 2011. This increase was primarily due to the commencement of commercial operations of the Karcham Wangtoo HEP in September 2011, leading to increased power production and recognition of sales during the six month period ended September 30, 2012.

Other operating income. JPVL's other operating income increased by 8.1% to Rs. 106.3 million in the six month period ended September 30, 2012 from Rs. 98.3 million in the six month period ended September 30, 2011.

Expenses

Cost of operation and maintenance. JPVL's cost of operation and maintenance increased by 295.1% to Rs. 923.7 million in the six month period ended September 30, 2012 from Rs. 233.8 million in the six month period ended September 30, 2011. This increase was primarily due the commencement of commercial operations of the Karcham Wangtoo HEP in September 2011, leading to the recognition of higher operation and maintenance costs during the six month period ended September 30, 2012.

Employee benefits expense. JPVL's employee benefits expense increased by 23.9% to Rs. 244.8 million in the six month period ended September 30, 2012 from Rs. 197.6 million in the six month period ended September 30, 2011. This was primarily due to the commencement of commercial operations of the Karcham Wangtoo HEP in September 2011, leading to the recognition of increased employee benefits expenses during the six month period ended September 30, 2012.

Depreciation and amortisation expense. JPVL's depreciation and amortisation expenses increased by 54.2% to Rs. 1,448.1 million in the six month period ended September 30, 2012 from Rs. 938.9 million in the six month period ended September 30, 2011. This was primarily due to recognition of increased depreciation and amortisation expenses in relation to the Karcham Wangtoo HEP during the six month period ended September 30, 2012.

Other expenses. JPVL's other expenses increased by 22.0% to Rs. 328.2 million in the six month period ended September 30, 2012 from Rs. 269.1 million in the six month period ended September 30, 2011. This was primarily due to the commencement of commercial operations of the Karcham Wangtoo HEP in September 2011.

Finance costs

JPVL's finance costs increase by 46.2% to Rs. 5,163.1 million in the six month period ended September 30, 2012 from Rs. 3,530.8 million in the six month period ended September 30, 2011. This increase was primarily due to recognition of interest charges attributable to the Karcham Wangtoo HEP during this period.

Net profit for the period

As a result of the foregoing, JPVL's net profit for the period increased by 56.8% to Rs. 5,489.9 million in the six month period ended September 30, 2012 from Rs. 3,502.1 million in the six month period ended September 30, 2011.

Standalone Results of Operations of Jaypee Infratech for the Six Month Periods Ended September 30, 2012 and 2011

A summary of Jaypee Infratech's standalone results of operations for the six month periods ended September 30, 2012 and 2011, prepared and presented in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges, is set out in the table below:

Particulars	**For the six month period ended September 30,**			
	2012 (unaudited)		**2011 (unaudited)**	
	Rs. million	*%*	*Rs. million*	*%*
Income from Operations				
Net sales/income from operations................	13,829.8	100.0	13,327.2	100.0
Other operating income………..................	-		-	
Total income from operations..................	**13,829.8**		**13,327.2**	
Expenses				
Cost of sales..	7,122.1	51.5	6,003.0	45.0

Particulars	For the six month period ended September 30,			
	2012 (unaudited)		2011 (unaudited)	
	Rs. million	*%*	*Rs. million*	*%*
Employee benefits expense..........................	116.9	0.9	53.6	0.4
Depreciation and amortisation expense	40.3	0.3	7.9	0.1
Other expenses..	285.7	2.1	107.5	0.8
Total expenses	**7,565.0**	**54.7**	**6,172.1**	**46.3**
Profit from operations before other income, finance costs and exceptional items............	6,264.8	45.3	7,155.1	53.7
Other income	42.8	0.3	86.2	0.7
Profit from ordinary activities before finance costs and exceptional items………	6,307.6	45.6	7,241.3	54.3
Finance costs………………………………	1,421.0	10.3	385.7	2.9
Profit from ordinary activities after finance costs but before exceptional items……….	4,886.6	35.3	6,855.6	51.4
Profit from ordinary activities before tax.....	4,886.6	35.3	6,855.6	51.4
Tax expense	977.7	7.1	1,372.0	10.3
Net profit for the period……….	**3,908.9**	**28.3**	**5,483.6**	**41.2**

Income from Operations

Net sales/income from operations. Jaypee Infratech's net sales/income from operations increased by 3.8% to Rs. 13,829.8 million in the six month period ended September 30, 2012 from Rs. 13,327.2 million in the six month period ended September 30, 2011. This increase was primarily due to higher realisation per square foot from sales of real estate during the six month period ended September 30, 2012.

Expenses

Cost of sales. Jaypee Infratech's cost of sales increased by 18.6% to Rs. 7,122.1 million in the six month period ended September 30, 2012 from Rs. 6,003.0 million in the six month period ended September 30, 2011. This increase was primarily due to higher costs incurred by Jaypee Infratech in relation to built up properties and increased sales of built up properties compared to developed plots during the six month period ended September 30, 2012.

Employee benefits expense. Jaypee Infratech's employee benefits expense increased by 118.1% to Rs. 116.9 million in the six month period ended September 30, 2012 from Rs. 53.6 million in the six month period ended September 30, 2011. This was primarily due to an increase in employee headcount during the six month period ended September 30, 2012 as a result of the commencement of commercial operations of the Yamuna Expressway in August 2012.

Depreciation and amortisation expense. Jaypee Infratech's depreciation and amortisation expenses increased by 410.1% to Rs. 40.3 million in the six month period ended September 30, 2012 from Rs. 7.9 million in the six month period ended September 30, 2011. This arose from the recognition of increased depreciation and amortisation expense as a result of the commencement of commercial operations of the Yamuna Expressway in August 2012.

Other expenses. Jaypee Infratech's other expenses increased by 165.5% to Rs. 285.7 million in the six month period ended September 30, 2012 from Rs. 107.5 million in the six month period ended September 30, 2011. This was primarily due to the commencement of commercial operations of the Yamuna Expressway in August 2012.

Finance costs

Jaypee Infratech's finance costs increased by 268.4% to Rs. 1,421.0 million in the six month period ended September 30, 2012 from Rs. 385.7 million in the six month period ended September 30, 2011. This increase was primarily due to interest charged to the statement of profit and loss upon commissioning of the Yamuna Expressway Project in August, 2012.

Net profit for the period

As a result of the foregoing increases in expenses and finance costs, Jaypee Infratech's net profit for the period decreased by 28.7% to Rs. 3,908.9 million in the six month period ended September 30, 2012 from Rs. 5,483.6 million in the six month period ended September 30, 2011.

Standalone Results of Operations of JCCL for the Six Month Periods Ended September 30, 2012 and 2011

A summary of JCCL's standalone results of operations for the six month periods ended September 30, 2012 and 2011.

Particulars	**For the six month period ended September 30,**			
	2012 (unaudited)		**2011 (unaudited)**	
	Rs. million	*%*	*Rs. million*	*%*
Income				
Revenue from operations............................	9,364.0	99.3	4,816.3	99.8
Other income………...................................	62.4	0.7	11.4	0.2
Total revenue...	**9,426.4**		**4,827.7**	
Expenses				
Cost of materials consumed	3,578.5	38.0	2,191.3	45.4
Changes in inventories of finished goods and work-in-progress…..	(197.1)	(2.1)	(360.0)	(7.5)
Manufacturing expenses…………………	1,922.5	20.4	1,252.8	26.0
Employee benefits expense.........................	616.7	6.5	310.6	6.4
Finance cost	1,908.1	20.2	1,318.5	27.3
Other expenses..	3,252.7	34.5	1,593.7	33.0
Depreciation and amortisation expenses….	1,667.9	17.7	1,166.8	24.2
Total expenses	**12,749.2**	**135.3**	**7,473.6**	**154.8**
Profit before extraordinary items and tax.....	(3,322.9)	(35.3)	(2,645.9)	(54.8)
Prior period adjustments………………….	10.1	0.1	(0.5)	(0.0)
Profit before tax	(3,312.7)	35.1	(2,646.3)	(54.8)
Tax expense	(825.9)	(8.8)	-	-
Profit for the period from continuing operation……….......................................	**(2,486.8)**	**(26.4)**	**(2,646.3)**	**(54.8)**

Income

Revenue from operations. JCCL's revenue from operations increased by 94.4% to Rs. 9,364.0 million in the six month period ended September 30, 2012 from Rs. 4,816.3 million in the six month period ended September 30, 2011. This increase was primarily due to the commencement of operations of one new cement plant and one new asbestos plant during this period and better realisations during this period.

Other income. JCCL's other income increased by 447.4% to Rs. 62.4 million in the six month period ended September 30, 2012 from Rs. 11.4 million in the six month period ended September 30, 2011. This increase was primarily due to an increase in interest income during this period.

Expenses

Cost of materials consumed. JCCL's cost of sales increased by 63.3% to Rs. 3,578.5 million in the six month period ended September 30, 2012 from Rs. 2,191.3 million in the six month period ended September 30, 2011. This increase was primarily due to increase input costs arising from the increased production and sales of cement and asbestos during this period.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress increased by 45.3% to negative Rs. 197.1 million in the six month period ended September 30, 2012 from negative Rs. 360.0 million in the six month period ended September 30, 2011.

Manufacturing expenses. JCCL's manufacturing expenses increased by 53.5% to Rs. 1,922.5 million in the six month period ended September 30, 2012 from Rs. 1,252.8 million in the six month period ended September 30, 2011. This increase was primarily due to increased costs relating to power and freight during this period, arising in relation to the new cement and asbestos plants.

Employee benefits expense. JCCL's employee benefits expense increased by 98.6% to Rs. 616.7 million in the six month period ended September 30, 2012 from Rs. 310.6 million in the six month period ended September 30, 2011. This increase arose primarily from the commencement of operations of the new plants during this period.

Finance cost. JCCL's finance cost increased by 44.7% to Rs. 1,908.1 million in the six month period ended September 30, 2012 from Rs. 1,318.5 million in the six month period ended September 30, 2011. This increase was primarily due to the commencement of operations of the new plants during this period.

Other expenses. JCCL's other expenses increased by 104.1% to Rs. 3,252.7 million in the six month period ended September 30, 2012 from Rs. 1,593.7 million in the six month period ended September 30, 2011. This increase was primarily due to increased loading and transportation charges and commissions on distribution and sales promotions on account of higher volumes of sales of cement and asbestos during this period.

Depreciation and amortisation expense. JCCL's depreciation and amortisation expenses increased by 43.0% to Rs. 1,667.9 million in the six month period ended September 30, 2012 from Rs. 1,166.8 million in the six month period ended September 30, 2011. This increase arose primarily in relation to the new plants that were commissioned during this period.

Loss for the period from continuing operation

As a result of the foregoing, JCCL's loss for the period from continuing operations decreased by 6.0% to Rs. 2,486.8 million in the six month period ended September 30, 2012 from Rs. 2,646.3 million in the six month period ended September 30, 2011. As a percentage of total revenue, JCCL's loss for the period from continuing operations decreased to 26.4% from 54.8% during this period.

Liquidity and Capital Resources

The Group employs cash primarily to fund capital expenditure, investments and working capital requirements. The Group traditionally meets its capital requirements through a variety of sources, including cash from operations, issue of debentures and bonds (including foreign currency convertible bonds) and short-term and long-term loans (including external commercial borrowings) from banks and financial institutions. The Group's consolidated long-term borrowings and short-term borrowings (including the current portion of its long-term borrowings) aggregated to Rs. 517,165.6 million and Rs. 14,576.8 million, respectively, as of March 31, 2012. The Company's standalone long-term borrowings and short-term borrowings (including the current portion of the Company's long term borrowings) aggregated to Rs. 220,235.2 million and Rs. 9,494.0 million, respectively, as of September 30, 2012.

These sources of funding, and the Group's ability to fund its capital expenditure needs, could be adversely affected by market conditions for the Company's products, lower levels of liquidity in the capital and debt markets, changes in policies of the RBI and the Government of India, or an inability to obtain funds from external sources on acceptable terms or in a timely manner.

Cash Flows

The following tables set forth certain information about the Company's consolidated cash flows during Fiscals 2012 and 2011, as reflected in the Company's consolidated financial statements for Fiscal 2012 prepared and presented in accordance with the Revised Schedule VI.

Particulars	**Fiscal**	
	2012	**2011**[1]
	(Rs. Million)	
Cash inflow/(outflow) from operating activities	41,307.8	19,071.3
Net cash flow from/(used in) investing activities	(141,144.5)	(124,820.8)
Net cash flow from/(used in) financing activities	60,256.6	89,085.9
Net increase/(decrease) in cash and cash equivalents	(39,580.1)	(16,665.9)
Cash and cash equivalents at the end of the year/period	28,605.9	68,186.0

Note:

(1) References to financial information relating to Fiscal 2011 are references to financial information presented in the financial statements as of and for the fiscal year ended March 31, 2012, wherein financial information relating to Fiscal 2011 has been reclassified in order to provide comparability with the Company's consolidated financial statements as of and for the financial year ended March 31, 2012.

The following table sets forth certain information about the Company's consolidated cash flows during Fiscals 2011 and 2010 as reflected in the Company's consolidated financial statements for Fiscal 2011 prepared and presented in accordance with the Old Schedule VI.

Particulars	**Fiscal**	
	2011(1)	**2010**(1)
	(Rs. Million)	
Cash inflow/(outflow) from operating activities	17,516.9	(3,208.6)
Net cash from/(used in) investing activities	(124,820.8)	(99,158.2)
Net cash from/(used in) financing activities	90,640.3	148,004.6
Net increase/(decrease) in cash and cash equivalents	(16,665.9)	45,637.8
Cash and cash equivalents – closing balance	68,186.0	84,851.9

Note:

(1) References to financial information relating to Fiscal 2010 and references to financial information relating to Fiscal 2011 in the context of comparisons to financial information relating to Fiscal 2010 are to financial information presented in the financial statements for that year prepared in accordance with the Old Schedule VI.

Cash flow from operating activities

The cash inflow from operating activities in Fiscal 2012 amounted to Rs. 41,307.8 million, arising from cash flow from operating activities adjusted primarily for depreciation, finance costs, increase in trade receivables, increase in projects under development, increase in trade payables, other liabilities and provisions and tax paid. The Company's net cash used in investing activities in Fiscal 2012 amounted to Rs. 141,144.5 million, primarily attributable to the purchase of fixed assets as part of the Company's expansion activities, partially offset by interest received. The Company's net cash from financing activities in Fiscal 2012 amounted to Rs. 60,256.6 million, primarily attributable to an increase in borrowings (net of repayment), which were partially offset by finance costs (including redemption premium), a decrease in minority interest and dividend paid. As a result, the Company's net cash and cash equivalents decreased by Rs. 39,580.1 million during this period to a balance of Rs. 28,605.9 million as of March 31, 2012.

The cash inflow from operating activities in Fiscal 2011 amounted to Rs. 19,071.3 million, arising from cash flow from operating activities adjusted primarily for depreciation, finance costs, profit on sale of equity shares, increase in trade receivables, increase in projects under development, increase in loans and advances, increase in trade payables, other liabilities and provisions and tax paid. The Company's net cash used in investing activities in Fiscal 2011 amounted to Rs. 124,820.8 million, primarily attributable to the purchase of fixed assets as part of the Company's expansion activities, partially offset by sale of investments in equity shares and interest received. The Company's net cash from financing activities in Fiscal 2011 amounted to Rs. 89,085.9 million, primarily attributable to the increase in borrowings (net of repayment) and increase in security premium (net of expenses), which were partially offset by finance costs (including redemption premium) and dividend paid. As a result, the Company's net cash and cash equivalents decreased by Rs. 16,665.9 million during this period to a balance of Rs. 68,186.0 million as of March 31, 2011.

The cash outflow from operating activities in Fiscal 2010 amounted to Rs. 3,208.6 million, arising from cash flow from operating activities adjusted primarily for depreciation, interest on borrowings, profit on sale of equity shares, increase in sundry debtors, increase in inventories, increase in projects under development, increase in loans and advances, increase in trade payables and other liabilities and tax paid. The Company's net cash used in investing activities in Fiscal 2010 amounted to Rs. 99,158.2 million, primarily attributable to the purchase of fixed assets and investments, as part of the Company's expansion activities, partially offset by the sale/redemption of investments in shares/mutual funds and the sale of equity shares. The Company's net cash from financing activities in Fiscal 2010 amounted to Rs. 148,004.6 million, primarily attributable to increase in borrowings (net), which were partially offset by interest paid and dividend paid. As a result, the Company's net cash and cash equivalents increased by Rs. 45,637.8 million during this period to a balance of Rs. 84,851.9 million as of March 31, 2010.

Working Capital, Cash and Indebtedness

The Company has traditionally met its working capital requirements primarily through internally generated funds and committed working capital facilities provided by a consortium of Indian commercial banks. The facilities available to the Company include cash credit facilities and bills discounting, as well as non-fund facilities in the form of letters of credit and bank guarantees.

In respect of its construction activities, customers are normally required to make an advance payment at the time of award of contract as mobilisation advance, as well as advance payments for the equipment or machinery required for the execution of the contract. The progress payments are normally made on a monthly basis during execution of the work. Such payments assist the Company in fulfilling its working capital and cash flow requirements. The mobilisation advance is adjusted against progress payments during the tenure of execution of the work.

The Company's primary source of medium to long-term funding, in addition to internally generated funds, comprises loans from Indian commercial banks and the issuance of bonds or debentures in the domestic and international markets. ICICI Bank Limited is the principal term lender acting for the Company.

The Company's borrowings consist substantially of term loans and non-convertible debentures. Term loans are based on the relevant bank's base rate plus margin and the non-convertible debentures have fixed rate coupons. The term loans and debentures are secured by charges over the assets of the Company.

Substantially all of the Company's borrowings are denominated in Rupees, except for the following foreign currency loans:

(i) Issue of €165 million of foreign currency convertible bonds in March 2006. As of September 30, 2012, € 163.294 million has been converted into equity, € 1.451 million has been redeemed and € 0.255 million is outstanding. The bonds mature on March 9, 2013;

(ii) Loan of U.S.$19.82 million provided by AKA Ausfuhrkedit Gesellschaft GmbH, Germany in February 2005. The disbursement of U.S.$0.24 million has not yet been availed. As of September 30, 2012, U.S.$9.128 million is outstanding;

(iii) External commercial borrowing of JPY25,447.50 million and U.S.$32.50 million in March 2007, which is equivalent to approximately U.S.$250.0 million. The Company has hedged the exchange risk. The proceeds were utilized for capital expenditure in accordance with RBI's guidelines on external commercial borrowings, as amended from time to time. As of September 30, 2012, JPY13,493.025 million and U.S.$32.50 million remain outstanding. The last date of payment is March 28, 2017;

(iv) External commercial borrowing of JPY1030.27 million and U.S.$27.0 million in 2007, which is equivalent to approximately U.S.$38.00 million. The Company has hedged the exchange risk. The proceeds were utilized for capital expenditure in accordance with RBI's guidelines on external commercial borrowings, as amended from time to time. As of September 30, 2012, JPY533.12 million and U.S.$12.42 million remain outstanding. The last date of payment is October 31, 2016;

(v) External commercial borrowing of GBP and CAD equivalent to U.S.$100.0 million in 2009. The proceeds were partly utilized for buy back of foreign currency convertible bonds and partly for capital expenditure in accordance with RBI's guidelines on external commercial borrowings, as amended from time to time. The repayment will has commenced from December 13, 2012;

(vi) Issue of U.S.$150.0 million of foreign currency convertible bonds in September 2012 for redemption of existing outstanding foreign currency convertible bonds due for redemption on September 12, 2012. As of September 30, 2012, foreign currency convertible bonds aggregating to U.S.$ 150.0 million were outstanding; however, as of December 31, 2012, bonds in an aggregate amount of U.S.$ 39.6 million have been converted and 28,445,567 Equity Shares issued upon conversion. The bonds mature on September 8, 2017; and

(vii) External commercial borrowing of U.S.$ 150.0 million raised during September 2012. The proceeds were used for redemption of existing outstanding foreign currency convertible bonds due for redemption on September 12, 2012. The Company is required to hedge the exchange risk. As of September 30, 2012, U.S.$ 150.0 million is outstanding.

As of March 31, 2012, the Company's total consolidated borrowings amounted to Rs. 531,742.4 million consisting of long-term borrowings amounting to Rs. 517,165.6 million and short-term borrowings of Rs. 14,576.8 million. The Company's consolidated indebtedness has increased to Rs. 621,240.9 million as of December 31, 2012. This increase in our consolidated indebtedness is largely as a result of increased requirements in relation to our ongoing payments and working capital requirements. The following tables set out the principal elements of the Company's consolidated indebtedness as of March 31, 2011 and 2012:

Long-term borrowings	**As of March 31, 2012**	**As of March 31, 2011[1]**
	(Rs. million)	*(Rs. million)*
I. Secured Loans:		
A. Non-Convertible Debentures………….	78,875.7	81,575.7
B. Term loans:		
(i) From financial institutions		
(a) In Rupees………………………….	30,486.6	26,472.2
(b) In foreign currency………………..	830.0	861.1
(ii) From banks		

Long-term borrowings	As of March 31, 2012	As of March 31, 2011[1]
	(Rs. million)	*(Rs. million)*
(a) In Rupees………………………….	316,164.9	233,106.0
(b) In foreign currency………………..	2,123.0	2,208.8
(iii) From others	4,750.1	2,840.0
C. Deferred Payment Liabilities		
Foreign currency – Buyer's credit……….	561.4	641.2
D. Loan from State Government (interest free)	2,449.4	1,795.6
E. Advance from Clients		
From Government Departments, Public Sector Undertakings and Others – secured against hypothecation of construction material and plant and machinery:		
(a) Interest bearing…………………….	60.6	60.6
II. Unsecured Loans:		
A. Convertible Debentures…………..	1,000.0	-
B. Foreign Currency Convertible Bonds….	28,543.7	25,050.2
C. Foreign Currency Loans from Banks:		
(i) ECB (U.S.$)……………………………	8,300.4	10,536.1
(ii) ECB (GBP)……………………………	2,551.2	2,234.8
(iii) ECB (CAD)………………………….	2,635.3	2,308.5
D. Loans from Banks…………………….	5,877.2	4,582.5
E. Fixed Deposits Schemes………………..	21,898.2	18,202.0
F. Others (Including Deferred Payment for Land)…………………………………….	10,057.9	10,724.3
Total	**517,165.6**	**423,199.5**

Note:

(1) References to financial information relating to Fiscal 2011 are references to financial information presented in the financial statements as of and for the fiscal year ended March 31, 2012, wherein financial information relating to Fiscal 2011 has been reclassified in order to provide comparability with the Company's consolidated financial statements as of and for the financial year ended March 31, 2012.

Short-term borrowings	As of March 31, 2012	As of March 31, 2011(1)
	(Rs. million)	*(Rs. million)*
I. Secured Loans:		
A. Term Loans:		
(i) From banks…………………………..	566.0	504.2
(ii) From others…………………………	47.0	-
B. Working Capital Loans		
From banks…………………………….	2,841.5	2,916.6
II. Unsecured Loans:		
A. Loans from banks……………………..	4,411.1	2,369.2
B. Bills discounting………………………	6,590.6	3,485.7

C. Commercial papers……………………	-	10,000.0
D. Fixed deposits scheme………………..	120.6	160.8
Total	14,576.8	19,436.5

Note:
(1) References to financial information relating to Fiscal 2011 are references to financial information presented in the financial statements as of and for the fiscal year ended March 31, 2012, wherein financial information relating to Fiscal 2011 has been reclassified in order to provide comparability with the Company's consolidated financial statements as of and for the financial year ended March 31, 2012.

The following tables set out the principal elements of the Company's standalone indebtedness as of September 30, 2012 and 2011

Long-term borrowings	**As of September 30, 2012 (unaudited)**	**As of September 30, 2011 (unaudited)**
	(Rs. million)	*(Rs. million)*
I. Secured Loans:		
A. Non-Convertible Debentures………….	48,850.0	49,650.0
B. Term loans:		
(i) From financial institutions……………	3,694.9	431.7
(ii) From banks:		
(a) In Rupees………………………….	106,603.9	72,251.1
(b) In foreign currency………………..	1,536.1	1,698.5
(iii) From others..	4,423.8	4,870.0
C. Loan from State Government (interest free)	2,188.7	2,143.7
D. Advance from Clients		
From Government Departments, Public Sector Undertakings and Others – secured against hypothecation of construction material and plant and machinery:		
(a) Interest bearing…………………….	60.6	60.6
II. Unsecured Loans:		
A. Foreign Currency Convertible Bonds:		
(i) FCCB-II (Euro)…………	17.6	17.2
(ii) FCCB-III (USD)…………	-	17,475.6
(iii) FCCB (USD) – 2012……..	7,969.5	-
B. Foreign Currency Loans from Banks:		
(i) ECB (USD)……………………………	8,711.3	11,294.6
(ii) ECB (GBP)……………………………	2,630.4	2,440.8
(iii) ECB (CAD)………………………….	2,717.1	2,521.2
(iv) ECB (USD) – 2012………………….	7,969.5	-
C. Loans from Banks		
(i) In foreign currency…………………….	2,219.2	2,273.4
D. Fixed Deposits Schemes………………..	20,642.6	17,145.0
Total..	**220,235.2**	**184,273.4**

Short-term borrowings	As of September 30, 2012 (unaudited)	As of September 30, 2011 (unaudited)
	(Rs. million)	*(Rs. million)*
I. Secured Loans:		
Working Capital Loans from Banks…………….	1,796.8	1,930.6
II. Unsecured Loans:		
A. Loans from banks……………………..	2,900.0	797.9
B. Bills discounting………………………	4,718.6	4,401.9
C. Fixed deposits scheme………………..	78.6	66.1
Total..	9,494.0	7,196.5

The following table shows the maturity profile of the Company's standalone borrowings as of September 30, 2012:

	Due within 1 year	Due within 2-5 years	Due after 5 years	Total
		(Rs. millions)		
Term loans	11,157	75,514	29,587	**116,259**
Non-convertible debentures.....................	7,800	33,050	8,000	**48,850**
Short-term loans	9,494	—	—	**9,494**
Other (Advances, deposits etc.)	9,326	13,267	2,519	**25,111**
FCCB/ECB (Unsecured)	5,962	19,910	4,144	**30,015**
Total	**43,738**	**141,741**	**44,250**	**229,729**

The Company's ability to incur additional debt in the future is subject to a variety of uncertainties, including, among other things, the amount of capital that other Indian entities may seek to raise in the domestic and foreign capital markets, economic and other conditions in India that may affect investor demand for the Company's securities and those of other Indian entities, the liquidity of Indian capital markets and the Company's financial condition and results of operations. The Company intends to continue to utilize long-term debt.

The Company also has contingent liabilities in respect of guarantees provided by banks and financial institutions in relation to bid bonds, performance guarantees and retention money guarantees related to the Company's engineering and construction activities, which are shown as contingent liabilities in the financial statements of the Company. The Company has a non-fund based guarantee limit of Rs.27,083.0 million from a consortium of working capital lenders, of which Rs.22,570.0 million has been utilized as of September 30, 2012.

The Company is subject to various customary covenants and restrictions in its domestic financing agreements, including the requirement to obtain lender consent to incur further indebtedness, undertaking new projects, to effect mergers and acquisitions and payment of dividends. Some of the Company's financing agreements permit lenders to convert their debt into equity to the extent of the defaulted amounts, if any, in debt service. Although the Company has sought such consents from its lenders, certain consents have not been obtained as of the date of this Placement Document. In addition, the Company may not have obtained all of the required consents on previous occasions when it incurred additional indebtedness. As a result, there may have been breaches under certain of the Company's financing documents in respect of which the Company has not sought waivers. The Company believes it has strong relationships with its lenders and continuously engages with them on changes to its indebtedness profile and has informed all its lenders that it is undertaking this Issue. Further, the Company has also obtained the consent of ICICI Bank Limited, its lead term lender.

Contractual Commitments and Capital Expenditures

In addition to the payment obligations under the Company's borrowings set forth above, the Company also has continuing obligations to make payments pursuant to certain contractual obligations. As of September 30, 2012, the Company's standalone commitments amounted to Rs. 9,656.3 million. These contractual commitments consist of the estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances), obligations under outstanding letters of credit and export obligations under certain incentive schemes that the Company has availed.

The Company's capital expenditure amounted to Rs.46,830 million for the year ended March 31, 2011 and Rs.28,494 million for the year ended March 31, 2012. This expenditure principally related to plant and machinery for the engineering and construction and cement divisions, development of thermal power plants, infrastructure development for various project sites, furniture and fixtures and interest and other expenses during the construction and development of various projects.

The Company's capital expenditure plans are subject to risks, including, among other things, unforeseen engineering problems, delays in obtaining property rights and government approvals, force majeure events, unanticipated cost increases and contractor performance shortfalls, any of which could give rise to delays, cost overruns or the termination of the expansion plans. The failure to complete development as planned, or in accordance with agreed specifications, could result in higher costs, lower returns on capital or reduced future earnings. The Company could also be required to draw funds from external sources. In addition, if the Company is unable to complete the Company's capital expenditure plans, the Company may not be able to recover its investments on these projects.

The Company has in the past relied principally on equity funding, borrowings from banks and cash flow from operations as the Company's main sources of funds. The Company expects that, going forward, the Company will finance its capital expenditure through internal accruals and borrowings if required.

Contingent Liabilities

The following table sets forth the Company's consolidated contingent liabilities as at March 31, 2012.

	As at March 31, 2012
	(Rs. Million)
Contingent liability not provided for in respect of:	
(a) Claims against the Company/disputed liability (including tax) not acknowledged as debts….	18,773.1
Amount deposited under protest	4,550.6
Bank guarantee deposited under protest (included in (b) below)	1,494.5
(b) Outstanding amount of bank guarantees	20,697.0
Margin money deposited against the above	249.1
(c) Income tax matters under appeal	489.1

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates, of financial instruments. The Company is exposed to various types of market risks, including changes in interest rates and foreign exchange rates, in the ordinary course of business. The Company maintains the Company's accounting records and prepare the Company's financial statements in Indian Rupees.

A portion of the Company's borrowings is also denominated in foreign currencies. The following table sets forth certain information regarding the Company's standalone foreign currency debt exposure for the periods indicated.

Particulars	**As at March 31,**		**As at September 30, (unaudited)**	
	2011	**2012**	**2011**	**2012**
Total foreign currency denominated debt (Rs. million)..	35,442.7	35,776.6	37,721.3	33,770.7
Total foreign currency debt as percentage of total outstanding debt (%)........................	16.5	17.0	19.7	14.7

Interest Rate Risk

The Company's exposure to market risk for changes in interest rates related primarily to the Company's secured floating rate debt obligations. As of March 31, 2012, all of the Company's consolidated secured indebtedness, except for the Company's non-convertible debentures, carry interest at floating rates. The Company's standalone secured loans (including current portion) as of September 30, 2012, except for non-convertible debentures, amounted to Rs. 118,055.5 million, all of which carry floating interest rates.

Exchange Rate Risk

Changes in currency exchange rates influence the Company's results of operations. The Company reports its financial results in Indian Rupees, while a portion of the Company's total income and expenses are denominated, generated or incurred in currencies other than Indian Rupees. The Company incurs expenditure and also makes procurements in foreign currencies for certain of its businesses.

Related Party Transactions

The Company has engaged in the past, and is likely to engage in future, in transactions with related parties, including the Company's affiliates and certain key management members from time to time on an arm's length basis. Such transactions are for provisions of goods and services as well as for incurrence of indebtedness. For details of the Company's related party transactions, see the section "Financial Statements".

Off-Balance Sheet Arrangements

Other than guarantees as referred to in "Contingent Liabilities" above, the Company does not have any off-balance sheet arrangements or obligations.

INDUSTRY OVERVIEW

The information in this section has been derived from various publicly available sources and government publications. Neither the Company nor any other person connected with the Issue has independently verified this information and none of these parties makes any representation as to the accuracy of this information. Industry sources and publications referred to by us state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and accordingly, investment decisions should not be based on such information. Statements in this section that are not statements of historical fact constitute "forward-looking statements". Such forward-looking statements are subject to various risks, assumptions and uncertainties and certain factors could cause actual results or outcomes to differ materially.

Overview of the Indian Economy

India's population is approximately 1.2 billion, second only to China. India had an estimated gross domestic product ("**GDP**") of approximately U.S.$4.4 trillion in 2011 (based on purchasing power parity), which made it the fourth largest national economy in the world after the United States, China and Japan (excluding the European Union). The Indian economy has averaged a growth rate of over 8.0% during the five year period between Fiscal 2007 and Fiscal 2011. In 2010, the Indian economy rebounded robustly from the global financial crisis – in large part because of strong domestic demand – and growth exceeded 8.0% year-on-year in real terms. *(Source: The World Factbook 2012. Washington D.C.: Central Intelligence Agency 2012)*

However, the Indian economy has been adversely affected by some spill-over effects of the global economic slowdown coupled with domestic pressures. In Fiscal 2012, the Indian economy registered a growth rate of 6.5% (GDP at factor cost), down from 8.4% in Fiscal 2011. The loss of growth momentum that started in Fiscal 2012 has extended into Fiscal 2013, though the pace of deceleration slowed in the first quarter. After decelerating over four successive quarters, and from 9.2% in the fourth quarter of Fiscal 2011 to 5.3% in the fourth quarter of Fiscal 2012, GDP growth was marginally higher at 5.5% in the first quarter of Fiscal 2013, which was mainly driven by the growth in construction, and was supported by better than expected growth in agriculture. During the period between April and August 2012, the growth of eight core infrastructure industries decelerated to 2.8% compared to 5.5% during the corresponding period previous year. According to the RBI, the expected GDP growth rate for Fiscal 2013 is approximately 5.8%. Investment remained subdued in the first quarter of Fiscal 2013 and was caused primarily due to non-monetary factors, though interest rates also had a material effect. Moderation in the cost of projects sanctioned by major banks and financial institutions for new corporate investment persisted during this period. Industry-wise analysis of investment intentions revealed that the share of the power sector in the total planned investment was the highest. *(Source: RBI, Macroeconomic and Monetary Developments: Second Quarter Review 2012-13 (the "**RBI Q2 2013 Macroeconomic and Monetary Review**")*

The RBI expects that the reform measures announced since mid-September 2012 will help to improve growth and the drag of stalled infrastructure investment on growth will decline as the policy environment, pace of clearances for projects and input supplies improve. The RBI therefore considers it necessary to remove certain policy constraints in the Indian infrastructure sector, particularly in the power, coal and road sectors, at the earliest. *(Source: The RBI Q2 2013 Macroeconomic and Monetary Review)*

Overview of the Infrastructure Industry in India

The draft 12th Five Year Plan (2012-17) published by the Planning Commission proposes an acceleration of growth over the plan period of 9.0% in the terminal year, and yielding an average growth rate of 8.2% during the plan period. It emphasizes that the growth must be both inclusive and sustainable, and to achieve these objectives, it proposes a comprehensive plan in terms of policies and programs. The estimates show resource availability for the 12th Five Year Plan at Rs.80,501.2 billion (at 2011-12 prices), or 11.8% of GDP. *(Source: Planning Commission, Government of India Press Information Bureau, Government of India)*

The fast growth of the Indian economy in recent years has placed increasing stress on physical infrastructure such as power, telecommunications, road transport, railways, airports, ports, irrigation, and urban and rural water supply and sanitation, all of which suffer from a substantial deficit in terms of capacities as well as efficiencies in the delivery of critical infrastructure services. Although there have been certain improvements in infrastructure development in transport, communication and energy sectors in India in the recent years, there are still significant gaps that need to be bridged. To address the infrastructure deficit, the 11th Five Year Plan (2007--12) had projected an investment of Rs.20,561.5 billion (at 2006-07 prices) as compared to an investment of Rs.9,160.8 billion realized during the 10th Five Year Plan (2002-07). The available information suggests that the investment realized during the 11th Five Year Plan would be Rs.19,448.0 billion (at 2006-07 prices) reflecting an achievement of about 95% against the projected investment, and an increase of 2.12 times as compared to the investment during the 10th Five Year Plan. *(Source: Secretariat for Infrastructure, Planning Commission, Government of India)*

The sector-wise investments (at 2006-07 prices) during the 10th and 11th Five Year Plans are set out below.

Sector	10th Five Year Plan	11th Five Year Plan (Provisional)		
	Actual (Rs. billion)	Projections (Rs. billion)	Investment (Rs. billion)	Investment (as a % of projections)
Electricity*	2,746.6	6,665.3	6,346.1	95
Roads and Bridges	1,526.2	3,141.5	3,618.2	115
Telecommunications	1,446.7	2,584.4	3,359.3	130
Railways*	1,034.9	2,618.1	1,954.2	75
Irrigation*	1,214.8	2,533.0	1,956.9	77
Water Supply and Sanitation	605.0	1,437.3	962.5	67
Ports*	223.3	879.0	347.7	40
Airports	73.5	309.7	292.8	95
Oil and Gas pipelines	233.9	168.6	468.5	278
Storage	55.9	223.8	142.0	63
Total	**9,160.8**	**20,561.5**	**19,448.0**	**95**

** Electricity includes Non-conventional energy, Irrigation includes Watershed, Railways includes Mass Rapid Transit System and Ports include Inland waterways.*
(Source: Secretariat for Infrastructure, Planning Commission, Government of India)

The share of private investment in the 11th Five Year Plan was expected at 37.5% as compared to 22.0% realized during the 10th Five Year Plan. The total investment in infrastructure during the 11th Five Year Plan was likely to be 7.2% of GDP as compared to 5.0% during the 10th Five Year Plan. This sharp increase can be attributed largely to the rapid rise in investment by the private sector. The 11th Five Year Plan aimed at achieving faster and more inclusive growth. It was felt at that time that infrastructure inadequacies would constitute a significant constraint in realizing this development potential, and to overcome this constraint, an ambitious program for development of rural and urban infrastructure involving both public and private sectors was devised. The Planning Commission has suggested that the 12th Five Year Plan must continue the focus on accelerating the pace of investment in infrastructure, as this is critical for sustaining and increasing growth. However, since resource constraints will continue to limit public investment in infrastructure in other areas, public private partnership ("**PPP**") based development needs to be encouraged wherever feasible. The Planning Commission emphasizes the need to review the factors which may be constraining private investment, and to take steps to rectify them. *(Source: Secretariat for Infrastructure, Planning Commission, Government of India)*

Expected Investment in the Indian Infrastructure Industry

Set out below are certain projections prepared by the Planning Commission for investment during the 12th Five Year Plan including investments in the electricity and road transportation sectors during this period, as compared to total investments under the 11th Five Year Plan.

	11th Five Year Plan*		Projections for the 12th Five Year Plan**						
	Total (Rs. billion)	% of total	Fiscal					Total	% of total
			2013	2014	2015	2016	2017		
			(Rs. billion at 2011-12 prices)						
Investment by Central	9,652.0	34.8	2,4,67.3	2,777.9	3,129.8	3,5,28.6	3,981.0	15,884.5	30.9

Government									
Investment by State Government	7,6,82.5	27.7	1,928.7	2,103.2	2,293.6	2,501.3	2,727.9	11,554.5	22.4
Private Investment	10,412.0	37.5	3,083.8	3,719.6	4,538.6	5,615.6	7,067.7	24,025.3	46.7
Total Investment	**27,746.6**	**100.0**	**7,479.8**	**8,600.7**	**9,961.9**	**11,645.4**	**13,776.6**	**51,464.3**	**100.0**
GDP* **	**384,248.9**		**94,757.0**	**102,337.6**	**111,548.0**	**121,587.3**	**132,530.2**	**56,2760.0**	
Investment as % of GDP	**7.2**		**7.9**	**8.4**	**8.9**	**9.6**	**10.4**	**9.1**	

** The investments in the 11th Five Year Plan have been revised from the 2006-07 prices to the 2011-12 prices to enable a comparative assessment.*
*** These projections have been prepared by the Planning Commission on the basis of certain assumptions, further details in relation to which are available at http://infrastructure.gov.in/pdf/Interim_Report.pdf, and which, among others, are dependent on certain policy initiatives that the Government would need to take for ensuring this level of investment.*
**** The GDP growth rates of 7% and 8% have been assumed for Fiscal 2013 and Fiscal 2014, while a growth of 9.0% has been assumed for the remaining three years of the 12th Five Year Plan.*
(Source: Interim Report of the High Level Committee, Financing of Infrastructure)

The total investment during the 12th Five Year Plan is projected at Rs.51,464.3 billion compared to Rs.27,746.6 billion during the 11th Five Year Plan (at 2011-12 prices). While the share of public investment is projected to decrease to 53.3% from a level of approximately 62.5% in the 11th Five Year Plan, the share of private investment is projected to increase to 46.7% of the total investment as compared to 37.5% during the 11th Five Year Plan. *(Source: Interim Report of the High Level Committee, Financing of Infrastructure)*

Overview of the Indian Construction Industry

The construction sector contributed around 8% to India's GDP (at constant prices) in the last five years (2006–07 to 2010–11). The Indian construction sector depends on the development of infrastructure such as power systems, telecommunication systems, road, rail and air transport systems, irrigation systems, airports and other urban and rural infrastructure, such as water and sanitation systems, as well as the development of residential, commercial, institutional and industrial buildings. The growth in the construction sector has primarily been on account of increased spending on physical infrastructure in the last few years through certain Government programs. The forward and backward multiplier impact of the construction industry is significant. Construction costs account for nearly 60–80% of the project cost of roads and housing and a significant portion in case of other infrastructure sectors. Construction materials such as cement, steel, bricks, glass and plastics account for nearly two-thirds of the construction costs.

Set out below are certain macro-variables of the Indian construction industry.

	Fiscal				
	2007	**2008**	**2009**	**2010**	**2011**
GDP from construction (Rs. billion)	2,850.0	3,150.0	3,330.0	3,560.0	3,850.0
Share of GDP (%)	8.0	8.1	8.0	7.9	7.9
Growth rate for GDP in construction (%)	10.3	10.7	5.4	7.0	8.1

(Source: RBI and the Planning Commission, Government of India.)

The construction industry is the second largest employer in India after agriculture with around 31,000 enterprises involved in 2011. Over 95% of these enterprises employ less than 200 personnel and only a little over 1% have more than 500 employees. The employment figures have shown a steady rise from 14.5 million in 1995 to 41 million in 2011, of which technicians and foremen, skilled workers and clerical staff represent 2.7%, 9.1% and 2.3% of the total workforce, respectively. The rest of the workforce is comprised primarily of unskilled workers. A large part of the industry remains unorganized. *(Source: Planning Commission, Government of India.)*

Set out below are certain developments which have been achieved during the 10th and 11th Five Year Plans.

- Construction was declared an "industrial concern" under the IDBI Act in March 2000 in order to increase the flow of institutional credit to the sector.
- Setting up of the arbitral institutions for resolution of business disputes in the construction industry.

- Development of institutions and implementation plans for safety and quality related issues.
- Improvement in procurement practices for the public sector, and also development of regulatory manuals to ensure quick and effective procurement procedures.
- Setting up of models for PPP in construction activity.
- Mechanization and better training leading to enhanced productivity per person.

(Source: Planning Commission, Government of India.)

Despite its achievements, the Indian construction industry faces many constraints, which are set out below.

- Skill upgrading schemes launched by the state and central governments are inadequate and only a handful of large firms organize training programs.
- There is currently no unified regulatory framework for the construction industry and construction activities are administered through 32 different laws, rules and statutes.
- Contracting procedures are inadequate and the total cost of procuring, supervising and monitoring incurred by the project owner could, at times, be up to 22% of the cost of the asset created.
- There is lack of an efficient and stable dispute resolution regime, leading to costly and time-consuming disputes between the promoters of the project and contractors.
- Presently, the Indian construction industry suffers from poor state of technology leading to inefficiencies and wastage. The investment in research and development is 0.03–0.05% of the investment in construction as against 1.5–2% in certain south-east Asian countries and 4–6% in developed economies.
- Apart from a shortage of workers, there is a shortage of contractors, especially in specialized areas.
- Most of the construction materials continue to be manufactured in the unorganized sector which makes it difficult to induct modern technology.

(Source: Planning Commission, Government of India.)

The Indian construction industry may be termed working capital-intensive in terms of gross working capital requirements with high payment receivable risk, even though it is not fixed capital-intensive. In addition, there are capital requirements for modernization of equipment or expansion and project specific equity, debt or mezzanine debt requirements. The funds requirement of the construction industry is approximately U.S.$ 1,000.0 billion with the modernization requirements of the construction industry estimated to be approximately U.S.$ 150–200 billion. Although the flow of bank credit has improved to the construction industry, institutional finance still remains inadequate. The Indian construction industry is faced with high operation, maintenance, and financial costs. Apart from non-availability of credit for the sector, non-availability of bankable project reports in the construction sector and huge time and cost overruns of construction projects are some of the reasons for delays in such projects. *(Source: Planning Commission, Government of India.)*

Set out below is the flow of bank credit to the construction sector between Fiscal 2007 and Fiscal 2011.

	Fiscal				
	2007	**2008**	**2009**	**2010**	**2011**
Gross Bank Non-Food Credit (Rs. billion)	18,010	22,050	26,020	30,400	36,670
Bank Credit to Construction Industry (Rs. billion)	200	280	390	440	500
Percentage share (%)	1.1	1.3	1.5	1.5	1.4

(Source: Planning Commission, Government of India.)

Set out below is the annual and cumulative FDI flows into construction activities, including the roads and highways sector.

	Fiscal				**Cumulative (April 2000–August 2011)**
	2008	**2009**	**2010**	**2011**	
FDI (Rs. billion)	69.9	87.9	134.7	49.8	420.7

*(Source: Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (the "**DIPP**").)*

Key Drivers of Growth for the Construction Industry during the 12th Five Year Plan

Forecasts for the market size of the construction industry for the 12th Five Year Plan period indicate that the aggregate output of the industry during this period is likely to be 52,310.0 billion increasing from 7,670.0 billion in Fiscal 2013 to 13,590.0 billion in Fiscal 2017. As noted earlier, growth in the construction industry is linked to growth in the infrastructure sector and the building industry, with these industries expected to contribute equally to the expected output. The thrust on capacity expansion in the infrastructure sector will continue in the 12th Five Year Plan. Apart from steady growth in construction related to industrial buildings, the industry catering to commercial real estate and non-residential sector is likely to grow at an accelerated pace due to a vibrant and growing service industry such as IT and related sectors, hospitality and tourism industry and logistic services. The real estate sector faces challenges despite strong growth in the past. The current trend in the real estate market is that after making investments in land, the project construction is mainly retail financed, that is, through advances or milestone based payments from owners. In affordable housing projects, retail finance continues to be a challenge as the ability of the retail investors is very limited.

To deal with the multiplicity of laws, the draft 12th Five Year Plan suggests a common construction law which would harmonize the existing statutes relating to the construction sector. It also suggests that a nodal regulatory authority be formed in the shape of a central construction authority at the national level, with state authorities at the state levels in order to administer and monitor construction law. These authorities could also act as nodal agencies of the Government on all issues related to the construction sector. Further, steps would be taken during the 12th Five Year Plan period to promote the use of institutional arbitration systems according to which arbitrators are appointed from international, national or regional panels. This is expected to improve the quality of arbitrators, manage arbitral fees and allow close supervision and monitoring of the progress of the disputes under arbitration.

In order to have a sustained and enhanced flow of credit to the construction sector, construction industry-specific lending norms are proposed to be developed, along with credit enhancement products or agencies which would provide bridge finance to the construction sector. Besides a "Single Window Clearance" to reduce the hassles and delays in the approval process, setting up of a mortgage refinance company, a construction bank or an infrastructure equipment bank has been proposed. Further, specific review of lending and Non-Performing Asset, or "**NPA**", norms for the construction industry is proposed. *(Source: Planning Commission, Government of India.)*

Overview of the Cement Industry in India

The worldwide cement production in 2010 was estimated at 3,310 million tonnes. China (1,880 million tonnes) was the largest producer in the world, contributing about 57% to the world is output, followed by India (210.0 million tonnes), USA (67 million tonnes) and Japan (52 million tonnes). *(Source: Indian Bureau of Mines, Ministry of Mines, Government of India, Indian Minerals Yearbook 2011 (Part- II), 50th Edition, CEMENT (ADVANCE RELEASE) (the "**MoM Cement Report**")*

Cement is the basic building material in India and is used extensively in urban housing, the industrial sector and developing infrastructure. Over 65% of the demand for cement in India arises from the construction sector. The Indian cement industry plays a key role in the national economy, generating substantial revenue for state and central governments as well as employment. India exported about 3.61 million tonnes cement valued at Rs.9.5 billion (including 1.14 million tonnes clinker and 0.17 million tonnes white cement) in Fiscal 2011. *(Source: The MoM Cement Report.)*

At the end of Fiscal 2011, there were 171 large cement plants in India having total annual installed capacity of 290.48 million tonnes in addition to mini and white cement plants having total estimated capacity of 6 million tonnes per annum. The total installed capacity for cement in the country was therefore about 296.48 million tonnes per annum. Production of cement by large plants in Fiscal 2011 was an estimated 210.28 million tonnes and the production from mini and white cement plants during this period was estimated to be 6 million tonnes, resulting in estimated total domestic production of cement of 216.28 million tonnes in Fiscal 2011. *(Source: The MoM Cement Report.)*

Of these 171 cement plants, the plants using the dry process to manufacture cement accounted for 96% and those using the semi-dry process accounted for 1%, with the remaining continuing to use wet processes. Further, there were at least 112 plants with a capacity of one million tonnes or more, and which possessed the latest technological features, which in turn helped them conserve energy and fuel and also resulted in substantial savings of raw materials. The Cement Quality Control Order dated February 12, 2003 issued under the provisions of the Bureau of Indian Standards Act, 1986 ensures the quality of cement produced and sold in the market. *(Source: The MoM Cement Report.)*

Set out below is certain information on the overall capacity, production and growth in the Indian cement industry.

Fiscal	Capacity growth (million tonnes)			Production growth (million tonnes)		
	Annual Capacity	Growth	% Growth	Production	Growth	% Growth
2007	177.8	6.9	4.1	161.7	13.9	9.4
2008	209.4	31.6	17.8	172.3	10.7	6.6
2009	230.6	21.2	10.1	185.7	13.3	7.7
2010	276.8	46.2	20.0	204.9(e)	19.3	10.4
2011	296.5(e)	19.7	7.1	216.3(e)	11.3	5.5

(Source: The MoM Cement Report.)

Factors affecting production of cement and operating costs in India

The cement capacity in India is mostly concentrated near the main raw material source, i.e., limestone, and limestone reserves have been the primary consideration in location of plants. Other important raw material is coal (0.25 tonnes required per tonne of cement). Many cement plants are situated near the coal belts in eastern Madhya Pradesh, primarily due to two reasons, namely, (i) less freight cost incurred to transport coal, and (ii) inability of domestic coal producers to supply complete requirement of cement plants due to fall in production and prioritized supply to power plants. Presence of clusters of capacity and the high transportation cost make the cement market regional in nature, with the producers supplying cement to areas around the location of the plant. *(Source: The MoM Cement Report.)*

Set out below are details of the region-wise and state-wise installed capacities and production of cement in India in Fiscal 2010 and Fiscal 2011.

Region/State	Number of Large Cement Plants*	Annual Installed Capacity	Production	
		Fiscal 2011	Fiscal 2010	Fiscal 2011
		(million tonnes)		
Northern Region	**30**	**51.56**	**34.14**	**37.94**
Haryana	3	2.97	2.03	1.93
Punjab	1	1.75	1.74	1.48
Rajasthan	19	40.86	29.74	30.92
Himachal Pradesh	2	1.95	0.33	2.07
Delhi	1	0.50	Nil	Nil
Jammu & Kashmir	2	0.53	0.16	0.14
Uttarakhand	2	3.00	0.14	1.40
Eastern Region	**23**	**29.14**	**21.39**	**23.16**
Assam	1	0.20	0.15	0.13
Meghalaya	4	1.76	1.54	1.55
Bihar	1	1.00	0.68	0.76
Jharkhand	1	3.40	3.46	3.50
Odisha	3	6.35	4.01	4.50
West Bengal	5	4.80	2.78	3.38
Chhattisgarh	8	11..63	8.77	9.34
Southern Region	**53**	**96.56**	**59.29**	**59.95**
Andhra Pradesh	26	47.25	29.44	28.97
Tamil Nadu	18	34.38	20.86	20.63
Karnataka	7	14.32	8.57	9.78
Kerala	2	0.62	0.42	0.58
Western Region	**17**	**30.52**	**20.84**	**21.71**
Gujarat	10	18.72	11.49	12.18
Maharashtra	7	11.80	9.35	9.53
Central Region	**18**	**30.61**	**25.09**	**26.24**
Uttar Pradesh	8	8.33	5.88	7.05
Madhya Pradesh	10	22.28	19.21	19.19
Grand Total	**141***	**238.40***	**160.75***	**169.00***

* *Excludes ACC Limited and Ambuja Cements Limited having annual installed capacities of 27.08 million tonnes and 25.0 million tonnes, respectively and annual production of cement of 21.14 million tonnes and 20.13 million tonnes, respectively, during Fiscal 2010.*
(Source: The MoM Cement Report.)

Power, coal and freight constitute about 15-20% each of the total cement cost while capital cost (interest and depreciation) forms 20-30%. Cost of power, coal and freight are all regulated by government bodies such as state electricity boards ("**SEBs**"), coal monopolies and the railways. The Government has permitted 100.0% FDI in captive coal blocks in cement sector along with power and steel to facilitate and augment power availability.

Power is a major parameter that influences operating cost. Grid power purchased from SEBs is costlier than captive power from coal-based plants by more than 25-30%. Where conditions are favorable, setting up captive wind power farms has become a realistic option for cement plants with operating cost at Rs.0.5 per unit (kWh) power excluding capital cost, interest and depreciation.

Freight costs for coal are calculated as part of cost of coal, and as a result, constitute a substantial part of the final cost of cement. The Government has permitted cement plants to operate their own captive coal mines. Cement is one of the core sectors for which captive mining blocks are proposed to be allocated.

Logistics in the cement sector affect freight costs to a large extent. The basic raw materials for manufacturing cement such as limestone and coal are low value high bulk materials and, as a result, entail high freight cost which forms the single largest cost component, usually accounting for 33% of the variable costs.

As a result of the factors discussed above, cement prices and margins vary across regions, due to the variation in demand-supply balance, level of concentration and demand growth. While regions of southern and western India have a cement surplus, regions in eastern and northern India face a deficit of cement.
(Source: The MoM Cement Report.)

Future Outlook

The working group on the cement industry constituted by the Planning Commission for the 12th Five Year Plan has projected a demand growth at the rate of 10.75% per annum during the plan period, assuming an expected 9% GDP growth rate. The working group expects that the additional installed capacity requirement will be 139.7 million tonnes by 2017 and 1,035.3 million tonnes by 2027. Based on the demand growth projection, the consumption of cement by the end of the 12th Five Year Plan is expected to be between 366.9 million tonnes and 397.4 million tonnes assuming growth rates of 9.75% to 10.75% during this period. The production and installed capacity at the end of the plan period in Fiscal 2017 was estimated at 479.3 million tonnes and 407.4 million tonnes, respectively, with an assumption of capacity utilization of 85% in Fiscal 2017. Further, the working group expected that the cement industry's average thermal energy consumption will come down to about 710 kcal/kg clinker from 725 kcal/kg clinker at the end of the plan period in Fiscal 2017 and the average electrical energy consumption in that year will come down to 78 kWh/t cement from 80 kWh/t cement. *(Source: The MoM Cement Report.)*

Fly ash is a fine glass like powder recovered from gases created by coal-fired electric power generation. These micron sized earth elements consist primarily of silica, alumina and iron. For producing one tonne of cement about 0.2 tonnes of fly ash can be used. Cement produced using fly ash not only reduces the cost of cement by 5% to 10% but also saves on freight costs and also leads to reduction by 30% to 40% in the land required by power plants towards storage of waste ash. Approximately 95 million tonnes of fly ash is presently generated annually and it is estimated that approximately 32% of fly ash generated can be utilized in the cement industry. Cement plants in India utilized about 27% of fly ash generated by thermal power plants and almost all the granulated slag generated by steel plants in Fiscal 2011. Promoting use of fly ash is viewed as an environment-friendly measure without sacrificing the quality of cement. *(Source: The MoM Cement Report.)*

Overview of the Power Generation Industry in India

As of March 31, 2011, India had a total power generation capacity of 173,626 MW. The power industry in India has been characterized by energy shortages and low per capita consumption of electric power. It is estimated that in Fiscal 2011, there was a shortage of 8.5% in terms of total energy requirements and 10.3% in terms of peak demand requirements. The total energy shortage during this period was 73,112 million units. The low per capita consumption of electric power in India compared to the world average presents a significant potential for sustainable growth in the demand for electric power in India.

Although power generation capacity has increased substantially in recent years, it has not kept pace with the continued growth of the Indian economy, despite low per capita electricity consumption. India has one of the lowest electricity consumption levels in the world, at 733.54 units per capita in 2008-2009, due in part to unreliable supply and inadequate distribution networks.

To address the persistent shortages, the Government has taken significant action to restructure the industry, attract investment and plan for fast track capacity additions through incentivized policy initiatives. These have included measures such as restructuring and improving the financial condition of SEBs and regulatory and policy intervention such as the Electricity Act, the NEP, the Tariff Policy, the Tariff Based Bidding Guidelines 2005 and the New Hydro Policy 2008, among others. The Government has also liberalized policies relating to the transmission and distribution sectors.

Demand-Supply Overview

The energy shortages in the Indian power sector have been increasing over the years. The demand for electricity has consistently exceeded the supply, and the demand-supply gap has been widening as can be seen from the table below. In Fiscal 2011, the peak deficit was estimated to be 10.3% and the total energy deficit was estimated to be 8.5%. The table below sets out the peak and total deficits of power in India between Fiscal 2001 and Fiscal 2011.

Fiscal Year	Peak Demand				Energy Requirement			
	Demand	Availability	Deficit		Requirement	Availability	Deficit	
	(MW)	(MW)	(MW)	%	(MU)	(MU)	(MU)	%
2001	78,037	67,880	10,157	13.0	507,216	467,400	39,816	7.8
2002	78,441	69,189	9,252	11.8	522,537	483,350	39,187	7.5
2003	81,492	71,547	9,945	12.2	545,983	497,890	48,093	8.8
2004	84,574	75,066	9,508	11.2	559,264	519,398	39,866	7.1
2005	87,906	77,652	10,254	11.7	591,373	548,115	43,258	7.3
2006	93,255	81,792	11,463	12.3	631,554	578,819	52,735	8.4
2007	100,715	86,818	13,897	13.8	690,587	624,495	66,092	9.6
2008	108,866	90,793	18,073	16.6	739,143	666,007	73,336	9.8
2009	109,809	96,785	13,024	11.9	777,039	691,038	86,001	11.1
2010	119,166	104,009	15,157	12.7	830,594	746,644	83,950	10.1
2011	119,437	107,286	12,151	10.2	638,067	582,163	55,904	8.8

*(Source: Ministry of Power, Government of India ("**MoP**") Annual Report 2009-10, CEA Executive Summary, March 2011)*

Demand is expected to continue to rise in future years, with a continued significant gap between supply and demand.

Future Electric Energy Requirements

According to the 17th Electric Power Survey conducted by the MoP, the annual peak electric load at power station bus bars in Fiscal 2017 and Fiscal 2022 is expected to be 218,209 MW and 298,253 MW, respectively.

Consumption

India has historically had low per capita power consumption. The per capita consumption of power in India has increased from 631.5 units in Fiscal 2006 to 733.5 units in Fiscal 2009, but India still has one of the lowest per capita power consumption ratios of the major world economies.

Demand Projections of Energy and Peak Power

According to the Government's Integrated Energy Policy Report of the Expert Committee (August 2006), India will require 1,425 billion units, or "**BU**", of energy in Fiscal 2017 (assuming 8.0% GDP growth), which would require an installed generating capacity of about 306,000 MW in Fiscal 2017. Certain details in relation to the total projected energy, peak power requirement and the installed capacity required in the future are set out below.

Year	Billion (kWh)				Projected Peak Demand (GW)		Installed Capacity Required (GW)	
	Total Energy Requirement @ GDP Growth Rate		Energy Required at Bus Bar @ GDP Growth Rate		@ GDP Growth Rate		@ GDP Growth Rate	
	8.0%	9.0%	8.0%	9.0%	8.0%	9.0%	8.0%	9.0%
2017	1,524	1,687	1,425	1,577	226	250	306	337
2022	2,118	2,438	1,980	2,280	323	372	425	488
2027	2,866	3,423	2,680	3,201	437	522	575	685
2032	3,880	4,806	3,628	4,493	592	733	778	960

(Source: Government of India, Integrated Energy Policy, Report of the Expert Committee (August 2006))
Note: Energy demand at bus bar is estimated at 6.5% auxiliary consumption.

Installed Capacity during the 11th Five Year Plan

The 11th Five Year Plan estimated a terminal year (2011–12) requirement of electricity generation from utilities at 1,038 BU, implying a growth rate of 9.1% CAGR per annum over the gross generation level of 670.65 BU in 2006–07 (the terminal year of the 10th Five Year Plan. As against the above, the actual generation from utilities in Fiscal 2012 was 876.88 BU, a shortfall of about 16%, implying an annual growth rate of only 5.5% for power from the utilities. The mode-wise and sector-wise energy generation for 2011–12 is set out below. After allowing for captive generation of about 110 BU in Fiscal 2012, the growth rate in total power generation is likely to be 5.7% CAGR over the 11th Five Year Plan period, against the target of 9.5%. This has resulted in a demand–supply gap. On March 31, 2012, it was estimated that the peak deficit gap was 11.1% and the energy deficit was 8.5%. These deficits are lower than the corresponding deficits of 13.8% and 9.6%, respectively, at the end of the 10th Five Year Plan, but there is a clear need to step up capacities and energy availability as the economy grows. The actual cumulative capacity as on March 31, 2012 was 199,877 MW, including 24,503 MW renewable sources of energy, the details of which are set out in the table below. *(Source: Planning Commission, Government of India.)*

Type	Central	State	Private	Total
Hydro	55.97	71.02	8.81	135.80
(Incl. Bhutan Import)	(5.28)			(5.28)
Thermal	281.04	296.93	130.84	708.81
Coal	225.18	271.98	87.63	584.79
Lignite	18.76	2.88	6.45	28.09
Gas	37.09	21.27	35.10	93.46
Nuclear	32.29	–	–	32.29
Total	**369.28**	**367.95**	**139.65**	**876.88**
(Incl. Bhutan Import)	**(5.28)**			**(5.28)**

(Source: Planning Commission, Government of India.)
**All figures in BUs*

All-India Cumulative Generating Capacity (as on March 31, 2012) (in MW)

	Hydro	Thermal	Nuclear	RES (MNRE)*	Total
Centre	9,085.40	45,817.23	4,780.00	0.00	**59,682.63**
State/UTs	27,380.00	55,024.93	–	3,513.72	**85,918.65**

Private	2,525.00	30,761.02	–	20,989.73	**54,275.75**
Total	**38,990.40**	**131,603.18**	**4,780.00**	**24,503.45**	**199,877.03**

* *Renewable Energy Sources, Ministry of New and Renewable Energy, Government of India*
(Source: Planning Commission, Government of India.)

Capacity Addition Requirement for the 12th Five Year Plan and the 13th Five Year Plan – Increasing Use of Renewable Energy Sources

The capacity addition requirement during the 12th Five Year Plan works out to 75,715 MW. In accordance with its low carbon growth strategy, priority has been accorded by the Government to renewable energy sources based, hydro and nuclear generation capacity. Accordingly, a feasible hydro capacity addition of 9,204 MW and nuclear capacity addition of 2,800 MW has been incorporated into the 12th Five Year Plan while assessing generation capacity addition requirement. The capacity addition planned during the 12th Five Year Plan is detailed below.

Type of Capacity	Demand corresponding to 9% GDP GR & 0.9 Elasticity (in MW)
Thermal	63,781
Coal	62,695
Gas	1,086
Hydro	9,204
Nuclear	2,800
Total	**75,785**

*(Source: Report of the Working Group on Power for the 12th Five-Year Plan, Ministry of Power, Government of India, January 2012 (the "**Power Working Group Report**"))*

In addition, the grid interactive renewable capacity addition of about 18,500 MW during the 12th Five Year Plan comprising of 11,000 MW wind, 1,600 MW small hydro, 2,100 MW Biomass power, Bagasse Cogeneration and waste to energy put together and 3,800 MW solar has been considered based on inputs provided by the MNRE. The tentative sector-wise break-down of the capacity addition during the 12th Five Year Plan is set out below.

(in MW)

Sector	Hydro	Coal	Lignite	Gas	Total Thermal	Nuclear	TOTAL
Central	5,632	10,600	0	826	11,426	2,800	**19,858**
State	1,456	12,080	0	260	12,340	0	**13,796**
Private	2,116	40,015	0	0	40,015	0	**42,131**
TOTAL	**9,204**	**62,695**	**0**	**1,086**	**63,781**	**2,800**	**75,785**

(Source: The Power Working Group Report.)

The estimated fund requirement during the 12th Five Year Plan for power generation, including from renewable energy sources, was approximately Rs.6,386.0 billion including Rs.2,725.8 billion for advance action for the 13th Five Year Plan projects. Set forth below are the projected investments in the electricity sector during the 12th Five Year Plan. *(Source: The Power Working Group Report.)*

	11th Five Year Plan*		12th Five Year Plan Projections**						
	Total (Rs. billion)	% of total	Fiscal					Total	% of total
			2013	2014	2015	2016	2017		
			(Rs. billion at 2011-12 prices)						
Electricity Sector	**8,043.6**	**100.0**	**2,459.0**	**2,703.3**	**2,972.5**	**3,268.9**	**3,595.4**	**14,999.1**	**100.0**
Investment by Central Government	2,605.6	32.4	767.9	860.1	963.3	1,078.9	1,208.4	4,878.6	32.5
Investment by State Government	1,999.9	24.9	525.0	572.3	623.8	679.9	741.1	3,142.3	20.9
Private Investment	3,438.1	42.7	1,166.0	1,271.0	1,385.3	1,510.0	1,645.9	6,978.3	46.5

* *The investments in the 11th Five Year Plan have been revised from the 2006-07 prices to the 2011-12 prices to enable a comparative assessment.*
** *These projections have been prepared by the Planning Commission on the basis of certain assumptions, further details in relation to which are available at http://infrastructure.gov.in/pdf/Interim_Report.pdf, and which, among others, are dependent on certain policy initiatives that the Government would need to take for ensuring this level of investment.*
(Source: Interim Report of the High Level Committee, Financing of Infrastructure)

The peak demand and energy requirement during the terminal year of the 13th Five Year Plan (2021-22) is expected to be 289,667 MW and 1,993 BU respectively. The capacity addition requirement during the 13th Five Year Plan corresponding to this demand was 93,400 MW (assuming a capacity addition of 62,374 MW during the 11th Five Year Plan and 75,785 MW during the 12th Five Year Plan. Feasible hydro capacity addition of 12,000 MW and nuclear capacity addition of 18,000 MW has been considered during the 13th Five Year Plan while assessing generation capacity addition. In addition, the MNRE has projected a grid interactive renewable capacity addition of about 30,500 MW during the 13th Five Year Plan, comprising 11,000 MW wind, 1,500 MW from small hydro, 2,000 MW from biomass power, bagasse cogen and waste to energy and 16,000 MW from solar energy. *(Source: The Power Working Group Report.)*

Overview of the Road Industry in India

India has the world's second largest road network, aggregating over 4.1 million kilometers (km). *(Source: The India Brand Equity Foundation, a PPP between the Ministry of Commerce and Industry, Government of India, and the Confederation of Indian Industry ("**IBEF**").* According to the Planning Commission, a target of 1,835 billion tonne km ("**BTKM**") has been put on road freight volumes for 2016-17, assuming growth at 8.7% per annum in line with past trends. *(Source: Planning Commission, Government of India.)* The road network in India can be divided into the following categories:

- Expressways and National highways (the "**NHs**")
- State highways (the "**SHs**");
- Major district roads (the "**MDRs**"); and
- Rural and other roads.

(*Source: Planning Commission, Government of India.)*

The NHs constitute 1.7% of the entire network but carry 40% of the traffic on Indian roads. To augment it, the Government plans to build 7,300 km of roads every year. *(Source: IBEF.)* The SHs and the MDRs together constitute the secondary system of road transportation which contribute significantly to the development of the rural economy and industrial growth of the country. The secondary system also carries about 40% of the total road traffic, although it constitutes about 13% of the total road length. At the tertiary level are the Other District Roads ("**ODRs**") and the rural roads. *(Source: Planning Commission, Government of India.)*

In recent years special efforts have been made by the central government to strengthen the NHs and also to improve rural road connectivity. Despite this, the road network remains grossly inadequate in various respects. It is unable to handle high traffic density and high speeds at many places and has poor riding quality. It is necessary to accelerate completion of ongoing projects, including expressways and also to address the deterioration of large stretches of the NHs. (*Source: Planning Commission, Government of India.)* The Prime Minister of India has set a target to build 9,500 km of NHs in Fiscal 2013. *(Source: IBEF.)*

National Highway Development Program ("NHDP")

The thrust on the country's road network is manifested through the NHDP. NHDP encompasses upgradation, rehabilitation and broadening existing NHs to a higher standard. India's road network has benefited greatly from the NHDP which envisages an investment of about Rs.2,362.5 billion during the period 2005–12. Although NHDP envisaged award of concessions/contracts by the year 2012, the actual completion of the program was expected to be accomplished only by the end of the 12th Five Year Plan. Phase-wise progress of NHDP during the 11th Five Year Plan is given below:

NHDP	**Total length completed (km) up to March 31, 2012 (Provisional)**
NHDP Phase I	639
NHDP Phase II	5,210
NHDP Phase III	3,599
NHDP Phase V	913
NHDP Phase VII	13
Other Projects	235
Total	**10,609**

(*Source: Planning Commission, Government of India.)*

Other Initiatives

The Government has approved the Special Accelerated Program for Road Development in the North-East (**SARDP-NE**), which aims to improve 4,099 km length of road by March 2015, 21.8% of which has already been completed. A program for development of about 1,202 km of NHs and 4,362 km of SRs in Left Wing Extremism ("**LWE**") affected areas, costing about Rs.730 billion has been taken up. The Bharat Nirman Program aims to cover every village having a population of over 1,000 or over 500 in hilly and tribal areas, with all-weather roads. Projects to connect 58,387 habitations have been sanctioned and 44,089 habitations have been connected by constructing 141,095 km of new roads as of March 31, 2012. *(Source: Planning Commission, Government of India.)*

Work on access controlled expressways has however moved at a slow pace. One of the targets of the 12th Five Year Plan was that a comprehensive master plan for development of 15,600 km of expressways would be developed, the alignment determined and work taken up in phases. It is hoped that 1,000 km of expressways will be completed during the 12th Five Year Plan, while land for another 6,000 km will be acquired to initiate work. *(Source: Planning Commission, Government of India.)*

Foreign Direct Investment

FDI received in construction activities (including roads and highways) until July 2012 was U.S.$21,160 million, according to statistics released by the DIPP. *(Source: IBEF)*

PPP Projects

Historically, investments in infrastructure, particularly in the highways, were made by the Government mainly due to the huge volume of resources required, the long gestation period, uncertain returns and various external risks. The enormous resource requirements, the significance of infrastructure development for economic growth and significant deficit in infrastructure requirements have led to an active involvement of the private sector also in recent years. During the 11th Five Year Plan, the total private-sector investment on NHDP was Rs.626.3 billion against a target of Rs.867.9 billion, which is a substantial jump over the achievement in the 10th Five Year Plan of Rs.110.3 billion (at 2011–12 prices). Appropriate policy and regulatory framework for PPPs, including institutional mechanisms have been put in place in the form of the Model Concession Agreements, ("**MCAs**"), for BOT projects. *(Source: Planning Commission, Government of India.)*

For the 12th Five Year Plan, the total investment was projected at Rs. 51,464.3 billion with private investment increasing to 46.68% of the total investment as compared to 37.53% during the 11th Five Year plan. The projected investment in roads and bridges under the 12th Five Year Plan is set out below.

	11th Five Year Plan*		**12th Five Year Plan Projections****						
	Total (Rs. billion)	**% of total**	**Fiscal**					**Total**	**% of total**
			2013	**2014**	**2015**	**2016**	**2017**		
			(Rs. billion at 2011-12 prices)						
Roads and Bridges Sector	**5,161.8**	**100.0**	**1,421.5**	**1,602.7**	**1,809.8**	**2,047.1**	**2,319.6**	**9,200.7**	**100.0**
Investment by Central Government	2,216.5	42.8	577.1	640.0	709.9	787.6	873.9	3,588.5	39.0
Investment by State Governments	1,915.2	37.0	445.9	486.0	529.8	577.4	629.4	2,668.5	29.0
Private Investment	1,030.1	20.1	398.6	476.6	570.1	682.1	816.3	2,943.7	32.0

** The investments in the 11th Five Year Plan have been revised from the 2006-07 prices to the 2011-12 prices to enable a comparative assessment.*
*** These projections have been prepared by the Planning Commission on the basis of certain assumptions, further details in relation to which are available at http://infrastructure.gov.in/pdf/Interim_Report.pdf, and which, among others, are dependent on certain policy initiatives that the Government would need to take for ensuring this level of investment.*
(Source: Interim Report of the High Level Committee, Financing of Infrastructure)

Government Initiatives

The Government has announced several incentives to attract private sector participation under the PPP model such as financial contribution to certain projects under the viability gap funding (VGF) schemes and accelerated approvals for certain projects under the new engineering, procurement and construction (EPC) contracts. Under the EPC model, the Government funds the entire project and the contractor has to just undertake the construction, which is expected to reduce costs and time delays in infrastructure projects and ensure their faster implementation. The new projects primarily aims at double-laning of single-laned roads. *(Source: IBEF.)*

The sixth phase of the NHDP is under implementation wherein the Government plans to construct 552 km of expressways in Fiscal 2013, with a broader vision of developing around 20,000 km of expressways over 2012-22. Moreover, the total investment for the road sector is projected at Rs.9,200 billion under the 12th Five Year Plan, of which the central and states government would contribute Rs.3,580 billion and Rs.2,660 billion, respectively, representing about 68% of the total investment. The private sector is expected to account for 32% or Rs.2,940 billion of the total investment. *(Source: IBEF.)*

Overview of the Indian Real Estate Sector

Real estate plays an important role in the overall development of India’s core infrastructure, and in turn, in the Indian economy. It is expected to grow at a rate of 30% over the next decade. The Indian real estate market size is expected to touch U.S.$180 billion by 2020. The total revenue generated from the real estate sector in Fiscal 2011 was U.S.$66.8 billion. Real estate in India contributes about 5% to India's GDP. *(Source: IBEF).* The real estate sector in India is mainly comprised of the development of residential housing, commercial buildings, hotels, restaurants, cinemas, retail outlets and the purchase and sale of land and development rights.

Demand for residential, commercial and retail real estate is rising throughout India, accompanied by increased demand for hotel accommodation and improved infrastructure. The rising urban population (expected to cross 590 million by 2030) is one of the major factors that influences demand for residential real estate. Growth prospects and price stability of smaller cities are attracting large real estate developers in such cities. Growing infrastructure requirements from sectors such as education, healthcare and tourism are also providing opportunities in the real estate sector. *(Source: IBEF.)*

The nature of demand is also changing, with heightened consumer expectations that are influenced by higher (and growing) disposable incomes, increased globalization and the introduction of new real estate products and services. Demand is expected to grow at a CAGR of 19% between 2010 and 2014, with tier I metropolitan cities projected to account for about 40% of this demand. *(Source: IBEF.)*

Investment

The rising investment trends in the real estate sector have been reinforced by the substantial growth in the Indian economy, which has stimulated demand for land and developed real estate. Additionally, certain tax and other benefits applicable to special economic zones are expected to result, over time, in increased demand in the real estate sector. Non-resident Indians, or NRIs, have historically invested in Indian real estate, particularly with the U.S. Dollar appreciating in value compared to the Indian Rupee in recent times. FDI inflow in real estate until January in Fiscal 2012 was Rs.27.5 billion. India is expected to invest U.S.$1,200 billion over the next 20 years to modernize its urban infrastructure and keep pace with growing urbanization. Indian real estate has emerged as a popular sector for investment by private equity funds, with such funds investing around U.S.$ 1.7 billion in this sector during Fiscal 2011. *(Source: IBEF.)*

Government Initiatives and Future Outlook

The Government has allowed FDI up to 100% under the automatic route in townships, housing, built-up infrastructure and construction development projects. Since 2010, the residential sector has recorded growth and with increasing urbanization, this trend is expected to continue. Strong demographic mix and increasing salary levels will be the key triggers for growth of the residential market in the future. The emergence of nuclear families and growing urbanization has given rise to several townships that are developed to take care of the elderly. With a number of senior citizen housing projects currently planned, this segment is expected to grow significantly in the future. Increase in the number of tourists has resulted in demand for serviced apartments. This demand is likely to be on uptrend and presents opportunities for the unorganized sector. Further, the number of hotel beds in the country is expected to increase to 461,000 by 2015 from the current capacity of 235,000. *(Source: IBEF.)*

Several initiatives proposed under the 12th Five Year Plan will affect the future outlook of the Real Estate sector. For example, the introduction of the Green Mark for Buildings will provide a meaningful differentiation of buildings. This aims at assessing buildings in five key areas of environment energy efficiency, water efficiency, site development and building management, indoor environmental quality and environmental innovations. *(Source: Planning Commission, Government of India)*

Overview of the Indian Hotels and Hospitality Sector

India has the highest proportion of hotel businesses in the Asia-Pacific ("**APAC**") region. However, the availability of hotel rooms in India is extremely limited; it ranks 136th from amongst 139 countries ranked on the basis of the number of hotel rooms. In the past few decades, the character and composition of tourist accommodation has undergone considerable change. New types of accommodation, such as home stay, have evolved to meet market demands for increased levels of independence, informality and convenience. Such changes have been influenced by the emergence of the new types of travelers and the tourists who invest in a holiday home or unit in a preferred tourism destination. *(Source: Planning Commission, Government of India)*

The Government has allowed 100% FDI in the hotel sector on an automated basis. The amount of FDI inflow into the hotel and tourism sector during April 2000 to July 2012 was worth U.S.$ 3,450.97 million, as per data provided by the DIPP. As the prospect of large-scale new traditional hotel accommodation is extremely limited, especially as there is acute shortage of land in urban areas, it is imperative to expand the number of registrations under the home stay scheme in various stays so as to significantly augment hotel room capacity in India. This will open up new livelihood opportunities for local people, enforcing the "pro-poor tourism approach" proposed under the Twelfth Plan. *(Source: Planning Commission, Government of India and IBEF)*

Overview of the Indian Fertilizer Production Industry

The Government has consistently pursued policies to increase availability and consumption of fertilizers at affordable prices in India. During the 11th Five Year Plan, the capacity of the fertilizer industry remained stagnant (the installed capacity of fertilizer in the domestic fertilizer industry was 129.45 lakh metric tonnes ("**LMT**") of nitrogen and 62.13 LMT of P2O5 (phosphate) per annum as on 1.11.2010). Actual domestic production of urea in Fiscal 2011 was 218.8 LMT.

As per the estimates of the International Fertilizer Industry Association, the world demand for urea is expected to grow from a total quantum of 153.3 million tonnes in 2011 to 171.7 million tonnes by 2015. The total supply is expected to increase from a total quantum of 155.6 million tonnes in 2011 to 193.4 million tonnes by 2015. Projections for domestic demand of fertilizer nutrients is between 33.5 and 33.8 million tonnes for the terminal year of the 12th Five Year Plan.

There were hardly any investments in fertilizer production during the 10th and the 11th Five Year Plan (Rs.272.5 billion) due to its low returns. To increase the capacity of urea by approximately 12 million tonnes to a total of 33.7 million tonnes by Fiscal 2017, India will need to invest at least Rs.400 billion in the sector at current capital costs. To encourage investment in this sector, the Department of Fertilizers has proposed several new initiatives, including amendments to the policy and allocation of gas and certain tax incentives. *(Source: Report of the Working Group on Fertilizer Industry for the 12th Five Year Plan, 2012-2013 to 2016-2017, Ministry of Chemicals & Fertilizers, Government of India)*

Overview of Oil and Gas Exploration in India

Owing to the ever increasing demand for oil and gas, India has now become the fourth largest oil and gas consumer in the world after the United States, China and Japan. Domestic public and private oil refiners processed 3.6% more crude oil into products in July 2012 as against July 2011 in order to meet demand which grew by 9.4% year-on-year. The demand for natural gas in India was 179 million metric standard cubic meter per day, or MMSCMD, during Fiscal 2011. Natural Gas output for July 2012 was 3.7 billion cubic meter, or BCM. Industry experts believe that the demand for natural gas will reach 473 MMSCMD by Fiscal 2017 from 179 MMSCMD in Fiscal 2011. India is gradually moving towards self reliance in the indigenous production of oil and gas. *(Source: IBEF)*

The New Exploration Licensing Policy (NELP) was introduced to attract private investment into oil and natural gas. It is marked by attractive fiscal and contractual features and addresses the underground risks involved in exploration of sedimentary basin. 18 production sharing contracts have already been signed under the ninth round NELP and exploration blocks have been offered. *(Source: IBEF and Planning Commission. Government of India.)* During the 12th Five Year Plan period, 138,974 kilometers of 2D seismic and 82,488 square km of 3D seismic are likely to be acquired by Oil and Natural Gas Corporation ("**ONGC**"), Oil India Limited ("**OIL**") and certain private companies or joint ventures. Also, 1,310 exploratory wells are likely to be drilled. These exploratory efforts are likely to result in hydrocarbon reserve accretion of about 727 million metric tonnes of oil and oil equivalent gas in the country. The break-down of exploration program by ONGC, OIL and the private companies and joint ventures is set out below. During the 12th Five Year Plan, the Director General of Hydrocarbons (DGH) will play an even more important role as the upstream advisor and supervisor for the Government, to give clearances for upstream operators and to quickly monitor the evaluation and development of a large number of discoveries made under NELP that are yet to be appraised and developed. *(Source: Planning Commission, Government of India.)*

Activity	**Unit**	**ONGC**	**OIL**	**Private/JV**	**Total**
Seismic Surveys 2D	km	28,170	6,850	103,954	138,974
Seismic Surveys 3D	Sq Km	24,163	8,364	49,961	82,488
Exploratory Wells	--	611	174	525	1,310
Reserves Accretion IIH	MMTOE	1,080	78.14	728	1,886.14
Ultimate Hydrocarbon Reserve Accretion	MMTOE	360	26	341	727

(Source: Ministry of Petroleum and Natural Gas and Planning Commission, Government of India.)

BUSINESS

Overview

The Company, or JAL, is the flagship company of the Jaypee Group (the "**Group**"). The Group is a diversified infrastructural industrial group based in India with significant interests in the areas of civil engineering and construction, cement manufacturing and marketing, power, real estate, roads and expressways, hospitality and sports events including Formula One. The Company was incorporated on November 15, 1995 under the name of 'Bela Cement Limited' which was changed to 'Jaypee Rewa Cement Limited' with effect from August 30, 2000. Following which the name was changed to 'Jaypee Cement Limited' with effect from January 3, 2002 and subsequently changed to the present name of 'Jaiprakash Associates Limited' with effect from March 11, 2004.

The Company is engaged primarily in the business of:

- Engineering and construction;
- Manufacture and marketing of cement and cement products; and
- Real estate development.

The Group's principal areas of activities are categorized into the following segments:

- Engineering and construction;
- Cement production;
- Power generation (including Thermal, Wind and Hydro-power);
- Real estate;
- Hotels/Hospitality
- Expressways;
- Sports Events;
- Fertilizer production;
- Oil and gas exploration; and
- Mining.

For the year ended March 31, 2012, the Group had a consolidated income of Rs.151,205 million (March 31, 2011: Rs.116,298 million) and a consolidated net profit after tax of Rs.9,471 million (March 31, 2011: Rs.20,590 million). Further, as of March 31, 2012, the Group had consolidated assets of Rs.792,762 million (March 31, 2011: Rs.669,827 million). (The figures of profit after tax for the year ended March 31, 2011 are inclusive of profit on sale of shares of Rs.4,109 million, net of tax).

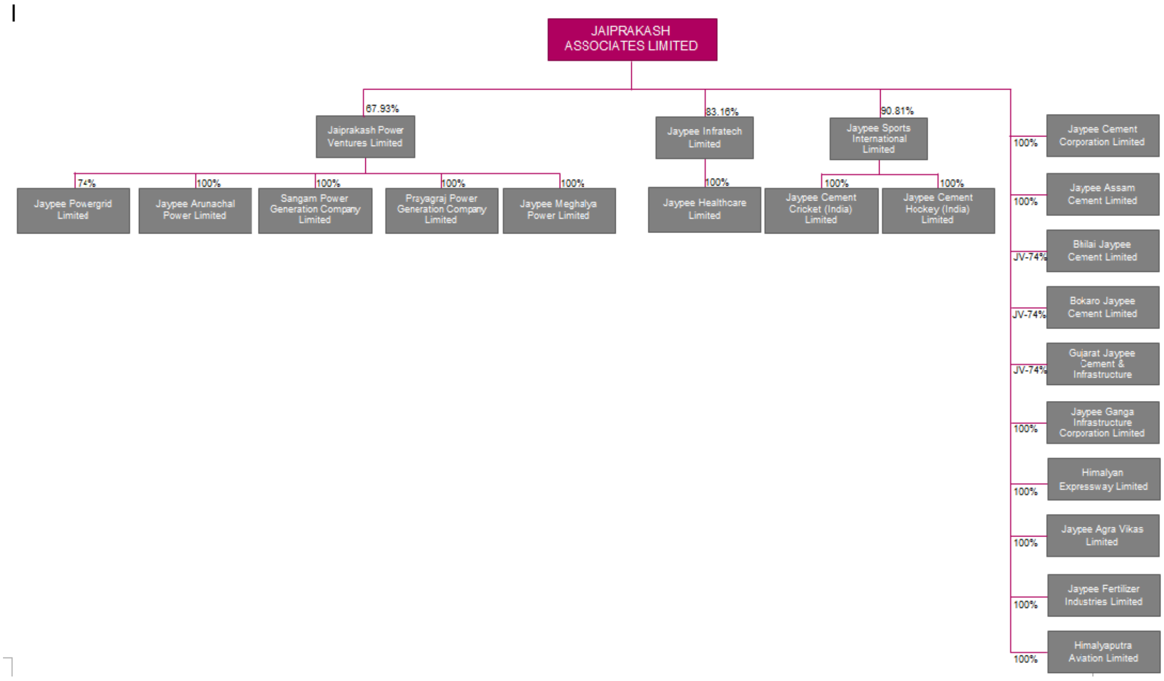
The Equity Shares are listed on the NSE and the BSE.

The promoters of JAL are Mr. Jaiprakash Gaur and his associates, who together with their associated interests, comprise the "**Promoter Group**". As of December 31, 2012, the Promoters and Promoter Group held approximately 46.08% of the issued and outstanding Equity Shares.

As of the date of this Placement Document, the Company has 21 subsidiaries, namely Jaiprakash Power Ventures Limited, Jaypee Infratech Limited, Himalayan Expressway Limited, Jaypee Ganga Infrastructure Corporation Limited, Jaypee Sports International Limited, Jaypee Agra Vikas Limited, Jaypee Cement Corporation Limited, Jaypee Fertilizer & Industries Limited, Himalyaputra Aviation Limited, Jaypee Assam Cement Limited, Sangam Power Generation Company Limited, Prayagraj Power Generation Company Limited, Jaypee Meghalaya Power Limited, Bhilai Jaypee Cement Limited, Bokaro Jaypee Cement Limited, Gujarat Jaypee Cement & Infrastructure Limited, Jaypee Powergrid Limited, Jaypee Arunachal Power Limited, Jaypee Cement Cricket (India) Limited, Jaypee Healthcare Limited and Jaypee Cement Hockey (India) Limited.

Organization Chart

The following is the organization chart of the Company and its subsidiaries:



Business Strategy

The Group continues to execute an overall strategy designed to take advantage of the opportunities arising in the infrastructure and power sectors in India. To this end, the Group has expanded its cement manufacturing capabilities substantially from 7 MTPA in 2007 to 33.3 MTPA as of November 30, 2012 and has become one of the largest cement producers in India with a pan-India presence.

In relation to its engineering and construction business, the Company's strategy is to place particular focus on hydro-power projects both as a construction company and as an independent power producer ("**IPP**"), whilst also looking to capitalize on opportunities in emerging infrastructure development projects, including projects being undertaken on a Build-Own-Operate ("**BOO**") basis, and to seek opportunities in relation to highways or expressway projects, and real estate development. The Company has recently completed the construction of one of Asia's largest expressway, the Yamuna Expressway, a 165 km six lane access controlled expressway, expandable to eight lanes, linking Agra and Noida-Greater Noida expressway. The construction also includes the development of 6,175 acres of land at five locations along the Yamuna Expressway for commercial, industrial, institutional, residential and amusement purposes.

The Company also intends to leverage on the growing economy of India and has diversified into the fast growing real estate sector. The Company is currently developing large and integrated real estate projects on land parcels owned by the Company and the Group. As of the date of this Placement Document, the Group owns 695 million sq. ft. of developable land, of which 32 million sq. ft. is owned by the Company, 530 million sq. ft. is owned by Jaypee Infratech Limited and 133 million sq. ft. is owned by Jaypee Sports International Limited.

With an established presence in the development of hydro-power projects as an engineering, procurement and construction ("**EPC**") contractor and on a BOO basis, the Company is now entering into other areas related to the energy sector including, amongst others, oil and gas exploration and, coal mining with a focus on developing into an integrated power player. To this end, the Company, as part of a consortium with Prize Petroleum Company Limited (a subsidiary of Hindustan Petroleum Corporation Limited), participated in the New Exploration Licensing Policy-VI round of bidding for various potential oil blocks in India. The consortium (with the Company holding 90% and Prize Petroleum Company Limited holding 10% of the participating interest in the block) has been allotted the South Rewa Block for exploration. The seismic survey, the 2D and 3D data acquisition and the interpretation of such data has since been completed and three well locations have been identified. The contracts for the supply of tubulars, drilling, rig, and the civil works at the site have been or are being finalized. The spudding of the first well is expected to commence in January 2013. An expenditure of Rs.1,086.5 million has been incurred on the development of the South Rewa Block as of September 30, 2012.

Engineering and Construction

The Company's principal strategy is to focus on undertaking medium to large river valley/hydro-power projects on an EPC contract basis, whereby the Company takes responsibility not only for the design, construction, testing and commissioning of civil and hydro-mechanical works, for which the Company possesses the capacity, expertise and experience, but also for the design, construction, testing and commissioning of electro-mechanical works through joint venture partners. In addition, the Company, leveraging on its strength in engineering and construction in relation to hydro-power projects continues to look at opportunities to undertake hydro-power projects on a BOO basis. In view of the Government's encouragement of hydro-power projects to meet the current energy supply-demand imbalance and to meet projected increases in power demands and to rebalance the thermal power/hydro-power mix, the Company expects that there will be increased business opportunities in the hydro-power sector, both on an EPC contract basis and on a BOO basis. The Company believes its success in the hydro-power sector in integrating its strengths in engineering, technology, project management and construction expertise together with its large well-trained workforce and its highly specialized machinery, plant and equipment, provide it with a significant competitive advantage.

In addition, the Company has diversified its power business and has undertaken to develop four thermal power projects with an aggregate capacity of 7,800 MW on a BOO basis as an IPP. The first phase of the Bina thermal power plant with a capacity of 500 MW will be fully operational in Fiscal 2013 with its first unit of 250 MW having commenced operations in August 2012 and the second unit of 250 MW commencing operations in Fiscal 2013. The remaining thermal power plants are expected to be operational in phases by Fiscal 2016. The Company also believes that its focus on real estate development and construction will provide an additional income stream for the engineering and construction business on a sustainable basis.

Pursuant to its strategy, the Group is one of India's largest hydro-power developers with an operational capacity of 1,700 MW and an additional 3,920 MW currently under development in the north eastern states of Meghalaya and Arunachal Pradesh, which are due to be completed in phases by 2019.

Cement

The Company has a pan-India presence either directly or through its subsidiaries with cement production facilities located in Uttar Pradesh, Uttarakhand, Himachal Pradesh, Haryana, Madhya Pradesh, Chhattisgarh, Gujarat and Andhra Pradesh. As of November 30, 2012, the Group's installed capacity is 33.3 MTPA.

In order to take advantage of the anticipated increase in demand for cement in its markets, the Company plans to expand its cement capacity by setting up a new cement plant at Sidhi in Madhya Pradesh, with an installed capacity of 1.5 MTPA, a plant at Village Kota in Uttar Pradesh with an installed capacity of 1.6 MTPA of clinker and 1.1 MTPA of cement grinding and a grinding unit at Churk in Uttar Pradesh with an installed capacity of 1.5 MTPA. In addition, the Company's subsidiary, Jaiprakash Power Ventures Limited ("**JPVL**"), is in the process of setting up a cement grinding unit at Nigrie in Madhya Pradesh with an installed capacity of 4.0 MTPA. Jaypee Cement Corporation Limited ("**JCCL**"), another subsidiary of the Company, is renovating and expanding the cement plant at Shahabad in Karnataka to increase the installed capacity to 3.0 MTPA. The Company believes that these developments will increase its own as well as the Group's presence in India.

With the recent completion of the expansion and modernization programs, the Company's cement business has also addressed the issue of cost and reliability of power. The cost of power accounts for approximately 20% of the total cost of producing cement. The Company has set up coal based thermal power plants for captive consumption of power with an installed capacity of 308 MW already in operation as of the date of this Placement Document, making it self-sufficient in power and allowing it to benefit from significant production synergies. The Company believes that the cost savings made as a result of its power plant construction will enhance its competitive position.

Real Estate

The Company believes that the long-term outlook for the real estate sector in India is positive, driven in part by increasing urbanization, favorable demographics, growth of the services sector and rising disposable incomes. Urbanization would be the single largest factor driving the demand for real estate and in particular, housing.

The Company is positioning itself to benefit from this growth and is currently developing integrated real estate projects primarily along the Yamuna Expressway from Noida to Agra in Uttar Pradesh. Located in the northern region of India, Uttar Pradesh is the fourth largest state in India and has the largest economy in the country in terms of gross state domestic product.

Business of the Group

Engineering and Construction Segment

Overview

The Company has been involved in the construction of major engineering projects in India for over 30 years, specializing in complex hydro-power and river valley projects. However, in the last two years, a substantial portion of the income for the engineering and construction division has been attributable to real estate construction projects. In the year ended March 31, 2012, the total income of the Company from the engineering and construction segment amounted to Rs.58,024.3 million, compared to Rs.60,292.4 million in the year ended March 31, 2011.

The Company believes that the revenue from the engineering and construction segment will increase in the future due to the growth in real estate construction revenue and the possibility of the award of large hydro-power projects by the Government in the country’s 12th five-year plan. In addition, the Group’s north east based hydro-power projects are expected to commence construction from 2014 onwards.

The Company has completed a number of projects in India and abroad, e.g. the 300 MW Baspa II and the 300 MW Chamera Stage II HEP, both in Himachal Pradesh, the 400 MW Vishnuprayag HEP in Uttarakhand, the 250 MW Canal Head Power House of Vadgam Saddle Dam in Gujarat, the 1,000 MW Indira Sagar Project in Madhya Pradesh, the 390 MW Dul Hasti Hydro-electric Project in Jammu and Kashmir, the Head Race Tunnel and Power House Complex of 1,020 MW Tala Hydro-electric Project in Bhutan and the 1,000 MW Karcham Wangtoo HEP in Himachal Pradesh. The hydro-power projects in Himachal Pradesh and the Vishnuprayag Project in Uttarakhand were executed on an EPC contract basis. The Company currently has projects with a total original contract value of Rs.59,792 million under development. The Company has also signed two memoranda of agreement with the government of Arunachal Pradesh for setting up two BOO hydro-electric projects with an aggregate capacity of 3,200 MW and with the government of Meghalaya for setting up two BOO hydro-electric projects with an aggregate capacity of 720 MW. The Company intends to undertake or bid for more engineering and construction projects on an EPC basis, for which the Company provides EPC and project management services. The Company believes that the demand for turnkey construction services will increase in India as developers seek to streamline development and construction processes by dealing with a single entity. Turnkey projects normally require the construction company to design, engineer and construct and commission the project based on parameters, requirements and technical specifications established by the developer of the project. The Company in such projects acts as a general contractor assuming full responsibility for overall project management and supervision or providing and operating various special purpose machinery and equipment and procuring basic construction materials.

In addition, the Company has undertaken the development of real estate of its Group companies in the past three to four years as part of its engineering and construction activities. The Company believes that the land bank owned by the Group, totaling approximately 695 million sq. ft., will provide it with opportunities for growth in the future in the real estate sector.

Engineering and Construction Projects in Progress

The following table sets out the engineering and construction projects currently under execution by the Company (including projects being undertaken on a BOO basis by subsidiaries of the Company where the Company is the EPC contractor for these projects, some of which are described under "— Power Segment" below).

Project	Client	State-Country	Dams	Power houses;	Capacity	Contract Value
			No		*MW*	*(Rs. millions)*
Sardar Sarovar (Narmada) Project	Sardar Sarovar Narmada Nigam Ltd.	Gujarat, India	1	—	1,200	5,264
Baglihar (Stage-II) Hydro Electric Project(1)	J&K State Power Development Corporation	Jammu & Kashmir, India	—	1	450	5,035
Sri Sailam (AMRP) Tunnel Project, Andhra Pradesh(1)	Irrigation & Command Area Development (I&CAD) Department, Govt. of Andhra Pradesh	Andhra Pradesh, India	—	—	—	19,250
Vrindavan Parikarma Marg and Kesi Ghat Bridge	Public Works Deparment, Uttar Pradesh	Uttar Pradesh, India	—	—	—	319
Punatsangchhu-II Hydroelectric Project	Punatsangchhu-II Hydroelectric Project Authority	Bhutan	1	1	990	20,798
Mangdechhu Hydroelectric Project	Mangdechhu Hydroelectric Project Authority	Bhutan	1	1	720	9,126
Total			**3**	**3**	**3,360**	**59,792**

Note:
(1) EPC contracts.
(2) Projects being undertaken by the relevant subsidiary on a BOO basis, where the Company is EPC contractor.

Other Projects

The Company is currently developing real estate developments of 530 million sq. ft for Jaypee Infratech Limited ("**Jaypee Infratech**") and 133 million sq. ft for Jaypee Sports International Limited at a cost plus basis. See "Hospitality and Real Estate Segment — Real Estate". The Company is also executing engineering and construction works for the 1,320 MW Super Thermal Power Plant at Nigrie in Madhya Pradesh, the 500 MW Bina Thermal Power Plant at Bina in Madhya Pradesh of JPVL and the 1,980 MW Super Thermal Power Plant at Bara in Uttar Pradesh of Prayagraj Power Generation Company Limited ("**PPGCL**"), which is a wholly-owned subsidiary of JPVL, each on a cost plus basis.

Additionally, the Company is developing a 2,700 MW hydro-electric project at Lower Siang and a 500 MW hydro-electric project at Hirong in Arunachal Pradesh. The project was undertaken by Jaypee Arunachal Power Limited, a wholly-owned subsidiary of JPVL, on a BOO basis in a joint venture with the government of Arunachal Pradesh. The Company is also developing a 450 MW hydro-electric project at Kynshi and a 270 MW project at Umngot in Meghalaya. The project was undertaken by Jaypee Meghalaya Power Limited ("**JMPL**"), a wholly-owned subsidiary of JPVL, on a BOO basis in a joint venture with the government of Meghalaya. The Company is the EPC contractor for these projects. These projects are currently in the development phase.

The Company has also been awarded a lump-sum turnkey contract of Rs.38,070 million by Kanpur Fertilizers and Cement Limited under which the Company will undertake design, engineering, procurement and daily construction of a 3,850 MT urea manufacturing fertilizer plant, as well as a 30 MW captive power plant at an industrial area in Panki, Kanpur.

Bidding Process

Typically, the bidding process involves a two stage submission. The first “pre-qualification” stage involves technical and commercial documentation, with the second “bidding” stage focusing on financial and pricing considerations.

Before responding to any “Notice Inviting Tender” (“**NIT**”) or other proposal for a project, the Company conducts a brief analysis in order to ensure that the relevant project is consistent with the Company’s business plan and that the cost of participating in the bidding process is likely to fall within the Company’s internal guidelines. Once management has approved participation in the bidding process on the basis of such an analysis, the Company obtains the pre-qualification/tender documentation from the relevant client. At this stage, the Company submits a response to the NIT demonstrating its technical capabilities. The Company has, to date, been successful in passing the pre-qualification stage in relation to all projects for which it has decided to bid.

Following the pre-qualification stage, the client generally provides bid documentation in order to solicit more detailed submissions from the competing bidders. At this stage, the Company conducts a detailed analysis in respect of the competitive, political, governmental and environmental aspects of the project, which is submitted to management together with an overview plan of construction and analyses from a financial, opportunity cost and social cost benefit perspective and a recommendation as to further action.

Management will consider this documentation before approving the bid price and other details required, which are then submitted to the client. Price data in particular is highly confidential and the final quotation submitted to the client is known only to a small working group at the Company.

Although clients will consider all aspects of bids made to them by pre-qualified bidders, the work is generally awarded to the lowest bidder.

Contract Terms

The Company acts either as a single bidder or the lead contractor or a member of a consortium, depending upon the requirements of the project and the terms of the contract awarded. In the role of lead contractor, the Company assumes responsibility for overall project management and supervision, including design and engineering, planning, quality assurance, quality control and co-ordination with other contractors of the consortium. The sub-contractors chosen by the Company for certain specialized construction activities are responsible for the provision of their own skilled and unskilled labor, together with materials, machinery and equipment. The project owner generally approves the identity of the sub-contractors but does not have any direct contact with them as the Company remains responsible to the project owner for the work assigned to the Company.

Many of the Company’s contracts are awarded and carried out on an item rate basis with a pre-determined schedule for project completion, and are awarded following bids from pre-qualified companies. The timetable for completion of projects varies depending upon the nature of the project, its size and complexity, but contracts typically call for completion in approximately three to six years, with appropriate escalation provisions and contingencies wherever applicable.

Generally, the contracts contain a clause for compensation for any change in law (affecting changes in taxes and duties). The contracts may also have provisions for additional payments in the event of unforeseen circumstances, such as geological issues, and generally have provisions for additional payments, in the event of a change in the scope of work. EPC contracts also usually contain provisions for contingencies of up to 10 to 12% of the contract price, which would cover cost increases arising out of such things as design issues. Cost estimation at bidding stage is crucial since the profits of the Company are dependent on the accuracy and sufficiency of the cost estimates. During the course of the execution of a project, care needs to be taken in monitoring and controlling costs to protect against significant cost variances at the end of the project.

Most contracts provide for an advance payment (in the range of 10% to 20%) adjustable from running bills, and balance payments are based on monthly progress certificates. For effecting the progress payments, such milestones are required to be certified by the client's project management consultant or the client's engineer. A small percentage of the contract value is generally retained by the customer as retention money, in addition to a performance security of about 5% of the contract price during a defect liability period, after which it is released.

Raw Materials and Equipment

The Company sources its requirements of raw materials (ready-mix concrete, cement, steel bars and shaped steel), building and construction materials, equipment and components in relation to its engineering and construction activities from a wide group of suppliers in the open market. Cement is sourced internally from the Company's own cement units or from the open market if the distance of the project from the cement unit makes the cost of supply from the Company's units uneconomical. During the year ended March 31, 2012 approximately 0.44 million MT of cement (representing approximately 3% of the Company's total cement sales) consumed in the Company's construction business was supplied by the Company's cement units. Certain project owners may themselves sometimes purchase and supply the Company with materials such as cement and steel. In addition, customers may indicate their preferred vendors for purchase of certain equipment, components and materials.

If a project contract calls for raw materials or building products to be purchased from abroad, such as steel, fiber for shotcrete, drilling accessories, high tensile rock bolts, the Company will generally enter into a contract for the supply of such materials or products at the start of the project to protect against supply shortages and shipment delays. For raw materials or building products sourced in India, the Company makes its purchases during the term of the contract as required. The Company recognizes the importance of international procurement and sourcing capabilities and has been developing its capabilities in the sourcing of specialized raw materials, components and consumables from a variety of international suppliers. In addition, the Company's procurement engineers are periodically stationed overseas to evaluate, source and inspect materials.

Equipment for a project, including earthmoving and other special purpose machinery, transportation vehicles and tools, is supplied from the Company's own inventory or from established third party suppliers. When the Company needs to obtain specialized equipment for a specified project or replace equipment in its inventory, the Company uses several suppliers in India and overseas.

Competition

The Group is one of the few Indian groups with the requisite experience and capabilities to compete for large value and complex hydro-power and river valley projects. Generally, the size, scheduling and complexity of large scale projects precludes the participation by smaller and less sophisticated engineering and construction companies, and whilst there are many qualified competitors, there are only a few Indian engineering and construction companies with the requisite capacity and experience to complete large industrial or infrastructure works on demanding schedules. Among those companies which are able to execute such major projects, competition is largely based on the proven ability to complete work on time, as well as price. The Company believes that its experience and proven track record, its reputation for timely completion of large projects in India spanning over 35 years, together with its in-house design and engineering expertise and its capacity for in-house fabrication of large scale hydro-mechanical equipment, places it in a strong competitive position.

The Group's competitors in the specialized hydro-power and river valley power sector of the Indian engineering and construction market include Hindustan Construction Company Limited, Continental Construction Limited, L&T Limited, Gammon India Limited and Patel Engineering Construction Company Limited. The Company has also been certified under ISO 9001-2000 for securing contracts for hydro-electric and infrastructure projects, rendering support and facilities to execute such projects and design and engineering for hydro-electric projects.

Generally, the civil works, hydro-mechanical, electro-mechanical works and specialized works of construction projects are awarded in separate packages. However, in order to minimize delays arising from the interaction between different participants, contracts are increasingly being awarded under a single consolidated EPC contract. This trend has coincided with international companies attempting to enter the Indian market. In the past, the Company, in order to meet the specific requirements of various tenders, has entered into various consortia with major international companies such as SNC/Acres Inc., SNC Lavalin/Acres Transnational, GE Canada and Voith Hydro GmbH & Co.

While foreign engineering and construction firms have not been significant competitors of the Company in the past, such firms are increasing their activities in India. The Company expects increased competition in India from foreign engineering and construction companies in collaboration with Indian construction companies. It is anticipated that foreign competitors will step up their entry into the Indian market in partnership with Indian construction companies.

Given the Government's emphasis on hydro-power development projects for improving the hydro and thermal power mix and the increased opportunities this will bring in the sector, this will create competition in the procurement of EPC contracts in the hydro-power sector.

Cement Segment

The Company has a pan-India presence, either directly or through its subsidiaries, with cement production facilities located in Uttar Pradesh, Uttarakhand, Himachal Pradesh, Haryana, Madhya Pradesh, Chhattisgarh, Gujarat and Andhra Pradesh. As of the date of this Placement Document, the Group's installed capacity is 33.3 MTPA, of which 19.2 MTPA are from the Company's cement production facilities located in central and northern India. The Company's subsidiary, JCCL owns the cement production facilities in the states of Gujarat and Andhra Pradesh with an installed capacity of 9.8 MTPA while the Company's joint ventures with the Steel Authority of India Limited at Bhilai and Bokaro through Bhilai Jaypee Cement Limited and Bokaro Jaypee Cement Limited have operational plants with an installed capacity of 2.2 MTPA and 2.1 MTPA, respectively.

The Company caters to most of the regional markets in India. The following table sets out the breakdown of sales of cement by regions in India:

	Year ended March 31, 2012	**Six months ended September 30, 2012**
	Sales Quantity (in MT)	
Central Region	7,332,225	3,366,183
Eastern	1,350,419	662,358
Northern	4,006,408	1,974,278
Western	120,667	68,453
South	6,881	22
Total Domestic	12,816,600	6,071,294
Nepal	246,198	135,844
Total Export Sales	246,198	135,844
Total Sales	**13,062,798**	**6,207,138**

The Company's total cement sales (including clinker) for the year ended March 31, 2012 was Rs.52,755.70 million. During the year ended March 31, 2012, the Company produced 13.34 million MT of cement and 9.81 million MT of clinker. The Company sold 13.26 MTPA of cement during the year ended March 31, 2011 and 13.06 MTPA during the year ended March 31, 2012. For the years ended March 31, 2011 and 2012, clinker production amounted to 11.53 MTPA and 9.81 MTPA, respectively. As the production of clinker is for self-consumption, only 0.53 MTPA and 0.69 MTPA was actually sold to third parties during these financial years.

Consumption of cement in the markets served by the Company has shown an overall increase in demand in recent years and the Company believes that demand is likely to continue to increase in these markets. The Company believes that growth in demand is likely to be driven by investment in infrastructure projects, including roads, ports and power projects, and also by growth in the housing sector in urban and semi-urban areas, with increasing economic activity and population growth likely to increase both per capita and total cement consumption.

The Company believes that with the increase in its production capacity, it is well placed to take advantage of the growing demand for cement in its markets.

Overview

The Company believes that it is one of India's leading cement manufacturers and the third largest producer of cement in India. As of the date of this Placement Document, its cement division has 11 modern, computerized process controlled cement plants with an aggregate installed capacity of 19.2 MTPA located in northern and central India. The Company's plants are located at Rewa, Bela and Sidhi in Madhya Pradesh with an installed capacity of 7.4 MTPA, Ayodhya, Allahabad, Dalla, Chunar and Sikandrabad in Uttar Pradesh with an installed capacity of 5.6 MTPA, Baga and Bagheri in Himachal Pradesh with an installed capacity of 3.5 MTPA, Panipat in Haryana with an installed capacity of 1.5 MTPA and Roorkee in Uttarakhand with an installed capacity of 1.20 MTPA.

Manufacturing Facilities

References in this document to plant or production capacity are to rated (or installed) production capacity; that is, the production capacity the relevant plant was designed to achieve based on specified operating parameters, relating, inter alia, to quality of coal and limestone. Accordingly, it is possible in certain circumstances to achieve actual production in excess of rated (or installed) capacity.

The following table sets out a breakdown of capacity and production of the Company's plants for the periods indicated, and reflects the capacity of the Company:

			Production *(Million MTPA)*		
Name of the Plant	**Year of Commissioning**	**Installed Capacity**	**Year ended March 31, 2011**	**Year ended March 31, 2012**	**Six months ended September 30, 2012**
Jaypee Rewa Cement Plant	1986 and l992	3.20	2.87	2.56	1.14
Jaypee Bela Cement Plant...................	1996	2.20	2.21	2.13	1.03
Jaypee Blending Unit, Sadwakhurd Allahabad..	2001	0.60	0.21	0.18	0.07
Jaypee Avodhya Grinding Unit	2004	1 00	0 94	0.88	0.33
Jaypee Sidhi Cement Plant..................	2009	2.00	1.11	1.10	0.43
Jaypee Panipat Grinding Unit	2008	1.50	1.04	1.08	0.48
U.P. Chunar Cement Plant..................	2007-2009	2.50	2.15	2.03	1.01
U.P. Dalla Cement Plant.....................	2007-2009	0.50	0.39	0.39	0.11
Jaypee Baga Cement Plant..................	2012	1.50	—	0.04	0.15
JHCBU Bagheri Grinding Unit...........	2010	2 00	1 47	1.70	0.84
Jaypee Roorkee Grinding Unit............	2010	1 20	0.86	0.84	0.44
Jaypee Sikandrabad Grinding Unit	2011	1.00	—	0.43	0.26
Gujarat Cement Plant(1).......................	2009-2011	2.40	0.70	—	—
Wanakbori Grinding Unit(1)................	2009-2011	2.40	0.72	—	—
Total..		**24.00**	**14.68**	**13.34**	**6.29**

Note:

(1) The Gujarat Cement Plant and Wanakbori Grinding Unit have been hived off from the Company with effect from April 1, 2011 and merged into JCCL.

Capacity Addition

The Company has expanded its cement manufacturing capacity over the years through greenfield additions, acquisitions and its subsidiaries and joint ventures. As part of its strategy to increase its manufacturing capacity, the Company is setting up the Jaypee Sidhi Cement Plant-II in the state of Madhya Pradesh with an installed capacity of 1.5 MTPA and the Jaypee Super Cement Plant in Village Kota, Sonebhadra district, Uttar Pradesh with an installed capacity of 1.60 MTPA of clinker. The Company is also setting up a cement grinding unit with an installed capacity of 1.10 MTPA at Kota near Dalla in Uttar Pradesh and a cement grinding unit at Churk in Uttar Pradesh with an installed capacity of 1.5 MTPA.

Further, the Company has entered into a joint venture with the Assam State Industrial Development Corporation to form Jaypee Assam Cement Limited, a newly incorporated company to set up a cement plant with an installed capacity of 1.0 MTPA in the State of Assam.

The Company has demerged its fully operational cement plants in Gujarat and Andhra Pradesh with an aggregate installed capacity of 9.8 MTPA to its subsidiary company, JCCL. JCCL is also implementing a 3.0 MTPA greenfield cement plant at Shahabad in the State of Karnataka. In addition, Andhra Cements Limited, which was acquired by the Group from G.P. Goenka Group in November 2011, is in the process of renovating and expanding the capacity of the existing cement plants in the state of Andhra Pradesh to achieve a capacity of 3.0 MTPA. The Company's joint ventures with the Steel Authority of India Limited, with cement plants at Bhilai and Bokaro with a total installed capacity of 4.3 MTPA are also operational. Further, JPVL, a subsidiary of the Company, is also setting up cement grinding units with an aggregate capacity of 4.0 MTPA in Nigrie in Madhya Pradesh.

With the above capacity addition as well as projects in the pipeline, the Group will have a total capacity of 48.40 MTPA in India with approximately 673 MW of captive power.

The corporate vision envisages absorption of the best technology in every critical function of cement business to produce cement on a cost effective basis and to set a new benchmark in the industry for productivity parameters.

Captive Power Plants

The Company has established coal-based thermal power plants for captive consumption at certain of its cement plants in different locations with a total installed capacity of 308.0 MW, all of which are currently in operation. The following table sets out the breakdown of capacity of each thermal captive power plant:

Project	Capacity
Japee Rewa Cement Plant (CPP - I)	25.0
Jaypee Bela Cement Plant (CPP - II)	25.0
Jaypee Rewa Cement Plant (CPP - III)	38.0
Jaypee Dalla Cement Factory	27.0
Jaypee Chunar Cement Plant	38.0
Jaypee Sidhi Cement Plant	35.0
Jaypee Sidhi Captive Power Plant	120.0
Total Capacity	**308.0**

This resulted in significant production synergies and in lower energy costs with the average cost of power for the year ended March 31, 2012 from captive sources being Rs.3.93 per unit as compared to Rs.4.76 per unit from grid power.

The Company is in the process of setting up a thermal captive power plant at Churk (60 x 3 MW) in Uttar Pradesh. The captive power plant is expected to start commercial operations in 2013.

Further, JCCL has an installed capacity for captive generation of 125 MW in its cement plants in Gujarat (90 MW) and Andhra Pradesh (35 MW) and is setting up a 60 MW captive power plant in Karnataka.

With the above capacities, the total capacity of captive power plants of the Group will be 673 MW. As a result, most of the cement plants of the Group are self-sufficient in power generation for captive use.

Products

The Company produces Ordinary Portland Cement (43 Grade) and Pozzolana Portland Cement (43 Grade and 53 Grade). The Company also produces clinker for sale.

Production Process

The Company uses the dry process technology which consumes less power and water as compared to the wet process technology.

In dry process production, limestone is crushed to a uniform and usable size, blended with certain additives (such as iron ore and bauxite) and discharged onto a vertical roller mill where the raw material is grounded to fine powder. An electrostatic precipitator de-dusts the raw mill gases and collects the raw material for a series of further stages of blending. The homogenized raw meal thus extracted is pumped to the top of a pre-heater by air lift pumps. In the pre-heaters the material is heated to 750° C. Subsequently, in the pre-calcinator the raw material undergoes a process of calcination (in which the carbonates present are reduced to oxides) and is then fed to the kiln. The remaining calcination and clinkerization reactions are completed in the kiln where the temperature is raised to 1,450-1,500° C. The clinker formed is cooled and conveyed to the clinker silo from where it is extracted and transported to the cement mills for producing cement. For producing Ordinary Portland Cement clinker and gypsum are used and for producing Pozzolana Portland Cement clinker, gypsum and fly ash are inter-ground.

Energy and Raw Materials

Electricity and coal are the largest components of the Company's costs in the production of cement. Energy costs comprised approximately 31% of total cement costs during the year ended March 31, 2012 (March 31, 2011: 30%). The Company's requirement is for electricity as a power source for machinery and equipment at its plants and for thermal energy for its kilns to manufacture clinker. Of the Company's total energy costs of Rs.15,186 million during the year ended March 31, 2012, Rs.5,717.63 million related to charges for electricity, and Rs.9,468.38 million for coal (March 31, 2011: Rs.6,073.34 million and Rs.8,143.41 million, respectively).

Historically, the Company met most of its coal requirements by purchasing coal from public sector companies at controlled prices under quarterly allocations from the Ministry of Coal. The supply of domestic coal in India is subject to price and distribution controls imposed by the Government. As the Company's requirement for coal has increased considerably, the Company is now in the process of forming coal linkages to meet its coal requirements in the future. The Company also imports coal from Indonesia and South Africa. The Company's 120 MW captive power plant at Sidhi is being operated entirely on imported coal.

The main raw material used in the production of cement is limestone. The cement production process requires about 1.5 MT of limestone for every 1 MT of clinker produced. The Company mines limestone at various sites close to its production facilities under leases with the state governments where the plants are located. Mining leases are initially granted by the state governments for a period ranging from 20 to 40 years and are thereafter subject to renewal on revised terms. The Company pays the state governments a royalty on the mined deposits. The Company has mining rights to over 11,105.924 hectares of land in the states of Madhya Pradesh, Uttar Pradesh and Himachal Pradesh. In addition to the existing limestone mines, which are presently being operated, the Company has also applied for the allotment of additional mines at Sidhi in Madhya Pradesh. With the addition of these mines, the total reserves available to the Company are believed by the Company, based on Government estimates, to be in the region of 1,689.803 million MT as of July 31, 2012. The Company's current consumption of limestone is approximately 15.0 MTPA. The Company believes that it will have limestone reserves for 50 years, subject to the renewal of mining leases by the state governments.

Other raw materials such as iron ore, laterite and gypsum are all available locally or are sourced from other markets. The Company imports gypsum from Oman and Thailand. Additives such as iron ore and laterite which are required to be added with limestone in the ratio of 0.04 MT for every 1 MT of clinker produced is readily available from various sources near the Company's cement plants.

Fly ash, which is required for the manufacture of Pozzolana Portland Cement, is readily available from thermal power plants located in states where the cement plants are located. The Company has entered into long-term supply agreements with various power generating units in those states (including units operated by the NTPC Limited) for the supply of fly ash. The Company also utilizes fly ash from its own thermal power plants.

The cement production process requires approximately 3.31% of gypsum for every 1 MT of cement produced. The Company obtains mineral gypsum from the Rajasthan State Mineral Development Corporation Limited in the state of Rajasthan and chemical gypsum from fertilizer manufacturing units in the states of Orissa and Andhra Pradesh.
The following table sets out details of the Company's average electricity and coal consumption in the production of cement for the periods indicated:

	Year ended March 31,		Six months ended September 30,	
	2011	**2012**	**2011**	**2012**
Electricity (Kwh per MT of cement)......	88.58	87.16	89.79	87.13
Coal (MT per MT of clinker)................	0.138	0.140	0.142	0.134

Sales, Marketing and Distribution

While the Company markets its cement mainly in Uttar Pradesh, Madhya Pradesh, Bihar, Rajasthan, Punjab, Haryana, Himachal Pradesh, Jammu and Kashmir, Uttarakhand and Delhi, it also markets cement in other parts of the country such as in north east India and West Bengal. The cement market in India is localized in nature because transportation costs are high in relation to the value of the product, although supply shortages in parts of the country may at times lead to cement being transported from other regions. The Company is also a major exporter of clinker and cement to Nepal. There are no restrictions imposed on the export of cement by the Government.

The Company has a network of 364 feeder depots catering to more than 13,000 independent active stockists, as well as 18 regional marketing offices as of the date of this Placement Document. All of the Company's plants, feeder depots and marketing offices are linked by computers and the cement distribution and sales accounting are computerized.

Major cement clients of the Company include NTPC Limited, National Hydro Power Corp. Limited, Gas Authority of India Limited, Indian Oil Corporation Limited, ECE India, Indian Railways, L&T, Gammon, Hindustan Construction Company Limited, Essar Projects, IRCON, UPSBC, Sahara Group, Madhucon Projects and Hindalco.

The Company has also established a large multi-locational marketing team to support and educate its customers on uses of cement in various types of construction.

Quality Control

Quality control techniques prescribed by the Bureau of Indian Standards ("**BIS**") are strictly complied with at the Company's cement plants in order to ensure that its products conform to and comply with applicable BIS standards. Quality control tests are carried out at various stages in the production cycle from the testing of raw materials to the finished product. Most of the Company's cement plants have been awarded quality systems certification ISO 9002. The Company also has in place an integrated management plan which comprises control standards, safety standards and environmental standards which tracks the requirements of ISO 9002, ISO 14000 and ISO 18000 to ensure that the Company's plants do not depart from set standards.

Competition

The cement industry in India is highly fragmented, with more than 50 industry participants. The industry is also highly regionalized. Since transport costs are high in relation to the price of cement, production plants are mostly located near sources of raw materials, particularly limestone deposits, and target markets. The Group has a pan-India presence with cement plants located throughout the country. See "— Cement Segment — Overview". The cement industry is highly competitive and the Company's main competitors include ACC, Gujarat Ambuja, Ultratech, Birla Corp, J&K Cement, Lafarge, Shree Cement, Madras Cement and Prism Cement.

Measures taken by the Company to improve its efficiency and therefore its competitive position include the establishment of six thermal power plants, which have rendered the Company's cement plants self-sufficient with respect to their energy requirements, as well as reducing their overall energy costs. The Company has ensured that all its new cement plants have captive power sources, allowing the

Company to control the cost of power, which accounts for almost 20% of the total cost of producing cement.

In addition, the Company's Uttar Pradesh plant is entitled to exemption from sales tax, royalty payments on limestone mining and payment of electricity duty for its captive power generation, for 10 years. The new cement plants established in Himachal Pradesh, uniquely amongst cement plants in Himachal Pradesh, enjoys exemption from excise duties for 10 years. The Company believes that these advantages further enhance its competitive position.

The Company's cement is sold under the "Jaypee Cement" brand name. The Company believes that its brand name recognition, its reputation for quality products and its extensive distribution network enables it to charge a premium on its products.

New entrants to the Indian cement market face significant barriers due to the time and capital expense involved in constructing plants and establishing a distribution network and brand image. Competition between regional producers is also limited by high transportation costs in relation to the value of the cement carried and the limited number of suitable limestone deposits. Accordingly, the Company believes that its principal competitors will continue to be those producing in the same regions as the Company.

Cement imports in the country are allowed at zero import duty. However, the cost of cement produced by Indian companies, even under the prevailing tax regime on Indian cement (which is still amongst the highest at more than 30% of the delivered cost) is still competitive compared to the cost of the cement imported on the prevailing zero import duty.

The Company believes that with the continuous impetus available to the economy, cement is likely to see a stable growth in consumption as well as a satisfactory price regime.

Power Segment

The Group has diversified into power generation in the private sector on a BOO basis. The Indian Ministry of Power announced in the 1990s that it would allow private sector participation in power generation in order to reduce the gap between generation of and demand for electricity. The Group was among the first entrants to the power sector, leveraging, for its own projects, its existing experience in constructing dams and power houses as an engineering and construction company. For the year ended March 31, 2012, the consolidated total income of the Group contributed by the hydro-power segment aggregated Rs.16,852 million.

JPVL is the holding company for the Group's power business. JPVL is listed on the BSE and NSE and had a market capitalization of Rs.101,320 million as of November 30, 2012. JPVL is the largest private sector producer for hydro-power in India (*Source: Central Electricity Authority of India website*), with an operational hydro-power capacity of 1,700 MW and thermal power capacity of 250 MW. It is currently implementing power projects with an aggregate capacity of 11,470 MW, comprising hydro power (3,920 MW) and thermal power (7,550 MW), at various stages of development. The Company has a 67.93% shareholding in JPVL as of November 30, 2012.

Projects

The table below sets out details of JPVL's power projects.

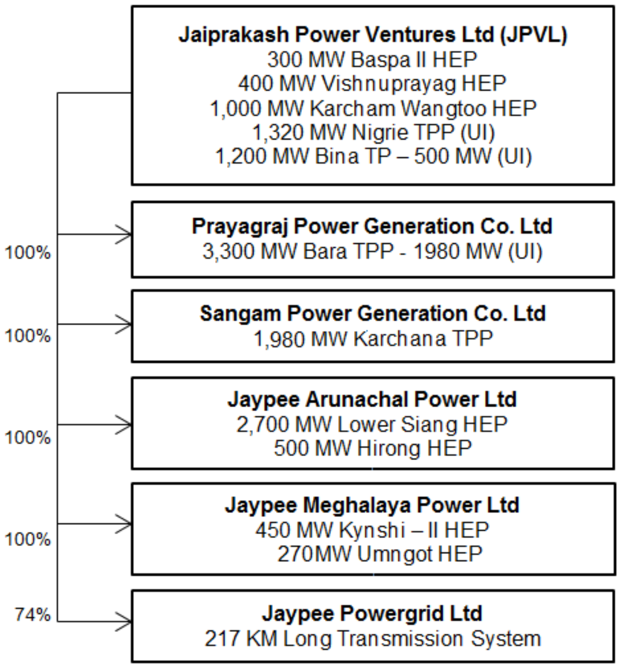
Project	Type	MW	Status	Date of commercial operations
Baspa II HEP	Hydro	300	Operational	2003
Vishnuprayag HEP	Hydro	400	Operational	2006
Karcham Wangtoo HEP.........................	Hydro	1000	Operational	2011
Bina Phase I TPP	Thermal	500	Partly Commissioned[(1)]	2013[(1)]
Nigrie TPP	Thermal	1320	Under Construction	2014

Project	Type	MW	Status	Date of commercial operations
Bara Phase I Tpp (Prayagraj Power Generation Company Ltd.)	Thermal	1,980	Under Construction	2015
Karchana TPP (Sangam Power Generation Company Ltd.)	Thermal	1,980 (Phase I – 1,320 MW and Phase II – 660 MW)	Under Development	—[2]
Bina Phase II TPP	Thermal	700	Under Development	2016
Bara Phase II TPP (Prayagraj Power Generation Company Ltd.)	Thermal	1,320	Under Development	—
Lower Siang HEP (Jaypee Arunachal Power Ltd.)[3]	Hydro	2,700	Under Development	—
Hirong HEP (Jaypee Arunachal Power Ltd.) [3]...	Hydro	500	Under Development	—
Kynshi HEP (Jaypee Meghalaya Power Ltd.) [3]...	Hydro	450	Under Development	—
Umngot HEP (Jaypee Meghalaya Power Ltd.) [3]	Hydro	270	Under Development	—
Total		**13,420**		

Note:
(1) The first unit of phase I of the Bina thermal power plant has been commissioned in August 2012 and the second unit is expected to be commissioned in Fiscal 2013.
(2) The Karchana thermal power project has achieved financial closure but is not yet being implemented due to a court order that effectively prevents SPGCL from using the land acquired for the project.
(3) JPVL's current ownership interest is 100%, however pursuant to the agreements with the states of Arunachal Pradesh and Meghalaya, respectively, the state of Arunachal Pradesh is entitled to 11% interest in JAPL, which is developing the Arunachal Pradesh projects, and the state of Meghalaya is entitled to a 26% interest in JMPL, which is developing the Meghalaya projects.

Corporate Structure of Power Projects

The chart below sets out the corporate structure for the Group's power projects. As of the date of this Placement Document, Baspa II HEP (300 MW), Vishnuprayag HEP (400 MW), Karcham Wangtoo HEP (1,000 MW), Bina Phase I and Phase II TPP (1,200 MW) and Nigrie TPP (1,320 MW) are undertaken directly by JPVL while the other projects are being undertaken through the subsidiaries of JPVL. The corporate structure of JPVL is set out below:



Baspa II HEP

The 300 MW Baspa II HEP has been developed on a BOO basis and commenced commercial generation of power in June 2003.

The project is a run-of-the river power plant located on the river Baspa, a tributary of the river Satluj in the Kinnaur district in Himachal Pradesh, approximately 210 kms from Shimla. The Company acted as an EPC contractor for execution of civil works for the project. The barrage of the Baspa II HEP is located at 2,520.5 meters above sea level.

A power purchase agreement for the energy generated by the Baspa II project was executed between JPVL and the Himachal Pradesh State Electricity Board ("**HPSEB**") in June 1997. HPSEB has contracted to purchase the entire saleable energy generated by the unit for a period of 40 years (extendable for a further period of 20 years at the discretion of the government of Himachal Pradesh). Pursuant to such agreement, 12% of the energy generated by the project is provided by JPVL to the government of Himachal Pradesh free of charge in lieu of water charges, with the balance 88% of the energy generated being sold to HPSEB on a tariff structure consisting of a capacity charge, an energy charge and incentives for secondary energy and plant availability.

The total cost of the Baspa II HEP was Rs.16,673 million, which was financed by an equity contribution of Rs.4,910 million, external loans of Rs.10,888 million and internally generated funds of Rs.875 million.

The project is designed to generate 1,213.18 MU of energy in a 90% dependable year and 1,392.22 MU of energy in a 50% dependable year. As of September 30, 2012, the project generated 871.58 MU of saleable energy with a plant availability of 99.73%

Pursuant to the power purchase agreement executed with HPSEB for the sale of power, during the years ended March 31, 2012 and 2011, the revenue generated from the project amounted to Rs.3,274.8 million and Rs.3,549.1 million, respectively. Further, as of September 30, 2012, the revenue generated from the project amounted to Rs. 1,737.58 million.

The project was awarded the Gold Shield and Silver Shield by the Ministry of Power, Government of India for the years 2007 to 2008 and 2004 to 2005 and 2010 to 2011, respectively, for outstanding performance under the hydro-power stations category.

Vishnuprayag HEP

The 400 MW Vishnuprayag HEP in Uttarakhand was developed on a BOO basis. The four units of the project were successfully commissioned between June and October 2006. The total completed cost of the project was Rs.16,940 million as compared to the original estimated cost of Rs.19,011.2 million and was financed by an equity contribution of Rs.5,090 million, Rupee term loans of Rs.10,510 million and foreign currency loans of U.S.$30.82 million.

The Vishnuprayag HEP is a run-of-the river power plant on river Alaknanda in Chamoli district in the state of Uttarakhand. The project did not involve any submergence or rehabilitation and is therefore environmentally friendly. It is designed to generate 1,774 MU of energy in a 90% dependable year and 1,948 MU of energy in a 50% dependable year. As of September 30, 2012, the project generated 1,301.33 MU of saleable energy with a plant availability of 99.81%

Pursuant to a power purchase agreement, entered into between JPVL and Uttar Pradesh Power Corporation Limited ("**UPPCL**"), UPPCL will purchase the entire saleable energy generated from the project for a period of 30 years (extendable by mutual agreement for a further period of 20 years). 12% of the energy generated by the project will be provided by JPVL to the government of Uttarakhand free of charge in lieu of water charges, with the balance 88% of energy generated being sold to UPPCL on a tariff structure consisting of a capacity charge, an energy charge and incentives for secondary energy and plant availability.

Pursuant to the power purchase agreement executed with UPPCL for the sale of power during the years ended March 31, 2012 and 2011, the revenue generated from the project amounted to Rs.4,411.5

million and Rs.4,201.3 million, respectively. Further, as of September 30, 2012, the revenue generated from the project amounted to Rs.2,312.2 million.

The project was ranked first in the category of "Energy & Power" in the Essar Steel Excellence Awards in 2010.

Karcham Wangtoo HEP

The 1,000 MW Karcham Wangtoo HEP has been developed in Himachal Pradesh on a BOO basis. The project is located on the river Satluj between two villages namely, Karcham and Wangtoo, in the Kinnaur district of Himachal Pradesh. The project is located approximately 25 kms downstream of the 300 MW Baspa II HEP developed by JPVL and approximately 25 kms upstream of the 1,500 MW Nathpa - Jhakri hydro-electric project owned and operated by Satluj Jal Vidyut Nigam Limited.

The various units of the project were successfully commissioned between May and September 2011. The total cost of the project was Rs.68,254 million, which was financed by an equity contribution of Rs.20,700 million and Rupee term loans of Rs.47,554 million.

It is a run-of-the river power plant which is designed to generate 4,464 MU of energy in a 90% dependable year and 4,811 MU of energy in a 50% dependable year.

According to the implementation agreement entered into with the government of Himachal Pradesh, JPVL is permitted to sell 88% of the energy generated from the project during the first 12 years of operation and 82% of the energy generated for the balance 28 years of the initial term to any consumer and the balance is to be provided free of charge to the government of Himachal Pradesh.

JKHCL, prior to its amalgamation with JPVL, had executed a long- term power purchase agreement with PTC India Limited ("**PTC**") on March 21, 2006 for the sale of energy equivalent to 704 MW for onward sale in the northern region for a term of 35 years from the commercial operations date at a tariff based on the completion cost of the project to be determined in accordance with the Central Electricity Regulatory Commission ("**CERC**") regulations.

CERC passed an order on October 26, 2009, stating that the petition for determining the capital cost of the project and the tariff thereon cannot be determined by the CERC according to the provisions of the Electricity Act 2003. Pursuant to these orders, JPVL obtained a legal opinion and based on that the legal opinion wrote to PTC on November 25, 2009, stating that the said power purchase agreement was void.

PTC challenged JPVL's position and approached the Delhi High Court to seek interim relief by way of an injunction restraining JPVL from entering into any other power purchase agreement in respect of the power saleable to PTC. The Delhi High Court refused to grant interim relief and dismissed the petition of PTC. Subsequently, PTC approached the division bench of the Delhi High Court, which maintained the order of the single judge bench. PTC has filed an appeal before the Supreme Court of India against the Delhi High Court order and the matter is currently pending.

PTC also invoked the arbitration clause of the power purchase agreement against JPVL's position that the power purchase agreement is void. The three member arbitral tribunal award dismissed the claim of PTC and declared that the power purchase agreement is void. The award was challenged by PTC before the Delhi High Court. The single judge bench of the Delhi High Court set aside the arbitral tribunal award and concluded the power purchase agreement is not void. JPVL filed an appeal against the order before the division bench of the Delhi High Court. The stay was granted on the order until the next hearing. The matter is currently pending with the division bench of the Delhi High Court.

JPVL is currently selling the entire saleable power generated by the plant on short and medium term power purchase agreements and power exchanges on a merchant basis. The entire power from the project is being evacuated through a 217 km long 400 KV quad double circuit transmission line up to the Power Grid Corporation of India Limited ("**PGCIL**") sub-station at Abdullapur, Haryana.

During the year ended March 31, 2012 and the six months ended September 30, 2012, operating revenue from the sale of energy on a merchant basis from the project aggregated Rs.8855.3 million and Rs.10,606.4 million, respectively.

Bina Phase I and Bina Phase II TPP

Bina TPP is a 1,200 MW coal based thermal power project which is being implemented in two phases. JPVL is setting up a power plant of 500 MW (2 X 250 MW) in the first phase and the balance 700 MW will be implemented in the second phase at a later date. The first phase comprises two 250 MW units, the first of which commenced operations in August 2012 and the second of which is expected to commence operations in Fiscal 2013.

The project is located about 15 kms north of Bina town, Sagar district, Madhya Pradesh. The site is well connected by both road and rail networks. The project site is located at a distance of about 2.1 kms from the Betwa river, which will meet the water requirements for the project. The project site is uninhabited and hence JPVL does not envision any rehabilitation and re-settlement issues. The site is located within 15 kms of the load center of PGCIL or Madhya Pradesh State Electricity Board.

The project is being implemented on the basis of separate packages for boiler turbine generators ("**BTG**"), balance of plant ("**BOP**") equipment and civil works. The BTG and civil works contracts have been awarded to Bharat Heavy Electricals Limited and the Company, respectively. The BOP work had been awarded to other third party suppliers.

The coal requirement for Bina Phase I is estimated to be 2.39 MTPA. JPVL has entered into a fuel supply agreement ("**FSA**") dated July 10, 2012 with Central Coalfields Limited ("**CCL**") for 0.648 MTPA and a FSA with South Eastern Coalfields Limited ("**SECL**"), for an additional 0.7588 MTPA, is expected to be executed in Fiscal 2013. JPVL has applied for coal linkages for Bina Phase II TPP from the Ministry of Coal.

JPVL has entered into a power purchase agreement with the Madhya Pradesh Power Management Company Limited ("**MPPMCL**") and three other power distribution companies with respect to 65% of the installed capacity of the first phase of the project at an assumed plant load factor of 85% on a regulated tariff basis for a period of 25 years following the commencement of operations of the project. The tariff will comprise a capacity charge and a variable charge, each to be determined by the MPERC, and any other charges as may be determined by the MPERC pursuant to applicable regulations.

JPVL has also entered into a power purchase agreement with the government of Madhya Pradesh for 5% of the total power produced by the project on a variable charge basis for the life of the project. The tariff will comprise a variable charge to be determined by the MPERC.

The balance 30% is to be sold pursuant to short to medium term power purchase agreements on a merchant basis in Madhya Pradesh, Maharashtra, Uttar Pradesh, Rajasthan, Punjab and Haryana.

The project cost for the Bina Phase I TPP is estimated at Rs.32,400 million and is being funded by debt of Rs.22,680 million and equity/corporate funding of Rs.9,720 million. As of September 30, 2012, JPVL has incurred an expenditure of Rs. 31,557 million which has been financed by equity/corporate funding of Rs.9,720 million and term loans of Rs. 21,354 million.

JPVL is in the preliminary stages of developing Phase II of the 1,200 MW Bina thermal power project. JPVL has entered into power purchase agreements with the Madhya Pradesh Power Trading Company Limited ("**MPPTCL**") for 37% of the installed capacity of Phase II (subject to coal availability) on a regulated tariff basis for a period of 25 years following the commencement of operations of the project and 5% of the total power produced by the project on a variable charge basis for the life of the project.

Nigrie TPP

JPVL is setting up a 1,320 MW (2x660 MW), dedicated coal based power project near Nigrie village in the Sidhi district of Madhya Pradesh. The project site is located at a distance of about 500 meters from river Gopad from where the water for the project will be sourced. JPVL has received the necessary government approvals, allocating 65.3 cusecs of water to be utilized for the project.

JPVL is implementing the project on the basis of separate packages for BTG, BOP equipment and civil works. JPVL has awarded contracts for BTG and civil works to L&T Mitsubishi Boiler Private Limited and the Company, respectively, and the BOP package to other third party suppliers.

The project is expected to be commissioned in May 2014.

The Ministry of Coal, Government of India has allocated two coal blocks, namely Amelia (North) and Dongri Tal II, to the Madhya Pradesh State Mining Corporation Limited. The Madhya Pradesh State Mining Corporation Limited has in turn allotted the coal blocks to JAL, to meet the entire coal requirement of the Nigrie project. In this regard, JAL and the Madhya Pradesh State Mining Corporation Limited have formed two joint venture companies to develop, mine and supply coal from the allocated mines. A mine development and operation agreement has been entered into between JPVL and the two joint venture companies for the development and exploration of coal from both blocks. JPVL has entered into a FSA with the joint venture companies, MP Jaypee Minerals Limited (Amelia coal block) and MP Jaypee Coal Limited (Dongri Tal II coal block), for the minable life of the coal blocks.

Coal from the allocated blocks, located within a radius of 68 kms of the project site, will be transported by private railway sidings owned by JPVL, which connect the project site to the Amelia (North) and Dongri Tal-II mines. Approval has been obtained from the concerned railway authorities in a letter dated December 19, 2008 for movement of coal from the mines to the project site.

Power from the switchyard will be evacuated at 400 kV to the PGCIL sub-station at Satna, Madhya Pradesh through a double circuit transmission line. JPVL is in the process of constructing a 156 km long double circuit extra high voltage line as a part of the project.

JPVL shall supply 30% of the project's installed capacity to MPPMCL for a period of 20 years following the commencement of operations of the project at the rates determined by the relevant regulatory commissions and 7.5% of net power generated to the government of Madhya Pradesh at variable charges. In addition, JPVL shall supply to the Company 12.5% of the installed capacity for a period of 12 years following the commencement of operations of the project at a tariff to be determined by the appropriate commission according to the terms of a power purchase agreement dated March 5, 2012. JPVL plans to sell the balance energy being generated through merchants and medium term power purchase agreements.

The total project cost has been estimated at Rs.81,000 million. The project is being financed at a debt equity ratio of 70:30, entailing debt and equity amount of Rs.56,700 million and Rs.24,300 million, respectively. As of September 30, 2012, an expenditure of Rs.55,810.9 million has been incurred on the project which has been financed by equity/corporate funding contribution of Rs.18,333.9 million and loans of Rs.38,511.6 million.

Jaypee Powergrid Limited

JPVL has entered into a 74:26 joint venture with PGCIL to set up a transmission system for the evacuation of power to be generated by the 1,000 MW Karcham Wangtoo HEP in the state of Himachal Pradesh to the inter-connection point at Abdullapur, Haryana. The joint venture company, Jaypee Powergrid Limited ("**JPL**"), has an equity participation of 74% by JPVL and 26% by PGCIL. The project consists of a 217 km transmission line from the Karcham Wangtoo project site to Abdullapur, Haryana along with an extension of the sub-station and switchyard at Abdullapur and Karcham.

The total cost of the project was Rs.9,830 million, which was financed by an equity contribution of Rs. 6,902 million and debt of Rs.3,000 million. JPVL and PGCIL contributed aggregate equity contributions of Rs.2,220 million and Rs.780 million, respectively, to the project.

The project was commissioned on April 1, 2012. CERC in its order dated July 14, 2012 has since approved the interim tariff for the transmission of power by JPL.

Prayagraj Power Generation Company Limited ("PPGCL")(Bara Phase I and Bara Phase II TPP)

Bara TPP is a coal based power project with an aggregate capacity of 3,300 MW which is being set up in two phases, the first phase of 1,980 MW and second phase of 1,320 MW. This project is being set up through a wholly owned subsidiary of JPVL namely, PPGCL.

The project is located at Bara, Allahabad, Uttar Pradesh and is based on super critical technology for its boiler, which has better efficiency and produces less carbon emissions. The total cost of the project is expected to be Rs.107,800 million for Bara Phase I, which will be financed by an equity contribution of Rs.26,950 million and debt of Rs.80,850 million.

Bara Phase I TPP is expected to be commissioned in 2015. PPGCL has entered into off-take arrangements with the government of Uttar Pradesh. In respect of phase I of the project, PPGCL will sell 90% of the energy generated to the government of Uttar Pradesh and the balance 10% of energy generated on a merchant basis. As regards the remaining 1,320 MW of energy to be generated by phase II of the project, PPGCL will sell 20% to the government of Uttar Pradesh and the balance 80% on a merchant basis.

The BTG for the project is being supplied by BHEL in collaboration with Alstom and Siemens. The coal requirement for the Bara thermal power project is estimated to be 8.04 MTPA. Based on a non-binding notification by Northern Coal Fields Limited to UPPCL, this coal is currently expected to be supplied by Northern Coal Fields Limited from the Jayant and Dudhichua collieries. However, this notification will not be binding until a coal supply agreement has been executed. As of September 30, 2012, PPGCL has incurred a total expenditure of Rs. 39,780.6 million on the project, which has financed by an equity contribution of Rs.10,382.0 million and loans of Rs.29,924.0 million.

Sangam Power Generation Company Limited (Karchana TPP)

Karchana TPP is a coal based power project with an aggregate capacity of 1,980 MW which is being set up in two phases, the first phase of 1,320 MW and second phase of 660 MW. This project is being set up through a wholly owned subsidiary of JPVL, Sangam Power Generation Company Limited ("**SPGCL**"). JPVL currently owns 100% of SPGCL, however, pursuant to a resolution passed by shareholders of the Company, the Company may invest up to Rs. 5,000 million to acquire up to 26% equity interest in SPGCL.

The project is located at Karchana, Allahabad, Uttar Pradesh and is based on super critical technology for its boiler, which has better efficiency and produces less carbon emissions. The total cost of the project is expected to be Rs.108,000 million for phases I and II, which will be financed by an equity contribution of Rs.27,000 million and debt of Rs.81,000 million.

SPGCL has entered into off-take arrangements with the government of Uttar Pradesh. In respect of 1,320 MW of energy to be generated by phase I of the project, SPGCL will sell 90% to the government of Uttar Pradesh and the balance of 10% on a merchant basis. As regards the remaining 660 MW to be generated by phase II of the project, SPGCL will sell 20% to the government of Uttar Pradesh and the balance 80% on a merchant basis.

The BTG for the project is being supplied by L&T in collaboration with Mitsubishi Heavy Industries ("**MHI**"). The project has received coal linkage for 4.68 MTPA from Dudhichua and Jayant mines of NCL and the FSA is yet to be executed. As of September 30, 2012, SPGCL has incurred a total expenditure of Rs. 5,088.27 million on the project, which has financed entirely by an equity contribution.

The payment for the requisite land has been made to government of Uttar Pradesh, however, SPGCL has not yet taken possession of the land for implementing the project. The Allahabad High Court has set aside the land acquisition conducted by the government of Uttar Pradesh by an order dated April 13, 2012. The government of Uttar Pradesh will now have to initiate the process to re-acquire the land that was the subject of that order. The implementation of the project will commence after SPGCL acquires possession of the land.

Jaypee Arunachal Power Limited (Lower Siang HEP and Hirong HEP)

Jaypee Arunachal Power Limited ("**JAPL**"), a special purpose vehicle incorporated by JPVL, is setting up the 2,700 MW Lower Siang HEP with an annual design energy of 13,236 MU and the 500 MW Hirong HEP with annual design energy of 2,190 MU in the state of Arunachal Pradesh. The projects are being undertaken by JAPL in a 89:11 joint venture with the government of Arunachal Pradesh. The agreement with the government of Arunachal Pradesh provides for the government of Arunachal Pradesh to be allotted 11% of JAPL, the project company that is developing these projects, within three months following the date of the agreement, however, the allotment has not yet been made. The projects have been awarded to the Group on a BOOT basis with a concession period of 40 years after the date of commercial operations of the projects.

The Lower Siang HEP has an installed capacity of 2,700 MW comprising of 9 units of 300 MW each. The project will be commissioned in two phases, first phase of 1,500 MW and second phase of 1,200 MW.

The total cost of the project is expected to be Rs.199,910 million, which is proposed to be financed by a debt to equity ratio of 75:25.

According to the implementation agreement, JAPL will provide to the government of Arunachal Pradesh, 12% of the energy generated by the project free of charge for the first ten years and 15% will be provided free of charge from the 11th year onwards. JAPL proposes to sell the remainder of the power through long-term power purchase agreements and on a merchant basis based on a ratio of 60:40.

As of September 30, 2012, JAPL has incurred a total expenditure of Rs.2,084.0 million on the Lower Siang HEP, which has been financed by way of equity provided by JPVL.

The Hirong HEP has an installed capacity of 500 MW. The concession period for the project is 40 years after the date of commercial operations. Pursuant to an implementation agreement with the government of Arunachal Pradesh, 12% of the energy generated by the project will be provided to the government of Arunachal Pradesh free of charge for the first ten years and 15.5% will be provided free of charge from the 11th year onwards. JAPL proposes to sell the remaining power through long-term power purchase agreements and on a merchant basis, based on a ratio of 60:40.

As of September 30, 2012, JAPL has incurred a total expenditure of Rs. 186.68 million on the Hirong HEP, which has been financed by an equity contribution from JPVL. The detailed project report is under preparation.

Jaypee Meghalaya Power Limited (Kynshi-II HEP and Umngot HEP)

Jaypee Meghalaya Power Limited ("**JMPL**"), a special purpose vehicle incorporated by JPVL, is setting up the 450 MW Kynshi-II HEP with annual design energy of 1,940 MU and the 270 MW Umngot HEP with annual design energy of 1,160 MU in the state of Meghalaya. The projects are being undertaken by JMPL in a 74:26 joint venture with the government of Meghalaya. The agreement with the government of Meghalaya provides for the government of Meghalaya to be allotted up to 26% of JMPL, the project company which is developing these projects, within six months following the date of the agreement, however the allotment has not yet been made.

Kynshi-II HEP is located on Kynshi river in West Khasi hills district in the state of Meghalaya. The project has been awarded to the Group on a BOOT basis for a concession period of 40 years after the date of commercial operations of the project. The installed capacity of the project is of 450 MW comprising three units of 150 MW each.

Pursuant to the implementation agreement, 12% of the energy generated by the project will be provided to the government of Meghalaya free of charge and an additional 1% of the energy will be contributed for social development. JMPL proposes to sell the remaining power through long-term power purchase agreements and on a merchant basis, based on a ratio of 60:40.

As of September 30, 2012, JMPL has incurred a total expenditure of Rs.67.3 million on the Kynshi-II HEP, which has been financed by equity contributions.

The Umngot HEP located at Tawai, East Kashi Hills, Meghalaya has been awarded to the Group on the basis of a memorandum of understanding for a concession period of 40 years after the date of commercial operations of the project.

Pursuant to off-take arrangements with the government of Meghalaya, 12% of the energy generated by the project will be provided to the government of Meghalaya free of charge plus an additional 1% of the energy will be contributed for social development. JMPL proposes to sell the remaining power through a long-term power purchase agreement and on a merchant basis, with sales divided equally between the two.

As of September 30, 2012, JMPL has incurred a total expenditure of Rs.12.4 million on the Umngot HEP, which has been financed by equity contributions.

Hospitality and Real Estate Segment

Hospitality

Jaypee Hotels, a division of the Company, has been in the hospitality industry for more than thirty years. The Company currently owns five hotel properties, namely Jaypee Vasant Continental located at New Delhi with 119 rooms, Jaypee Siddharth located at New Delhi with 94 rooms, Jaypee Palace Hotel located at Agra with 341 rooms, Jaypee Residency Manor located at Mussoorie with 135 rooms and Jaypee Greens Golf & Spa Resort located at Greater Noida with 170 rooms. The Company operates these hotels through its wholly owned subsidiary, Jaypee Hotels Limited and has entered into a management consultancy agreement for hotel operations, marketing, advertising and reservation services with Jaypee Hotels Limited. Jaypee Greens Golf and Spa Resort has been set up in collaboration with the Six Senses Spa chain of resorts, which is a premium property overlooking the Company's 18 hole Greg Norman Golf Course at Greater Noida.

The Company's Jaypee Vasant Continental has been accredited with the environmental management system ISO 14001: 2004, Jaypee Residency Manor with the Food Safety Management System ISO 22000: 2005, Jaypee Palace Hotel with Quality Management System ISO 9001: 2008 and HACCP and Jaypee Siddharth with Food Safety Management System with HACCP ISO 22000:2005 and Environmental Management System ISO 14001: 2004.

During the year ended March 31, 2012, the income contributed by the hotels segment amounted to Rs.1,905 million, compared to Rs.1,773 million during the year ended March 31, 2011.

During the year ended March 31, 2012, the average occupancy level for Jaypee Vasant Continental, Jaypee Siddharth, Jaypee Palace Hotel, Jaypee Residency Manor and Jaypee Greens Golf & Spa Resort was approximately 84%, 77%, 57%, 65% and 40%, respectively.

Competition

In the deluxe category in Delhi and the NCR region, there are currently approximately 11,000 rooms, including Jaypee Hotel's capacity. Other major operators in Delhi include Asian Hotels, Indian Hotels, East India Hotels, Le-Meridian, Hyatt, ITDC and Marriot. In Agra, in terms of current room capacity, Jaypee Palace Hotel is the market leader with approximately 24% of the total room capacity in the deluxe category. Other operators in Agra include ITC Hotels, the Oberoi Group and the Taj Group. In Mussoorie, the Jaypee Residency Manor is the only five star deluxe hotel.

Real Estate

The Company develops large and integrated real estate projects which are based on the concept of "golf-centric real estate". The Company envisions that each project will achieve international standards and excellence with tie-ups with the best designers, planners and international consultants. In addition, the Yamuna Expressway Project, which is a 165km six lane access controlled expressway linking Agra to Noida-Greater Noida expressway, will further provide the Group with extensive real estate development opportunities.

Jaypee Greens, Greater Noida

The Company is developing a premium golf centric complex of approximately 452.75 acres at Jaypee Greens in Greater Noida, primarily consisting of high-end residential development for high net-worth individuals and corporates. Jaypee Greens is located at the heart of Greater Noida and includes an 18 hole Greg Norman signature international championship course with a club house, golf academy, health club, swimming pools, restaurants and bars which are already in operation. The project has received several prestigious international awards including the "Best Golf Development", "Best Apartment (for Sea Court)" and "Best Development (for The Estate Homes)" by Bloomberg-Asia Pacific International Property Awards.

Jaypee Greens Wish Town Noida

The Company is developing Jaypee Greens "Wish Town", which is also a golf centric project located at Noida. The project is being developed over 1,162 acres of land, of which approximately 300 acres is owned by the Company and the balance is owned by its subsidiary, Jaypee Infratech Limited. It offers a wide range of residential, recreational, commercial and institutional facilities with a total developable area of approximately 555 million sq. ft. It also provides numerous golf facilities designed by Graham Cooke and Associates.

Jaypee Greens "Sports City"

The Company is also developing the Jaypee Greens "Sports City", which is located in the vicinity of Jaypee Sports International Limited's Formula One race track at Dankaur, Gautam Budh Nagar district in Uttar Pradesh, which hosted the first Indian Grand Prix successfully on October 30, 2011. The Company plans to develop a wide range of residential, commercial, institutional and recreational facilities on a total developable area of approximately 130 million sq. ft. Jaypee Sports International Limited is a subsidiary of the Company and has a five-year contract with the Formula One World Championship from 2011 for hosting the Indian Grand Prix at its Buddh International Circuit.

Real Estate Development

Jaypee Infratech Limited is entitled to 2,500 hectares (6,175 acres) of land at five locations along the Yamuna Expressway for real estate development. The land is being leased to Jaypee Infratech Limited and Jaypee Infratech Limited can develop the land according to the terms of the concession agreement for residential, commercial, institutional, amusement and industrial purposes. The land comprises the following five parcels:

- Land Parcel —1: 500 hectare (1,235 acres) in Noida at about 6 kms on the existing Noida-Greater Noida expressway from Noida;
- Land Parcel — 2: 500 hectare (1,235 acres) in Jaganpur at about 8 to 11 kms of the Yamuna Expressway;
- Land Parcel — 3: 500 hectare (1,235 acres) near Mirzapur at about 15 to 18 kms of the Yamuna Expressway.
- Land Parcel — 4: 500 hectare (1,235 acres) on both sides between proposed Taj International Airport Hub and Tappal, at about 42 to 46 kms of the Yamuna Expressway; and
- Land Parcel — 5: 500 hectare (1,235 acres) on both sides of the Yamuna Expressway, at about 158 to 165 kms of the Yamuna Expressway.

Jaypee Infratech Limited undertook development of its Noida land parcel in 2008 and 2009. The details of real estate sale as of September 30, 2012 are set out in the table below:

Description	Rs. in million
Total Permissible Saleable Area (TPSA)	530.00 million sq. ft
Area Sold	49.29 million sq. ft,
Percentage of area sold to TPSA	9.30%
Estimated Sales Value	Rs.165,854 million
Average Sale Price	Rs.3.,365 per sq. ft
Real Estate Collections	Rs.96,535 million

Expressways Segment

Yamuna Expressway

The Group entered the infrastructure business by bidding for a six lane access controlled Taj expressway which was subsequently renamed the Yamuna Expressway (extendable up to eight lanes) from Noida to Agra in the state of Uttar Pradesh in 2003. Yamuna Expressway Industrial Development Authority ("**YEIDA**"), the agency set up by the government of Uttar Pradesh, conducted an international competitive bidding process for the selection of a concessionaire for the project. Based on the lowest concession period of 36 years from the date of commercial operations, the project was awarded to the Company. A concession agreement to this effect was executed between the Company and YEIDA on February 7, 2003. The concession provided for the operation and maintenance of the Yamuna Expressway for 36 years, collection of toll and the right for development of 25 million sq. meters of land for residential, commercial, institutional, amusement and industrial purposes at five land parcels out of which one is located at Noida. Subsequently, pursuant to the provision contained in the concession agreement and on the direction of YEIDA, the Company incorporated Jaypee Infratech Limited as a special purpose vehicle on April 5, 2007. The project was transferred by the Company to Jaypee Infratech Limited with effect from October 22, 2007.

On May 21, 2010, Jaypee Infratech Limited was successfully listed on the NSE and BSE. Based on the closing price of Rs.51.40 as of March 31, 2012, Jaypee Infratech Limited has a market capitalization of Rs.71,389 million. Jaypee Infratech Limited is eligible for a 10 year tax holiday under section 80 IA (4) of the Income Tax Act 1961. As of November 30, 2012, the Company had an 83.16% shareholding in Jaypee Infratech Limited.

The 165 km Yamuna Expressway has since been completed and was opened to the public on August 9, 2012. The concession period commenced on August 7, 2012. The total cost for the project was Rs.133,000 million, which was financed by Rs.67,000 million in equity contributions/initial public offer proceeds/contributions from real estate and Rs.66,000 million in debt.

The Company believes that the Yamuna Expressway will promote economic development of Uttar Pradesh and is aimed to provide a fast travel corridor to minimize the travel time from Delhi to Agra. The Yamuna Expressway also connects the main existing and proposed townships or commercial centers on the left bank of the Yamuna river. The Yamuna Expressway aims to relieve traffic congestion on NH-2 which runs through the cities of Faridabad, Ballabgarh and Palwal.

Himalayan Expressways

In addition, the Company has also developed the Himalayan Expressway through its wholly owned subsidiary, Himalayan Expressway Limited. The 27.6 km four lane Himalayan Expressway connecting Punjab, Haryana and Himachal Pradesh was opened to the public on April 1, 2012 and began collecting toll on April 6, 2012.

Fertilizer Segment

Jaypee Fertilizers and Industries Limited ("**JFIL**") has been incorporated by the Company in order to enable the Group to enter the fertilizer sector in India. JFIL has formed a 50:50 joint venture, Jaypee Uttar Bharat Vikas Private Limited ("**JUBVPL**") with ISG Traders Limited, which belongs to the GP

Goenka Group, a member of the promoter group of Duncans Industries Limited ("**DIL**"), to acquire the existing business of manufacturing, selling and trading of fertilizers and related activities (the "**Fertilizer Undertaking**") of DIL pursuant to a rehabilitation scheme approved by Board for Industrial and Financial Reconstruction ("**BIFR**").

Pursuant to a scheme of rehabilitation approved by BIFR by an order dated January 16, 2012, the fertilizer undertaking of DIL was demerged into Kanpur Fertilizers & Cement Limited, which is a wholly-owned subsidiary of JUBVPL, with effect from January 24, 2012. The fertilizer plant, located at Panki industrial area, Kanpur, Uttar Pradesh, has a capacity to produce 0.722 million TPA of urea and is ready for commencement of commercial production. As of September 30, 2012, the total capital expenditure incurred by the Company for this undertaking was Rs.9,565.6 million, comprising acquisition cost, renovation cost, cost for fuel conversion from naphtha to gas, as well as cost for modernizing the plant, including the increase of the plant's capacity from 0.722 million TPA to 1.0 million TPA. The fertilizer plant is currently operated on naphtha. From June 2013, the plant is proposed to be operated on gas. A 13.5 km pipeline is being laid from HVJ pipeline to the plant for the supply of gas by GAIL India Limited ("**GAIL**") for which the requisite cash deposit and bank guarantee has been furnished by Kanpur Fertilizers & Cement Limited.

Environmental Matters

As an engineering, construction and manufacturing company, the Company is required to comply with various laws and regulations relating to the environment. India has a number of pollution control statutes which empower state regulatory authorities to establish and enforce effluent and emission standards for factories discharging pollutants or effluents into the water or the air. In addition, there are various regulations in relation to factories using hazardous processes. Whilst environmental laws in India were not as extensive or stringent as in more developed countries in the past, the Government has over the last decade progressively imposed stricter requirements which are comparable to global standards. The principal pollution problem faced by cement manufacturers is stack emission. All of the Company's cement plants are equipped with state of the art pollution control systems and comply with current stack emission limits (reduced level) for air pollution. Continuing focus by Indian authorities on environmental controls may impose substantial costs in the future on the Company and other cement manufacturers.

In relation to its cement production facilities, the Company has taken proactive environmental risk management actions at all of its plants including the following:

- putting in place mitigation measures towards risk management. A risk assessment study has been carried out by M/s TATA AIG Management Services Limited and the recommendations made have been fully complied with by the Company;
- a comprehensive fire-fighting scheme has been established in all plants aimed at preventing coal pile fire;
- maintaining a short duration of storage pile to prevent dead pockets of coal, which is a potential source of spontaneous heating as well as ensuring that coal conveying and handling structures are made of non-combustible materials;
- static electricity hazards have been reduced by permanent bonding and grounding of equipment including ducts, conveyor drive belts and related components of the system;
- lightening conductors/arrestors are installed and connected with independent earth pits;
- all electric installations such as cable cellars have been equipped with heat sensors and an automatic water spray system;
- captive inert gas generating plants have been installed to dowse fires in the coal mill ESP and fine coal bins. In addition, a back-up arrangement using CO2 cylinders is in place; and
- fitting the coal mill gas circuits with explosion flaps to immediately relieve pressure for the protection of personnel and equipment.

The Company has also undertaken active water conservation and rain water harvesting measures at the various locations of its plants. In the areas adjacent to the plants and limestone mines, the Company has created eight reservoirs and ponds with an aggregate surface area of 70 hectares with a total storage capacity of 4.5 million m3. These reservoirs and lakes serve the water requirements of the Company's cement plants and captive thermal power plants, with total annual consumption amounting to approximately 450,000 m3 per annum. 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 in the vicinity of these plants.

The Company utilizes fly ash, which is a waste product from the generation of thermal power, for the manufacture of Pozzolana Portland Cement. The Company is now able to utilize substantial amounts of fly ash in its production process, including 1,434 MT per day generated from the Company's captive thermal power plants. Regular environmental audits are conducted at the Company's cement plants and stack/ambient emission monitoring is carried out on a regular basis. The Company has set up committees at all its plants for this purpose.

In relation to its hydro power projects, the Company undertakes environmental impact assessments ("**EIA**") and prepares environmental management plans ("**EMP**") for each project. This is carried out in conjunction with the National Environmental Engineering Research Institute ("**NEERI**") set up by the Government.

The Company also has an active plantation scheme, with horticultural plans drawn up on a yearly basis for the forestation of the plant/residential areas as well as the reclaimed areas within the vicinity of the Company's limestone mines. Over the reclaimed areas within the Company's mining leases, the Company has planted thousands of trees.

Over the past few years, the Company has developed a rain water drainage system, which collects monsoon water through a gravity-cum-pumping system from an area of approximately 175 hectares in Jaypeenagar. During the monsoon in 2012, approximately 5.0 million m3 of rain water was collected and fed into the reservoirs in the mines. In Dalla and Chunar, the Company's water harvesting measures include the development of two water catchment areas and the installation of rooftop water harvesting structures in the townships.

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.

The Company believes that it complies in all material respects with all such statutes applicable to it and with the regulations thereunder. In particular, it has all the consents from the appropriate regulatory authorities necessary to carry on its business.

Air Pollution

The Company has taken steps to adhere to the more stringent environmental rules and regulations in India and installed the necessary equipment to comply with such rules and regulations. The cement business has undertaken a few major initiatives to reduce dust emissions:

- adoption of technologies to voluntarily and significantly reduce point source emissions. The Company has converted ESPs (electrostatic precipitator) that had design emission levels of 100 mg/Nm3 at four cement mills into bag filters thereby reducing emission levels; and
- converted its fly ash dryer ESP to a Hybrid-Precipfilter, which will improve its environmental performance.

Insurance

The Company maintains a range of insurance policies to cover its buildings, plant and machinery, stocks, goods-in-transit and employees. Risks covered include fire, natural disaster, machinery breakdown, burglary, terrorism, loss of profit and third party injury claims. The Company's plants and other fixed assets are insured for their estimated replacement value. In addition, the Company also maintains insurance for group personnel accident/mediclaim policy for employees at its sites and insurance for aircraft hull/liabilities for the aircrafts. Total premiums paid by the Company amounted to Rs.330.42 million and Rs.246.48 million for the year ended March 31, 2012 and the six months ended

September 30, 2012, respectively (March 31, 2011: Rs.662.66 million). Typically, insurance policies are issued on a yearly basis and need to be renewed every year.

The Company believes that the amount of insurance cover presently maintained by it and its subsidiaries represents the appropriate level of coverage required to insure its businesses and those of its subsidiaries.

The Company has total insurance claims amounting to Rs.1,280.53 million as of September 30, 2012. However, the Company believes that there is only one major claim amounting to approximately Rs.1,183 million outstanding relating to damage to a tunnel boring machine under the Contractor/Erection All Risk Insurance Policy taken for the Srisailam Tunnel Project in Andhra Pradesh. All other pending claims are routine.

Health and Safety

The Company places considerable emphasis on health and safety throughout its operations and is committed to ensuring high standards are maintained in compliance with applicable laws and regulations.

Training programs have been implemented for all its staff and employees, and the Company carries out regular safety audits in relation to its operations.

The Company's Jaypee Rewa Plant, Jaypee Bela Plant, Jaypee Ayodhya Grinding Operations, Jaypee Cement Blending Unit and Heavy Engineering Workshop have been certified to be in accordance with the requirements of the ISO 9001:2008, ISO 14001:2004 and BS OHSAS 18001:2007 management system standards from Bureau Veritas, United Kingdom. The certificates are renewable on July 31, 2015.

In November 2012, the Group's Jaypee Rewa Plant and Heavy Engineering Workshop in Jaypee Nagar, Rewa, Madhya Pradesh were awarded "Sword of Honour for 2012" by the British Safety Council, the United Kingdom for having demonstrated an outstanding commitment to health and safety management during the last twelve months.

Research and Development

Research and development work in respect of new engineering techniques for achieving higher efficiencies is a continuing process in the Company.

Employees and Employer Relations

As of September 30, 2012, the Company had a total workforce of 20,841 people, including managers, staff and workers. The following table sets forth the distribution of the workforce among the various segments of the Company's business as of the dates indicated.

	As of		
	September 30, 2012	**March 31, 2012**	**March 31, 2011**
	(number of employees)		
Division			
Engineering and Construction	15,408	15,167	14,195
Cement	3,818*	4,783	4,660
Hotels	1,615	1,608	1,512
Total	**20,841**	**21,558**	**20,367**

*Excluding the employees of demerged Units.

Employees in India enjoy certain statutory rights, which prevent them from being dismissed or made redundant, except in limited circumstances. A significant number of employees of the Company in the cement division are members of unions. Membership of a union is not mandatory.

The Company provides provident fund and pension benefits to all its employees pursuant to the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company also provides other benefits to its employees, including medical, education and housing benefits and facilities.

The Company believes that relations with its employees are satisfactory. There have been no significant industrial disputes in the last two years.

Property

In addition to its hotels and office premises, the Company's principal properties used in its operating activities comprise its cement plants and limestone mines. The Company's existing cement plants and related facilities, including worker accommodation, cover in total 1,710.431 hectares of which approximately 1,243.138 hectares is owned on a freehold basis and the balance held on a leasehold basis. The limestone mines operated by the Company cover in aggregate an area of approximately 6,421.376 hectares which consists of 1,210.802 hectares held on a freehold basis and the balance held on a leasehold basis.

In addition, the Company owns and leases various premises used for offices, residential staff quarters, transit houses, showrooms and other purposes relating to the Company's businesses.

Litigation

Save as described below, the Group is not involved in any legal proceedings and no proceedings are threatened, which may have, or have had during the 12 months preceding the date of this Placement Document, a material adverse effect on the business, properties, financial conditions or operations or prospects of the Company. The Company does not believe that the number of proceedings in which the Group is involved is unusual for a group of its size in the context of doing business in India.

A summary of material litigation, involving amounts in excess of approximately Rs.50 million, as of December 31, 2012 is set out in this Placement Document. See "Legal Proceedings"

Taxation

The Company is subject to a number of direct and indirect taxes and duties (both central and state government), including corporate tax at the currently applicable rate of 30% plus surcharge of 5% plus education cess at the rate of 2% and secondary and higher education cess at the rate of 1%, customs duties, excise duties and sales taxes/VAT. The rates of direct taxes, customs and excise duties are usually fixed by the Government in each year's budget. Sales tax/VAT in India is levied both by the central and state governments.

A central sales tax is levied by the Government on inter-state sales and a local sales tax/VAT is levied by the relevant state on sales within that state. State sales tax/VAT rates are fixed by the state governments in each year 's state budgets.

Excise duties represent a significant expense, although by virtue of the CENVAT CREDIT Scheme, excise duty paid on certain inputs and capital goods can be set-off against excise duties payable by the Company on its production of cement. Similarly, countervailing duties paid on the import of inputs and capital goods may also be set-off against excise duties on production.

The Company's cement operations enjoy certain tax benefits. The Tanda grinding unit enjoys the benefit of an interest free VAT loan until October 2019, the greenfield cement plant at Baga, Himachal Pradesh is entitled to excise duty exemption on cement manufacturing until February 2020 and VAT/CST exemption for 10 years until February 2020, the grinding plant at Bagheri is entitled to excise exemption until January 2020 and VAT deferment until March 2018, the grinding unit at Panipat is entitled to interest free loan of 50% of the VAT amount deposited until February 2015, the cement plant at Roorkee is entitled to excise exemption until December 2019, the grinding unit at Sikandrabad is entitled to interest free VAT loans until April 2026, the cement plant at Sidhi is entitled for refunds of 75% of VAT/CST deposited until February 2019 and the cement plants at Dalla and Chunar, Uttar Pradesh are entitled to a 10-year refund on VAT/CST until January 2018 and a 10-year exemption on payment of royalty on limestone mined. All captive power plants are entitled to deductions under Section 80 IA of the Income Tax Act.

The excise duty on cement is set out below:

Packaged Cement..	12% on MRP (abatement) less 30% plus Rs.120 per MT
Cement, not cleared in packaged form	12% *ad valorem*

Besides the above, 2% education cess and 1% secondary and higher education cess on Excise Duty is also payable.

Whilst the Company is involved in normal, routine disputes with taxation authorities in India, the Company does not consider that these disputes are material in the context of its business or financial condition.

Related Party Transactions

From time to time, the Company enters into transactions with affiliates or related parties, principally with its subsidiary and associate companies. The Company's policy is that such transactions are made on an arm's length basis on no less favorable terms than if such transactions were carried out with unaffiliated third parties. Full details of related party transactions with subsidiaries and associates are set out in the Company's Audited Consolidated Financial Statements included elsewhere in this Placement Document.

Jaypee Infra Ventures (A Private Company with Unlimited Liability) ("**JIV**"), is a consultancy organization providing design and engineering consultancy to river valley and hydro-power projects, road and rail projects. JIV owns 33.55% of the issued Equity Shares of the Company as of November 30, 2012. JIV has been selected to provide design and consultancy work in connection with the Group's three BOO hydro-power projects (see "— Power Segment"). JIV has also carried out design and consultancy work in respect of other projects where the Company has been appointed as EPC contractor, including the Baglihar (Stage II) Hydro Electric Project and Srisailam Tunnel Project. The Company considers that its dealings with JIV in these projects have been conducted on an arm's length basis. JIV is owned by the Promoter Group.

Subsidiaries and Affiliates

The following table sets out certain details relating to the subsidiaries and affiliates of the Company.

Principal Business	**Year of Incorporatio n**	**Shareholding as on December 31, 2012**	**Net fixed assets as on March 31, 2012**
		%	*(Rs. Million)*
Power			
Jaiprakash Power Ventures Limited..................................	1994	67.93	160,408
Sangam Power Generation Company Limited (1)...............	2007	67.93	1,762
Prayagraj Power Generation Company Limited (1)	2007	67.93	20,327
Jaypee Meghalaya Power Limited (1)	2010	67.93	73
Jaypee Arunachal Power Limited (1)	2008	67.93	2,220
Real Estate & Infrastructure			
Jaypee Infratech Limited...	2007	83.16	92,299
Jaypee Sports International Limited..................................	2007	90.81	23.073
Infrastructure			
Himalyan Expressway Limited	2007	100	7,375
Jaypee Agra Vikas Limited..	2009	100	1,492
Jaypee Ganga Infrastructure Corporation Limited	2008	100	5,317
Cement			
Jaypee Cement Corporation Limited	1996	100	77,792
Jaypee Assam Cement Limited..	2011	100	—
Fertilizer			
Jaypee Fertilizer & Industries Limited	2010	100	83

Principal Business	Year of Incorporation	Shareholding as on December 31, 2012 %	Net fixed assets as on March 31, 2012 *(Rs. Million)*
Aviation			
Himalyaputra Aviation Limited	2011	100	—
Sports			
Jaypee Cement Cricket (India) Limited[2]	2012	90.81	—
Jaypee Cement Hockey (India) Limited[2]...........................	2012	90.81	—
Health Care			
Jaypee Healthcare Limited[3]...	2012	83.16	—

Notes:
(1) Wholly Owned Subsidiary of Jaiprakash Power Ventures Limited
(2) Wholly Owned Subsidiary of Jaypee Sports International Limited
(3) Wholly Owned Subsidiary of Jaypee Infratech Limited

The shareholders of JPVL, a subsidiary of the Company, have approved, by way of a shareholders' resolution dated April 27, 2012, the issuance of issue equity shares or securities convertible into JPVL's equity shares through various routes including a follow-on public offer, qualified institutions placement, institutional placement program, or in the form of depository receipts or convertible bonds. The resolution permits JPVL to issue such securities in an amount up to Rs.35,000 million.

The shareholders of JIL, a subsidiary of the Company, have approved, by way of a shareholders' resolution dated April 27, 2012, the issuance of issue equity shares or securities convertible into JIL's equity shares through various routes including a follow-on public offer, qualified institutions placement, institutional placement program, or in the form of depository receipts or convertible bonds. The resolution permits JIL to issue such securities in an amount up to Rs. 25,000 million.

The following table sets out certain details relating to the joint ventures of the Group:

Name	Year of Incorporation	Principal Business	Shareholding as on September 30, 2012 %	Net fixed assets as on March 31, 2012
Jaypee Powergrid Limited[1] (joint venture with PGCIL)..............................	2006	Power Transmission	74	9,463
Gujarat Jaypee Cement & Infrastructure Limited (JV with GMDC)..............................	2007	Cement	74	—
Bokaro Jaypee Cement Limited (joint venture with SAIL)	2008	Cement	74	4,417
Bhilai Jaypee Cement Limited (joint venture with SAIL)	2007	Cement	74	7,911
MP Jaypee Coal Limited.......................	2009	Mining	49	151
MP Jaypee Coal Fields Limited	2010	Mining	49	127
Madhya Pradesh Jaypee Minerals Limited..	2006	Mining	49	1,576
Kanpur Fertilizers & Cement Limited ...	2010	Fertilizers	50[2]	6,137
Jaypee Uttar Bharat Vikas Private Limited..	2010	Fertilizers	50[2]	NIL

Notes:
(1) 74% held by Jaiprakash Power Ventures Limited.

(2) KFCL is a wholly owned subsidiary of JUBVPL. JUBVPL is a joint venture between JFIL and ISGTL (an associate of DIL)

Recent Developments

Pursuant to the terms of a scheme of arrangement approved by the shareholders and creditors of the Company and as sanctioned by the High Court of Allahabad on April 9, 2012, the Company's businesses, operations and activities of manufacturing cement carried out by the Company's cement plants as well as projects under implementation in Andhra Pradesh and Gujarat (the "**South Cement Undertaking**" and the "**West Cement Undertaking**"), manufacturing asbestos sheets carried out by the Company's plants in Uttar Pradesh (the "**Asbestos Sheets Undertaking**"), manufacturing castings required by the cement plants and thermal power plants carried out by the Company's plants in Madhya Pradesh (the "**Foundry Undertaking**") and manufacturing and supplying various equipment and structures as well as rendering repairs and refurbishing services of the old equipment, projects or plants, carried on by the Company's plant at Madhya Pradesh (the "**Heavy Engineering Works Undertaking**") was demerged from the Company and merged into Jaypee Cement Corporation Limited ("**JCCL**"), a wholly-owned subsidiary of the Company. Following the demerger, JCCL has been in discussions with various parties to sell stakes in one or more of its cement plants. Currently, it is in advanced stages of negotiations with a potential buyer for the sale of its unit in Gujarat and expects that a definitive agreement for such sale may be entered in due course of time.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

In terms of the Articles of Association, the Company shall not have less than three and more than twenty Directors.

The Board currently comprises 19 Directors out of which seven are Whole-time Directors, eight are non executive, independent Directors, two are non-executive, non-independent Directors and two are nominee Directors.

In terms of the Articles of Association, the quorum for meetings of the Board is one-third of the total number of Directors or two Directors, whichever is higher. Further, in terms of the Companies Act, where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of remaining Directors who are not interested and are present at the meeting, not being less than two, shall be the quorum during such time.

The following table sets forth details regarding the Board as at the date of this Placement Document:

Name	Designation
Mr. Manoj Gaur	Managing Director (Executive Chairman & CEO)
Mr. Sunil Kumar Sharma	Whole-time Director
Mr. Sarat Kumar Jain	Non-executive Director
Mr. A. K. Sahoo	Non-executive Independent Director*
Mr. Viney Kumar	Non-executive Independent Director**
Dr. B. Samal	Non-executive Independent Director
Mr. V. K. Chopra	Non-executive Independent Director
Ms. Homai A. Daruwalla	Non-executive Independent Director
Mr. S. C. Bhargava	Non-executive Independent Director
Mr. B. K. Goswami	Non-executive Independent Director
Mr. R. N. Bhardwaj	Non-executive Independent Director
Mr. S. C. Gupta	Non-executive Independent Director
Mr. B. K. Taparia	Non-executive Independent Director
Mr. Sunny Gaur	Whole-time Director
Mr. Pankaj Gaur	Whole-time Director
Mr. R. K. Singh	Non-executive Director***
Mr. Ranvijay Singh	Whole-time Director
Mr. Shyam Datt Nailwal	Whole-time Director
Mr. Rahul Kumar	Whole-time Director

**LIC Nominee*
***IDBI Nominee*
****Mr. R.K. Singh's designation was changed from 'Whole-time Director' to a 'Non-executive Director' with effect from October 15, 2012.*

Other than as stated below, none of the other Directors are related to each other.

Name	Relationship
Mr. Manoj Gaur - Mr. Sunny Gaur	Brothers
Mr. Pankaj Gaur - Mr. Sunny Gaur	Cousins
Mr. Pankaj Gaur - Mr. Manoj Gaur	Cousins

Brief profiles

Mr. Manoj Gaur, aged 48 years, holds a bachelor's degree in Civil Engineering from the Birla Institute of Technology and Science, Pilani. He has 27 years of experience in the cement production, marketing, engineering, real estate and hospitality industries and in corporate matters and finance. Mr. Manoj Gaur is associated with numerous companies of the Jaypee group, including, as the Chairman and Managing Director of Jaypee Infratech Limited, the Chairman of Jaiprakash Power Ventures Limited, Gujarat Jaypee Cement and Infrastructure Limited, Andhra Cements Limited, PPGCL, Kanpur Fertilizers and Cement Limited, Jaypee Sports International Limited, Jaypee Cement Corporation Limited and Jaiprakash Agri Initiatives Company Limited and the Vice Chairman of Madhya Pradesh Jaypee Minerals Limited and MP Jaypee Coal Limited. He is also a director on the board of directors of Jaypee Healthcare Limited, JIV, Indesign Enterprises Private Limited and Jaypee Jan Sewa Sansthan (a not-for-profit private limited company).

Mr. Sunil Kumar Sharma, aged 53 years, holds a bachelor's degree in science from the University of Meerut. He has 33 years of experience in the engineering and construction industry. As a Director, his responsibilities include supervising engineering and construction contracts entered by the Company in India and Bhutan. Mr. Sunil Kumar Sharma is associated with numerous companies of the Jaypee group, including as the chairman of Jaypee Hotels Limited, Himalyan Expressway Limited and Jaypee International Logistics Company Private Limited and the vice chairman & chief executive officer of Jaiprakash Power Ventures Limited.

Mr. Sarat Kumar Jain, aged 73 years, holds a bachelor's degree in science. He is currently the vice chairman of the Company and also serves on the boards of Jaypee Ganga Infrastructure Corporation Limited, Jaypee Healthcare Limited, JIV and Essjay Enterprises Private Limited. Mr. Jain's responsibilities as a Director include, among others, overseeing the construction and power business of the Company.

Mr. A.K. Sahoo, aged 58 years, holds a bachelors degree in Law and a master's degree in Arts. He is the executive director for Life Insurance Corporation of India and presently working as zonal manager at Hyderabad and serves on the Board as a nominee of the Life Insurance Corporation of India.

Mr. Viney Kumar, aged 56 years, serves on the Board as a nominee of IDBI Bank Limited. He also serves as a director on the board of directors of Quadrant Televentures Limited.

Dr. B. Samal, aged 69 years, holds a masters degree (gold medalist) in Agricultural Economics and has a doctorate in Economics from Kalyani University, West Bengal. He also holds a diploma in 'Bank Management' conducted by the National Institute of Bank Management, Pune. Dr. Samal has, in the past, served as the Chairman and Managing Director of Allahabad Bank and Industrial Investment Bank of India Limited and as a member of the Securities Appellate Tribunal. He is currently on the board of directors of numerous companies, including Jaypee Infratech Limited, IITL Projects Limited, ARSS Infrastructure Projects Limited, Mayfair Hotels and Resorts Limited, Surana Industries Limited and Reliance Capital Limited.

Mr. V. K. Chopra, aged 66 years, is a qualified Chartered Accountant. He is currently on the board of directors of numerous companies, including Religare Asset Management Company Private Limited, SIDBI Venture Capital Limited, Havells India Limited, Metlife India Insurance Company Limited, Dewan Housing & Finance Limited and Reliance Capital Pension Fund Limited.

Ms. Homai A. Daruwalla, aged 63 years, is a qualified Chartered Accountant. She has more than 30 years of experience in the banking sector, having previously worked in numerous capacities with the Union Bank of India, the Oriental Bank of Commerce and retired as the Chairperson and Managing Director of Central Bank of India. She has also been the region of India director on the board of The Institute of Internal Auditors, Florida. Ms. Daruwalla presently serves on the board of directors of Gammon Infrastructure Projects Limited, India Infoline Asset Management Company Limited and NTPC Limited.

Mr. S. C. Bhargava, aged 67 years, holds a bachelor's degree in commerce from University of Delhi. Mr. Bhargava is a fellow member of the Institute of Chartered Accountants of India. He has more than 35 years of experience in the financial sector. Having worked with the Life Insurance Corporation of India for more than 30 years, he is currently the chairman of A. K. Capital Services Limited and OTC Exchange of India, and serves on the board of directors of numerous companies, including Jaiprakash Power Ventures Limited, Escorts Limited, Aditya Birla Nuvo Limited, Swaraj Engine Limited, Swaraj Automotives Limited, Cox & Kings Limited, Asahi Industries Limited and Antique Finance Private Limited.

Mr. B. K. Goswami, aged 77 years, holds a master's degree in English from University of Punjab. A former officer of the Indian Administrative Services, he has held numerous positions with departments of the Government of India and various state governments, including, serving as the chairman of Tea Board of India and the Chief Secretary, Government of Jammu and Kashmir. He is currently on the board of directors of numerous companies, including Jaypee Infratech Limited, Jaypee Development

Corporation Limited, Jaypee Meghalaya Power Limited, Nectar Life Sciences Limited, L H Sugar Factories Limited and Simbholi Sugars Limited.

Mr. R. N. Bharadwaj, aged 67 years, holds a post graduate degree in Economics from the Delhi School of Economics, University of Delhi and a diploma in Industrial Relations and Personnel Management from Punjabi University. He has more than 39 years of experience in the fields of economics, finance, investments, portfolio management, human resource management and securities markets. He has been the former Chairman / Managing Director of Life Insurance Corporation of India and served as a member of the Securities Appellate Tribunal. He is currently on the board of directors of numerous companies, including Jaypee Infratech Limited, Jaiprakash Power Ventures Limited, Reliance Infratel Limited, Microsec Financial Services Limited, SREI Ventures Capital Limited, Amtek Auto Limited, Milestone Capital Advisors Limited, Dhunseri Petrochem and Tea Limited and Religare Trustee Company Private Limited.

Mr. S. C. Gupta, aged 76 years, holds a bachelor's degree in science and architecture and a post graduate diploma in Town and Country Planning. He is also a fellow of the Institute of Town Planning of India. He has 39 years of experience in urban development planning. Mr. Gupta was formerly an Additional Commissioner (Planning) in the Delhi Development Authority, a Professor of Planning at the School of Planning and Architecture, New Delhi and a senior advisor to the Association of Metropolitan Development Authorities and the Delhi Urban Arts Commission. He is currently on the board of directors of numerous companies, including Jaypee Infratech Limited, Preferred Card Marketing Private Limited, Goodtimes Marketing Private Limited and Sureni Holdings Private Limited.

Mr. B. K. Taparia, aged 73 years, holds a master's degree in commerce from Rajasthan University and is a certified associate of Indian Institute of Bankers. He has over 42 years of experience in the banking, corporate finance and administrative sector. Mr. Taparia has served as the chairman and managing director of Industrial Reconstruction Bank of India (currently known as Industrial Investment Bank of India Limited) and currently serves on the board of directors of Jaiprakash Power Ventures Limited, Andhra Cements Ltd. and V&S International Private Limited.

Mr. Sunny Gaur, aged 44 years, is a graduate. He has 22 years of experience in the cement business, finance, accounts and general administration. Mr. Gaur is associated with numerous companies in the Jaypee group, including serving as the managing director of Madhya Pradesh Jaypee Minerals Limited, the chairman of Bokaro Jaypee Cement Limited and as a director on the board of directors of Bhilai Jaypee Cement Limited, Jaypee Ganga Infrastructure Corporation Limited, Himalyaputra Aviation Limited, Jaypee Assam Cement Limited, Jaypee Agra Vikas Limited and Prayagraj Power Generation Company Limited.

Mr. Pankaj Gaur, aged 41 years, holds a bachelor's degree in Instrumentation Engineering having 19 years of experience. As a Director, Mr. Gaur's responsibilities include supervision of the Tala hydroelectric power project of the Company in Bhutan. He is associated with numerous companies in the Jaypee group, including serving as the managing director of Jaypee Arunachal Power Limited and as a director on the board of directors of Sangam Power Generation Company Limited, Jaypee Cement Corporation Limited, Jaypee Meghalaya Power Limited, Andhra Cements Limited, Jaypee Assam Cement Limited and JIV.

Mr. R.K. Singh, aged 67 years, is a bachelor of engineering (Hons.) in Civil Engineering. He is a former member of the Public Enterprises Selection Board and has also served as the Chairman of the Railway Board (ex. Officio Principal Secretary to the Government of India). He has 42 years experience and has held several significant positions in the Indian railways, and has also served as the Chairman of RITES Limited, IRCON International Limited and RAIL Vikas Nigam Limited. Mr. Singh is currently, the Managing Director of Bokaro Jaypee Cement Limited and also serves on the board of directors of Andhra Cements Limited and Jaiprakash Agri Initiatives Company Limited.

Mr. Ranvijay Singh, aged 46 years, holds a bachelors degree in civil engineering. He has 21 years of experience in the field of civil engineering and construction and currently serves on the board of directors of Gujarat Jaypee Cement and Infrastructure Limited and MP Jaypee Coal Fields Limited.

Mr. Shyam Datt Nailwal, aged 65 years, is a fellow member of the Institute of Company Secretaries of India. He has 42 years of experience in the fields of project financing, corporate planning and secretarial activities and currently serves on the board of directors of Jaypee Arunachal Power Limited, Jaypee Fertilizers & Industries Limited, Jaypee Uttar Bharat Vikas Private Limited, Kanpur Fertilizers and Cement Limited, Jaypee Assam Cement Limited and Himalyaputra Aviation Limited.

Mr. Rahul Kumar, aged 44 years, is a qualified Chartered Accountant and a Fellow of the Institute of Chartered Accountants of India. He has 21 years of experience in the fields of accounting, cement marketing and corporate planning and currently serves as the chairman of Rock Solid Cement Limited and Sarveshwari Stone Products Private Limited and on the board of directors of numerous companies, including Bokaro Jaypee Cement Limited, Jaypee Fertilizers and Industries Limited, Jaiprakash Agri Initiatives Company Limited and Jaypee Cement Corporation Limited.

Borrowing Powers of the Board

Pursuant to a resolution passed by the Board on May 14, 2011 and a resolution passed by the shareholders of the Company on July 19, 2011 and in accordance with provisions of the Companies Act and our Articles of Association, the Board has been authorized to borrow on behalf of the Company any sum as they may deem fit provided that the total amount borrowed by the Company shall not exceed Rs. 350,000 million.

Interest of the Directors

Our Whole-time Directors may be deemed to be interested to the extent of remuneration (including any commission) paid to them by the Company, as well as to the extent of reimbursement of expenses payable to them. Our non-executive Director may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or committee(s) thereof as well as to the extent of other reimbursement of expenses payable to them.

Our Directors, including independent Directors, may also be regarded as interested in the Equity Shares, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. Our Directors, including independent Directors, may also be regarded as interested in the Equity Shares held by or that may be subscribed by and allotted to the companies, firms and trust, in which they are interested as directors, members, partners or trustees. For details of the Equity Shares held by our Directors, please refer to the sub-section titled "*Shareholding of the Directors*" on page 125.

Our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with any company in which they hold directorships or any partnership firm in which they are partners. Except as otherwise stated in this Placement Document and statutory registers maintained by the Company in this regard, we have not entered into any contract, agreements, arrangements during the preceding two years from the date of this Placement Document in which our Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements, arrangements which are proposed to be made with them.

As on the date of this Placement Document, none of our Directors have availed any loan from the Company.

Terms of Employment of the Managing Director

Mr. Manoj Gaur was appointed as the Managing Director of our Company for a period of five years with effect from April 1, 2011, by a resolution of the shareholders of the Company passed through postal ballot on July 19, 2011. In terms of the resolution of the Remuneration Committee of the Company dated January 28, 2011, he is entitled to a basic salary of Rs. 2.5 million per month, in the pay scale of Rs. 1,500,000 – Rs. 250,000 – Rs. 2,750,000 – Rs. 275,000 – Rs. 4,125,000 – Rs. 412,500 – Rs. 6,187,500, with annual increment on April 1 every year, commencing from April 1, 2012.

Further, in terms of the aforementioned resolution, Mr. Manoj Gaur is also entitled to perquisites which may include accommodation/ house rent allowance, reimbursement of expenses for gas, electricity, water and furnishings, medical reimbursement, leave travel concession, insurance premium, contribution to provident fund, superannuation fund or annuity fund, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and leave encashment at the end of the tenure. Perquisites, except for contribution to provident fund, superannuation fund or annuity fund, gratuity and encashment of leave at the end of the tenure, would be restricted to an amount equal to the annual salary. Mr. Gaur is also entitled to the use of a car and telephone at his residence and a mobile phone for the business of the Company at the expense of the Company.

The abovementioned remuneration will be paid as minimum remuneration to Mr. Gaur in the event of absence or inadequacy of profits in any year during his tenure. Further, the Executive Vice Chairman of our Company has been authorised to fix the *inter-se* ceilings/ limits of various perquisites of the Managing Director of the Company.

Terms of Employment of our Whole-time Directors

Pursuant to a resolution of the shareholders of the Company through postal ballot on July 19, 2011 and a resolution passed by the Remuneration Committee of the Company on January 28, 2011, the remuneration payable to the Whole-time Directors of the Company, with effect from April 1, 2011, is as follows.

Director	Basic salary per month (Rs.)	Pay scale* (Rs.)
Mr. Sunil Kumar Sharma	16,50,000	10,00,000 – 1,00,000 – 15,00,000 – 150,000 - 22,50,000 – 2,25,000 – 33,75,000
Mr. Sunny Gaur	9,00,000	4,00,000 – 40,000 – 6,00,000 – 60,000 – 9,00,000 – 90,000 – 13,50,000
Mr. Pankaj Gaur	7,87,500	3,50 ,000 – 35,000 – 5,25,000 – 52,500 – 7,87,500 – 78,750 – 11,81,250
Mr. Ranvijay Singh	6,75,000	3,00,000 – 30,000 – 4,50,000 – 45,000 – 6,75,000 – 67,500 – 10,12,500
Mr. Rahul Kumar	6,30,000	3,00,000 – 30,000 – 4,50,000 – 45,000 – 6,75,000 – 67,500 – 10,12,500
Mr. S.D. Nailwal	4,95,000	3,00,000 – 30,000 – 4,50,000 – 45,000 – 6,75,000 – 67,500 – 10,12,500

** with annual increment on April 1 every year, commencing from April 1, 2012*

Besides the above salary, the abovementioned Whole-time Directors are entitled to perquisites which may include accommodation/ house rent allowance, reimbursement of expenses for gas, electricity, water and furnishings, medical reimbursement, leave travel concession, insurance premium, contribution to provident fund, superannuation fund or annuity fund, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and leave encashment at the end of the tenure. Perquisites, except for contribution to provident fund, superannuation fund or annuity fund, gratuity and encashment of leave at the end of the tenure, would be restricted to an amount equal to the annual salary.

The abovementioned Whole-time Directors are also entitled to the use of a car and telephone at their residences and a mobile phone for the business of the Company at the expense of the Company.

The abovementioned remuneration will be paid as minimum remuneration to the Whole-time Directors in the event of absence or inadequacy of profits in any year during their remaining tenure. Further, the Executive Chairman of our Company has been authorised to fix the *inter-se* ceilings/ limits of various perquisites of the Whole-time Directors of the Company.

The following tables set forth the compensation paid by the Company to our Whole-time Directors in the Fiscal 2012.

Director	Salary and allowances per annum	Monetary value of perquisites (Rs.)	Total (Rs.)
Mr. Manoj Gaur	28,125,000	20,499,777	48,624,777
Mr. Sunil Kumar Sharma	18,562,500	14,354,703	32,917,203
Mr. Sunny Gaur	10,260,000	7,628,513	17,888,513
Mr. Pankaj Gaur	8,977,500	7,118,724	16,096,224

Director	Salary and allowances per annum	Monetary value of perquisites (Rs.)	Total (Rs.)
Mr. R.K. Singh*	5,717,250	4,519,911	10,237,161
Mr. Ranvijay Singh	7,796,250	6,157,542	13,953,792
Mr. S.D. Nailwal	5,717,250	4,581,604	10,298,854
Mr. Rahul Kumar	7,276,500	5,448,997	12,725,497
Total			**162,742,021**

* *Mr. R.K. Singh's designation was changed from 'Whole-time Director' to a 'Non-executive Director' with effect from October 15, 2012.*

Remuneration of our non-executive Directors

During the Fiscal 2012, the Company has not paid any remuneration to non-executive Directors except sitting fees of Rs. 20,000 (per meeting) for attending meetings of the Board and its committees. The following tables set forth details of sitting fees paid by the Company to the non-executive Directors for the Fiscal 2012.

Name	Total sitting fees paid (Rs.)
Mr. Sarat Kumar Jain	3,00,000
Mr. Viney Kumar*	80,000
Mr. A.K. Sahoo*	1,80,000
Dr. B. Samal	60,000
Mr. R.N. Bhardwaj	1,80,000
Mr. B.K. Taparia	2,20,000
Mr. B.K. Goswami	4,40,000
Mr. S.C Gupta	1,00,000
Mr. S.C. Bhargava	60,000
Mr. V.K. Chopra	1,60,000
Dr. J.N. Gupta**	80,000
Mr. M.S. Srivastava**	1,00,000
Ms. Homai A. Daruwalla**	20,000
Total	**19,80,000**

* *The sitting fee for Mr. Viney Kumar, nominee of IDBI Bank Limited and Mr. A.K. Sahoo, nominee of LIC, was paid directly to IDBI Bank Limited and LIC, respectively.*

** *Dr. J.N. Gupta and Mr. M.S. Srivastava ceased to be a director on the Board with effect from February 14, 2012 and May 25, 2012, respectively. Ms. Homai A. Daruwalla was appointed as a Director on the Board with effect from February 14, 2012.*

Shareholding of Directors

The following table sets forth the shareholding of the Directors in the Company as on December 31, 2012.

Sr. No.	Name of Directors	Number of Equity Shares	Percentage of total number of Equity Shares (%)
1.	Mr. Manoj Gaur	175,900	0.01
2.	Mr. Sarat Kumar Jain	5,448,016	0.25
3.	Mr. Sunil Kumar Sharma	1,501	0.00
4.	Mr. Ranvijay Singh	3,031,015	0.14
5.	Mr. Pankaj Gaur	156,750	0.01
6.	Mr. Sunny Gaur	238,045	0.01
7.	Mr. S.D. Nailwal	63,938	0.00
8.	Mr. B.K. Taparia	18,000	0.00
9.	Mr. S.C. Bhargava	21,000	0.00
10.	Mr. Rahul Kumar	150,750	0.01
11.	Mr. B.K. Goswami	5,000	0.00

Corporate governance

The Company is in compliance with the provisions in respect of corporate governance as stipulated in the Listing Agreements, including in respect of appointment of independent directors on the Board and the constitution of the audit committee, remuneration committee and shareholders'/ investors' grievance committee.

Committees of the Board

A brief description of the audit committee, the remuneration committee and the investor grievance committee is set forth below.

Audit Committee

The Audit Committee was originally constituted by a resolution of the Board dated March 31, 2001. The present members of the Audit Committee are:

1.	Mr. R. N. Bharadwaj	Chairman
2.	Mr. B. K. Taparia	Member
3.	Mr. B. K. Goswami	Member
4.	Mr. A. K. Sahoo	Member
5.	Mr. V. K. Chopra	Member

The scope of the Audit Committee is defined under Clause 49 of the Listing Agreements which deal with corporate governance and the provisions of the Companies Act. The terms of reference of the audit committee are as follows:

1. Regular review of accounts, accounting policies and disclosures.
2. Review the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
3. Review any qualifications in the draft audit report.
4. 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.
5. Upon completion of the audit, attend discussions with the independent auditors to ascertain any area of concern.
6. 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.
7. Examine reasons for substantial defaults in payment to depositories, debenture holders, shareholders and creditors.
8. Examine matters relating to the director's responsibility statement for compliance with accounting standards and accounting policies.
9. Oversee compliance with stock exchange legal requirements concerning financial statements, to the extent applicable.
10. 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.
11. Appointment and remuneration of statutory and internal auditors.
12. Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

Remuneration Committee

By a resolution of the Board dated March 18, 2004, the Company constituted a Committee of Directors, which also performed the functions of the Remuneration Committee. Subsequently, by a resolution of the Board dated April 27, 2009, the Remuneration Committee was reconstituted as a separate committee of the Board. The present members of the Remuneration Committee are:

1.	Mr. B.K. Taparia	Chairman
2.	Mr. B.K. Goswami	Member
3.	Mr. S.C. Bhargava	Member

The Remuneration Committee recommends to the Board the remuneration payable to Whole-time Directors, within the scope of the remuneration policy of the Company. The terms of reference of the Remuneration Committee are as follows:

1. Determine the remuneration of Whole-time Directors.
2. Establish and administer employee compensation and benefit plans.
3. Determine the number of stock options to be granted under the Company's Employees Stock Option Schemes and administer any stock option plans.
4. Such other matters as may, from time to time, be required under any statutory, contractual or other regulatory requirement.

Shareholders/ Investors' Grievance and Share Transfer Committee

By a resolution of the Board dated March 18, 2004, the Company constituted a Committee of Directors, which also performed the functions of the Shareholders/ Investors' Grievance and Share Transfer Committee. Subsequently, by a resolution of the Board dated July 14, 2007, the Shareholders/ Investors' Grievance and Share Transfer Committee was reconstituted as a separate committee of the Board. The present members of the Shareholders/ Investors' Grievance and Share Transfer Committee are:

1.	Mr. S. K. Jain	Chairman
2.	Mr. Sunil Kumar Sharma	Member
3.	Mr. S. D. Nailwal	Member

The Shareholders/ Investors' Grievance and Share Transfer Committee has been formed to address and approve matters relating to allotment, transfer and transmission of shares and debentures, issues of duplicate and/or new certificates, non-receipt of dividends and the general review and redressal of investors grievances. The terms of reference of the shareholders'/ investors' grievance committee are as follows:

1. Supervise investor relations and redressal of investor grievance in general and relating to non-receipt of dividends, interest and non-receipt of balance sheet in particular.
2. Such other matters as may, from time to time be required under any statutory, contractual or other regulatory requirement.

Finance Committee

The Finance Committee was originally constituted by a resolution of the Board dated September 21, 2002. The present members of the Finance Committee are:

1.	Mr. B. K. Goswami	Chairman
2.	Mr. Sunil Kumar Sharma	Member
3.	Mr. S. D. Nailwal	Member

The terms of reference of the Finance Committee include:

1. Matters pertaining to financial institutions and consortium of banks, exercising the borrowing powers on behalf of the Board.
2. Facilitating expeditious decisions for availing financial assistance sanctioned by financial institutions and banks.
3. Appointment of trustees in respect of issuance of non-convertible debentures.
4. Creation of securities, execution of documents and operation of bank accounts.

Restructuring Committee

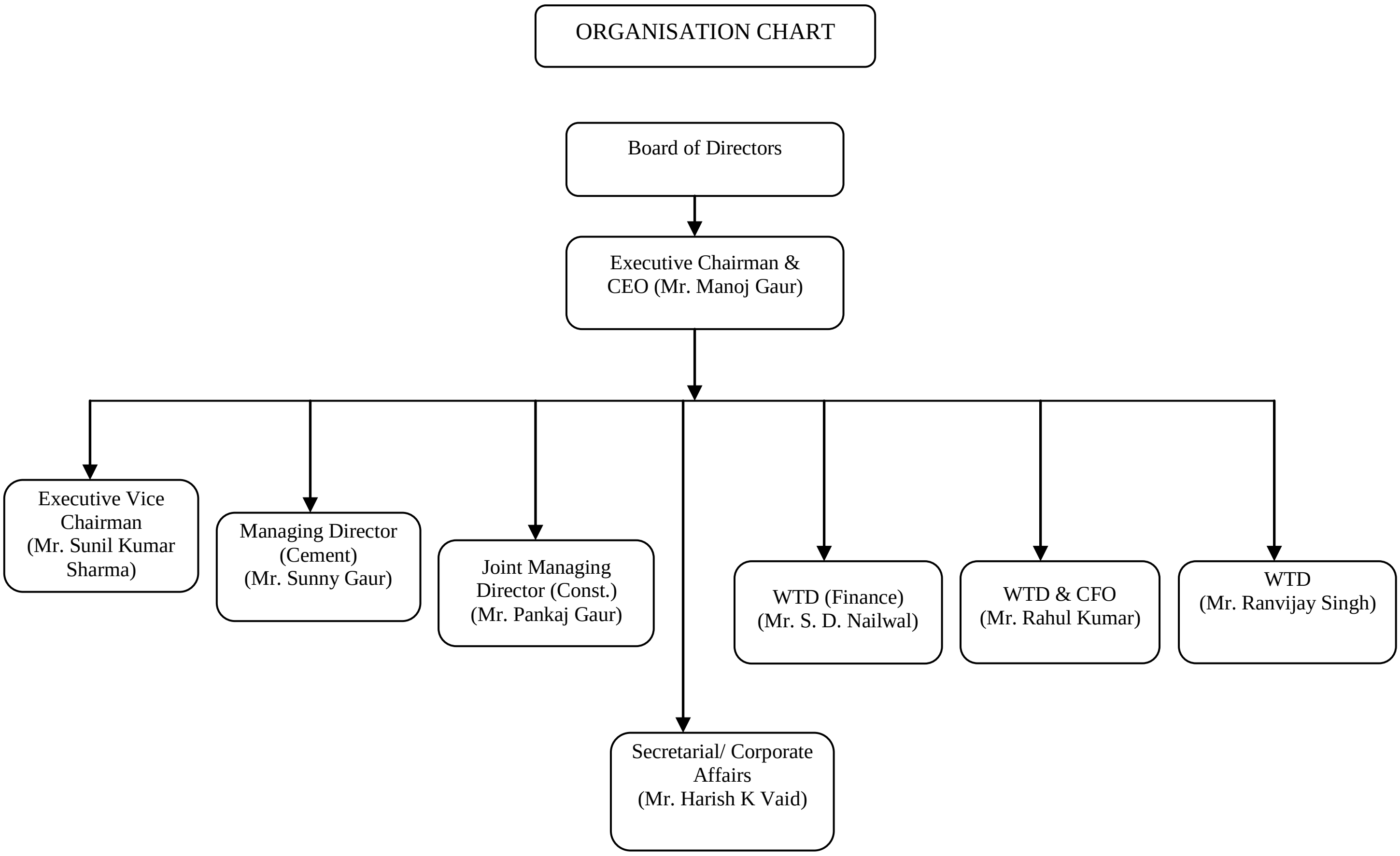
The Restructuring Committee was originally constituted by a resolution of the Board dated October 30, 2004. The present members of the Restructuring Committee are:

1.	Mr. B. K. Taparia	Chairman
2.	Mr. B. K. Goswami	Member

3.	Mr. A. K. Sahoo	Member
4.	Mr. Sunny Gaur	Member
5.	Mr. S. D. Nailwal	Member

The Committee of Directors was formed to look into the various options of re-structuring the Company, including mergers of entities having synergies with the business of the Company.

Management organizational structure



PRINCIPAL SHAREHOLDERS

The Company was incorporated on November 15, 1995 under the name of 'Bela Cement Limited' which was changed to 'Jaypee Rewa Cement Limited' with effect from August 30, 2000. The name was again changed to 'Jaypee Cement Limited' with effect from January 3, 2002 and then to the present name of 'Jaiprakash Associates Limited' with effect from March 11, 2004.

Equity Shareholding pattern

The shareholding pattern of the Company as on December 31, 2012 is as follows:

Category of Shareholder	Number of Shareholders	Total Number of Equity Shares	Number of Shares held in Dematerialised Form	Total shareholding as a percentage of total number of Equity Shares		Equity Shares pledged or otherwise encumbered#	
				As a % of (A+B)	As a % of (A+B+C)	Number of Equity Shares	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	79	70,023,758	65,149,433	3.25	3.25	2,045,000	2.92
Central Government/State Government(s)	-	-	-	-	-	-	-
Bodies Corporate	11	733,491,146	733,491,146	34.04	34.04	2,287,500	0.31
Financial Institutions/ Banks	-	-	-	-	-	-	-
Any other (specify) – Trusts – wherein Company is the beneficiary	4	189,316,882	189,316,882	8.79	8.79	*	-
Sub Total (A) (1)	**94**	**992,831,786**	**987,957,461**	**46.08**	**46.08**	**4,332,500**	**0.44**
(2) Foreign							
Individuals (Non-Resident Individuals/ Foreign Individuals)	1	99,760	99,760	0.00	0.00	N.A	N.A
Bodies Corporate	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-
Any other (specify)	-	-	-	-	-	-	-
Sub-Total (A)(2)	1	99,760	99,760	0.00	0.00	N.A	N.A
Total shareholding of Promoter and Promoter Group (A) = A(1) + A(2)	**95**	**992,931,546**	**988,057,221**	**46.08**	**46.08**	**4,332,500**	**0.44**
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	185	182,194,597	182,050,996	8.45	8.45	N.A	N.A
Financial Institutions /	87	6,182,362	5,922,794	0.29	0.29	N.A	N.A

Category of Shareholder	Number of Shareholders	Total Number of Equity Shares	Number of Shares held in Dematerialised Form	Total shareholding as a percentage of total number of Equity Shares		Equity Shares pledged or otherwise encumbered#	
				As a % of (A+B)	As a % of (A+B+C)	Number of Equity Shares	As a % of (A+B+C)
Banks							
Central Government/ State Government(s)	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-
Insurance Companies	33	111,449,405	111,442,655	5.17	5.17	N.A	N.A
Foreign Institutional Investors	383	474,422,500	465,402,095	22.02	22.02	N.A	N.A
Foreign Venture Capital Investors	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-
Sub Total (B)(1)	**688**	**774,248,864**	**764,818,540**	**35.93**	**35.93**	**N.A**	**N.A**
(2) Non-Institutions							
Bodies Corporate	4,104	113,065,383	111,640,470	5.25	5.25	N.A	N.A
Individuals							
Individual shareholders holding nominal share capital up to Rs. 0.1 million	558,890	213,164,581	186,064,623	9.89	9.89	N.A	N.A
Individual shareholders holding nominal share capital in excess Rs. 0.1 million	183	22,117,126	21,519,939	1.03	1.03	N.A	N.A
Qualified Foreign Investor	1	50	50	0.00	0.00	N.A.	N.A.
Any Others (Specify)							
Non Resident Indians	5,834	10,180,832	8,238,202	0.47	0.47	N.A	N.A
Trusts	32	9,356,843	9,356,843	0.43	0.43	N.A	N.A
Overseas Corporate Bodies	5	178,350	2,100	0.01	0.01	N.A	N.A
Foreign corporate	6	15,029,351	15,029,351	0.70	0.70	N.A	N.A

Category of Shareholder	Number of Shareholders	Total Number of Equity Shares	Number of Shares held in Dematerialised Form	Total shareholding as a percentage of total number of Equity Shares		Equity Shares pledged or otherwise encumbered#	
				As a % of (A+B)	As a % of (A+B+C)	Number of Equity Shares	As a % of (A+B+C)
bodies							
Clearing members and in transit	425	4,605,823	10,400,250	0.21	0.21	N.A	N.A
Sub Total (B) (2)	569,480	387,698,339	362,251,828	17.99	17.99	**N.A**	**N.A**
Total B = B(1) + B (2)	**570,168**	**1,161,947,203**	**1,127,070,368**	**53.92**	**53.92**	**N.A**	**N.A**
Total (A)+(B)	570,263	2,154,878,749	2,115,127,589	100.00	100.00	**4,332,500**	**0.20**
(C) Shares held by Custodians and against which Depository Receipts have been issued							
Promoter and Promoter Group	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-
Total (A)+(B)+(C)	**570,263**	**2,154,878,749**	**2,115,127,589**	**100.00**	**100.00**	**4,332,500**	**0.20**

Notes:
** the entire share holding of 189,316,882 Equity Shares held by four trusts, of which the Company is the sole beneficiary, is also pledged for securing loan obtained by the Company.*
 # shares in respect of which non disposal undertaking (NDU) has been signed are not included in 'Otherwise Encumbered Shares'. The details of such shares are as follows: out of the 717,656,303 Equity Shares of the Company held by Jaypee Infra Ventures (A Private Company with Unlimited Liability), a Promoter/Promoter group company, 8,939,157 Equity Shares are subject to NDU.

List of shareholders belonging to the category "Public" and holding more than one per cent % of the total paid up share capital of the Company as of December 31, 2012:

Name	Number of Equity Shares	Percentage of total Equity Shares (%)	Total Shares (including underlying shares, assuming full conversion of warrants and convertible securities) as a % of diluted Equity Share capital
Life Insurance Corporation Of India & Mutual Funds	109,138,905	5.06	4.88
HSBC Global Investment Funds A/C HSBC Global Investment Funds Mauritius Ltd.	42,840,249	1.99	1.92
HDFC Trustee Company Limited-HDFC Equity	31,023,483	1.44	1.39
T. Rowe price emerging markets stock fund	28,567,102	1.33	1.28
HDFC Trustee Company Limited-HDFC Top 200 Fund	26,634,142	1.24	1.19
Total	**238,203,881**	**11.05**	**10.66**

List of shareholders belonging to the category "Public" and holding more than five per cent of the total paid up share capital of the Company as of December 31, 2012:

Name	Number of Equity Shares	Percentage of total Equity Shares (%)	Total Shares (including underlying shares, assuming full conversion of warrants and convertible securities) as a % of diluted Equity Share capital
Life Insurance Corporation of India & Mutual Funds	109,138,905	5.06	4.88
Total	109,138,905	5.06	4.88

List of shareholding of persons belonging to the category of the Promoters and promoter group of the Company as on December 31, 2012:

	Name	Number of Equity Shares	Percentage of total Equity Shares (%)
Individuals/ Hindu Undivided Family			
1.	Adarsh Bala Jain	607,725	0.03
2.	Anjali Jain	1,513,150	0.07
3.	Anuja Jain	3,925,150	0.18
4.	Archana Sharma	151,237	0.01
5.	Ashok Sharma	69,741	0.00
6.	B. K. Jain	450	0.00
7.	Bhavna Kumar	154,000	0.01
8.	Bijay Kumar Jain	2,512,500	0.12
9.	Chandra Kala Gaur	92,827	0.00
10.	Datta Ram Gopal Kadkade	4,231,747	0.20
11.	Gyan Prakash Gaur	41,633	0.00
12.	I N Dubey	675,375	0.03
13.	Jaiprakash Gaur	20,464	0.00
14.	Jaiprakash Gaur (HUF)	129,225	0.01
15.	Jyoti Kamat Kadkade	6,562	0.00
16.	K P Sharma	435,375	0.02
17.	Kumud Jain	5,352,894	0.25
18.	Manju Sharma	9,750	0.00
19.	Manoj Gaur	175,900	0.01
20.	Mayank Sharma	31,150	0.00
21.	Nanak Chand Sharma	126,127	0.01
22.	Nandita Gaur	51,000	0.00
23.	Naveen Kumar Singh	3,086,435	0.14
24.	Nirmala Sharma	5,620	0.00
25.	Nirupma Saklani	2,512,500	0.12
26.	P K Jain	41,16,082	0.19
27.	Pankaj Gaur	156,750	0.01
28.	Prabodh V Vora	2,960,875	0.14
29.	Pravin Kumar Singh	3,183,470	0.15
30.	Puneet Kumar Jain	450,000	0.02
31.	Puneet Kumar Jain Karta Puneet Kumar Jain(HUF)	5,092	0.00
32.	Rahul Kumar	150,750	0.01
33.	Raj Kumar Singh	5,043,241	0.23
34.	Rajender Singh	300	0.00
35.	Rakesh Sharma	1,562	0.00
36.	Ran Vijay Singh	3,031,015	0.14
37.	Ranvir Singh	4,874,325	0.23
38.	Rashi Dixit	67,275	0.00
39.	Rekha Dixit	83,000	0.00
40.	Rishabh Jain	375,000	0.02
41.	Rita Dixit	137,250	0.01
42.	Sameer Gaur	2,000	0.00
43.	Sanjana Jain	362,970	0.02
44.	Sarat Kumar Jain	5,448,016	0.25
45.	Satyendra Prakash Joshi	569,251	0.03
46.	Shail Jain	183,440	0.01

	Name	Number of Equity Shares	Percentage of total Equity Shares (%)
47.	Shashi Kumar	315,000	0.01
48.	Shiv Dixit	124,632	0.01
49.	Shravan Jain	29,000	0.00
50.	Shyam Kumari Singh	33,840	0.00
51.	Sonia Gupta	107,437	0.00
52.	Sucharita Jain	125	0.00
53.	Sunil Dattaram Kadkade	194,250	0.01
54.	Sunil Joshi	2,190,000	0.10
55.	Sunil Kumar Sharma	1,501	0.00
56.	Sunita Joshi	2,529,000	0.12
57.	Sunny Gaur	238,045	0.01
58.	Suren Jain	2,328,215	0.11
59.	Suresh Kumar	33,000	0.00
60.	Urvashi Gaur	1,52,045	0.01
61.	Vijay Gaur	886,537	0.04
62.	Vinita Gaur	51,000	0.00
63.	Vinod Sharma	176,662	0.01
64.	Viren Jain	2,021,581	0.09
65.	Vishali Jain	1,491,687	0.07
Sub-total		**70,023,758**	**3.25**
Bodies Corporate			
66.	ESSJAY Enterprises Pvt Ltd	5,301,832	0.25
67.	Akasva associates Pvt. Ltd.	2,397,927	0.11
68.	Jai Prakash Exports Pvt Ltd	3,431,127	0.16
69.	Jaypee Infra Ventures (A Private Company with Unlimited Liability)	717,656,303	**33.30**
70.	Luckystrike Financiers Private Limited	3,703,500	0.17
71.	Mega Properties Pvt Ltd	829,300	0.04
72.	Pac Pharma Drugs And Chemical Pvt Ltd	27,675	0.00
73.	Peartree Enterprises Pvt Ltd	795	0.00
74.	SRMB Dairy Farmings Pvt Ltd	142,687	0.01
Sub-total		**733,491,146**	**34.18**
On behalf of trusts - wherein Company is the beneficiary			
75.	Sunil Kumar Sharma Trustee JHL Trust	45,074,914	2.09
76.	Rekha Dixit Trustee JCL Trust	49,657,605	2.30
77.	Sunny Gaur Trustee GACL Trust	26,735,736	1.24
78.	Sameer Gaur Trustee JEL Trust	67,848,627	3.15
	Sub-total	**189,316,882**	**8.79**
Non-resident individual / foreign individual			
79.	Chittaranjan Jain	99,760	0.00
	Total	**992,931,546**	**46.08**

As on December 31, 2012 there are no partly paid-up shares or warrants in the Company.

Details of outstanding convertible securities as on December 31, 2012:

Name	Number of outstanding securities	As a % of total number of outstanding convertible securities	As a % of total number of Equity Shares assuming full conversion of the convertible securities
Held by Promoter/Promoter group	0	0	0
Held by public*	110,655	100%	3.56%
Total	**110,655**	**100%**	**3.56%**

***** *The Company has presently two series of outstanding Foreign Currency Convertible Bonds (FCCBs) i.e. FCCB-II and FCCB-IV. FCCB-I and FCCB-III were fully extinguished on 17.02.2010 & 12.09.2012 respectively.*

There are no Equity Shares that are subject to lock-in as on December 31, 2012.

ISSUE PROCEDURE

Below is a summary intended to present a general outline of the procedure relating to the bidding, application payment, Allocation and Allotment for the Issue. The procedure followed in the Issue may differ from the one mentioned below and the investors are assumed to have apprised themselves of the same from the Company or the Global Coordinator and Book Running Lead Manager. The prospective investors are also advised to inform themselves of any restrictions or limitations that may be applicable to them; see the section titled "Transfer Restrictions and Purchaser Representations" on page 149.

The Issue is being made to QIBs in reliance upon Chapter VIII of the SEBI Regulations. The Issue has been approved by our members through postal ballot on July 14, 2012 and has been approved by the Board on May 30, 2012.

The Company has received the in principle approvals dated January 31, 2013 from the NSE and the BSE under Clause 24(a) of the Listing Agreements. The Company has also filed a copy of the Placement Document with the Stock Exchanges.

After the Allotment, the Company shall make applications to the Stock Exchanges for the listing approvals. Subsequently, after the credit of Equity Shares to the beneficiary accounts with the Depository Participant, the Company shall make applications to the Stock Exchanges for the final listing and trading approvals.

Issue Procedure

1. The Company and the Global Coordinator and Book Running Lead Manager shall identify the QIBs and circulate serially numbered copies of this Placement Document and the Application Form, either in electronic form or physical form, to not more than 49 QIBs.

2. The list of QIBs to whom the Application Form is delivered shall be determined by the Global Coordinator and Book Running Lead Manager in consultation with the Company. **Unless a serially numbered Placement Document along with the Application Form is addressed to a particular QIB, no invitation shall be deemed to have been made to any other QIB to make an offer to subscribe to Equity Shares pursuant to the Issue**. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person.

3. QIBs may submit their Bids through the Application Form, including any revisions thereof, during the Bidding Period to the Global Coordinator and Book Running Lead Manager.

4. QIBs will be required to indicate the following in the Application Form:

   a. Full official name of the QIB to whom Equity Shares are to be Allotted;

   b. Number of Equity Shares Bid for;

   c. Price at which they are agreeable to subscribe for the Equity Shares;

   d. The details of the beneficiary account with the Depository Participant to which the Equity Shares should be credited; and

   e. A representation that it is outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S and it has agreed to certain other representations set forth in the Application Form.

   Note: Each sub-account of an FII will be considered as an individual QIB and separate Application Forms would be required from each such sub-account for submitting Application Form(s). FIIs or sub accounts of FIIs, are required to indicate the SEBI registration number in the Application Form. It may be noted that a sub-account which is a foreign corporate or a foreign individual is not a "QIB" in terms of SEBI Regulations. Applications by various schemes or funds of a mutual fund will be treated as one application from the Mutual Fund.

5. Once a duly filled Application Form is submitted by a QIB, such Application Form constitutes an offer which cannot be withdrawn after the Bid Closing Date. The Bid Closing Date shall be notified to the Stock Exchanges and upon such notification the QIBs shall be deemed to have been given notice of such date.

6. Upon the receipt of the duly completed Application Forms, the Company shall in consultation with the Global Coordinator and Book Running Lead Manager determine (i) the Issue Price, (ii) the number of Equity Shares to be Allocated; and (iii) the QIBs to whom the same shall be Allocated. Upon such determination, the Global Coordinator and Book Running Lead Manager will send CANs to the QIBs who have been Allocated the Equity Shares, together with a serially numbered Placement Document either in electronic form or through physical delivery. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the QIBs to subscribe to the Equity Shares Allocated to such QIB and to pay the application money (being the multiple of the Issue Price and Equity Shares Allocated to such QIB). The CAN shall contain details such as the number of Equity Shares Allocated to the QIB and payment instructions including the details of the amounts payable by the QIB for Allotment of the Equity Shares in its name and the Pay-In Date as applicable to the respective QIB.

7. Pursuant to receiving a CAN, each QIB shall be required to pay the application money for the Equity Shares indicated in the CAN at the Issue Price, through electronic transfer to the Escrow Account(s) by the Pay-In Date;

8. Upon receipt of the application monies from the QIBs, the Company shall Allot the Equity Shares as per the details provided in the CANs to such QIBs. The Company shall not Allot Equity Shares to more than 49 QIBs. The Company shall intimate the Stock Exchanges the details of the Allotment.

9. After the Board passes the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary accounts of the QIBs, the Company shall apply to the Stock Exchanges for listing approvals. After receipt of the listing approvals from the Stock Exchanges, the Company shall credit the Equity Shares into the beneficiary accounts of the respective QIBs. The Company shall then apply for the final listing and trading approvals from the Stock Exchanges.

10. The Equity Shares that have been credited to the beneficiary accounts of the QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.

11. The final listing and trading approvals granted by the Stock Exchanges are also ordinarily available on the websites of the Stock Exchanges, and the Company may communicate the receipt of the final listing and trading approvals to the QIBs who have been Allotted Equity Shares. The Company and the Global Coordinator and Book Running Lead Manager shall not be responsible for any delay or non receipt of the communication of the final listing and trading approvals from the Stock Exchanges or any loss arising from such delay or non-receipt. QIBs are advised to apprise themselves of the status of the receipt of such approvals from the Stock Exchanges or the Company.

Qualified Institutional Buyers

Only QIBs, as defined in Regulation 2(1)(zd) of the SEBI Regulations, and not otherwise excluded under Regulation 86(1)(b) of the SEBI Regulations, are eligible to invest in the Equity Shares pursuant to the Issue. Currently, Regulation 2(1)(zd) defines QIBs to mean:

- a mutual fund, a VCF, an AIF and an FVCI;
- a FII and a sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI;
- a public financial institution as defined in section 4A of the Companies Act;

- a scheduled commercial bank;
- a multilateral and bilateral development financial institution;
- a state industrial development corporation;
- an insurance company registered with Insurance Regulatory and Development Authority;
- a provident fund with minimum corpus of Rs. 250 million;
- a pension fund with minimum corpus of Rs. 250 million;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
- insurance funds set up and managed by army, navy or air force of the Union of India; and
- insurance funds set up and managed by the Department of Posts, India.

The Issue is being made to non resident QIBs in terms of Schedule 1 of the Foreign Exchange Management (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000.

FIIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FIIs does not exceed specified limits as prescribed under applicable laws in this regard.

The issue of Equity Shares to a single FII should not exceed 10% of the post Issue paid up capital of the Company. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total paid up capital of the Company or 5% of the total paid up capital of the Company in case such sub-account is a foreign corporate or an individual. Under the extant foreign direct investment policy, the total shareholding of all FIIs, is subject to a cap of 24%, of the total paid up capital, which can be increased up to the sectoral cap/statutory limit under FDI policy as notified by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India from time to time, with the passing of a resolution by its board of directors and a special resolution by the shareholders in a general meeting. The Company has, pursuant to the shareholders resolution declared on April 10, 2007 increased the FII limit to 45% of our paid-up Equity Share capital.

Allotments made to FVCIs, VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

No Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being a Promoter or any person related to the Promoter(s). QIBs which have all or any of the following rights shall be deemed to be persons related to Promoter(s):

a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or persons related to the Promoters;
b) veto rights; or
c) right to appoint any nominee director on the Board.

Provided that a QIB which does not hold any shares in the Company and has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

The Company, the Global Coordinator and Book Running Lead Manager and any of their respective shareholders, directors, partners, officers, employees, counsel, advisors, representatives, agents or affiliates are not liable for any amendments or modifications or changes to applicable laws or regulations, which may occur after the date of this Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does

not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws or regulations or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that any requisite compliance pursuant to this Allotment such as public disclosures under applicable laws is complied with. QIBs are advised to consult their advisers in this regard. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering an open offer under the Takeover Code. The QIB shall be solely responsible for compliance with the provisions of the Takeover Code, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and other applicable laws, rules, regulations, guidelines, notifications and circulars.

A minimum of 10% of the Equity Shares offered in this Issue shall be available for Allocation to Mutual Funds. In case of under-subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allocated to other QIBs.

Note: Affiliates or associates of the Global Coordinator and Book Running Lead Manager who are QIBs may participate in the Issue in compliance with applicable laws.

Application Process

Application Form

QIBs shall only use the serially numbered Application Forms supplied by the Global Coordinator and Book Running Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including revision of Bid) in terms of this Placement Document and the Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through the Application Form, the QIB will be deemed to have made the following representations and warranties and the representations, warranties, acknowledgements and undertakings made under the sections titled "Notice to Investors", "Representations by Investors" and "Transfer Restrictions and Purchaser Representations" on pages 1, 3 and 149, including:

1. the QIB confirms that it is a QIB in terms of Regulation 2(1)(zd)of the SEBI Regulations and is eligible to participate in this Issue;

2. The QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly, and its Application Form does not, directly or indirectly, represent the Promoter or Promoter Group of the Company or a person related to the Promoters;

3. The QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or persons related to the Promoters, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares, which shall not be deemed to be a person related to the Promoters;

4. the QIB has no right to withdraw its Bid after the Bid Closing Date;

5. the QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;

6. the QIB confirms that it is eligible to Bid and hold Equity Shares so Allotted and together with any Equity Shares held by the QIB prior to the Issue. The QIB further confirms that its holding, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;

7. the QIB confirms that its application would not eventually result in triggering an open offer under the Takeover Code;

8. the QIB confirms that to the best of its knowledge and belief, together with other QIBs in the Issue that belong to the same group or are under common control, the Allotment to the QIB

shall not exceed 50% of the Issue Size. For the purposes of this statement:

a. the expression "belongs to the same group" shall derive meaning from the concept of "companies under the same group" as provided in sub-section (11) of Section 372 of the Companies Act; and

b. "Control" shall have the same meaning as is assigned to it by clause 1(e) of Regulation 2 of the Takeover Code.

9. the QIB represents that it is outside the United States and is acquiring the Equity Shares in an offshore transaction under Regulation S and it has agreed to certain other representations set forth in the Application Form;

10. the QIBs shall not undertake any trade in the Equity Shares credited to its beneficiary accounts with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

QIBs WOULD NEED TO PROVIDE THEIR BENEFICIARY ACCOUNT DETAILS, THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE BENEFICIARY ACCOUNT IS HELD.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of the Application Form by a QIB shall be deemed a valid, binding and irrevocable offer for the QIB to pay the entire Issue Price for its share of Allotment (as indicated by the CAN) and becomes a binding contract on the QIB, upon issuance of the CAN by the Company in favour of the QIB.

Submission of Application Form

All Application Forms must be duly completed with information including the name of the QIB, the price and the number of Equity Shares applied for. The Application Form shall be submitted to the Global Coordinator and Book Running Lead Manager either through electronic form or through physical delivery at the following address:

Standard Chartered Securities (India) Limited
1st Floor, Standard Chartered Tower
201B/1, Western Express Highway
Goregaon (East)
Mumbai 400 063, India
Contact person: Mr. Rohan Saraf
Email: investor@sc.com
Phone: + 91 22 4205 6117

The Global Coordinator and Book Running Lead Manager shall not be required to provide any written acknowledgement of the same.

Pricing and Allocation

Build up of the book

The QIBs shall submit their Bids (including any revision thereof) through the Application Forms, within the Bidding Period to the Global Coordinator and Book Running Lead Manager.

Price discovery and allocation

The Company, in consultation with the Global Coordinator and Book Running Lead Manager, shall determine the Issue Price, which shall be at or above the Floor Price. The committee of the Board approved a discount of Rs. 4.28 (i.e., 4.92%) to the Floor Price of Rs. 87.28 in accordance with Regulation 85(1) of the SEBI Regulations.

Method of Allocation

The Company shall determine the Allocation in consultation with the Global Coordinator and Book Running Lead Manager on a discretionary basis and in compliance with Chapter VIII of the SEBI Regulations.

All the Application Forms received from the QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF THE COMPANY IN CONSULTATION WITH THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE BINDING ON ALL QIBS. QIBS MAY NOTE THAT ALLOCATION OF THE EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF THE COMPANY IN CONSULTATION WITH THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGER AND QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AT OR ABOVE THE ISSUE PRICE. NEITHER THE COMPANY NOR THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGER ARE OBLIGED TO ASSIGN ANY REASONS FOR SUCH NON-ALLOCATION.

All Application Forms duly completed along with payment and a copy of the PAN card or PAN allotment letter shall be submitted to the Global Coordinator and Book Running Lead Manager as per the details provided in the respective CAN.

Number of Allottees

The minimum number of Allottees in the Issue shall not be less than:

(a) two, where the Issue Size is less than or equal to Rs. 2,500 million; or

(b) five, where the Issue Size is greater than Rs. 2,500 million.

Provided that no single Allottee shall be Allotted more than 50% of the Issue Size.

The QIBs belonging to the same group or those who are under same control shall be deemed to be a single Allottee for the purposes of the Issue. For details of what constitutes "same group" or "common control" please see the sub- section titled "Application Process – Application Form" on page 137.

The maximum number of Allottees of Equity Shares shall not be greater than 49. Further, the Equity Shares will be Allotted within 12 months from the date of the shareholders resolution approving the Issue.

CAN

Based on the Application Forms received, the Company and the Global Coordinator and Book Running Lead Manager, in their sole and absolute discretion, shall decide the list of QIBs to whom the serially numbered CAN shall be sent, pursuant to which the details of the Equity Shares Allocated to them and the details of the amounts payable for Allotment of such Equity Shares by the Pay-In Date in their respective names shall be notified to such QIBs. Additionally, a CAN will include details of the bank account(s) for the electronic transfer of funds, address where the application money needs to be sent, Pay-In Date as well as the probable designated date ("**Designated Date**"), being the date of credit of the Equity Shares to the QIB's account, as applicable to the respective QIBs.

The QIBs would also be sent a serially numbered Placement Document either in electronic form or by physical delivery along with the serially numbered CAN.

The dispatch of the serially numbered Placement Document and the CAN to the QIB shall be deemed a valid, binding and irrevocable contract for the QIB to furnish all details that may be required by the Global Coordinator and Book Running Lead Manager and to pay the entire Issue Price for all the Equity Shares Allocated to such QIB.

QIBs ARE ADVISED TO INSTRUCT THEIR DEPOSITORY PARTICIPANT TO ACCEPT THE EQUITY SHARES THAT MAY BE ALLOCATED / ALLOTTED TO THEM PURSUANT TO THE ISSUE.

By submitting the Application Form, the QIB would have deemed to have made the representations and warranties as specified in the section "*Notice to Investors*" and further that such QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by BSE and NSE.

Bank Account for Payment of Application Money

The Company has opened a special bank account in the name of 'Jaiprakash Associates Limited - QIP Account'. The QIB will be required to deposit the entire amount payable for the Equity Shares allocated to it by the Pay-In Date as mentioned in the respective CAN.

If the payment is not made favouring the Escrow Account within the time stipulated in the CAN, the Application Form and the CAN of the QIB are liable to be cancelled.

In case of cancellations or default by the QIBs, the Company and the Global Coordinator and Book Running Lead Manager have the right to reallocate the Equity Shares at the Issue Price among existing or new QIBs at their sole and absolute discretion, subject to the compliance with the requirement of ensuring that the Application Forms are sent to not more than 49 QIBs.

Payment Instructions

The payment of application money shall be made by the QIBs in the name of Escrow Account as per the payment instructions provided in the CAN.

QIBs may make payment only through electronic fund transfer.

Designated Date and Allotment of Equity Shares

1. The Equity Shares will not be Allotted unless the QIBs pay the amount for the Equity Shares allocated to them calculated at the Issue Price, to the Escrow Account as stated above.

2. In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

3. The Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, the Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, the Company shall credit the Equity Shares into the beneficiary accounts of the QIBs.

5. Following the credit of Equity Shares into the QIBs' beneficiary accounts, the Company will apply for the final listing and trading approvals from the Stock Exchanges.

6. In the unlikely event of any delay, in the Allotment or credit of Equity Shares, receipt of the

listing approvals, the final listing and trading approvals of the Stock Exchanges or the cancellation of the Issue, no interest or penalty would be payable by the Company.

7. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by the Company.

8. After finalization of the Issue Price, the Company shall update the Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of the Company in the format specified in clause 35 of the Listing Agreements along with the Placement Document.

Other Instructions

Permanent Account Number or PAN

Each QIB should mention its PAN allotted under the IT Act. **The copy of the PAN card or PAN allotment letter is required to be submitted with the Application Form.** Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Right to Reject Applications

The Company, in consultation with the Global Coordinator and Book Running Lead Manager, may reject Bids, in part or in full, without assigning any reasons whatsoever. The decision of the Company and the Global Coordinator and Book Running Lead Manager in relation to the rejection of Bids shall be final and binding.

Equity Shares in dematerialized form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialized form (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

1. A QIB applying for Equity Shares must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid.

2. Allotment to a successful QIB will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the QIB.

3. Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The BSE and the NSE have electronic connectivity with CDSL and NSDL.

4. The trading of the Equity Shares would be in dematerialized form only for all QIBs in the demat segment of the respective Stock Exchanges.

5. The Company will not be responsible or liable for the delay in the credit of Equity Shares due to errors in the Application Form or otherwise on the part of the QIBs.

PLACEMENT

Memorandum of Understanding

The Global Coordinator and Book Running Lead Manager has entered into a placement agreement dated January 7, 2013 with the Company (the **"Placement Agreement**"**),** pursuant to which the Global Coordinator and Book Running Lead Manager has agreed to place, on a reasonable effort basis, the Equity Shares, pursuant to Chapter VIII of the SEBI Regulations.

The Placement Agreement contains customary representations and warranties, as well as indemnities from the Company and is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than QIBs.

In connection with the Issue, the Global Coordinator and Book Running Lead Manager (or its respective affiliates) may, for their own accounts, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Global Coordinator and Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions.

Lock-up

The Company will not, for a period commencing the date of the Placement Document and ending 60 days from the date of Allotment, without the prior written consent of the Global Coordinator and Book Running Lead Manager, directly or indirectly: (a) purchase, offer, issue, lend, sell, grant any option or contract to purchase, purchase any option or contract to offer, issue, lend, sell, grant any option, right or warrant to purchase, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned by the undersigned) or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing, or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, or (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of the Equity Shares in any depository receipt facility; or (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction falling within (a) to (d) above. Provided, however, that the foregoing restrictions do not apply to (a) the issuance of any Equity Shares pursuant to the Issue and (b) issuance of any Equity Shares pursuant to conversion of convertible bonds issued by the Company and currently outstanding.

Pursuant to a lock-up letter, certain Promoters/Promoter group, have undertaken that they will not, during the period commencing from the date of the lock-up letter and ending 60 days from the date of Allotment ("**Lock-up Period**"), without the prior written consent of the Global Coordinator and Book Running Lead Manager, do the following: (a) directly or indirectly, offer, lend, sell, contract to sell, sell any option or contract to purchase, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, 906,973,185 Equity Shares aggregating to approximately 40.60% of the fully diluted share capital of the Company ("**Promoter Shares**") (including, without limitation, securities convertible into or exercisable or exchangeable for Promoter Shares which may be deemed to be beneficially owned by the undersigned); (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Promoter Shares or any securities convertible into or exercisable or exchangeable for Promoter Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Promoter Shares or such other securities, in cash or otherwise); (c) deposit Promoter Shares with any other depository in connection with a depositary receipt facility; (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of the Promoter Shares in any depository receipt facility; or (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above. Provided, however, that the foregoing restrictions do not apply to: (a) any inter-se transfer of Promoter Shares between the Promoters and members of the Promoter group, provided that the lock up shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer the Promoter Shares until the Lock-up Period has expired; or (b) bona fide pledge of Promoter Shares, as collateral for loans as normal commercial terms entered into, in the ordinary course of business of the Company or (c) bona fide exercise of an existing pledge by third party on any of the Promoters' shares.

SELLING RESTRICTIONS

The distribution of this Placement Document or any offering material and the offering, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized.

General

No action has been taken or will be taken by the Company or the Global Coordinator and Book Running Lead Manager that would permit a public offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Placement Document or any other material relating to the Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of this Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "Notice to Investors", "Representations by Investors" and "Transfer Restrictions and Purchaser Representations" on pages 1, 3 and 149, respectively.

India

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to eligible and not exceeding 49 QIBs and is not an offer to the public. This Placement Document is neither a public issue nor a prospectus under the Companies Act or an advertisement and should not be circulated to any person other than to whom the offer is made. This Placement Document has not been and will not be registered as a prospectus with the Registrar of Companies in India.

Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("**ASIC**"), in relation to the Issue. This Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (the "**Corporations Act**"), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the Equity Shares may only be made to persons (the "**Exempt Investors**"), who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), to "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the Equity Shares without disclosure to investors under Chapter 6D of the Corporations Act.

The Equity Shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under this Issue, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring Equity Shares must observe such Australian on-sale restrictions.

This Placement Document contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this Placement Document is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Dubai International Financial Centre

This Placement Document relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This Placement Document is intended for distribution only to Persons of a type specified in those rules. It must not be delivered to, or relied on by, any other Person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The Equity Shares to which This Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

The Global Coordinator and Book Running Lead Manager has represented and agreed that it has not offered and will not offer the Equity Shares to any person in the Dubai International Financial Centre unless such offer is:

1. an "Exempt Offer" in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "**DFSA**"); and

2. made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") an offer to the public of any Equity Shares may not be made in that Relevant Member State, except that the Equity Shares may be offered to the public in that Relevant Member State at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to any legal entity which is a "qualified investor" as defined under the Prospectus Directive;

- by the Global Coordinator and Book Running Lead Manager to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Global Coordinator and Book Running Lead Manager for any such offer; or

- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Global Coordinator and Book Running Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Directive and each person who initially acquires Equity Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Global Coordinator and Book Running Lead Manager and the Company that it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression "**an offer of Equity Shares to the public**" in relation to any Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Issue and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "**Prospectus Directive**" means Directive 2003/71/EC (and any amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

In the case of any Equity Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, the Global Coordinator and Book Running Lead Manager will use its reasonable endeavors, by the inclusion of appropriate language in relevant offer documents, to procure that such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the Issue have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the Global Coordinator and Book Running Lead Manager has been obtained to each such proposed offer or resale.

The Company, the Global Coordinator and Book Running Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement, and agreement.

This Placement Document is an advertisement and is not a prospectus for the purposes of EU Directive 2003/71/EC.

Hong Kong

The Global Coordinator and Book Running Lead Manager has represented, warranted and agreed that:

1. it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Equity Share other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

2. it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each Underwriter has represented, warranted and agreed that the Equity Shares which it subscribes will be subscribed by it as principal and that, in connection with the offering made hereby, it will not, directly or indirectly, offer or sell any Equity Shares in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Kuwait

The Equity Shares have not been licensed for offering in Kuwait by the Ministry of Commerce and Industry or the Central Bank of Kuwait or any other relevant government agency in Kuwait. The offering of the Equity Shares in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Decree Law No. 31 of 1990, as amended, and Ministerial Order No. 113 of 1992, as amended. No private or public offering of the Equity Shares is being made in Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in Kuwait.

State of Qatar

The Equity Shares have not been and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Placement Document has not been reviewed or approved by or registered with the Qatar Central Bank or the Qatar Financial Markets Authority. This Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof.

Singapore

This Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Equity Shares may not be circulated or distributed, nor may any Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
(ii) where no consideration is or will be given for the transfer;
(iii) where the transfer is by operation of law; or
(iv) as specified in Section 276(7) of the SFA.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Placement Document is strictly private and confidential and is being distributed to a limited number of investors. This Placement Document must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose.

By receiving this Placement Document, the person or entity to whom it has been issued understands, acknowledges and agrees that none of the Equity Shares or the Placement Document have been approved by the U.A.E. Central Bank, the U.A.E. Ministry of Economy and Planning, the Securities and Commodities Authority ("**SCA**") or any other authorities in the United Arab Emirates, nor has the placement agent, if any, received authorisation or licensing from the U.A.E. Central Bank, the U.A.E. Ministry of Economy and Planning, the SCA or any other authorities in the United Arab Emirates to market or sell the Equity Shares within the United Arab Emirates. No marketing of the Equity Shares has been or will be made from within the United Arab Emirates and no subscription to the Equity

Shares may or will be consummated within the United Arab Emirates. It should not be assumed that the placement agent, if any, is a licensed broker, dealer or investment adviser under the laws applicable in the United Arab Emirates, or that it advises individuals resident in the United Arab Emirates as to the appropriateness of investing in or purchasing or selling securities or other financial products. The interests in the Equity Shares may not be offered or sold directly or indirectly to the public in the United Arab Emirates. This does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise.

Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only and nothing in this Placement Document is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice rendered on the basis of your situation.

United Kingdom

The Global Coordinator and Book Running Lead Manager represents, warrants and undertakes to the Company that:

1. it has complied and will comply with all applicable provisions of the Financial Services and Market Act 2000 (the "**FSMA**") with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom; and

2. it has only communicated or caused to be communicated and will only communicate or cause to be communicated in the United Kingdom any invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of the Equity Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company.

United States

The Equity Shares have not been and will not be registered under the U.S. Securities Act and subject to certain exceptions, may not be offered or sold within the United States. The Equity Shares are being offered and sold outside of the United States in reliance on Regulation S to persons who are able to make the representations and undertakings summarised under "Transfer Restrictions and Purchaser Representations". Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

In addition, until 40 days after the first date upon which the Equity Shares were bona fide offered to the public, an offer of the Equity Shares within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act.

Each purchaser of the Equity Shares will be deemed to have made the acknowledgements, representations and agreements described in the section titled "Transfer Restrictions and Purchaser Representations" on page 149 of this Placement Document.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Allottees are not permitted to sell the Equity Shares for a period of one year from the date of Allotment except through the Stock Exchanges. In addition to the above, allotments made to QIBs, including FVCIs, VCFs and AIFs in the Issue, may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. Accordingly, purchasers are advised to consult their own legal counsel prior to making any offer, re-sale, pledge or transfer of the Equity Shares.

General

Each purchaser of the Equity Shares, by accepting delivery of this Placement Document will be deemed to have represented, agreed and acknowledged that:

(i). It is purchasing the Equity Shares outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act.

(ii). It is relying on this document and not on any other information or the representation concerning the Company or the Equity Shares and neither the Company nor any other person responsible for this Placement Document or any part of it nor the Global Coordinator and Book Running Lead Manager will have any liability for any such other information or representation.

(iii). The Company, the Global Coordinator and Book Running Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from publicly available documents from various sources, including officially prepared materials from the SEBI, the BSE and the NSE, and has not been prepared or independently verified by the Company or the Global Coordinator and Book Running Lead Manager or any of its respective affiliates or advisors.

The Indian securities market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai.

Stock exchange regulations

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government of India acting through the Ministry of Finance, Stock Exchange Division, under the SCRA and the SCRR. The SCRA and the SCRR along with the rules, by-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner in which contracts are entered into, settled and enforced between members.

SEBI is empowered to regulate the business of Indian securities markets, including stock exchanges and intermediaries in the capital market, to promote and monitor self-regulatory organisations, to prohibit fraudulent and unfair trade practices and insider trading and to regulate substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants.

Listing of securities

The listing of securities on a recognised Indian stock exchange is regulated by applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various regulations and guidelines issued by the SEBI and the listing agreements of the respective stock exchanges. The governing body of each stock exchange is empowered to suspend trading of or dealing in a listed security for non-compliance or breach of a company's obligations under such listing agreement or for any other reason, subject to the company receiving prior notice of the intent of the exchange. SEBI also has the power to amend such equity listing agreements and the bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange.

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker, when triggered, brings about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or NIFTY of the NSE, whichever is breached earlier. In addition to the market-wide index-based circuit breakers, there are currently in place varying individual scrip-wide price bands.
Additionally, SEBI has notified the Securities and Exchange Board of India (Delisting of Shares) Regulations, 2009 altering the regime regarding the voluntary and compulsory delisting of shares of Indian companies from the Indian stock exchanges.

Minimum public shareholding

Pursuant to an amendment of the SCRR in June 2010, all listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25% and have been given a period of three years to comply with such requirement.

Stock exchanges in India

There are currently 20 recognised stock exchanges in India. Most of the stock exchanges have their own governing board for self-regulation. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalization, and trading activity. (*Source: SEBI website*)

BSE

Established in 1875, the BSE is the oldest stock exchange in India. In 1956 it became the first stock exchange in India to obtain permanent recognition from the Government under SCRA. It has evolved over the years into its present status as the premier stock exchange of India.

As of December, 2012 there were more than 3,500 listed companies trading on the BSE. In November, the average daily equity turnover on the BSE was Rs. 27,176.4 million. The estimated market capitalization of stocks trading on the BSE was Rs. 1.06 trillion as on May 15, 2012. (*Source: www.bseindia.com*)

NSE

The NSE was established by financial institutions and banks to serve as a national exchange and to provide nationwide on-line satellite-linked screen-based trading facilities with electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchange of India. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994 and operations in the derivatives segment in June 2000.

The NSE launched the NSE 50 index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996. The average daily turnover for December 2012 was Rs. 66,356.6 million. As of July, 2012, the NSE had 1,646 companies listed and the estimated market capitalisation for the capital market segment stood at approximately Rs. 1.2 trillion. The NSE has a wide network in major metropolitan cities and has a screen based trading and a central monitoring system. (Source: www.nseindia.com)

Internet-based securities trading and services

SEBI approved internet trading in January 2000. Internet trading takes place through order-routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" and the "derivatives" segments of the NSE.

Trading hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9:00 a.m. and 5:00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate with the trading hours.

Trading procedure

In order to facilitate smooth transactions, in 1995, the BSE replaced its open outcry system with the BSE Online Trading facility. This totally automated screen-based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothing settlement cycles and improving efficiency in back-office work.

The NSE has introduced a fully automated trading system called the "National Exchange for Automated Trading", or NEAT, which operates on a strict price/time priority besides enabling efficient trade. NEAT has provided depth in the market by enabling a large number of members all over India to trade simultaneously, narrowing the spreads.

Takeover Code

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the specific regulations in relation to substantial acquisition of shares and takeovers, being the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Code**"). Since the Company is an Indian listed company, the provisions of the Takeover Code apply to the Company. The Takeover Code came into effect on 22 October 2011 and replaced the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (the "**Takeover Code 1997**").

The key changes from the Takeover Code 1997 under the Takeover Code include:

- the trigger for making a public offer upon acquisition of shares or voting rights has been increased from 15% to 25%;
- every public offer has to be made for at least 26% of all the shares held by other shareholders;
- creeping acquisition of up to 5% is permitted up to a limit of 75% of the shares or voting rights of a company;
- acquisition of control in a target company triggers the requirement to make a public offer regardless of the level of shareholding and the acquisition of shares; and
- if the indirect acquisition of a target company is a predominant part of the business or entity being acquired, it would be treated as a direct acquisition.

Insider Trading Regulations

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended (the "**Insider Trading Regulations**") prohibit and penalise insider trading in India. An insider is, *inter alia*, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information. The Insider Trading Regulations also provide disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information in relation to securities of the company or any person reasonably expected to have access to unpublished price sensitive information and who is or was or is deemed to have been connected with the company.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, the SEBI framed the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended, which among other things provide regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depositary system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI. Derivatives products were introduced in phases in India, starting with futures contracts in June 2000 and index options, stock options and stock futures in June 2000, July 2001 and November 2001, respectively.

DESCRIPTION OF SHARES

Set forth below is certain information relating to the share capital of the Company, including a brief summary of some of the provisions of the Memorandum and Articles of Association and the Companies Act.

The following description of shares is subject to and qualified in its entirety by our Memorandum and Articles of Association and by the provisions of the Companies Act, which governs its affairs, and other applicable provisions of Indian law.

General

The Company's authorized share capital is Rs. 25,000 million divided into 12,344,000,000 Equity Shares of Rs. 2 each and 3,120,000 preference shares of Rs. 100 each. As on the date of this Placement Document, the Company's issued, subscribed and paid up capital is Rs. 4,309.76 million divided into 2,154,878,749 Equity Shares of Rs. 2 each.

For the purposes of this section, "Shareholder" means a holder of an Equity Shares registered as a member in the register of members of the Company.

Division of shares

The Companies Act provides that a company may subdivide its share capital if so authorized by its articles of association, by an ordinary resolution passed in its general meeting.

The Articles of Association allow the Company to consolidate and/or divide all or part of its issued securities.

Dividends

Under the Companies Act, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the members, who have the right to decrease but not to increase the amount of the dividend recommended by the board of directors. However, the board of directors is not obligated to recommend a dividend. According to our Articles of Association, the Company in a general meeting, may, subject to Section 205 of the Act declare dividends. Dividends shall be paid in accordance with the respective rights and interests of members of the Company and subject to the Companies Act. Under the equity listing agreements of the respective stock exchanges, listed companies are mandated to declare dividend on per share basis only. Subject to certain conditions specified in the Companies Act, no dividend can be declared or paid by a company for any financial year except out of the profits of the company determined in accordance with the provisions of the Companies Act or out of the undistributed profits or reserves of prior Fiscal or out of both, calculated in accordance with the provisions of the Companies Act. The Directors may from time to time pay to the members such interim dividends as may appear to it justified by the position of the Company. Under the Companies Act, dividends can only be paid in cash to shareholders listed on the register of shareholders or those persons whose names are entered as beneficial owners in the record of the depository on the date specified as the "record date" or "book closure date".

Dividend must be paid to the shareholder within 30 days from the date of declaration of the dividend under the Companies Act. No unpaid or unclaimed dividend shall be forfeited unless the claim thereto becomes barred by law. The Company shall comply with the provisions of sections 205A of the Companies Act in respect of unpaid or unclaimed dividend. Where the Company had declared a dividend but which has not been paid or claimed, or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder, entitled to the payment of the dividend, the Company shall within seven days from the date of expiry of the said period of 30 days transfer to a special unpaid dividend account held at a scheduled bank, the total amount of the dividend which remains unpaid or in relation to which no dividend warrant has been posted. For details of the dividend paid by the Company in past three financial years, please refer to "*Dividend Policy*".

Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous Fiscal or out of both in compliance with the provisions of Companies (Declaration of Dividend out of Reserves) Rules, 1975. Under the Companies Act, a company may pay a dividend in excess of 10% of paid-up capital in respect of any year out of the profits of that year only after it has transferred to the reserves of the company a percentage of its profits for that year, ranging between 2.5% to 10% depending on the rate of dividend proposed to be declared in that year. The Companies Act further provides that if the profit for a year is insufficient, the dividend for that year may be declared out of the accumulated profits earned in previous years and transferred to reserves, subject to the following conditions: (i) the rate of dividend to be declared may not exceed the lesser of the average of the rates at which dividends were declared in the five years immediately preceding the year, or 10% of paid-up capital; (ii) the total amount to be drawn from the accumulated profits from previous years may not exceed an amount equivalent to 10% of paid-up capital and reserves and the amount so drawn is first to be used to set off the losses incurred in the financial year before any dividends in respect of preference shares or shares; and (iii) the balance of reserves after withdrawals must not be below 15% of paid-up capital.

Capitalization of Reserves and Issue of Bonus Shares

The Company in general meeting may, upon the recommendation of the Board, capitalise any part of the amount for the time being standing in credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution. The Articles of Association of the Company provide that such sums should not be paid in cash but shall be applied, either in or towards (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; or (ii) paying up in full unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in proportions or (iii) partly both of the above mentioned options.

In addition to permitting dividends to be paid out of current or retained earnings, the Companies Act permits a company to distribute an amount transferred from the general reserve or surplus in its profit and loss account to its shareholders in the form of bonus shares, which are similar to a stock dividend. The Companies Act also permits the issue of bonus shares from a share premium account. Bonus shares are distributed to shareholders in the proportion of the number of shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to guidelines issued by SEBI.

The relevant SEBI guidelines and regulations prescribe that no company shall, pending conversion of convertible securities, issue any shares by way of bonus unless similar benefit is extended to the holders of such convertible securities, through reservation of shares in proportion to such conversion. Further, as per the Companies Act, for the issuance of bonus shares a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The bonus issue must be made out of free reserves built out of genuine profits or share premium account collected in cash only. The issuance of bonus shares must be implemented within two months from the date of approval by the board of directors, in the event such an issue requires prior shareholder approval.

Pre-Emptive Rights and Alteration of Share Capital

The Companies Act gives the shareholders the pre-emptive right to subscribe for new shares in proportion to their respective existing shareholdings unless the shareholders elect otherwise by a special resolution. The offer must include: (a) the right, exercisable by the shareholders of record, to renounce the shares offered in favour of any person; and (b) the number of shares offered and the period of the offer, which may not be less than 15 days from the date of offer. If the offer is not accepted it is deemed to have been declined.

The Articles of the Company provide that the Company from time to time, by ordinary resolution:

- Increase or reduce the authorized share capital of the Company;
- Issue preference shares that are redeemable or convertible to equity shares, mandatorily or otherwise;
- Consolidate and divide all or part of, of its issued securities;
- Convert all or any of its fully paid up shares into stock and re-convert that stock into fully paid up shares of any denomination;

- cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and reduce its share capital by the amount of share so cancelled.

General Meetings of Shareholders

In accordance with section 166 of the Companies Act, a company must hold its annual general meeting each year within 15 months of the previous annual general meeting or within six months after the end of each accounting year, whichever is earlier, unless extended by the Registrar of Companies at the request of the Company for any special reason.

The Articles of Association of the Company provide that the board of directors may, whenever it thinks fit, call an extraordinary general meeting. Notice convening a meeting should set out the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat and must be given to members at least 21 days prior to the date of the proposed meeting in accordance with section 171 of the Companies Act. The accidental omission to give notice of any meeting to or the non-receipt of any, notice by the member or other person to whom it should be given shall not invalidate the proceedings at the meetings. The chairman of the Board of Directors of the Company shall preside over the general meetings of the Company and shall have a casting vote.

Quorum

The Articles of the Company provide that a quorum of a general meeting is five members present in person.

Voting Rights

Every member present in person shall have one vote and on poll, the voting rights shall be as laid down in section 87 of the Companies Act, subject to any rights or restrictions for the time being attached to any class or classes of shares.

The instrument appointing a proxy is required to be lodged with the Company at least 48 hours before the time of the meeting. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by the Company at the office before the vote is given.

Postal ballot

Under the provisions of the Companies Act, the Government has framed rules for listed companies for voting by postal ballot instead of transacting the business in a general meeting of the company, in the case of resolutions including resolutions for alteration of the objects clause in the company's memorandum of association, buy-back of shares, issue of shares with differential voting rights, a sale of the whole or substantially the whole of an undertaking of a company, giving loans and extending guarantees in excess of prescribed limits, for change of the registered office of the company in certain circumstances and for variation in the rights attached to a class of shares or debentures. The resolution passed by means of postal ballot shall be deemed to have been duly passed at a general meeting physically convened. A notice to all the shareholders has to be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the notice. Postal voting includes voting in electronic form.

Registration of Transfers and Register of Members

The Company is required to maintain a register of members wherein the particulars of the members of the Company are entered. For the purpose of determining the shareholders the register may be closed, subject to 21 days prior notice by advertisement, for such period not exceeding 45 days in any one year or 30 days at any one time at such times, as the Board of Directors may deem expedient in accordance with the provisions of the Companies Act. Under the listing agreements of the stock exchanges on which the Company's outstanding shares are listed, the Company may, upon at least seven days' advance notice to such stock exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of Equity Shares and the delivery of certificates in respect thereof may continue while the register of shareholders is closed.

Directors

The Articles of the Company provide that the total number of directors of the Company shall not be less than three and not be more than 20. The directors shall be appointed by the Company in a general meeting subject to the provisions of the Companies Act and the Articles of Association.

The Company may by ordinary resolution increase or reduce the number of its directors subject to the provisions of section 259 of the Companies Act. The directors shall have power to appoint any person as a Director to the Board so that the total number of Directors shall not at any time exceed the maximum number fixed. However, any Director or Directors so appointed shall hold office only until the next following Annual General Meeting of the Company and shall then be eligible for re-election. Further, whenever the Directors deem expedient, in the interest of the Company, they may co-opt any one or more persons as a special or technical director for such time and for such remuneration as the Board may determine, subject to Section 314 of the Companies Act. Pursuant to the Companies Act not less than two-thirds of the total numbers of directors shall be persons whose period of office is subject to retirement by rotation and one third of such directors, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office at every annual general meeting. The directors to retire are those who have been the longest in the office since their last appointment. The retiring Directors shall be eligible for re-appointment.

Our Articles of Association also provide that certain of our lenders retain the right to appoint their nominees as Directors on the Board as long as they hold debentures of the Company, or have extended credit facilities to the Company. Such nominee Directors cannot be removed by the Board of Directors and shall not be required to hold any qualification shares. Such nominee Directors may also be appointed by trustees for debentures issued by us on a public issue or private placement basis.

Annual Report and Financial Results

As per our Articles of Association, the director's report, audited statement of accounts, auditors' report and the register of director's holding maintained under Section 307 of the Companies Act is to be laid before the annual general meeting of the Company. Under the Companies Act, a company must file the annual report with the Registrar of Companies within 30 days from the date of the annual general meeting. As required under the listing agreements with the stock exchanges, copies are required to be simultaneously sent to the stock exchanges. The Company must also file its financial results in at least one English language daily newspaper circulating the whole or substantially the whole of India and also in a newspaper published in the language of the region where the registered office of the Company is situate. The Company files certain information on-line, including its Annual Report, financial statements and the shareholding pattern statement, in accordance with the requirements of the listing agreements and as may be specified by SEBI from time to time.

Transfer of shares

Following the introduction of the Depositaries Act, and the repeal of Section 22A of the SCRA, which enabled companies to refuse to register transfer of shares in some circumstances, the equity shares of a public company became freely transferable, subject only to the provisions of Section 111A of the Companies Act. Since the Company is a public company, the provisions of Section 111A will apply to it. Furthermore, in accordance with the provisions of Section 111A(2) of the Companies Act, the Board may exercise their discretion if they have sufficient cause to do so. If the Board, without sufficient cause, refuse to register a transfer of shares within two months from the date on which the instrument of transfer or intimation of transfer, as the case may be, is delivered to the company, the shareholder wishing to transfer his, her or its shares may file an appeal with the Company Law Board ("**CLB**") and the CLB can direct the company to register such transfer.

Pursuant to Section 111A(3), if a transfer of shares contravenes any of the provisions of the SEBI Act, or the regulations used thereunder or the SICA or any other Indian laws, the CLB may, on application made by the company, a depositary, a participant, an investor or the SEBI, within two months from the date of transfer of any shares or debentures held by a depositary or from the date on which the instrument of transfer or the intimation of the transmission was delivered to the company, as the case may be, after such inquiry as it thinks fit, direct the rectification of the register of records. The CLB may, in its discretion, issue an interim order suspending the voting rights attached to the relevant shares before making or completing its investigation into the alleged contravention. Further, the provisions of Section 111A do not restrict the right of a holder of shares or debentures to transfer such shares or debentures and any person acquiring such shares or debentures shall be entitled to voting rights unless the voting rights have been suspended by the CLB.

By the Companies (Second Amendment) Act, 2002, the CLB is proposed to be replaced by the National Company Law Tribunal ("**NCLT**"), which is expected to be set up shortly. All powers of the CLB would then be conferred on the NCLT. Further, the SICA is sought to be repealed by the Sick Industrial Companies (Special Provisions) Repeal Act, 2003. However, this Act has not yet been brought into force.

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. The Company has entered into agreements for such depository services with the National Securities Depository Limited and the Central Depository Services India Limited. SEBI requires that the Company's shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the listing agreements, in the event the Company has not effected the transfer of shares within one month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of one month, the Company is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay.

Acquisition by the Company of its own Shares

Sections 77A, 77AA and 77B of the Companies Act empowers a company to purchase its own shares or other specified securities out of its free reserves, or the securities premium account or the proceeds of the issue of any shares or other specified securities (other than from the proceeds of an earlier issue of the same kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back should be authorized by the articles of association of the company;
- a special resolution has been passed in the general meeting of the company authorizing the buy-back;
- the buy-back in a financial year should be limited to 25% of the total paid-up capital and free reserves;
- all the shares or other specified securities for buy-back are fully paid-up;
- the debt owed by the company is not more than twice the capital and free reserves after such buy-back; and
- the buy-back is in accordance with the Securities and Exchange Board of India(Buy-Back of Securities) Regulation, 1998.

The requirement of special resolution mentioned above would not be applicable if the buy-back is for less than 10% of the total paid-up equity capital and free reserves of the company and provided that such buy-back has been authorized by the board of directors of the company. A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buy-back. Further, a company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back and to issue securities for six months. Every buy-back must be completed within a period of one year from the date of passing of the special resolution or resolution of the board of directors, as the case may be. A company is also prohibited from purchasing its own shares or specified securities through any subsidiary company, including its own subsidiary companies, or through any investment company (other than a purchase of shares in accordance with a scheme for the purchase of shares by trustees of or for shares to be held by or for the benefit of employees of the company) or if the company is defaulting on the repayment of deposit or interest, redemption of debentures or preference shares or payment of dividend to a shareholder or repayment of any term loan or interest payable thereon to any financial institution or bank, or in the event of non-compliance with certain other provisions of the Companies Act.

Secrecy Clause

As per the Articles of Association, subject to the provisions of the Companies Act, no member shall be entitled to enter upon the property of the Company or to inspect or examine the premise or properties of the Company without the permission of the Board or require discovery or information respecting a detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other process which may relate to the conduct of business of the Company and which in the opinion of the Board will be inexpedient in the interest of the Company to communicate.

Liquidation Rights

The Articles of the Company provide that if the Company shall be wound up, and the assets available for distribution among the members as such are insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. If in the winding up of the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital, at the commencement of the winding up, paid up or which ought to have been paid up on the shares held by them respectively. This would be without prejudice to the rights of the holders of the shares issued upon special terms and conditions.

Disclosure of ownership interest

Section 187C of the Companies Act requires beneficial owners of shares of Indian companies who are not holders of record to declare to that company the details of the holder of record and the holder of record to declare details of the beneficial owner. Any lien, promissory note or other collateral agreement created, executed or entered into with respect to any Equity Share by its registered owner, or any hypothecation by the registered owner of any equity share, shall not be enforceable by the beneficial owner or any person claiming through the beneficial owner if such declaration is not made. Failure by a person to comply with Section 187C will not affect the Company's obligation to register a transfer of shares or to pay any dividends to the registered holder of any shares in respect of which the declaration has not been made.

TAXATION

As per the present provisions of Income-tax Act, 1961 (hereinafter referred to as ("the **I.T. Act**") and other laws as applicable for the time being in force in India, the following tax benefits are available to the company and to the shareholders of the company, subject to fulfillment of prescribed conditions:

A. To the company under the Income Tax Act, 1961 ('the I. T. Act')

1) Under section 32 of the I.T. Act, the company is entitled to claim depreciation allowance at the prescribed rates on all its tangible and intangible assets acquired and put to use for its business.

2) The Company is entitled for a tax Holiday under Section 80 IA of the Income Tax Act for a period of 10 consecutive assessment years out of any 15 years beginning from the year in which generation of power is commenced. Under this Section the Company is entitled to a deduction of 100% of the Profits and Gains derived from the eligible business of Power Generation from its total income in respect of all Captive Power Plants of the Company.

3) Under section 10(34) of the Act, dividend income (whether interim or final) received by the company from any other domestic company (in which the company has invested) is exempt from tax in the hands of the company.

4) The income received by the company in respect of Units from distribution made by any mutual fund specified under section 10(23D) of the I.T.Act or from the Administrator of the specified undertaking or from the specified company is exempt from tax in the hands of the company under section 10(35) of the Act.

5) In accordance with and subject to the provisions of section 35, the company would be entitled to deduction in respect of expenditure laid out or expended on scientific research related to the business.

6) Under section 10(38) of the Act, the long-term capital gains arising from transfer of equity shares in any other company or units of equity oriented mutual funds, which are chargeable to securities transaction tax (0.1 %), are exempt from tax in the hands of the company. However, the said exemption will not be allowable as deduction from book profits under section 115JB of the Act.

7) As per the provisions of section 112(1)(b) of the Act, other long-term capital gains arising to the company are subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, as per the proviso to that section, the long-term capital gains resulting from transfer of listed securities or units or zero coupon bonds are subject to tax at the rate of 20% worked out after considering indexation benefit (plus applicable surcharge and education cess), which would be restricted to 10% worked out without considering indexation benefit (plus applicable surcharge and education cess).

8) As per the provisions of section 111A of the Act, short-term capital gains arising to the company from transfer of equity shares in any other company or of units of any equity oriented fund (as defined in section 10(38) of the Act), are subject to tax @ 15% (plus applicable surcharge and education cess), if such a transaction is subjected to securities transaction tax.

9) In accordance with and subject to the conditions specified in section 54EC of the Act, the company would be entitled to exemption from tax on long-term capital gain if such capital gain is invested maximum investment permitted is rupees fifty lakhs, in any of the long term specified assets (hereinafter referred to as the "**new asset**") to the extent and in the manner prescribed in the said section. However if the new asset is transferred or converted into money or takes any loan or advance on the security of such specified assets at any time within a period of three years from the date of its acquisition, the amount of capital gains for which exemption is availed earlier, would become chargeable to tax as long term capital gains in the year in which such new asset is transferred or converted into money.

10) The Company as to pay taxes under Section 115 JB of the Act if the tax computed under Section 115 JB (which is 18.5 % plus applicable surcharge and education cess) is higher than the tax under the normal provisions of the Act. Under section 115JAA(1A) of the Act, credit is allowed in respect of any minimum alternate tax ('MAT') paid under section 115JB of the Act for any assessment year commencing on or after April 1, 2006. Tax credit eligible to be allowed will be the difference between MAT paid and the tax computed as per the normal provisions of the Act for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes for up to 10 years succeeding the year in which the MAT credit is allowed.

B. To the shareholders of the Company

I. Mutual Funds

In case of a shareholder being a mutual fund, as per the provisions of section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder, mutual funds set up by public sector banks or public financial institutions and mutual funds authorised by the Reserve Bank of India are exempt from income-tax, subject to the conditions notified by Central Government in this regard.

II. Venture Capital Companies /Funds

In case of a shareholder being a Venture capital company / fund, any income of venture capital companies/ funds registered with the Securities and Exchange Board of India, are exempt from income-tax, subject to the conditions specified in section 10(23FB) of the Act.

III. Non-Resident Member

1) Dividend (both interim and final) income, if any, received by the non-resident/non-resident Indian shareholders from the domestic company shall be exempt under section 10(34) of the Act.

2) Under section 10(38) of the Act, the long-term capital gain arising from transfer of equity shares in the company, which is chargeable to securities transaction tax, is exempt from tax in the hands of the shareholders.

3) As per the provisions of section 112(1)(a) of the Act, other long-term capital gains are subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, as per proviso to that section, the long-term capital gains arising from transfer of listed securities are subject to tax at the rate of 20% after considering the indexation benefit (plus applicable surcharge and education cess), which would be restricted to 10% of long term capital gains without considering the indexation benefit (plus applicable surcharge and education cess).

4) As per the provisions of section 111A of the Act, short-term capital gains arising to the shareholders from the transfer of equity shares in a company defined in section 10(38) of the act, are subject to tax @ 15% (plus applicable surcharge and education cess) if such a transaction is subjected to Securities Transaction Tax.

5) As per the provisions of section 88E of the Act, where the business income of an assessee includes profits and gains from sale of securities liable to securities transaction tax, a rebate is allowable from the amount of income tax on such business income, to the extent of securities transaction tax paid on such transactions. The amount of rebate shall, however, be limited to the amount of income tax arrived at by applying the average rate of income tax on such business income.

6) In accordance with and subject to the conditions specified in section 54EC of the Act, the shareholders would be entitled to exemption from tax on long-term capital gains if such capital gains are invested maximum investment permitted is rupees fifty lakhs, in any of the

long-term specified assets (hereinafter referred to as the "**new asset**") to the extent and in the manner prescribed in the said sections. If the new asset is transferred or converted into money or takes loan or advance on the security of such specified assets at any time within a period of three years from the date of its acquisition, the amount of capital gains for which exemption is availed earlier, would become chargeable to tax as long term capital gains in the year in which such new asset is transferred or converted into money.

7) In case of a shareholder being an individual or a hindu undivided family, in accordance with and subject to the conditions and to the extent provided in section 54F of the Act, the shareholder is entitled to exemption from long-term capital gains arising from the transfer of any long term capital asset, not being on residential house if the net consideration is invested for purchase or construction of a residential house. If part of the net consideration is invested within the prescribed period in a residential house, such gains would not be chargeable to tax on a proportionate basis. If, however, such new residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains for which the exemption was availed earlier would be taxed as long-term capital gains in the year in which such residential house is transferred.

8) As per section 74, short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

9) Under first proviso to section 48 of the Act, the capital gains arising on transfer of capital assets being shares of an Indian company to a non-resident/non-resident Indian shareholder, need to be computed by converting the cost of acquisition, expenditure in connection with such transfer and full value of the consideration received or accruing as a result of the transfer into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation is not available to non resident shareholders.

10) As per section 90(2) of the Act, the provisions of the I.T.Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the non-resident/nonresident Indian shareholder. Thus, a non resident/ non-resident Indian shareholder can opt to be governed by the beneficial provisions of an applicable tax treaty.

IV. Foreign Institutional Investors (FIIs)

1) Dividend (both interim and final) income, if any, received by the shareholder from the domestic company shall be exempt under section 10(34) of the Act.

2) Capital gains

- Under section 115AD, income (other than income by way of dividends referred in section 115-O) received in respect of securities (other than units referred to in section 115AB) shall be taxable at the rate of 20% (plus applicable surcharge on tax and education cess on tax and surcharge).
- Under section 115AD, capital gains arising from transfer of securities (other than units referred to in section 115AB) which are not exempt under section 10(38), shall be taxable as follows:
- Securities which are held for the period of upto or less than twelve months and where such transaction is chargeable to securities transaction tax, capital gain shall be taxable at the rate of 15% (plus applicable surcharge on tax and education cess on tax and surcharge). Securities other than those held for the period of upto or less than twelve months and where such transaction is not chargeable to securities transaction tax, capital gain shall be taxable at the rate of 30% (plus applicable surcharge on tax and education cess on tax and surcharge); Securities which are held for the period of

more than twelve months shall be taxable at the rate of 10% (plus applicable surcharge on tax and education cess on tax and surcharge). Such capital gains would be computed without giving effect of first proviso and without indexation as provided in the second proviso to section 48.

3) Long-term capital gains arising on transfer of Equity Shares of our Company, which is held for the period of more than twelve months and where such transaction is chargeable to securities transaction tax, shall be exempt from tax under section 10(38) of the Act.

4) Benefit of exemption under section 54EC shall be available as outlined in paragraph B(III)(6) above.

5) Benefit as outlined in paragraph A(8) above are also available to FIIs.

6) As per section 90(2) of the Act, the provisions of the I.T. Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the non-resident. Thus, a non-resident can opt to be governed by the beneficial provisions of an applicable tax treaty.

Note: There is a legal uncertainty over whether a FII can elect to be governed by the normal provisions of the Act, instead of the provisions of section 115AD. Investors are advised to consult their tax advisors in this regard.

C Tax Treaties

The provisions of the Agreement for Avoidance of Double Taxation entered into by the Government with the country of residence of the non-resident investor will be applicable to the extent they are more beneficial to the non-resident investor. The non-resident investor claiming the beneficial provisions of the tax treaty would be required to demonstrate its tax residency on the basis of appropriate documentation. Further, subsequent to the changes introduced by the Finance Act 2012, it may be necessary for a non-resident tax payer to submit a tax residency certificate containing prescribed particulars in order to claim the benefits of the tax treaty (in addition to other documents which may be required). The Finance Act 2012 has also introduced GAAR provisions which give powers to tax authorities to override tax treaties to prevent treaty abuse and bring certain cross border transactions under the taxation regime. However, it cannot be said with any reasonable certainty as to when the proposed GAAR provisions will be applicable.

D Stamp Duty

Under the laws of India, the transfer of ordinary shares in physical form would be subject to Indian stamp duty at the rate of 0.25 per cent. of the market value of the ordinary shares on the trade date, and such stamp duty is customarily borne by the transferee, that is, the purchaser. In order to register a transfer of shares in physical form, it is necessary to present a stamped deed of transfer. However, since the Shares are compulsorily deliverable in dematerialised form there would be no stamp duty payable in India on the transfer of these Shares in dematerialised form. There is no stamp duty liability on the sale or transfer of Bonds outside India.

E. Service Tax

Brokerage or commissions paid to stock brokers in connection with the sale or purchase of shares listed on a recognised stock exchange in India are subject to a service tax of 12 per cent. plus education cess of 2 per cent. and secondary and higher education cess of 1 per cent. The stockbroker is responsible for collecting the service tax and paying it to the relevant authority.

F. Benefits available under the Wealth Tax Act, 1957

'Asset' as defined under Section 2(ea) of the Wealth Tax Act, 1957, does not include share in companies. Hence, the shares in companies are not liable to Wealth Tax.

G. Benefits available under the Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, any gift of shares will not attract gift tax.

Notes:

1) All the above benefits are as per the current tax law. Shareholder is advised to consider in their case, the tax implications of any new enactments, which may change / modify the law.

2) In view of the nature of tax consequences, being based on all the facts, in totality, of the investors, each investor is advised to consult his/her/its own tax advisor with respect to specific tax consequences.

3) The statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.

In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the double taxation avoidance agreements, if any, between India and the country in which the non-resident has physical domicile

LEGAL PROCEEDINGS

Except as described below, we are not involved in any material legal proceedings, no proceedings are threatened, and no notices have being issued by any regulatory or governmental authority, which may have, a material adverse effect on our business, properties, financial condition or operations.

Competition Commission matters

1. A case was filed against the Company by Mr. Sunil Bansal, Mr. Anil Bansal and Mr. Pawan Bansal ("**Informants**") before the Competition Commission of India ("**CCI**"), pursuant to an order of the CCI dated November 22, 2011, wherein it was alleged that the Company abused its dominant position with respect to its project styled as Jaypee Greens, "Sun Court Apartments" at Surajpur Kasna Road, Greater Noida. Further, it was alleged that the Company made misrepresentations and devised a standard application form, which stipulated arbitrary standard terms and conditions that are onerous to all buyers. The Informants sought the imposition of an appropriate penalty under section 4(2)(a)(ii) and section 4(2)(e) of the Competition Act, 2002, as amended ("**Competition Act**"). The Informants also filed an interim application dated December 15, 2011 under section 33 of the Competition Act read with regulation 31 of the Competition Commission of India (General) Regulations, 2009, which was dismissed by the CCI on January 12, 2012. The Company had filed an application dated January 11, 2012 under section 45 of the Competition Act requesting for appropriate proceedings to be initiated against the informant. The application is currently pending. The DG requested for an extension of time for the submission of its report, which was accepted by the CCI on February 14, 2012. Further, three more cases were filed against the Company on similar grounds, by Mr. Deepak Kapoor, Mr. Tarsem Chand and Mr. Sanjay Bhargava, the former being admitted by the CCI on March 27, 2012, and the latter two on November 7, 2012. These matters have been clubbed pursuant to an order of the CCI dated November 7, 2012, and are currently pending a common investigation before the office of the Director General, CCI.

2. The CCI issued a notice dated December 13, 2012 to the Company in relation to the alleged existence of a cartel amongst certain asbestos cement products manufacturers in India, including the Company. The CCI has further decided to conduct an investigation in the abovementioned matter and advised the Company to furnish information in this regard for the period from April 1, 2008 to October 31, 2012. The Company has requested for an extension of the time from the CCI to provide the required information. The matter is currently pending.

3. The Competition Commission of India ("**CCI**") passed an order on June 20, 2012 in relation to a complaint filed by the Builders Association of India (the "**BAI**") against the Cement Manufacturers' Association (the "**CMA**") and 11 other cement manufacturers, including the Company (collectively, the "**Respondents**"), on July 26, 2010 before the CCI. The CCI held the Respondents guilty of cartelization in the cement industry and as a result, imposed a penalty, at the rate of 0.5 times the net profit for the financial years 2009-2010 and 2010-2011, amounting to Rs.13,236 million on the Company. Accordingly, the CCI has also imposed a fine on CMA at 10% of its total receipts for the past two years for its role in providing the platform from which the cement manufacturer's cartel activity took place. The CCI had ordered an investigation into the conduct of the cement manufacturers and the director general of the CCI submitted a report detailing the contraventions by the said cement manufacturers, including the Company. The Company has filed an appeal against the said order before the Competition Appellate Tribunal. While the Competition Appellate Tribunal has, by its order dated September 13, 2012 and October 11, 2012, ordered that no coercive steps be taken against the Company for recovery of penalty imposed, the matter is currently pending.

SEBI - Insider trading matters

1. SEBI, by an adjudication order dated January 5, 2012, charged Mr. Harish K. Vaid, Senior President (Corporate Affairs) and the company secretary of the Company, and Harish Vaid - HUF, of which Mr. Harish K. Vaid is the Karta, for violation of regulation 3 of the PIT Regulations. It was alleged that based on certain unpublished price sensitive information communicated by Mr. Harish K. Vaid, Harish K. Vaid - HUF purchased 500 shares of the

Company valued at Rs. 37,500 and sold the same on the very next day at Rs. 40,000. SEBI therefore imposed a penalty of Rs. 1 million on each party, against which the parties filed an appeal before SAT. SAT, pursuant to an order passed on October 3, 2012, did not allow the appeal and upheld the penalty imposed by SEBI. The parties are in the process of taking recourse through legal remedies available to them under law.

2. SEBI, by an adjudication order dated January 5, 2012, charged Mr. S.D. Nailwal for violation of regulation 3 of the PIT Regulations. It was alleged that Mr. S.D. Nailwal, based on certain unpublished price sensitive information, purchased 1,000 shares of the Company valued at Rs. 81,640 during the period when the trading window was closed. SEBI therefore imposed a penalty of Rs. 2 million on Mr. S.D. Nailwal, against which he filed an appeal before SAT. SAT, pursuant to an order passed on October 3, 2012, did not allow the appeal and upheld the penalty imposed by SEBI. Mr. Nailwal is in the process of taking recourse through legal remedies available to them under law.

Investigation by the Directorate of Enforcement

1. The Directorate of Enforcement, Ministry of Finance-Revenue (the "**ED**") by a letter dated February 12, 2008 initiated an investigation against the Company and asked the Company to furnish details regarding any issuance of ADRs, GDRs or FCCBs that had happened since 2004 along with other documents and clarifications. The Company replied to the letter on May 21, 2008 providing the documents that the ED had requested for, pursuant to which the ED issued summons dated July 11, 2008, summoning the Company's Director, Finance, to personally appear on July 21, 2008 and furnish further information in relation to the three FCCB issuances undertaken by the Company ("**FCCB Issuances**"). Thereafter, the Company provided the additional documents and information on July 21, 2008. During the period between October 2008 and February 2009, there were further correspondences between the ED and the Company on various matters in relation to the FCCB Issuances and related U.S.$ expenditures. Subsequently, the Company's Director, Finance, was once again summoned for personal appearance by summons dated February 25, 2009 and thereafter the Company provided the additional documents and information requested by the ED between March 12, 2009 and June 12, 2009.

   Further, the ED issued summons dated July 8, 2009 to the Director, Finance for a personal appearance and also requested information with respect to the utilisation of proceeds of the FCCB Issuances. The Company by letters dated July 15, 2009 and July 29, 2009 provided the documents and information. On November 30, 2009, the ED once again issued summons to the managing director to appear in person. The Company's legal counsel by letter dated December 31, 2009 responded to the queries raised by the ED pursuant to which the ED again issued summons dated September 22, 2010 for the managing director to appear in person along with details with respect to, amongst others, regarding the Company's sister concerns, profiles of the companies that subscribed to the FCCB Issuances and the returns in relation to external commercial borrowings filed with Reserve Bank of India. The Company replied to the ED with all information and documents by letters dated October 25, 2010 and November 4, 2010 and thereafter the ED by its letter dated July 31, 2012 asked the Company to provide details with respect to the money parked outside India, securities given to investments from outside India, investments in real estate and vehicles imported. The Company responded to the queries by a letter dated August 1, 2012. Subsequently, the ED issued summons to the Company on September 4, 2012, pursuant to which our Director appeared on September 17, 2012, October 3, 2012 and October 4, 2012 and additional information was provided by the Company by a letter dated October 11, 2012. There has been no further correspondence between the Company and the ED.

Criminal matters

1. Mr. Sunny Gaur has filed a criminal revision petition against the State of Madhya Pradesh and Mr. Vinod Mishra, under section 397 read with section 401 of the Code of Criminal Procedure, 1973 ("**Cr.PC**") against the order dated July 3, 2012 passed by the Sessions Court, Rewa impleading Mr. Sunny Gaur as an accused under section 319 of the Cr.PC. The present revision case arises out of an incident of shooting in the vicinity of the Company's factory premises in

the year 2007 leading to the death of one person. Thereafter, one of the respondents moved an application under section 319 of the Cr.PC before the Sessions Court praying for impleading Mr. Sunny Gaur and seven other persons. The Sessions Court, by its order dated July 3, 2012, partly allowed the application by impleading only Mr. Sunny Gaur. The present criminal revision petition has been filed for quashing of the above order. The High Court of Madhya Pradesh, by its order dated July 13, 2012, has stayed the order of the Sessions Court.

Further, Mr. Inderjeet Singh and others have filed a miscellaneous criminal writ petition in the year 2011 against the State of Madhya Pradesh and others before the Madhya Pradesh High, praying for a direction to the investigating authorities to conclude investigation and submit a supplementary charge sheet against certain respondents, including Mr. Sunny Gaur as an accused in relation to an incident of shooting in the premises of the Company's factory in the year 2007, which had resulted in the death of Mr. Raghvendra Singh Patel on September 22, 2007.

The High Court of Madhya Pradesh, by its order dated September 14, 2012, has agreed to hear the abovementioned criminal revision petition and the miscellaneous criminal revision petition together. The matter is currently pending.

2. Mr. Sunny Gaur and others as Directors and officers of the Company respectively, have filed a criminal revision petition in the year 2007 before the Madhya Pradesh High Court against the regional officer of the Madhya Pradesh Pollution Board and another, praying that the complaint case number 2238 of 2005 before the Chief Judicial Magistrate, Rewa alleging that quarrying operations had commenced on January 1, 2005 when the license was issued only from January 6, 2005 be quashed. In the interim, the High Court of Madhya Pradesh has stayed proceedings in the matter by its order dated March 21, 2007. The matter is currently pending.

3. Mr. Sunny Gaur and others as Directors and officers of the Company respectively, have filed criminal revision petitions in the year 2007 before the Madhya Pradesh High Court against the regional officer of the Madhya Pradesh Pollution Board and another, praying that the complaint case number 2237 of 2005 before the Chief Judicial Magistrate, Rewa alleging that there was excessive quarrying between the period of 1995 and 2005, thereby resulting in a violation of the Environmental Protection Act, 1986 be quashed. In the interim, the High Court of Madhya Pradesh has stayed proceedings in the matter by its order dated March 21, 2007. The matter is currently pending.

4. Mr. Sarvesh Singh and others have filed a writ petition in the year 2007 against the State of Madhya Pradesh and others before the Madhya Pradesh High Court, including Mr. Manoj Gaur and Mr. Sunny Gaur, alleging negligence of the respondents in relation to a demonstration of certain villagers which took place at the premises of a factory owned by the Company, wherein a shooting took place and resulted in the accidental death of Mr. Raghvendra Singh Patel on September 22, 2007. The Petitioners prayed for a direction to arrest Mr. Manoj Gaur and Mr. Sunny Gaur in relation to the incident for alleged abuse of power. Our Company has filed its response in the matter stating that, as was concluded post the police investigation, the death was caused accidentally due to action taken by two security guards in the employment of the Company in order to try and control the demonstration which had turned violent and the allegations against Mr. Manoj Gaur and Mr. Sunny Gaur are false. Further, the respondents have also submitted that the investigation conducted by the police show that allegations against the respondents are not true. The matter is currently pending.

5. Mr. Akhilesh Pandey has filed a criminal complaint against Mr. Sunny Gaur and others before the Judicial Magistrate, Rewa on February 27, 2006, under section 200 of the Code of Criminal Procedure, 1976. Mr. Akhilesh Pandey has alleged that due to a blast on October15, 2005 and mining activities carried out by the Company, his crops were injured. However, pursuant to amicable discussions, Mr. Akhilesh Pandey has filed a petition dated February 4,, 2012 praying that the entire criminal proceedings be quashed and has also prayed for staying of the proceedings in the interim. The High Court of Madhya Pradesh, noting that there has been a compromise of the matter, by its order dated December 12, 2012, stayed the matter. The matter is currently pending.

6. The Madhya Pradesh Pollution Control Board, Rewa, has filed a criminal case before the Chief Judicial Magistrate (CD) against the Jaypee Sidhi Cement plant, through its occupier, on December 14, 2011, with respect to its captive thermal power plant under section 200 of the Cr.PC read with section 15 of the Environment (Protection) Act, 1986 alleging that the Company had started work on its proposed 2x60 MW coal based thermal power plant at Kariajhar - Majhgawan village in Sidhi, Madhya Pradesh without obtaining the necessary environmental clearances from the Ministry of Environment and Forests and has also alleged that the Company was directed to stop the construction and installation work. The matter is currently pending.

7. A criminal complaint was filed by the Regional Officer, Uttar Pradesh Pollution Control Board against the Company under section 15 of the EP Act on September 27, 2012 in relation to the Churk plant of the Company. Mr. Sunny Gaur was also impleaded as a party, pursuant to which summons were issued to the Company. The company filed a revision petition against the complaint before the Allahabad High Court on November 30, 2012. The court pursuant to an order dated December 4, 2012 has stayed the proceedings. The matter is currently pending.

8. A criminal complaint was filed before the Chief Judicial Magistrate, Khandawa against the Company for alleged violation of rule 55(a) (11), rule 36 and rule 210(1) and (7) of the Building and Other Construction Workers (Regulation of Employment and Condition of Service) Rules, 2002 against Mr. Sachin Gaur and another, whereby they were directed to appear before the court on November 19, 2012. A revision petition was filed by Mr. Sachin Gaur before the Madhya Pradesh High Court on November 5, 2012. The court has passed an order on November 8, 2012 whereby it stayed the proceedings in the matter.

9. Mr. Vijay Singh Chouhan filed a first information report on January 28, 2012 under sections 147, 148, 149, 323, 324, 506, 392, 427 and 34 of the Indian Penal Code against various officials of Jaypee Infratech Limited, including Mr. Sameer Gaur, Joint Managing Director of Jaypee Infratech Limited. One of the accused was arrested and subsequently granted bail on January 30, 2012. After investigating the matter, the police have submitted their final report on March 27, 2012 before the Chief Judicial Magistrate, Gautam Budh Nagar, stating that no case is made out against any of the accused. The matter is currently pending for final orders.

Tax matters

1. There are three income tax appeals pending before the Commissioner of Income Tax (Appeal — III, Lucknow) in relation to a disallowance made in the assessment under Section 143(3) of the Income Tax Act by the Assistant Commissioner of Income Tax, Central Circle-II, Lucknow, as set out below:

Assessment year	**Amount (in Rs. million)**
2007-2008	154.21
2008-2009	117.63
2009-2010	1,200.98

   The aforesaid income tax amounts stand fully paid, under protest, and all the appeals are currently pending for hearing and disposal.

2. There are ten income tax appeals that have been filed by the income tax department before the Allahabad High Court, challenging the order of the Income Tax Appellate Tribunal ("**ITAT**"), upholding the order of Commissioner of Income Tax (Appeal) ("**CIT(A)**"). The total amount of relief allowed by CIT(A) and confirmed to by the ITAT against relevant assessment years are as set out below:

Assessment year	**Amount (in Rs. million)**
1998-1999	142.92
1999-2000	76.43
2000-2001	85.57
2001-2002	519.82
2002-2003	756.23
2003-2004	890.23

Assessment year	Amount (in Rs. million)
2004-2005	579.01
2005-2006	520.22
2006-2007	369.68
April 1, 1989 – July 2, 1999	287.50

The appeal before the Allahabad High Court is pending.

3. Pursuant to a notification dated August 11, 1993, all cement manufacturers were required to pay royalty on the basis of 1 tonne limestone equivalent to 1.6 tonne cement. This circular was challenged by the Company before the Madhya Pradesh High Court, which was dismissed by the court pursuant to an order dated May 13, 2002. Subsequently, three letters patent appeals have been filed by the Company, against the State of Madhya Pradesh and the Collector, Rewa in May 2002 against the above order. The matters are currently pending.

4. The Commissioner, Customs & Central Excise Department, Bhopal (the "**Department**") issued a show cause notice dated July 12, 2006 demanding duty on the sale of cement to various categories of buyers by the Company in the 'Not For Retail Sale' bags in relation to the Jaypee Bela Plant and the Jaypee Rewa Plant. The Department's contention was that the various categories of buyers would not fall under the category of "industrial/ institutional customers" and as such duty was payable on the 'maximum retail price' basis and not on a concessional basis as per the notification bearing number 4/2007 dated March 1, 2007. The Department pursuant to an order dated July 29, 2010 partly upheld the Company's contention and confirmed the amounts payable by the Jaypee Bela Plant and the Jaypee Cement Plant. The Department has filed an appeal against this order before the Customs, Central Excise and Service Tax Appellate Tribunal, New Delhi. The appeal is currently pending.

5. The Department issued show cause notices dated March 27, 2009, November 27, 2009 and March 12, 2010 alleging that clearances for export to Nepal should have been made at the tariff rate mentioned in the Central Excise Tariff Act, 2011-2012 and not at *ad-valorem* rate as given in the government notification bearing number 4 of 2006, as amended. This was disputed by the Company before the Commissioner of Appeals on December 9, 2010, which upheld the argument of the Department, pursuant to which the Company filed an appeal before the CESTAT (Appeal) on March 12, 2011. The CESTAT (Appeals) granted a stay in the matter pursuant to an order dated January 24, 2012. The total amount involved is Rs. 316.9 million. The matter is currently pending.

6. The Department issued a show cause notice dated March 30, 2012 against the Company, Mr. Sunny Gaur, Mr. Rahul Kumar and Mr. Pankaj Verma, alleging that the Company paid less duty on removal of cement from the Jaypee Rewa Plant and the Jaypee Bela Plant for use in the Group's various on-going projects and has therefore adopted a lower assessable value to evade excise duty payable. The amount involved is Rs. 81.20 million with respect to the Company's Rewa plant and Rs. 41.20 million for the Company's Bela plant. The matter is currently pending.

7. The Company has filed a special leave petition dated July 28, 2008 against the State of Madhya Pradesh and others before the Supreme Court of India challenging the order of the Madhya Pradesh High Court dated May 15, 2008 which upheld the validity of the provisions of the Entry Tax Act, 1976 providing for payment of tax on manufacture of cement or in the course of inter-State trade of commerce or in the course of export out of the territory of India. The Supreme Court of India has clubbed the petitions of various petitions all over India and by its order dated September 15, 2008 ordered that cement companies who would be liable to pay taxes make a payment of 50% of entry tax liability in cash and 50% by way of a bank guarantee, refundable in the event the special leave petition is upheld. Further, by an order dated December 18, 2008, the matter was referred to a larger bench in terms of article 145(3) of the Constitution of India, 1950. The matter currently pending.

8. The Company has filed a special leave petition to appeal dated March 12, 2012 against the State of Madhya Pradesh and others before the Supreme Court of India challenging the order of the Madhya Pradesh High Court dated February 7, 2012 which dismissed the Company's writ

petition challenging the circular dated June 10, 2008. The said circular directed the assessing officer not to allow for such exemption on inter-state sale if form 'C' was not produced by the assessee. The Supreme Court has by its order dated March 15, 2012 granted a stay on the order of the Madhya Pradesh High Court. The matter is currently pending.

9. The Uttar Pradesh Government imposed an entry tax at the rate of 2% on the value of the cement with effect from May 16, 2003 by notification dated May 9, 2003, which was challenged by the Company before the Allahabad High Court. The court pursuant to an order dated January 8, 2007 held the above notification to be ultra vires, which was also confirmed by the Supreme Court by an interim order dated April 17, 2007. It was directed that the matter be tested on certain parameters to ascertain whether the imposition of entry tax was compensatory in nature and the matter has now been referred to a larger bench of the Supreme Court. The final decision in the matter is currently awaited.

10. The Uttar Pradesh Government issued the Uttar Pradesh Tax on Entry of Goods into Local Areas Ordinance 2007 (the "**Ordinance**") in place of the Uttar Pradesh Tax on Entry of Goods Act, 2000 with retrospective effect. The Company challenged the Ordinance before the Allahabad High Court, which pursuant to an order dated December 23, 2011, confirmed the validity of the Ordinance. The Company thereafter filed a special leave petition against the order dated December 23, 2011 before the Supreme Court. The Supreme Court by an interim order dated January 18, 2012 stayed the above order with a direction to the Company to deposit 50% of the accrued liability/ arrears in cash and submit a bank guarantee for the balance amount. The Company as of October 30, 2012 has deposited Rs. 827.47 million and submitted a bank guarantee of Rs. 772.30 million.

11. The Uttar Pradesh trade tax department, ("**UP Department**") has filed a special leave petition before the Supreme Court against the Allahabad High Court order granting the Company a trade tax rebate of 25% on sale of cement manufactured with fly ash and purchased within Uttar Pradesh. The special leave petition has been admitted and an interim order has been passed stating that pending disposal of the petition, the UP Department shall not take any step to encash the bank guarantees amounting to Rs. 166.93 million and not claim any refund of Rs. 167.33 million that was earlier deposited under protest with the UP Department. The total amount involved is Rs. 516.23 million. The matter is currently pending.

12. The Uttar Pradesh Government, by notification dated October 14, 2004, withdrew the notification dated February 27, 1998 which granted rebate on tax on sale of fly-ash based cement manufactured and out of fly-ash procured within Uttar Pradesh. The above notification was challenged by the Company before the Allahabad High Court with respect to its Ayodhya grinding operations and cement blending unit at Tanda, Ambedkar Nagar and Sadva Khurd areas of Allahabad (together "**Units**"). The Allahabad High Court by an order dated March 29, 2010 decided in favour of the Company in respect to its Ayodhya grinding operations. Thereafter the UP Department filed a special leave petition before the Supreme Court, which stayed the above order on July 6, 2011. The writ petition with respect to the cement blending unit is still pending before the Allahabad High Court. The disputed tax for the period from October 15, 2004 to December 31, 2007 in respect of the Units involves an amount of Rs. 537.67 million, which has been deposited under protest with the UP Department. The matter is currently pending.

13. The Himachal Pradesh Government levied tax on certain goods carried by road under the provisions of state enactment. However, the Company's cement plant at Baga, being located at a tax free zone, was eligible for exemption from any such tax under the state industrial policy. Since the said exemption was not granted by Himachal Pradesh Government, levy of such tax on the Company's Baga cement plant was challenged by the Company before the Himachal Pradesh High Court on December 17, 2010, which was decided in favour of the Company. Thereafter, the state government filed an appeal on March 15, 2012, which was decided in its favour pursuant to a judgment of the court dated May 31, 2012 and accordingly, the Company deposited the tax. The Company then filed a special leave petition before the Supreme Court on July 23, 2012. The total amount involved is Rs. 861.2 million which has been deposited by the Company under protest. The Supreme Court passed an interim order on October 15, 2012, whereby the Company was directed to deposit 50% of the amount by way of cash and Rs. 130 million as bank guarantee has already been deposited. The matter is currently pending.

14. Certain entry tax was imposed by the Himachal Pradesh Government after April 2010, on certain items, including diesel, furnace oil, cement, explosives and packaging materials. The Company filed a writ petition on September 10, 2010 before the court against imposition of such entry tax. In terms of an interim order passed by the court on September 13, 2010, the Company was required to deposit one third of the assessed tax amount and for the balance amount, adequate security had to be furnished. The total amount involved is Rs. 115.9 million against which an amount of Rs. 14.1 million has been deposited by the Company. The matter is currently pending.

15. Against a suo moto notice dated July 14, 2010 under Himachal Pradesh Value Added Tax Act, 2005 regarding the intended withdrawal of VAT deferment facility being availed by the Company's cement plant at Bageri, the Company filed a writ petition before the Himachal Pradesh High Court. The court by an order dated July 30, 2012 directed that the matter be heard by the Excise and Taxation Commissioner. The total amount involved is Rs. 521.9 million against which the Company has submitted a bank guarantee of Rs. 520 million to the excise department. The matter is currently pending.

16. The Assistant Commissioner, Central Excise and Service Tax Division issued a notice to the Company on August 26, 2010 directing the Company to pay Rs. 159.70 million alongwith interest, in relation to its acquisition of the Uttar Pradesh State Cement Corporation Limited (in liquidation) as a running business. The Company filed a writ petition before the Allahabad High Court on September 15, 2010, which stayed the impugned demand pursuant to an order dated September 17, 2010. The matter is currently pending.

17. Three show cause notices dated April 19, 2011, April 21, 2011 and October 20, 2011 respectively have been issued by the Commissioner of Service Tax, New Delhi imposing service tax on certain of the Company's hydro electric projects, educational institutes, renting of immoveable property and machinery rental. The total amount involved is Rs. 7,144.80 million, excluding interest and penalty. Replies have been filed and personal hearing has been concluded with respect to one of the show cause notice, with regard to another personal hearing is yet to start but reply has been filed and as regards the third notice, reply is yet to be filed.

18. The Commissioner of Central Excise, has issued a show cause dated July 3, 2012 against the Company in relation to:

    a. availment of Cenvat credit amounting to Rs. 9.8 million during the period from June 2007 to March 2008 in respect of the service tax on construction of a township;
    b. availment of Cenvat credit amounting to Rs. 1.38 million during the period from August 2009 to March 2012 in respect of the service tax on technical services received from Jaypee industrial and medical services and manpower supply from Jaypee Industrial and Medical Services and Jaypee Ventures Limited;
    c. availment of Cenvat credit amounting to Rs. 10.14 million during the period from December 2009 to December 2011 in respect of the service tax on manpower, supply, cleaning, service maintenance and others in the township area;
    d. availment of Cenvat credit amounting to Rs. 34.29 million during the period from May 2011 to March 2012 in respect of the service tax on construction of a jetty at sea shore; and
    e. availment of Cenvat credit amounting to Rs. 3.19 million during the period from May 31, 2011 to February 29, 2012 in respect of the service tax on civil work/ construction services in the township.

    The total amount involved is Rs. 58.84 million. Out of the total demand, the Company has already deposited approximately Rs. 50 million in August and September 2012. The matter is currently pending.

19. The Company has filed a writ petition before the Madhya Pradesh High Court on December 3, 2012, challenging the legality and constitutional validity of the Madhya Pradesh VAT (Amendment) Ordinance, 2012 dated September 13, 2012, pursuant to which section 9C of the Madhya Pradesh VAT Act, 2002 has been amended and the function of tax determination and

collection have been levied upon a private entity, which would otherwise fall under the domain of sovereign function of the state and thus, cannot be delegated. The matter is currently pending.

20. Jaypee Power Ventures Limited has filed an appeal before the ITAT, New Delhi for Assessment Year 2008-09, New Delhi, against the order of the Commissioner of Income Tax (Appeal)-I, Dehradun, in relation to disallowance of claim for deduction of Rs. 283.34 million under section 80IA of the Income Tax Act. The tax has, however, already been paid by Jaypee Power Ventures Limited under section 115JB of the Income Tax Act. The appeal is now pending for disposal.

21. Jaypee Power Ventures Limited has filed an appeal before the Commissioner of Income Tax (Appeal), Dehradun for Assessment Year 2009-10, against the order of the Deputy Commissioner of Income Tax, Circle-2, Dehradun, in relation to disallowance of claim for deduction of Rs. 743.50 million under section 80IA of the Income Tax Act. The tax has, however, already been paid by Jaypee Power Ventures Limited under section 115JB of the Income Tax Act. The appeal is now pending for disposal.

22. The Income Tax Department has filed an appeal against Jaypee Power Ventures Limited before the ITAT, Chandigarh, for Assessment Year 2007-08, against the order of the Commissioner of Income Tax (Appeal), Shimla, in relation to the deletion of disallowance of claim for deduction of Rs. 241.8 million under section 80IA of the Income Tax Act. The tax has, however, already been paid by Jaypee Power Ventures Limited under section 115JB of the Income Tax Act. The appeal is now pending for disposal.

23. The Income Tax Department has filed an appeal against Jaypee Power Ventures Limited before the ITAT, Chandigarh, for Assessment Year 2008-09, against the order of the Commissioner of Income Tax (Appeal), Shimla, in relation to the deletion of disallowance of claim for deduction of Rs. 259.2 million under section 80IA of the Income Tax Act. The tax has, however, already been paid by Jaypee Power Ventures Limited under section 115JB of the Income Tax Act. The appeal is now pending for disposal.

24. Mr. Amit Kumar filed a writ petition against the State of Uttar Pradesh, Yamuna Expressway Industrial Development Authority and others, including Jaypee Sports International Limited before the Supreme Court on September 29, 2011 against Jaypee Sports International Limited against the grant of an exemption to Jaypee Sports International Limited from the payment of entertainment tax under section 11(1) of the U.P Entertainment and Betting Tax Act, 1979, in relation to the Formula-I racing event in 2011. The court passed an order dated October 21, 2012, directing Jaypee Sports International Limited to deposit the amount of entertainment tax payable without considering the abovementioned exemption in a 'No-lien account', pursuant to which Rs. 245.94 million was deposited. Jaypee Sports International Limited filed an application with the court on April 18, 2012 praying the amount be released in its favour, which was dismissed by the court. The court has, pursuant to an order dated September 14, 2012 directed the matter to be listed within six months. The matter is currently pending.

Contempt matters

1. Mr. Ajith Mishra has filed a contempt petition before the Madhya Pradesh High Court against the Mr. Sunny Gaur, as the Managing Director of the Company, under section 12 of the Contempt of Court Act, 1971 read with Article 215 of the Constitution of Indian for violating court orders dated May 17, 2010 and June 7, 2010 wherein a temporary injunction was ordered in relation to certain land bought whereupon a soyabean plant of the Company has been set up, a certain portion of which was owned by Mr. Ajith Mishra. The matter is currently pending.

2. Satna Truck Owners Association has filed a contempt petition in the year 2008 before the Madhya Pradesh High Court against Mr. Sunny Gaur and others alleging that the respondents are guilty of willful disobedience of the order of the Madhya Pradesh High Court dates July 23, 2008 which had directed the respondents to ensure that no overloading is carried out. The petitioner alleges that in non-compliance of the Madhya Pradesh High Court order and violation of the Motor Vehicles Act, the respondents continue to overload the vehicles beyond the permissible limit. The matter is currently pending.

3. Ms. Rohni Prasad Shukla has filed a contempt petition against the Mr. Sunny Gaur, as Managing Director of the Company before the Madhya Pradesh High Court against an order dated August 24, 2009 passed in writ petition bearing number 1693 of 2008, against the Mr. Sunny Gaur, as Managing Director of the Company, in relation to the temple located at Atrauli for which lease was granted to the Company, alleging that due to the mining activities, the temple located at Atrauli was being damaged. The court passed an order directing the Company to conduct its activities at a minimum distance of 500 meters area from the temple and residential houses. Thereafter it was alleged that the Company did not follow the directions of the court, pursuant to which this contempt petition was filed. The matter is currently pending.

4. Mr. Lalan Singh and Mr. Ram Lakhan Singh have filed a contempt petition against the Company and another before the Civil Judge – 5, Rewa, dated July 6, 2011 for violating an order dated March 28, 2011 passed in the case of Motilal and others against the Company and others, bearing number 78A of 2010 in relation to mining activities carried by the Company on part of the disputed land, which was being used for agricultural and residential purposes by the petitioners. The matter is currently pending.

Civil matters

Land acquisitions

1. Ms. Sarla Devi and others have filed a civil suit on July 11, 2011 against the Company, wherein Mr. Sunny Gaur has also been impleaded as a party, against, the order dated November 29, 2011 passed by V CJ II, Rewa in a civil suit filed for permanent injunction wherein application under order 39 rules 1and 2 of the Code of Civil Procedure 1908 was dismissed in relation to a land in Sakarwat village which fell in lease area that was acquired of the Company. The matter is currently pending.

2. Mr. Anwarul Haq and others filed a special leave petition against the State of Uttar Pradesh and the Company before the Supreme Court on August 16, 2012, against the judgment and final order of the Allahabad High Court dated April 13, 2012, which was passed in favour of the Company in relation to acquisition of land for setting up the PPGCL thermal power plant. The matter is pending for hearing.

Stamp duty

1. The Company received four notices issued by the District Magistrate, Sonebhadra and Mirzapur on March 30, 2010 under section 33/47-A of the Indian Stamp Act, 1899 (the "**Stamp Act**") in respect of a sale certificate executed by the official liquidator in favour of the Company in its Dalla, Ghurma (Markundi & Makaribari), Churk and Chunar units, which is now being contested in form of civil suits before the court of the District Collector, Sonebhadra and Mirzapur. The Company had filed its objection before the respective District Collectors on April 5, 2010 and April 16, 2010. The total amount involved is Rs. 367.20 million, against which Rs. 80.04 million stamp duty has already been paid by the Company. The matters are currently pending.

2. Mr. Jagannath Singh filed a writ petition against the State of Uttar Pradesh and others, including Jaypee Sports International Limited, before the Supreme Court on October 21, 2011. On February 13, 2012 the court passed an order to issue notice confined to the question of validation of a notification dated August 2009, whereby an exemption from payment of stamp duty on the instrument of transfer of lands executed by different development corporations were granted in Uttar Pradesh. Jaypee Sports International Limited has filed a counter affidavit in the matter, which is currently pending for further arguments.

Electricity

1. The Company has filed a special leave petition dated June 25, 2009 before the Supreme Court of India against the order of the High Court of Madhya Pradesh dated June 22, 2009. Consequent to commissioning of a captive power plant at Jaypee Rewa Plant, the Company gave one month's

notice under the Electricity Supply Code 2004, for termination of the agreement dated November 26, 1984 between Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited ("**MPPK**") and the Company, ("**Agreement**") and permanent disconnection of power supply with effect from midnight of August 30, 2006. However, MPPK did not accept the termination and stated that the power supply to the Jaypee Rewa Plant shall continue. The Company challenged this before the Madhya Pradesh High Court which was disposed of by an order dated October 14, 2008 holding that the Agreement was not terminated as per the provisions of the Agreement, and that MPPK can issue demand notices for realization of energy bills. This was further upheld by Appellate Bench of the High Court, which by its order dated June 22, 2009, ordered that the Agreement was not terminated and the provisions of the Supply Code 2004 have no application to such agreements. Thereafter, the Company has preferred this special leave petition, which was admitted and a stay was granted on the recovery of the disputed amount subject to the condition that an amount of Rs. 100 million be deposited at the time of stay by its order dated June 22, 2009. Further, on March 18, 2011, the court permitted the Company to terminate the Agreement by giving a three month notice. The Company gave the notice on April 1, 2011 and the Agreement was terminated on June 30, 2011. The matter is currently pending.

2. Two petitions have been filed by the Company before the arbitrator nominated by Uttarakhand Power Corporation Limited on the directions of the Supreme Court on December 26, 2011, one against tariff application of construction power and the other against charging of rate as per schedule LMV-2 + 25% on connections meant for light and fan/ domestic power for residential colonies situated at Marwari and Lambagarh areas. The arbitration award was passed on August 31, 2012 in favour of the Company. Subsequently, Uttarakhand Power Corporation Limited filed an appeal in the court of the District Judge, Dehradun against the said order, which was dismissed on November 17, 2012 on the grounds of lack of jurisdiction. It is learnt that Uttarakhand Power Corporation Limited has now filed an appeal in the court of District Judge, Chamoli, notice of which has not been received by the Company so far. The total amount involved in the case is approximately Rs. 178.7 million.

3. The Company had installed three diesel generator sets having a capacity of 4 MW each which commenced operation from April 1, 1988 and further installed three other generating sets having a capacity of 5.8 MW each which commenced operation on July 1, 1991. The Madhya Pradesh state government issued a notification on November 6, 2002 granting exemption from payment of electricity duty for five years ("**Charges**"), for generator sets installed after the date of the notification. The Chief Electrical Inspector however, only granted them partial exemption from the Charges on the ground that the Company's generating sets were installed prior to the date of notification and as such the period falling prior to the notification date was deducted from the period of five years for which the exemption was available. Therefore, the Company has filed a writ petition in the year 2003 before the High Court of Madhya Pradesh praying that the Chief Electrical Inspector, Bhopal be directed to compute the electricity duty as per the notifications and an interim relief of stay on the order of the Chief Electrical Inspector, Bhopal for payment of the electricity duty. The matter is currently pending.

4. The Company's Jaypee Rewa Plant and Jaypee Bela Plant had set up three captive thermal power plants ("**CPPs**") in Rewa District and by a letter dated May 20, 2006, sought a customized package as per the provisions of the M.P. Industrial Promotion Policy, 2004. The Principal Secretary, Commerce, Industry & Employment, Government of Madhya Pradesh, pursuant to a letter dated August 8, 2006 had exempted CPPs from the payment of electricity duty for a period of 10 years. However, without considering the Company's applications, recovery notices dated March 21, 2012 and February 23, 2012 were issued towards electricity duty along with surcharge levied thereon, for alleged contravention of the provisions of the rules of Government of Madhya Pradesh. Thereafter the Company approached the Madhya Pradesh High Court by way of a writ petition on April 12, 2012 and the recovery pursuant to the recovery notices where stayed by the High Court of Madhya Pradesh by an order dated April 13, 2012. The petition is currently pending.

5. JCCL filed a writ petition before the Karnataka High Court to challenge the correctness of arrears amounting to Rs. 337.2 million demanded from JCCL by the Gulbarga Electricity Supply Company, pursuant to a notice dated September 30, 2011. JCCL also challenged the discontinuation of power supply by under the Karnataka Electricity Regulation Act and

impleaded the Karnataka Electricity Regulatory Commission as a party to the petition. The Karnataka High Court passed an interim order dated March 2, 2012 directing the Gulbarga Electricity Supply Company to restore power supply upon payment of Rs. 35 million by JCCL. JCCL has deposited the full amount and the power supply was restored in accordance with the interim order. The matter is pending for final hearing.

Others

1. Alstom Power Generation AG and others ("**Petitioners**") were working as the electro-mechanical contractors at the Nathpa Jhakri project of the Company. During the course of the work, the Petitioners alleged that they had suffered losses due to flooding of the project site in August 2000, on account of the negligence of the Jaiprakash Hyundai Consortium (of which the Company is a member). Subsequently, the Petitioners have filed a suit before the Bombay High Court on July 31, 2003 praying, *inter alia,* that the said consortium be ordered to pay them a sum of Rs. 2,400 million together with interest from the date of filing the suit. The matter is currently pending.

2. The Company has filed a special leave petition before the Supreme Court on September 26, 2011 against the Allahabad High Court's order dated July 18, 2011 which directed the Company to pay a fee on the transportation of lime stone from the mining pit forming part of the mining lease area of the Company, to the factory premises of the Company. For the period between 2007 and 2011, the total amount involved is Rs. 60.56 million. The matter with regard to the petition is currently pending.

3. The Company has filed a special leave petition before the Supreme Court on January 18, 2012 seeking stay of the Allahabad High Court's order which directed the Company to pay a fee on transportation of forest produce. The total amount involved is Rs. 278.41 million. The Supreme Court has stayed the demand and the matter is currently pending.

4. Three civil review petitions have been filed by Ms. Krishna Devi before Madhya Pradesh High Court against the Jaypee Rewa Plant, wherein the judgment dated March 15, 2012 passed in first appeal numbers 71 of 2004, 136 of 2004 and 213 of 2004 by the court has been challenged in relation to land bought by the Company, a certain portion of which was owned by Ms. Krishna Devi, whereby her application for an injunction against the Company was dismissed by the court. The matter is currently pending.

Arbitration

1. With regard to hydroelectric projects, 40 arbitration claims are currently pending for settlement before various arbitral tribunals. The total amount of these claims is estimated to be approximately Rs. 10,660.58 million. All these claims pertain to the Chamera stage-I, Nathpa Jhakri, Omkareshwar, Teesta stage-V, Dulhasti and Baglihar hydroelectric projects.

2. In addition to the above, 34 arbitral awards which were passed in favour of the Company by the Dispute Review Board and arbitral tribunals have been subsequently challenged by the project authorities in various courts and are pending. The total amount of these 34 claims pertaining to the Chamera stage-I, Nathpa Jhakri, Omkareshwar, Teesta stage-V, Dulhasti, Indirasagar, Tehri, Lahore and Vyasi project is approximately Rs. 3,668.81 million.

Environmental matters

1. The Himachal Pradesh High Court in an order dated May 4, 2012 imposed damages aggregating Rs. 1,000 million, to be paid in four equal installments until March 31, 2015, on the Company for alleged violation of various provisions of environmental laws in the state of Himachal Pradesh in relation to its grinding and blending unit at Bagheri. In addition, the High Court of Himachal Pradesh has ordered the Company to dismantle the thermal power plant attached to the grinding unit within three months from the date of the order. The review petition filed by the Company was also dismissed. The Company filed a special leave petition before the Supreme Court on August 3, 2012 against the order of the High Court dated May 4, 2012. The special leave petition has been admitted by the Supreme Court. However, while disposing of the

Company's interim application for stay, the Supreme Court has ordered the Company to deposit the amount of damages with the government of Himachal Pradesh as per installments as specified in the impugned order and also ordered the hearing of the special leave petition to be expedited. The Company has deposited the first installment of Rs. 250 million with the Government of Himachal Pradesh, as per the said order. Based on the notification issued by the Ministry of Environment and Forests in 1999, the Company's view was that it did not require any environmental clearances for setting up a grinding and blending unit. During the course of the proceedings before the Himachal Pradesh High Court and the Supreme Court, the Ministry of Environment and Forests has also, pursuant to affidavits, confirmed the understanding of the Company that no environmental clearances were required. In respect of dismantling the captive thermal power plant, since the Company had only undertaken civil works and as the plant had not been set up, there was no further action required on the part of the Company to dismantle it.

2. The Haryana State Pollution Control Board has filed a complaint against the Company under sections 21, 22, 37 and 38 of the Air (Prevention and Control of Pollution) Act, 1981 (the "**Air Act**") in relation to mining in three mines in Bhiwani district, which were taken on lease by the Company ("**Mines**"). The Company had taken the Mines on lease from the Mining and Zoology Department, Hissar, Haryana in an auction held by the Haryana Government on April 2, 2007 for a period of three years for extracting stone used for construction of roads. However, in accordance with a decision of the Punjab & Haryana High Court, mining activities in the said area was stopped. Accordingly, work by the Company could not be executed further. While the work was in progress, the Company applied for licenses under the Air Act, but the same was kept pending for a long time, subsequent to which the concerned authorities levied a fine on the Company and filed the current complaint before the Special Environment Court at Faridabad on January 16, 2009, on which a decision is now awaited. The case of the Haryana State Pollution Control Board is that the Company was conducting the mining operations indiscriminately and thus degrading the land and environment thereby emitting pollution in the air. The matter is currently pending.

3. A complaint was lodged by the State of Punjab, against the Jaypee Himachal Cement Project Blending unit of the Company on April 16, 2010. A first information report was lodged against Mr. K.K. Talwar, the unit head, Bagheri for the infringement of section 4 of the Punjab Land Preservation Act, certain provisions of the Forest Act and the Prevention of Public Property and Damages Act in Sadar Thana Ropar. Thereafter, an anticipatory bail was obtained from the District Court of Ropar and pursuant to appropriate investigation, the case was referred to the Anandpur Court (Civil Judge, junior division). Subsequently, Mr. K.K. Talwar challenged the proceedings before the Punjab and Haryana High Court on January 29, 2011, which stayed the criminal proceedings pending before the Anandpur Court (Civil Judge, junior division) pursuant to an order dated February 2, 2011. The matter is currently pending.

4. A review petition was filed by the Divisional Forest Officer, Mirzapur against the Company before the District Judge, Sonebhadra, on January 6, 2009, challenging an order dated November 28, 2008 passed by the District Judge Sonebhadra, pursuant to which 253 hectares of land in Markundi (Ghurma Mines) were excluded from the purview of section 4 of the Indian Forest Act, 1927 (the "**Forest Act**"). The district court had excluded the said 253 hectares of land from the purview of Section 4 of the Forest Act. The matter is currently pending.

5. A writ petition was filed by Banketeshwar Chaturbedi against the state government of Uttar Pradesh before the Allahabad High Court on April 18, 2011 seeking direction from the court to direct the state government of Uttar Pradesh to renew the prospecting license for an area of 5.63 hectares in relation to mining lease of limestone in Village Billi, Markundi, District Sonebhadra. The Company was impleaded as a party in the petition and it was contended that the area in question formed an integral part of the sale of the assets of Uttar Pradesh State Cement Corporation Limited, which was under liquidation and the Company was thus entitled to various reliefs and concessions. Pursuant to the directions of the court vide order dated November 7, 2007, the state government renewed and transferred the land to the Company. The matter is currently pending for disposal.

6. The State of Madhya Pradesh has filed a complaint against the Company before the Additional Chief Judicial Magistrate in relation to certain violations under section 26(1)(j)A and section

63G of the Forest Act on April 25, 2010. It is alleged that certain officials of the Company were illegally and arbitrarily digging a canal in a forest area which damaged a forest pillar. The accused has been granted bail to all the accused and the case is now pending for framing of charges.

7. The Company purchased the assets and other rights of erstwhile UP State Cement Corporation Limited (in liquidation) through the court sale conducted by the Official Liquidator under the supervision of the High Court of Allahabad. The sale properties included mining leases which were ordered by the High Court to be renewed and transferred in favour of the Company vide order dated October 12, 2007. While the transfer/renewal of mining leases was under process viz., settlement proceedings and issue of notifications under section 20 of the Indian Forest Act, 1927, a letter was issued by the Central Empowered Committee ("**CEC**") on September 8, 2008 directing the Uttar Pradesh government to ensure that no land notified under section 4 of the Forest Act be allowed for mining and for other non forest use without the prior approval of the Supreme Court. The State of Uttar Pradesh filed an interim application on January 5, 2009 in the matter of T.N Godavarman Thirumalpad against the Union of India and others, seeking to permit the state government to renew the mining leases to comply with the judgment of the High Court dated October 12, 2007 as the lands for mining purpose fall under the category of non forest land after the settlement under the provisions of the India Forest Act, 1927. The CEC submitted its response on August 7, 2009. Subsequently, the Company filed an interim application before the Supreme Court on October 23, 2010 seeking impleadment and a direction that the state government renew and transfer the mining leases in accordance with the terms of the court sale as also the direction of the High Court. The matter is currently pending.

8. The Kshetriya Jan Samasya Samadhan Samiti has filed a public interest litigation in the year 2008 against the Union of India and others before Madhya Pradesh High Court alleging that mining activities carried out by the Company were adversely affecting 18 surrounding villages from which villagers were being displaced. It has been alleged that the Company was being granted lease over thousands of acres of land for mining purposes as a result of which such land would be unutilized for the next 100 years, thus adversely affecting chances of employment, conditions of livelihood and hygiene of the environment. Therefore, the petitioner has prayed that a committee be constituted/appointed for enquiring into the excess land illegally leased out to the Company and restrain the government from granting any further lease rights to the Company as well as cancel the excess land granted in favor of the Company The matter is currently pending.

9. Mr. Chandrashekhar Singh has filed a public interest litigation in the year 2007 against the Company and others before the Madhya Pradesh High Court alleging that the mining lease granted to the Company in Dengarahat, Devmau Daldal and Chormaari villages in Satna, would adversely affect chances of employment, conditions of livelihood and hygiene of the environment and cause loss of community living and loss of agricultural based livelihood. Therefore, the petitioner has prayed, among others, that the permission order for mining granted to the Company be quashed. The matter is currently pending.

10. The Jal Upbhokta Sanstha, Bankuiyan Naubasta Bandh has filed a writ petition in the year 2007 against the Company and others before Madhya Pradesh High Court challenging the land acquisition order dated August 10, 2006 by which the Company was granted land for mining activities in the villages of Sekarvat, Danhi, Akrauli, Kachur, Sumeda, Naubasta and others , which was earlier allotted to the water resources department, . The petitioner contends that the land was allotted to the Company against public interest, as mining activities would damage canals and adversely affect the local agricultural area. Therefore, the petitioner has prayed that the order dated August 10, 2006 be quashed and compensation be granted in favor of the petitioners. The matter is currently pending.

11. The Aam Janta Marutinagar, Satna has filed a suit against Jaypee Siding, Satna and another under sections 14A and 64 of the Public Utility Services Act, 1987 before Lok Adalat, Satna on August 28, 2010, in the public interest, alleging that the Company carries out loading/unloading activities at the Satna Siding area, which is 50metres away from the residential area, which has created unacceptable standards of air and noise pollution, adversely affecting public health and life. In addition, it is also alleged that the Company carries out coal loading/unloading from the

same area. Therefore, the petitioners have prayed for an permanent injunction against coal loading and regulation of cement loading/unloading from time to time. The Company has filed an application in this matter on January 29, 2011 challenging the maintainability of the suit. The matter is currently pending.

12. The Sarpanch of Gram Sumeda, through Ms. Snehalata Singh (Sarpanch) and others have filed a suit against the Manager, Jaypee Rewa Plant and another before the Civil Judge – 4, Rewa on May 14, 2012 for a permanent injunction on alleged mining activities carried out by the Company on the illegal mines, as such mining activity is being carried out without necessary permission. Further, the roads are being used for heavy vehicles by the Company which is causing pollution having an adverse impact on local residents and livestock, leading to accidents. A reply has been filed by the Company on July 10, 2012. The matter is currently pending.

GENERAL INFORMATION

1. The Company was formed pursuant to the amalgamation of Jaiprakash Industries Limited into Jaypee Cement Limited. The amalgamation was effective from April 1, 2002. The name of Jaypee Cement Limited was changed to Jaiprakash Associates Limited and it received a fresh certificate of incorporation from the RoC on March 11, 2004.

2. The Company's registered office is located at sector 128, Noida – 201 304, Uttar Pradesh, India. The Company is registered with the Registrar of Companies under CIN L14106UP1995PLC019017.

3. The Issue was authorized and approved by the Board of Directors on May 30, 2012 and approved by the shareholders through postal ballot on July 14, 2012.

4. The Company has applied for the in-principle approvals to list the Equity Shares on the NSE and the BSE.

5. Copies of the Memorandum and Articles of Association of the Company will be available for inspection during usual business hours on any working day between 10.00 A.M. to 1.00 P.M. (except Saturdays, Sundays and public holidays) at the Registered Office.

6. Except as disclosed in this Placement Document, our Company has obtained all consents, approvals and authorizations required in connection with this Issue.

7. Except as disclosed in this Placement Document, there has been no material change in the Company's financial or trading position since September 30, 2012, the date of last published unaudited interim standalone financial statements for the six month periods ended September 30, 2012.

8. Except as disclosed in this Placement Document, there are no litigation or arbitration proceedings against or affecting the Company, or its assets or revenues, nor is the Company aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue.

9. The Company's statutory auditors are M/s. M.P. Singh & Associates, who have (i) audited its consolidated financial statements for the years ended March 31, 2012, 2011 and 2010 (ii) reviewed its unaudited standalone interim financial statements for the six month periods ended September 30, 2012 and September 30, 2011.

10. The auditors of JPVL are M/s. R. Nagpal Associates, Chartered Accountants, who have (i) audited JPVL's consolidated financial statements for the years ended March 31, 2012, 2011 and 2010 (ii) and reviewed JPVL's unaudited interim standalone financial statements for the six month periods ended September 30, 2012 and September 30, 2011

11. The auditors of Jaypee Infratech are M/s. R. Nagpal Associates, Chartered Accountants, who have (i) audited Jaypee Infratech's non-consolidated financial statements as of and for the years ended March 31, 2012, 2011 and 2010 (ii) and reviewed Jaypee Infratech's unaudited interim standalone financial statements for the six month periods ended September 30, 2012 and September 30, 2011.

12. The current auditors of JCCL are M/s. R. Nagpal Associates, Chartered Accountants, who have reviewed JCCL's unaudited interim standalone financial statements for the six month periods ended September 30, 2012 and September 30, 2011. Until June 30, 2012, the auditors of JCCL were M/s. Awatar & Co, Chartered Accountants, who have audited JCCL's non-consolidated financial statements as of and for the years ended March 31, 2012, 2011 and 2010.

13. The Company confirms that it is in compliance with the minimum public shareholding requirements as specified in the Securities Contracts (Regulation) Rules, 1957.

14. The Floor Price for the Issue is Rs. 87.28, calculated in accordance with Chapter VIII of the SEBI Regulations, as certified by M/s. M.P. Singh & Associates. The committee of the Board approved a discount of Rs. 4.28 (i.e., 4.92%) to the Floor Price of Rs. 87.28 in accordance with Regulation 85(1) of the SEBI Regulations.

FINANCIAL STATEMENTS

Annexure V to Clause 41

Review Report to The Board of Directors of JAIPRAKASH ASSOCIATES LIMITED

We have reviewed the accompanying statement of unaudited financial results of JAIPRAKASH ASSOCIATES LIMITED for the Quarter and Half Year ended 30th September, 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the *Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditors of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M.P. Singh & Associates
Chartered Accountants
Firm Regn. No. 002183C

(R.Nagpal)
Partner
M.No. 081594

Place:
Date:

JAIPRAKASH ASSOCIATES LIMITED

Regd. Office:Sector 128, Noida 201 304 [U.P
Head Office:"JA House", 63, Basant Lok, Vasant Vihar, New Delhi - 110 05
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PART - I

UN-AUDITED STANDALONE FINANCIAL RESULTS [PROVISIONAL]
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

₹ Lakhs

Particulars	Quarter Ended			Half Year Ended		Year Ended [Audited]
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
1. Income from Operations						
[a] Net Sales/Income from Operations [Net of Excise Duty]	298254	296357	286724	594611	576954	1274290
[b] Other Operating Income	2245	4456	3542	6701	5198	11022
Total Income from Operations [Net]	300499	300813	290266	601312	582152	1285312
2 Expenses						
[a] Cost of Materials Consumed	77978	70599	60702	148577	121824	286447
[b] Changes in Inventories of Finished Goods and Work-in-Progress	(8393)	5766	4213	(2627)	9211	(5362)
[c] Direct Construction, Manufacturing, Real Estate, Hotel/Hospitality and Power Expenses	83173	79095	91338	162268	189465	423450
[d] Employee Benefits Expense	20693	17713	17033	38406	33105	66132
[e] Depreciation and Amortisation Expense	17776	17633	14408	35409	28538	61415
[f] Other Expenses	45695 236922	46059 236865	37965 225659	91754 473787	73224 455367	170680 1002762
3. Profit from Operations before Other Income, Finance Costs & Exceptional Items	63577	63948	64607	127525	126785	282550
4. Other Income	2233	2854	7934	5087	9993	26449
5. [a] Profit from Ordinary activities before Finance Costs & Exceptional Items	65810	66802	72541	132612	136778	308999
[b] EBIDTA [5(a) + 2(e)]	83586	84435	86949	168021	165316	370414
6. Finance Costs	46436	46526	37664	92962	76028	178174
7. Profit from Ordinary activities after Finance Costs but before Exceptional Items	19374	20276	34877	39650	60750	130825
8. Exceptional Items	-	-	-	-	-	-
9. Prior Period Adjustments	328	93	(34)	421	(47)	609
10 Profit from Ordinary Activities before Tax	19702	20369	34843	40071	60703	131434
11 Tax Expense						
[a] Current Tax	3932	4080	6960	8012	12026	23835
[b] Excess Provision for Income Tax in Earlier Years Reversed	-	-	-	-	-	(14)
[c] Deferred Tax	2969 6901	2405 6485	3009 9969	5374 13386	5397 17423	4975 28796
12 Net Profit for the Period	12801	13884	24874	26685	43280	102638
13 Paid-up Equity Share Capital [Face Value of ₹ 2/- per share]	42529	42529	42529	42529	42529	42529
14 Reserves excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year						1167846
15 Earnings Per Share [EPS] [Face Value of ₹ 2/- per share]						
[i] Before Exceptional item						
Basic	₹ 0.60	₹ 0.65	₹ 1.17	1.25	2.04	₹ 4.83
Diluted	₹ 0.58	₹ 0.63	₹ 1.13	1.21	1.96	₹ 4.64
[ii] After Exceptional item						
Basic	₹ 0.60	₹ 0.65	₹ 1.17	1.25	2.04	₹ 4.83
Diluted	₹ 0.58	₹ 0.63	₹ 1.13	1.21	1.96	₹ 4.64

PART - II

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
Number of Shares [of ₹ 2/- per share]	1133066436	1132886236	1129498318	1133066436	1129498318	1132207461
Percentage of Shareholding	53.28%	53.28%	53.12%	53.28%	53.12%	53.24%
2 Promoters and Promoter Group Shareholding:						
[a] Pledged/Encumbered						
- Number of Shares	4332500	4362500	2862500	4332500	2862500	4162500
- Percentage of Shares [as a % of the total share-holding of Promoter & Promoter Group]	0.44%	0.44%	0.29%	0.44%	0.29%	0.42%
- Percentage of Shares [as a % of the total share capital of the Company]	0.21%	0.21%	0.13%	0.21%	0.13%	0.20%
[b] Non-encumbered						
- Number of Shares	989034246	989184446	994072364	989034246	994072364	990063221
- Percentage of Shares [as a % of the total share-holding of Promoter & Promoter Group]	99.56%	99.56%	99.71%	99.56%	99.71%	99.58%
- Percentage of Shares [as a % of the total share capital of the Company]	46.51%	46.51%	46.75%	46.51%	46.75%	46.56%

Particulars	30.09.2012
B INVESTOR COMPLAINTS	
Pending at the beginning of the Quarter	1
Received during the Quarter	157
Disposed of during the Quarter	157
Remaining unresolved at the end of the Quarter	1

₹ Lakhs

UN-AUDITED STANDALONE SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

Particulars	Quarter Ended						Half Year Ended				Year Ended [Audited]	
	30.09.2012		30.06.2012		30.09.2011		30.09.2012		30.09.2011		31.03.2012	
1. Segment Revenue												
[a] Cement		137191		156294		111666		293485		239971		546496
[b] Construction		128988		121602		155478		250590		282962		584226
[c] Power		1941		985		1609		2926		2803		3557
[d] Hotel/Hospitality & Golf Course		4421		4939		3799		9360		8036		19654
[e] Real Estate		26780		16506		20176		43286		54869		141696
[f] Investments		697		2040		5602		2737		6143		20121
[g] Others		6965		36		25		7001		68		133
[h] Unallocated		1341		2246		2487		3587		4195		7177
Total		308324		304648		300842		612972		599047		1323060
Less:Inter-segment Revenue		5592		981		2642		6573		6902		11299
Total Sales/Income		302732		303667		298200		606399		592145		1311761
2. Segment Results												
[a] Cement		13371		22663		2594		36034		23410		65257
[b] Construction		43925		36027		56153		79952		81147		160536
[c] Power		1427		468		1108		1895		1813		1561
[d] Hotel/Hospitality & Golf Course		(622)		56		(697)		(566)		(865)		358
[e] Real Estate		9514		6661		8728		16175		27238		66467
[f] Investments		697		2040		5602		2737		6143		20121
[g] Others		(159)		(101)		(123)		(260)		(221)		(468)
Total		68153		67814		73365		135967		138665		313832
Less:												
[a] Finance Costs	46436		46526		37664		92962		76028		178174	
[b] Other Un-allocable Expenditure net off Un-allocable Income	2015	48451	919	47445	858	38522	2934	95896	1934	77962	4224	182398
Profit before Tax		19702		20369		34843		40071		60703		131434
3. Capital Employed												
[a] Cement [including Capital Work-in-Progress]		1268726		1208529		1108778		1268726		1108778		1148074
[b] Construction [including Capital Work-in-Progress]		347780		423910		329146		347780		329146		408026
[c] Power [including Capital Work-in-Progress]		222369		216373		181571		222369		181571		207209
[d] Hotel/Hospitality & Golf Course [including Capital Work-in-Progress]		63737		62359		58466		63737		58466		61849
[e] Real Estate [including Capital Work-in-Progress]		359228		350441		296792		359228		296792		355557
[f] Investments [including Investment in Subsidiaries out of which 7 are operational]		832868		777388		677894		832868		677894		688247
[g] Others [including Capital Work-in-Progress]		19078		18121		12036		19078		12036		16898
[h] Un-allocated		550998		463983		608818		550998		608818		566071
Total		3664784		3521104		3273501		3664784		3273501		3451931

JAIPRAKASH ASSOCIATES LIMITED

STATEMENT OF ASSETS AND LIABILITIES

₹ Lakhs

Particulars	Unaudited		Audited
	30.09.2012	30.09.2011	31.03.2012
A EQUITY AND LIABILITIES			
1 SHAREHOLDERS FUNDS			
(a) Share Capital	42529	42529	42529
(b) Reserves and Surplus	1209822	1144412	1187901
Sub-total - Shareholders' funds	1252351	1186941	1230430
2 NON-CURRENT LIABILITIES			
(a) Long-term Borrowings	1859910	1456250	1503700
(b) Deferred Tax Liabilities [Net]	129747	124795	124372
(c) Other Long-term Liabilities	174660	164200	160878
(d) Long-term Provisions	17268	9288	13263
Sub-total - Non-current Liabilities	2181585	1754533	1802213
3 CURRENT LIABILITIES			
(a) Short-term Borrowings	94940	71965	107929
(b) Trade Payables	227396	166599	222550
(c) Other Current Liabilities	586848	595326	698373
(d) Short-term Provisions	12245	9406	12937
Sub-total - Current Liabilities	921429	843296	1041789
TOTAL - EQUITY AND LIABILITIES	4355365	3784770	4074432
B ASSETS			
1 NON-CURRENT ASSETS			
(a) Fixed Assets	1684388	1401986	1542618
(b) Non-current Investments	776080	637438	654550
(c) Long-term Loans and Advances	120127	131041	117455
(d) Other Non-current Assets	142901	570001	156890
Sub-total - Non-current Assets	2,723,496	2,740,466	2,471,513
2 CURRENT ASSETS			
(a) Current Investments	56788	40457	33697
(b) Inventories	183811	155335	169149
(c) Projects Under Development	242668	210927	233631
(d) Trade Receivables	222875	140818	286637
(e) Cash and Cash Equivalents	147078	178839	102223
(f) Short-term Loans and Advances	372314	315574	313464
(g) Other Current Assets	406335	2354	464118
Sub-total - Current Assets	1,631,869	1,044,304	1,602,919
TOTAL - ASSETS	4355365	3784770	4074432

Notes:

1. Previous Year's / Quarter's figures have been regrouped / rearranged / recast wherever necessary.

2. During the quarter the Company has fully redeemed outstanding FCCBs of USD 354.475 Mn on 12th September 2012 (due date) out of FCCB issue of USD 400 Mn. raised in September, 2007. The Company paid ₹ 1930.16 Crores towards Principal amount of the Bonds and ₹ 920.70 Crores (equivalent to USD 169.09 Mn) as Premium payable on redemption of the above said Bonds.

3. The Company has successfully raised 5.75% Foreign Currency Convertible Bonds of USD 150 Mn convertible into Equity Shares of ₹ 2/- each at a predetermined price of ₹ 77.50 per share. The proceeds of the issue were utilised for redemption of the Foreign Currency Convertible Bonds mentioned at Sl. No.2 above.

4. Figures for the Quarter/Half Year Ended 30th Sept, 2011 had been reworked pursuant to Demerger of (i) South Cement Undertaking, (ii) West Cement Undertaking , (iii) Asbestos Undertaking, (iv) Heavy Engineering Works undertaking & (v) Foundry Undertaking approved by Hon'ble High Court of Judicature at Allahabad u/s Section 391/394 of the Companies Act,1956. The demerged undertakings stood transferred to and vested in the Transferee Company i.e.Jaypee Cement Corporation Limited [100% subsidiary of the Company] w.e.f. 1st April, 2011 [Appointed Date].

5. 189,316,882 Equity Shares held by the Four Trusts, of which the Company is the sole beneficiary, are pledged for securing the loan obtained by the Company. Shares in respect of which Non Disposal Undertaking (NDU) has been issued are not included in 'Encumbered Shares'. The details of such shares are as follows: Out of the total holding of 717,656,303 Equity Shares of the Company held by Jaypee Infra Ventures (A Private Company With Unlimited Liability), a Promoter/Promoter Group Company, 8,939,157 Shares are under NDU.

6. The above results have been subjected to the limited review by the Statutory Auditors in terms of Clause 41 of the Listing Agreement. The same were reviewed by the Audit Committee and then approved by the Board of Directors in their respective meetings held on 12th November, 2012.

Date : New Delhi
Place: 12th November, 2012

Manoj Gaur
Executive Chairman & CEO

<u>AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAIPRAKASH ASSOCIATES LIMITED AND ITS SUBSIDIARIES</u>

The Board of Directors
Jaiprakash Associates Limited

1. We have audited the attached Consolidated Balance Sheet of Jaiprakash Associates Limited and its subsidiaries/associates, as at 31st March 2012, and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Jaiprakash Associates Limited management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing by accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of 18(Eighteen) subsidiaries and 7(Seven) associates (including three companies whose accounts are under audit by the Auditors appointed by the Comptroller and Auditor and General of India (CAG)), whose financial statements reflect total assets of Rs. 62,53,130.85 Lacs as at 31st March 2012, the total revenues of Rs. 7,95,247.72 Lacs and total cash out flows amounting to Rs. 2,81,298.55 Lacs for the year then ended. These financial statements and other financial information have been audited by other auditors including three companies whose accounts are under audit by the Auditors appointed by CAG, whose reports/Financial information have been furnished to us. Our opinion is based solely on the financial information/Report of other Auditors.

4. 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.

5. 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:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of Jaiprakash Associates Limited and its subsidiaries as at 31st March, 2012;
(b) in the case of the Consolidated Statement of Profit and Loss, of the profit of Jaiprakash Associates Limited and its subsidiaries for the year ended on the date; and
(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of Jaiprakash Associates Limited and its subsidiaries for the year ended on that date.

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

(CA M.P. SINGH)
Partner
M.No.1454

Place :Noida
Dated :30th May 2012

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

	CONSOLIDATED NOTE No.		As At 31.03.2012 ₹ LAKHS		As At 31.03.2011 ₹ LAKHS
EQUITY AND LIABILITIES					
SHAREHOLDERS FUNDS					
(a) Share Capital	2	42,529		42,529	
(b) Reserves and Surplus	3	1,105,274		1,035,382	
			1,147,803		1,077,911
MINORITY INTEREST					
(a) Share Capital		129,118		92,142	
(b) Share Capital Suspense		-		34,408	
(c) Reserves and Surplus		163,603		140,211	
(d) Share Application Money		1,500		24,000	
(e) Preference Share Capital		435	294,656	-	290,761
Deferred Revenue	4		39,206		31,302
NON-CURRENT LIABILITIES					
(a) Long Term Borrowings	5	4,391,272		3,922,696	
(b) Deferred Tax Liabilities [Net]	6	141,040		121,501	
(c) Other Long Term Liabilities	7	85,554		76,996	
(d) Long Term Provisions	8	49,649		32,757	
			4,667,515		4,153,950
CURRENT LIABILITIES					
(a) Short Term Borrowings	9	145,768		194,365	
(b) Trade Payables	10	384,554		216,411	
(c) Other Current Liabilities	11	1,201,230		720,743	
(d) Short Term Provisions	12	46,892		12,828	
			1,778,444		1,144,347
TOTAL			7,927,624		6,698,271
ASSETS					
NON-CURRENT ASSETS					
(a) FIXED ASSETS					
(i) Tangible Assets	13	2,659,439		1,639,694	
(ii) Intangible Assets		6,089		4,509	
(iii) Capital Work-in-Progress [including Expenditure During Construction Period]		2,605,457		2,239,500	
(iv) Intangible Assets under Development		54,400		54,025	
		5,325,385		3,937,728	
(b) NON-CURRENT INVESTMENTS	14	289,419		267,596	
(c) LONG TERM LOANS AND ADVANCES	15	368,994		395,460	
(d) OTHER NON-CURRENT ASSETS	16	163,168	6,146,966	157,569	4,758,353
CURRENT ASSETS					
(a) Current Investments	17	33,697		43,516	
(b) Inventories	18	194,746		166,895	
(c) Projects Under Development	19	632,978		543,051	
(d) Trade Receivables	20	197,784		115,664	
(f) Cash and Cash Equivalents	21	286,059		681,860	
(g) Short-term Loans and Advances	22	430,944		382,052	
(h) Other Current Assets	23	4,450	1,780,658	6,880	1,939,918
TOTAL			7,927,624		6,698,271

Significant Accounting Policies & Notes to the Financial Statements "1" to "46"

For and on behalf of the Board

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

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

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

M.P. SINGH
Partner
M.No 1454

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: 30th May, 2012

CONSOLIDATED STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH, 2012

	CONSOLIDATED NOTE No.		2011-12 ₹ LAKHS		2010-11 ₹ LAKHS
REVENUE FROM OPERATIONS	24		1,487,350		1,137,491
OTHER INCOME	25		24,699		25,490
TOTAL REVENUE			1,512,049		1,162,981
EXPENSES					
Cost of Materials Consumed	26	245,686		181,305	
Changes in Inventories of Finished Goods & Work-in-Progress	27	3,364		(25,653)	
Manufacturing, Construction, Real Estate, Infrastructure Hotel/Hospitality/Event & Power Expenses	28	396,612		274,495	
Employee Benefits Expense	29	66,001		52,493	
Finance Costs	30	313,414		197,950	
Depreciation and Amortisation Expense	31	95,155		64,773	
Other Expenses	32	229,213		158,705	
TOTAL EXPENSES			1,349,445		904,068
Profit before Exceptional, Prior Period Items & Tax			162,604		258,913
Profit on Sale of Shares - Exceptional Item			-		51,316
Adjustment for Tariff for FY 04 to FY 08			-		(1,002)
Prior Period Adjustments			(66)		(458)
Profit before Tax			162,538		308,769
Tax Expense					
Current Tax		55,839		75,116	
Deferred Tax		13,199		29,159	
Excess Provision for Income Tax in Earlier Years Reversed		(1,208)	67,830	(1,409)	102,866
Net Profit after Tax and before Minority Interest and Share in Earnings of Associates			94,708		205,903
Minority Share Holders Interest			(31,412)		(26,536)
Share in Earnings of Associates			(4)		(85)
Profit for the year			63,292		179,282
Earnings Per Equity Share [EPS] [Face Value of ₹ 2/- per share]					
Before Extraordinary Items					
Basic Earnings Per Share			2.98		8.43
Diluted Earnings Per Share			2.86		8.10
After Extraordinary Items					
Basic Earnings Per Share			2.98		8.43
Diluted Earnings Per Share			2.86		8.10
Significant Accounting Policies & Notes to the Financial Statements	"1" to "46"				

For and on behalf of the Board

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

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

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

M.P. SINGH
Partner
M.No 1454

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: 30th May, 2012

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

		2011-2012 ₹ LAKHS		2010-2011 ₹ LAKHS
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Minority Shareholders Interest as per Statement of Profit & Loss		162,538		308,769
Add back:				
(a) Depreciation	94,898		64,635	
(b) Deferred Revenue on account of advance against depreciation	7,904		7,905	
(c) Miscellaneous Expenses and Amortisation	1,152		1,419	
(d) Finance Costs	313,414		197,950	
(e) Loss on sale of Assets [Net]	102	417,470	179	272,088
		580,008		580,857
Deduct:				
(a) Interest Income	(16,129)		(23,749)	
(b) Dividend Income	(645)		(1,561)	
(c) Profit on Sale of Equity Shares	-		(51,316)	
(d) Profit on Sale/Redemption of Exchange Traded Funds/ Mutual Funds	(7,925)		(180)	
(e) Other Income	(368)	(25,067)	(426)	(77,232)
Operating Profit before Working Capital Changes		554,941		503,625
Deduct:				
(a) Increase in Trade Receivables	(86,597)		(121,506)	
(b) Increase in Inventories	(27,851)		(24,741)	
(c) Increase in Projects under Development	(89,927)		(148,225)	
(d) (Increase)/ Decrease in Loans and Advances [including other Current Assets]	(62,103)		(103,886)	
		(266,478)		(398,358)
		288,463		105,267
Add:				
Increase in Trade Payables, Other Liabilities & Provisions		174,233		165,993
Cash Generated from Operations		462,696		271,260
Deduct:				
Tax Paid [except Tax paid on Profit on sale of Equity Shares]		(49,618)		(80,547)
CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES "A"		413,078		190,713
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Outflow:				
(a) Purchase of Fixed Assets [including Capital Work in Progress]	(1,428,893)		(1,290,924)	
(b) Purchase of Investments in Shares [including Share Application Money]	(21,823)		(28,426)	
(c) Purchase/ Sale of Investments in units of Mutual Fund / Exchange Traded Funds [Net]	17,744		(2,401)	
(d) Miscellaneous Expenditure	(70)	(1,433,042)	(301)	(1,322,052)
Inflow:				
(a) Sale/Transfer of Fixed Assets	3,147		2,336	
(b) Sale of Investments in Equity Shares	-		57,316	
(c) Interest Received	17,437		22,433	
(d) Dividend Received	645		1,561	
(e) Other Income	368	21,597	426	84,072
Deduct:				
Tax Paid on Profit on Sale of Equity Shares		-		(10,228)
NET CASH USED IN INVESTING ACTIVITIES "B"		(1,411,445)		(1,248,208)

(C) CASH FLOW FROM FINANCING ACTIVITIES:		2011-2012 ₹ LAKHS		2010-2011 ₹ LAKHS
Inflow:				
(a) Increase in Share Capital (Refer Note No.1)	-		36	
(b) Increase in Security Premium (Net of expenses) (Refer Note No.1 & 2)	41,550		144,236	
(c) Increase in Minority Interest	-		46,857	
(d) Increase in Capital Reserve	2,803		2,929	
(e) Increase in Borrowings (Net of Repayments)	891,064		909,777	
(f) Adjustment in General Reserve	61		-	
		935,478		1,103,835
Outflow:				
(a) Finance Costs [including Redemption Premium]	(300,361)		(189,375)	
(b) Dividend Paid (including Tax on Dividend)	(12,784)		(23,601)	
(c) Decrease in Minority Interest	(19,767)		-	
		(332,912)		(212,976)
NET CASH FROM FINANCING ACTIVITIES "C"		602,566		890,859
CASH AND CASH EQUIVALENTS ADJUSTMENT "D"		-		(23)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C+D"		(395,801)		(166,659)
CASH AND CASH EQUIVALENTS AS AT 01.04. (OPENING BALANCE)		681,860		848,519
CASH AND CASH EQUIVALENTS AS AT 31.03. (CLOSING BALANCE)		286,059		681,860

Notes:

1. 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.

2. Increase in Security Premium also includes premium received by Subsidiary Companies on issue of Shares.

3. Previous year figures have been regrouped/rearranged wherever necessary.

For and on behalf of the Board

for M.P. SINGH & ASSOCIATES
Chartered Accountants
Firm Regn No.002183C

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

M.P. SINGH
Partner
MNo.1454

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

GOPAL DAS BANSAL
Jt. PRESIDENT
[Accounts]

RAM BAHADUR SINGH
C.F.O
[Cement]

HARISH K. VAI D
Sr. PRESIDENT [Corporate Affairs] & COMPANY SECRETARY]

RAHUL KUMAR
DIRECTOR & C.F.O.

SHYAM DATT NAILWAL
DIRECTOR [Finance]

Place : Noida
Dated: 30th May,2012

CONSOLIDATED NOTE No. "1"
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).

[iii] The Accounts are prepared on the historical cost basis and on the principles of a going concern.

[iv] Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

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 accoounting 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 aperiod of ten years.

Revenue Recognition:

Revenue/Income and Cost/Expenditure are accounted for on accrual basis as they are earned or incurred.

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 cost upto the date of acquisition/ installation.

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 Project 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 to the Companies Act, 1956.

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. Dividend is accounted for as and when received.

Employee Benefits:

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

[i] Provident Fund and Pension contribution - as a percentage of salary/wages is a Defined Contribution Scheme.

[ii] Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method.

Inventories:

[i] The inventories resulting from intra-group transactions are stated at cost after deducting unrealised profit on such transaction.

[ii] The inventories are valued on the basis of weighted Average Cost Method.

[iii] Stock of Cement/ Asbestos Sheets is valued at estimated cost or net realisable value, whichever is less. Value of Cement, Asbestos Sheets and Clinker lying in the factory premises includes excise duty, pursuant to the Accounting Standard (AS-2) [Revised].

[iv] Work-in-Progress and Material-in-Process are valued at estimated cost.

[v] Hotel Business - Stock of Food, Beverages, operating Stores and Supplies are valued at cost. Consumption of material is valued at Cost.

Foreign Currency Transactions:

[i] Monetary Assets and Liabilities related to Foreign Currency transactions and outstanding, except assets and liabilities hedge by a hedged contract, at the close of the year, are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet.

[ii] 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 carryingcost of such assets.

[iii] Transactions in Foreign Currency are recorded in the Books of Account in Indian Rupees at the rate of exchange prevailing on the date of transaction.

[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.

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.

Expenditure During Construction Period:

Expenditure incurred on projects during implementation is capitalised and apportioned to various assets on commissioning of theproject.

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 outstanding 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 revenue.

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:
Deferred Tax Liability is provided in accordance with Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are stated as the aggregate of respective figures in the separate Balance Sheets.

Provisions, Contingent Liabilities and Contingent Assets [AS-29]:
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Premium on Redemption of Debentures
Premium paid/ payable on Redemption of Debentures, net of tax impact, are adjusted against the Securities Premium

CONSOLIDATED NOTE No. "2"
SHARE CAPITAL

		As At 31.03.2012 ₹ LAKHS	As At 31.03.2011 ₹ 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 Paid-up			
2,126,433,182	Equity Shares [Previous Year 2,126,433,182] of ₹ 2/- each fully paid up	42,529	42,529
		42,529	42,529

2.1 Issued, Subscribed and Paid-up Share Capital in number comprises of

860,865,055	Equity Shares [Previous Year 860,865,055] allotted for consideration other than cash in terms of the Scheme of Amalgamation effective from 11.03.2004;
20,219,850	Equity Shares [Previous Year 20,219,850] allotted for cash under "Jaypee Employees Stock Purchase Scheme 2002";
173,178,150	Equity Shares [Previous Year 173,178,150] allotted for cash on conversion of Foreign Currency Convertible Bonds;
124,378,825	Equity Shares [Previous Year 124,378,825] allotted in terms of Scheme of Amalgamation effective from 22.08.2006;
10,000,000	Equity Shares [Previous Year 10,000,000] allotted for cash to Promoters on Preferential Basis;
218,010,985	Equity Shares [Previous Year 218,010,985] allotted pursuant to Scheme of Amalgamation effective from 27.05.2009;
12,500,000	Equity Shares [Previous Year 12,500,000] allotted for cash under "Jaypee Employees Stock Purchase Scheme 2009" and
707,280,317	Equity Shares [Previous Year 707,280,317] 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 31.03.2012		As At 31.03.2011	
	Number	₹ Lakhs	Number	₹ Lakhs
Equity Shares at the beginning of the year	2,126,433,182	42,529	2,124,634,633	42,493
Add Equity Shares allotted on conversion of Foreign Currency Convertible Bonds	-	-	1,798,549	36
Equity Shares at the end of the year	2,126,433,182	42,529	2,126,433,182	42,529

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 carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferencial payments.

2.4 Details of Shareholder holding more than 5% Shares:

	As At 31.03.2012		As At 31.03.2011	
Name of Shareholder	Number	% holding	Number	% holding
Jaypee Infra Ventures [a Private Company with unlimited liability]	717,656,303	33.75	716,588,303	33.70
Life Insurance Corporation of India & Mutual Funds	109,239,797	5.14	109,239,797	5.14

CONSOLIDATED NOTE No. "3" RESERVES AND SURPLUS			As At 31.03.2012 ₹ LAKHS		As At 31.03.2011 ₹ LAKHS
General Reserve					
As per last Balance Sheet		198,668		170,841	
Add :Transfer from Statement of Profit & Loss/Debenture Redemption Reserve		10,264		27,800	
Add :Adjustment		61		27	
			208,993		198,668
Debenture Redemption Reserve					
As per last Balance Sheet		161,825		97,802	
Add :Transfer from Statement of Profit & Loss		66,525		76,523	
Less :Transfer to General Reserve		-		12,500	
			228,350		161,825
Security Premium Redemption Reserve					
Transfer from Security Premium Reserve			2,850		-
Revaluation Reserve					
As per last Balance Sheet		20,254		30,390	
Less:Revaluation Reserve on Lease-hold Land Reversed		-		9,835	
Less:Depreciation and Amortisation adjusted on Revalued Assets		201		301	
			20,053		20,254
Securities Premium Reserve					
As per last Balance Sheet		356,256		243,476	
Add: Premium on issue of shares		43,469		148,707	
Add : On conversion of Foreign Currency Convertible Bonds into Shares		-		1,304	
Less: Preference share issue expenses		1,919		-	
Less: Pre IPO Expenses		-		8,661	
Less: Premium Payable on Redemption of Debentures		23,567		28,570	
Less: Transfer to Security Premium Redemption Reserve		2,850		-	
			371,389		356,256
Reserve for Premium on Foreign Currency Convertible Bonds					
As per last Balance Sheet		53,503		36,303	
Add : Provided for the year		28,670		17,200	
Less: Amount Paid on Redemption		228	81,945	-	53,503
Capital Reserve					
As per last Balance Sheet		96,076		32,736	
Add :Addition during the year		3,207	99,283	63,340	96,076
Capital Reserve on Consolidation					
As per last Balance Sheet		48,305		64,663	
Less : Goodwill arising on consolidation adjusted		-		16,358	
Less : Adjustments during the year		404	47,901	-	48,305
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		240,592		166,200	
Opening Balances of New Subsidiaries/Joint Ventures Consolidated		(61)		-	
Profit for the year		63,292		179,282	
		303,823		345,482	
Add :Tax on Proposed Final Dividend Reversed		937		-	
Add :Final Dividend Transferred from Trusts		757		1,022	
Add : MAT credit for earlier years		23,201		-	
Add :Minority Share holders Interest for Appropriation		31,412		26,536	
Less:Appropriations					
Transferred to Reserve for Redemption Premium on Foreign Currency Convertible Bonds	28,670			17,200	
Transferred to Debenture Redemption Reserve	66,525			76,523	
Provision for Premium on Redemption of Debentures	23,505			-	
Deffered Tax Liability of earlier Years	6,216			-	
Transferred to General Reserve	10,264			15,300	
Dividend Paid pertaining to Previous Year	-	135,180		11	
Less:Dividend					
Interim Dividend	1,170			10,260	
Interim Dividend transferred from Trusts	-			(757)	
Tax on Interim Dividend	1,127			1,730	
Proposed Final Dividend	11,803			9,675	
Tax on Proposed Final Dividend	2,851	16,951	207,999	2,506	240,592
			1,268,877		1,175,593
Less:Minority Share holders interest in Reserve and Surplus			163,603		140,211
			1,105,274		1,035,382

CONSOLIDATED NOTE No. "4" DEFERRED REVENUE	As At 31.03.2012 ₹ LAKHS	As At 31.03.2011 ₹ LAKHS
Advance against depreciation for the year		
As Per last Balance Sheet	31,302	23,397
Add :Addition during the year	7,904	7,905
	39,206	31,302

CONSOLIDATED NOTE No. "5" LONG-TERM BORROWINGS	As At 31.03.2012 Current	As At 31.03.2012 Non-Current	As At 31.03.2011 Current	As At 31.03.2011 Non-Current
[I] SECURED LOANS				
A. NON-CONVERTIBLE DEBENTURES	209,498	579,259	39,000	776,757
B. TERM LOANS				
(i) From Financial Institutions				
(a) In Rupees	5,493	299,373	8,600	256,122
(b) In Foreign Currency	395	7,905	1,482	7,129
(ii) From Banks				
(a) In Rupees	184,518	2,977,131	153,119	2,177,941
(b) In Foreign Currency	3,580	17,650	5,107	16,981
(iii) From Others	8,388	39,113	2,200	26,200
C. Deferred Payment Liabilities				
Foreign Currency - Buyer's Credit	1,744	3,870	1,609	4,803
D. Loan from State Government [Interest Free]	-	24,494	-	17,956
E. ADVANCE FROM CLIENTS				
From Government Departments, Public Sector Undertakings & Others - Secured against Hypothecation of construction material and plant & machinery				
(i) Interest Bearing	-	606	-	606
Total =====> "I"	413,616	3,949,401	211,117	3,284,495
[II] UNSECURED LOANS				
A. Convertible Debentures	-	10,000	-	-
B. Foreign Currency Convertible Bonds	182,837	102,600	-	250,502
C. Foreign Currency Loans from Banks [ECB]				
(i) ECB [USD]	39,297	43,707	33,819	71,542
(ii) ECB [GBP]	4,252	21,260	-	22,348
(iii) ECB [CAD]	4,392	21,961	-	23,085
D. Loans from Banks	3,396	55,376	-	45,824
E. Fixed Deposits Scheme	112,323	106,659	50,589	131,431
F. Others [including Deferred Payment for Land]	20,271	80,308	13,774	93,469
Total =====> "II"	366,768	441,871	98,182	638,201
Gr. Total =====> "I + II"	780,384	4,391,272	309,299	3,922,696

CONSOLIDATED NOTE No. "6" DEFERRED TAX LIABILITIES [NET]		As At 31.03.2012 ₹ LAKHS		As At 31.03.2011 ₹ LAKHS
Deferred Tax Liabilities		160,242		126,724
Less:Deferred Tax Assets		19,202		5,223
[Refer Note No. " 39 "]				
		141,040		121,501

CONSOLIDATED NOTE No. "7" OTHER LONG TERM LIABILITIES				
Trade Payables				
Due to Micro, Small and Medium Enterprises	-		-	
Others	12,923	12,923	15,725	15,725
Interest accrued but not due on Borrowings		9,147		11,981
Adjustable receipts against Contracts (Partly Secured against Bank Guarantees)				
(a) Interest Bearing	2,467		14,756	
(b) Non Interest Bearing	17,082	19,549	4,000	18,756
Advance from Customers		145		160
Other Payables		43,790		30,374
		85,554		76,996

CONSOLIDATED NOTE No. "8" LONG-TERM PROVISIONS				
Provision for Premium on Redemption of Debentures		44,348		28,570
Provisions for Employee Benefits				
For Gratuity		758		315
For Leave Encashment		4,543		3,872
		49,649		32,757

CONSOLIDATED NOTE No. "9" SHORT TERM BORROWINGS				
[I] SECURED LOANS				
A. Term Loans:				
(i) From Banks	5,660		5,042	
(ii) From Others	470	6,130	-	5,042
B. Working Capital Loans				
From Banks		28,415		29,166
[II] UNSECURED LOANS				
A. Loans from Banks	44,111		23,692	
B. Bills Discounting	65,906		34,857	
C. Commercial Papers	-		100,000	
D. Fixed Deposits Scheme	1,206		1,608	
		111,223		160,157
		145,768		194,365

"9.1" Maximum balance of Commercial Papers ouststanding during the year ₹ 100000 Lakhs [Previous Year ₹ 150000 Lakhs].

CONSOLIDATED NOTE No. "10" TRADE PAYABLES		As At 31.03.2012 ₹ LAKHS		As At 31.03.2011 ₹ LAKHS
Due to Micro, Small and Medium Enterprises		-		-
Others		384,554		216,411
		384,554		216,411

CONSOLIDATED NOTE No. "11"
OTHER CURRENT LIABILITIES

Current maturities of Long term Debt				
(a) Secured Loans [Refer Note No.5[I]]	413,616		211,117	
(b) Unsecured Loans [Refer Note No.5[II]]	366,768	780,384	98,182	309,299
Interest accrued but not due on Borrowings		41,358		25,243
Adjustable receipts against Contracts (Secured Partly against Bank Guarantees)				
(a) Interest Bearing	12,090		6,500	
(b) Non Interest Bearing	81	12,171	269	6,769
Advance from Customers		276,393		328,928
Investors Education & Protection Fund [Appropriate amounts shall be transferred to Investor Education & Protection Fund, if and when due] Unclaimed Dividend		1,411		1,353
Unclaimed Matured Public Deposit [including interest thereon]		1,079		860
Other Payables [including Statutory Dues, Staff Payable etc.]		88,434		48,291
		1,201,230		720,743

CONSOLIDATED NOTE No. "12"
SHORT TERM PROVISIONS

Provisions for Employees Benefits				
For Gratuity	176		9	
For Leave Encashment	768	944	638	647
Others				
For Provisions of Premium on Redemption of Debentures	31,294		-	
For Proposed Final Dividend	11,803		9,675	
For Tax on Proposed Final Dividend	2,851	45,948	2,506	12,181
		46,892		12,828

₹ LAKHS

CONSOLIDATED NOTE No."13"
FIXED ASSETS

Particulars	GROSS CARRYING VALUE				DEPRECIATION / AMORTISATION				NET CARRYING VALUE	
	As at 01.04.2011	Addition during the year	Sale/Transfer/ Discard/ Adjustment during the year	As at 31.03.2012	Upto 31.03.2011	For The year	Sale/Adjust-ment	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
[A] TANGIBLE ASSETS										
01 Land										
(a) Leasehold Land	121,312	5,883	1,073	126,122	723	209	-	932	125,190	120,589
(b) Freehold Land	51,678	2,612	-	54,290	-	-	-	-	54,290	51,678
02 Building	244,186	107,793	36	351,943	16,619	7,656	4	24,271	327,672	227,567
03 Purely Temporary Erections	6,633	1,672	-	8,305	6,633	836	-	7,469	836	-
04 Railway siding	14,377	3,191	-	17,568	2,491	750	-	3,241	14,327	11,886
05 Plant & Equipments	1,345,718	909,982	4,003	2,251,697	272,517	82,622	901	354,238	1,897,459	1,073,201
06. Captive Thermal Power Plant	114,008	26,609	-	140,617	20,526	6,718	-	27,244	113,373	93,482
07 Wind Turbine Generators	26,713	1,038	-	27,751	4,905	1,413	-	6,318	21,433	21,808
08 Golf Course & Race Track	3,710	58,491	-	62,201	1,553	1,565	-	3,118	59,083	2,157
09 Miscellaneous Fixed Assets (Hotel)	3,915	261	40	4,136	1,745	183	21	1,907	2,229	2,170
10 Vehicles	14,990	2,555	296	17,249	6,244	1,188	215	7,217	10,032	8,746
11 Furniture & Fixtures	8,845	1,873	102	10,616	4,097	651	102	4,646	5,970	4,748
12 Office Equipments	16,898	8,645	71	25,472	6,214	1,995	56	8,153	17,319	10,684
13 Ships: Boat	37	1	-	38	3	1	-	4	34	34
14 Aeroplane /Helicopter	13,423	-	-	13,423	2,479	752	-	3,231	10,192	10,944
TOTAL TANGIBLE ASSETS	1,986,443	1,130,606	5,621	3,111,428	346,749	106,539	1,299	451,989	2,659,439	1,639,694
[B] INTANGIBLE ASSETS										
01 Computer Software	2,287	1,644	-	3,931	719	603	-	1,322	2,609	1,568
02 Mining Rights	-	810	-	810	-	-	-	-	810	-
03 Deferred Revenue Expenditure	4,800	-	-	4,800	1,861	270	-	2,131	2,669	2,939
04 Fees Paid to Franchiser	22	-	-	22	20	1	-	21	1	2
TOTAL INTANGIBLE ASSETS	7,109	2,454	-	9,563	2,600	874	-	3,474	6,089	4,509
GRAND TOTAL	1,993,552	1,133,060	5,621	3,120,991	349,349	107,413	1,299	455,463	2,665,528	1,644,203
PREVIOUS YEAR	1,848,684	271,336	126,468	1,993,552	284,687	76,296	11,634	349,349	1,644,203	1,563,997
CAPITAL WORK IN PROGRESS [Expenditure During Construction Period]									2,605,457	2,239,500
INTANGIBLE ASSETS UNDER DEVELOPMENT									54,400	54,025

Note:

01 Depreciation for the year, includes ₹ 12341 Lakhs [Previous Year ₹ 11456 Lakhs] on assets used for Projects under implementation and shown in Note No."34" Expenditure During Construction Period.

02 Sale/Transfer/Disposal for the year include ₹ Nil Lakhs [Previous Year ₹ 2850 Lakhs] transferrred to Projects Under Development as shown under Note No.33 and also includes ₹ Nil Lakhs [Previous Year ₹ 9835 Lakhs being reversal of Revaluation Reserve on the Land transferred to Project Under Development].

03 Capital Work-in-progress of ₹ 2605457 Lakhs [Previous Year ₹ 2239500 Lakhs] is after transfer of ₹ Nil Lakhs [Previous Year ₹ 11335 Lakhs] to Projects Under Development as shown under Note No.33.

CONSOLIDATED NOTE No. "14" NON-CURRENT INVESTMENTS				As At 31.03.2012 ₹ LAKHS		As At 31.03.2011 ₹ LAKHS
(A) Investments in Subsidiaries						
IN EQUITY SHARES - Unquoted, fully paid-up						
	Nil (6,765,000)	Equity Shares of Jaypee Fertilizers & Industries Limited of ₹ 10/- each	-		677	
				-		677
(B) Investment in Associate Companies						
IN EQUITY SHARES - Unquoted, fully paid-up						
(i)	Nil (10,500,000)	Equity Shares of Madhya Pradesh Jaypee Minerals Limited of ₹ 10/- each	-		993	
(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	32		36	
(iv)	23,575 (23,575)	Equity Shares of Sonebhadra Minerals Private Limited of ₹ 10/- each	16		16	
(v)	50,000 (50,000)	Equity Shares of Indesign Enterprises Private Limited, Cyprus Cyprus Pound 1/- each	72		72	
(vi)	Nil (490,000)	Equity Shares of MP Jaypee Coal Fields Limited of ₹ 10/- each	-		45	
(vii)	Nil (4,900,000)	Equity Shares of MP Jaypee Coal Limited of ₹ 10/- each	-		490	
				121		1,653
(C) Investment in Joint Venture Company						
IN PREFERENCE SHARE- Unquoted, fully paid-up						
	1,901,050	Preference Shares of Jaypee Uttar Bharat Vikas Private Limited of ₹ 10/- each		19,011		-
(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 [` 3500/-]	-		-	
(iii)	721,600 (721,600)	Equity Shares of Indian Overseas Bank Limited of ₹ 10/- each	72		72	
(iv)	868,000 (868,000)	8,68,000 Equity Shares of Sumeru Industries Limited of ₹ 1/- each	6		6	
(v)	20,000 (20,000)	20,000 Equity Shares of Saket Projects Limited of ₹ 10/- each	2		2	
(vi)	165,900 (165,900)	1,65,900 Equity Shares of PNB Gilts Limited of ₹ 10/- each	50		50	
(vii)	25,000 (25,000)	25,000 Equity Shares of Tourism Finance Corporation of India Limited of ₹ 10/- each	5		5	
				137		137
(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)	2,035,000 (2,035,000)	Equity Shares of Delhi Gurgaon Super Connectivity Limited of ₹ 10/- each	204		204	
(iii)	840,000 (840,000)	Equity Shares of U.P. Asbestos Limited of ₹ 10/- each [₹ 1/-]	-		-	
(iv)	5 (5)	Equity Shares of Sanukt Members 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) SHARE APPLICATION MONEY						
(i)	Jaypee Fertilizers and Industries Limited [Subsidiary Company]		-		10	
(ii)	Madhya Pradesh Jaypee Minerals Limited [Associate Company]		7,500		5,511	
(iii)	Jaiprakash Kashmir Energy Limited [Associate Company]		101		101	
(iv)	RPJ Minerals Private Limited [Associate Company]		50		50	
(v)	Others		3,042	10,693	-	5,672
				289,419		267,596

"14.1"	Aggregate cost of:				
	Quoted Investments [Market Value ₹ 739 Lakhs [Previous Year ₹ 1094 Lakhs]		137		137
	Unquoted Investments in Shares & Bullion		19,596		2,794

"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 ₹ 154672 Lakhs (Previous Year ₹ 175686 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 ₹ 140211 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"
LONG-TERM LOANS AND ADVANCES
[Unsecured, considered good]

Capital Advance		210,499		268,658
Deposits with Government Department, Public Bodies & Others				
(a) Government Department & Public Bodies	35,454		34,959	
(b) Others	2,531	37,985	1,164	36,123
Loans and Advances to Related Parties:		6,390		-
Advances to Suppliers, Contractors, Sub-contractors & Others		44,934		34,434
Advances for Land		22,762		21,741
Claims and Refund Receivable		25,441		15,126
Prepaid Expenses		6,935		317
Advance Income Tax and Tax Deducted at Source [Net of Provision]		14,048		19,061
		368,994		395,460

CONSOLIDATED NOTE No. "16"
OTHER NON-CURRENT ASSETS
[Unsecured, considered good]

Long Term Trade Receivables				
(a) Considered good		160,371		155,894
(b) Doubtful				
From Overseas Works	10,163		10,163	
Less:Provision for writting off	10,163	-	10,163	-
Interest accrued on Fixed Deposits & Others		2,797		1,675
		163,168		157,569

CONSOLIDATED NOTE No. "17"
CURRENT INVESTMENTS

(a) In Units of Exchange Traded Funds, Quoted [Market Value ₹ 23,701 Lakhs (Previous Year ₹ 23,405 Lakhs)]	22,928	21,408
(b) In Units of Mutual Funds, Unquoted	10,769	22,108
	33,697	43,516

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	2011-12 ₹ LAKHS	Units	2010-11 ₹ LAKHS
[I]	Investment in Units of Exchange Traded Funds				
[a]	UTI Mutual Fund Gold Exchange Traded Fund	-	-	445,081	8,119
[b]	Gold Benchmark Exchange Traded Scheme	728,900	18,940	616,112	11,392
[c]	NSEL - E - Silver	69,983	3,988	34,800	1,897
	Total [I]		22,928		21,408
[II]	Investment in Units of Mutual Funds				
[a]	Birla Sunlife MIP-II - Savings 5 Growth Plan	-	-	4,636,642	750
[b]	Templeton India Short Term Income Retail Growth Plan	-	-	53,557	1,000
[c]	Reliance Monthly Income Growth Plan	-	-	22,577,075	4,750
[d]	HDFC MF Monthly Income Plan - Long Term Growth	-	-	13,580,438	3,000
[e]	Templeton India Short Term Income Retail Growth Plan	25,983	520	-	-
[f]	HDFC Top 200 Fund - Growth	-	-	115,010	200
[g]	Reliance Regular Savings Fund Debt Plan - Institutional	-	-	2,338,817	300
[h]	Templeton India Short Term Income Retail Plan - Monthly Dividend	-	-	44,988	508
[i]	FT India Dynamic PE Ration Fund of Funds - Growth	1,261,006	500	3,775,988	1,500
[j]	Canara Robeco Indigo Fund	960,384	100	960,384	100
[k]	HDFC Prudence Fund [Dividend Scheme]	698,274	200	-	-
[l]	ICICI Prudential Balanced Fund [Dividend Scheme]	1,193,319	200	-	-
[m]	HDFC Balanced Fund [Dividend Scheme]	1,011,941	200	-	-
[n]	Axis Hybrid fund-series 2- Growth Plan	1,000,000	100	-	-
[o]	SBI Gold Fund- Growth	2,000,000	200	-	-
[p]	Axis Capital Protection Oriented Fund -Series 2 [Growth]	999,990	100	-	-
[q]	SBI Dynamic Bond Fund -Growth	776,862	100	-	-
[r]	Kotak Quarterly Interval Plan Series 5 Dividend	-	-	25,000,000	2,500
[s]	SBI MF Debt Fund Series - 180 days 14 Dividend	-	-	10,000,000	1,000
[t]	Tata Fixed Maturity Plan - Series 30 Scheme A Growth	-	-	10,000,000	1,000
[u]	Kotak 368 Days FMP Series 33 - Growth	-	-	5,000,000	500
[v]	DSP Black Rock FMP - 12 M Series 13 Growth	-	-	10,000,000	1,000
[w]	SBI Debt Fund Series - 370 Days 9 Growth	-	-	15,000,000	1,500
[x]	Birla Sun Life Fixed Term Plan Series CO - Growth	-	-	5,000,000	500
[y]	Kotak FMP Series 34 - Growth	-	-	5,000,000	500
[z]	IDFC Fixed Maturity Yearly Series - 38 Growth	-	-	5,000,000	500
[aa]	IDBI FMP 367 Days Series - Feb 11 A Growth	-	-	5,000,000	500
[ab]	Reliance Fixed Horizon Fund - XIX Series 8 Growth Plan	-	-	5,000,000	500
[ac]	Tempeton India Treasury Management Account -Super Inst. Plan -Growth	192,385	3,000	-	-
[ad]	Kotak Liquid (Institutional Premium) - Growth	26,072,922	5,549	-	-
	Total [II]		10,769		22,108
	Gr. Total [I] + [II]		33,697		43,516

CONSOLIDATED NOTE No. "18"			As At 31.03.2012		As At 31.03.2011
INVENTORIES (As per inventories taken valued and certified by the Management)			₹ LAKHS		₹ LAKHS
(a)	Stores and Spare Parts		81,623		59,879
(b)	Construction & Other Materials		50,501		41,080
(c)	Raw Materials - Cement Division		4,452		3,727
(d)	Raw Materials - Asbestos Sheets		1,962		699
(e)	Finished Goods- Cement Division		22,202		20,630
(f)	Finished Goods- Asbestos Sheets		700		656
(g)	Stock in Process - Cement Division		19,172		31,758
(h)	Stock in Process - Asbestos Sheets		579		321
(i)	Work-in-Progress - Construction Division		10,264		6,753
(j)	Food and Beverages		294		195
(k)	Goods in Transit		2,997		1,197
			194,746		166,895

CONSOLIDATED NOTE No. "19"				
PROJECTS UNDER DEVELOPMENT [Refer Note No "33"]		632,978		543,051
		632,978		543,051

CONSOLIDATED NOTE No. "20" TRADE RECEIVABLES (Unsecured, considered good)					
(a)	Debts outstanding for a period exceeding six months				
	(i)Considered good	71,137		70,692	
	(ii) Considered Doubtful	142		142	
	Less:Provision for Bad & Doubtful Debts	(142)	71,137	(142)	70,692
(b)	Other Debts		126,647		44,972
			197,784		115,664

CONSOLIDATED NOTE No. "21"
CASH AND CASH EQUIVALENTS

			As At 31.03.2012 ₹ LAKHS		As At 31.03.2011 ₹ LAKHS
(a)	Cash in hand		881		767
(b)	Cheques & Drafts in hand		6,031		3,636
(c)	Balances with Scheduled Banks				
	(i) In Current & Cash Credit Account	106,985		159,444	
	(ii) In Fixed Deposits Account with Banks & Others				
	Non-current	9,725		18,056	
	Current	149,327		441,792	
	(iii) Balance in Dividend Account	1,411		1,353	
	(iv) Balance in Trust & Retention Account				
	In Current Account	11,516		32,049	
	In Fixed Deposits Account [Current]	-	278,964	24,642	677,336
(d)	Balance with Non-Scheduled (Foreign) Banks				
	In Current Account		183		121
			286,059		681,860

"21.1" Fixed Deposit of ₹ 10933 Lakhs [Previous Year ₹ 10864 Lakhs) pledged as Margin Money with Banks and Others.

"21.2" Cash in hand and Balances with Non Scheduled Banks in Foreign Currency includes Iraqi Dinars 27,377 Million equivalent to ₹ 10 Lakhs which are not available for use by the Company.

"21.3" Fixed Deposit with Banks include ₹ 13141 Lakhs [Previous Year ₹ 17772 Lakhs] with maturity of more than 12 months.

CONSOLIDATED NOTE No. "22"
SHORT TERM LOANS AND ADVANCES
[Unsecured, considered good]

		As At 31.03.2012 ₹ LAKHS		As At 31.03.2011 ₹ LAKHS
Loans and Advances to Related Parties:		5,503		3,345
Advances to Suppliers, Contractors, Sub-contractors & Others		107,548		95,456
Advance for Land		41,065		41,927
Staff Imprest and Advances		1,361		961
Claims and Refunds Receivable		63,756		62,159
Mat Credit Entitlement		32,466		-
Prepaid Expenses		11,844		19,085
Deposits with Government Department, Public Bodies & Others				
(a) Government Department & Public Bodies	21,144		10,049	
(b) Others	146,257		149,070	
		167,401		159,119
		430,944		382,052

CONSOLIDATED NOTE No. "23"
OTHER CURRENT ASSETS
[Unsecured, considered good]

	As At 31.03.2012 ₹ LAKHS	As At 31.03.2011 ₹ LAKHS
Interest accrued on Fixed Deposits & Others	4,450	6,880
	4,450	6,880

CONSOLIDATED NOTE No."24"
REVENUE FROM OPERATIONS

		2011-12 ₹ LAKHS	2010-11 ₹ LAKHS
Sale of Products	[Refer Note No. "24.1"]	684,244	510,112
Sale of Services	[Refer Note No. "24.2"]	793,079	615,822
Other Operating Revenue	[Refer Note No. "24.3"]	10,027	11,557
		1,487,350	1,137,491

CONSOLIDATED NOTE No."24.1"
SALE OF PRODUCTS

		2011-12		2010-11
Cement Sales [Gross] [including Clinker Sales]	749,525		562,133	
Less:Excise Duty on Sales	76,574	672,951	60,262	501,871
Asbestos Sheets & Other Sales [Gross]	12,441		9,078	
Less:Excise Duty on Sales	1,148	11,293	837	8,241
		684,244		510,112

CONSOLIDATED NOTE No."24.2"
SALE OF SERVICES

	2011-12	2010-11
Construction Revenue	95,425	85,015
Real Estate Revenue	495,466	427,658
Sports Events	13,615	-
Hotel/Hospitality Revenue	18,875	17,629
Power Revenue	165,711	81,699
Sale of VER's	3,987	3,821
	793,079	615,822

CONSOLIDATED NOTE No."24.3"
OTHER OPERATING REVENUE

	2011-12	2010-11
Rent	299	262
Machinery Rentals/Transportation Receipts	69	164
Foreign Currency Rate Difference [Net] - Other than Finance Costs	437	127
Miscellaneous	9,222	11,004
	10,027	11,557

CONSOLIDATED NOTE No."25"
OTHER INCOME

	2011-12	2010-11
Dividends from Non Trade Investments	38	72
Dividends from Trade Investments [Mutual Funds] [Current Investments]	607	1,489
Profit on Sale/Redemption of Exchange Traded Funds/Mutual Funds	7,925	180
Interest	16,129	23,749
	24,699	25,490

CONSOLIDATED NOTE No."26"
COST OF MATERIALS CONSUMED

	2011-12	2010-11
Raw Materials Consumed - Cement Division	85,473	59,570
Raw Materials Consumed - Asbestos Sheets	5,095	3,533
Excise Duty on Clinkers	6,982	6,267
Consumption of Food & Beverages etc.	2,106	1,833
Materials Consumed - Others	9,019	3,373
Machinery Spares Consumed	1,672	733
Stores and Spares Consumed	22,977	16,828
Coal Consumed	133,699	91,612
Packing Materials Consumed	28,209	20,685
	295,232	204,434
Less:Attributable to Self Consumption	48,651	23,129
Less:Clinker Transferred for Trial Run	895	-
	245,686	181,305

CONSOLIDATED NOTE No."27"
CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS

		2011-12 ₹ LAKHS		2010-11 ₹ LAKHS
OPENING STOCKS				
Finished Goods	21,286		14,123	
Stocks of new subsidiary	-		361	
Stock-in-Process	32,079	53,365	10,118	24,602
LESS:CLOSING STOCKS				
Finished Goods	22,902		21,286	
Stock-in-Process	19,751	42,653	32,079	53,365
WORK-IN-PROGRESS - Construction Division & Others				
Opening Work-in-Progress	6,753		6,027	
Less:Closing Stock in Process [Others]	1,127		-	
Less:Closing Work-in-Progress	10,264	(4,638)	6,753	(726)
Excise Duty Difference on Changes in Closing Stocks		(2,710)		3,836
		3,364		(25,653)

CONSOLIDATED NOTE No."28"
MANUFACTURING, CONSTRUCTION, REAL ESTATE, INFRASTRUCTURE
HOTEL / HOSPITALITY / EVENT & POWER EXPENSES

	2011-12	2010-11
Construction Expenses	12,959	12,675
Real Estate / Infrastructure Expenses	213,220	152,405
Event Expenses	31,921	-
Hotel & Golf Course Operating Expenses	2,665	3,507
Hire Charges & Lease Rentals of Machinery	356	380
Power, Electricity & Water Charges	88,108	72,639
Repairs & Maintenance of Machinery	7,182	5,205
Repairs to Building and Camps	4,913	4,518
Operation & Maintenace Expenses	1,905	158
Freight, Octroi & Transportation Charges	49,104	38,248
	412,333	289,735
Less:Attributable to Self Consumption	15,721	15,240
	396,612	274,495

CONSOLIDATED NOTE No."29"
EMPLOYEE BENEFITS EXPENSES

	2011-12	2010-11
Salaries, Wages & Bonus	59,209	46,126
Gratuity	725	1,063
Contribution to Provident & Other Funds	2,609	2,169
Staff Welfare	3,458	3,135
	66,001	52,493

CONSOLIDATED NOTE No."30" FINANCE COSTS		2011-12 ₹ LAKHS		2010-11 ₹ LAKHS
Interest on Term Loans		193,923		120,707
Interest on Debentures		51,048		31,584
Interest on Bank Borrowing and Others		33,813		35,178
Financing Charges		34,071		10,481
Foreign Currency Rate Difference [Net] - On Financing		559		-
		313,414		197,950

NOTE No."31"
DEPRECIATION AND AMORTISATION EXPENSE

Depreciation	94,899		64,585	
Amortisation	457	95,356	489	65,074
Less:Revaluation Reserve		201		301
		95,155		64,773

CONSOLIDATED NOTE No."32"
OTHER EXPENSES

Loading, Transportation & Other Charges		135,080		81,928
Commission & Discount on Sales		28,122		21,132
Sales Promotion		10,114		8,671
Rent		2,362		1,619
Rates & Taxes		5,246		4,896
Insurance		4,419		3,715
Travelling & Conveyance		3,732		4,105
Bank Charges & Guarantee Commission		5,757		4,352
Loss on Sale / Disposal / Discard / Write-off of Assets (Net)		102		179
Postage, Telephone & Telex		1,135		920
Light Vehicles Running & Maintenance		1,443		1,231
Legal & Professional		10,641		8,007
Charity & Donation		5,564		5,004
Security & Medical Service		6,184		5,234
Provision for Bad and Doubtful Debts		2		4
Directors' Fees		36		42
Miscellaneous Expenses		9,055		7,531
Auditors' Remuneration:				
Audit Fees	119		97	
Tax Audit Fees	13		13	
Other Services	3		3	
To Partners in other capacity:				
For Taxation matters [Previous Year ₹ 12,000/-]	5		-	
For Management Services	1		1	
Reimbursement of Expenses	8	149	9	123
Preliminary, Share & Debenture Issue & Other carry forward expenses written off		70		12
		229,213		158,705

CONSOLIDATED NOTE No."33"
PROJECTS UNDER DEVELOPMENT

	2011-12 ₹ LAKHS	2010-11 ₹ LAKHS
Opening Balance	543,051	380,696
Expenses On Development during the year		
Transfer from Fixed Assets [Leasehold Land]	-	2,850
Transfer from Capital Work-in-Progress	-	11,335
Paid for Land	29,133	105,351
Construction Expenses	203,444	149,321
Technical Consultancy	2,930	2,744
Power, Electricity and Water Charges	446	-
Personnel Expenses	7,694	4,415
Sales and Promotional Expenses	19,955	14,661
Other Expenses	5,990	2,109
Finance Costs	42,063	31,485
	854,706	704,967
Less:Cost of Infrastructure & Construction of Properties Developed and under Development	221,728	161,916
Balance carried to Note No."19"	632,978	543,051

CONSOLIDATED NOTE No."34"
EXPENDITURE DURING CONSTRUCTION PERIOD

	2011-12	2011-12	2010-11	2010-11
Opening Balance		542,139		320,734
Add : Opening Balances of New Subsidiaries / Associates / Joint Ventures		1,644		-
		543,783		320,734
Electricity, Power and Fuel		4,037		2,735
Salary , Wages & Staff Welfare		26,863		23,691
Site / Quarry Development, Compensation & Survey Expenses		23,792		2,924
Repair and Maintenance		3,194		2,832
Consultancy,Legal and Professional		9,462		7,624
Insurance		2,232		2,280
License,Application Fee, Rent, Rates and Taxes		724		460
Safety & Security		2,903		2,801
LC Commission,Bank Charges and Bank Guarantee Commission		3,191		3,530
Freight and Material Handling		3,273		3,496
Environmental, Ecology,		234		1,168
Light Vehicle running & Maintenance		2,264		1,008
Travelling and Conveyance		2,167		1,958
Vehicle/ Machinery Hire Charges and Lease Rent		1,484		2,357
Directors' Sitting Fees		5		15
Miscellaneous		5,202		6,350
Advertisement /Business Promotion Expenses		1,350		3,556
Foreign Exchange Fluctuations		77,432		7,496
Interest and Financial Charges		204,123		204,434
Audit Fees		26		46
Depreciation		12,341		11,456
		930,082		612,951
Less:				
Interest Received	4,069		8,472	
Miscellaneous Receipt	1,182		1,038	
	5,251		9,510	
Less: Provision for Taxation	1	5,250	171	9,339
		924,832		603,612
Less:Capitalised/ Transferred / Adjustment During the Year		276,271		61,473
Carried over to Balance Sheet [included in Capital Work-in-Progress]		648,561		542,139

NOTES TO THE FINANCIAL STATEMENTS

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, 2012
Subsidiaries and Joint Venture Subsidiaries			
[a]	Jaiprakash Power Ventures Limited [JPVL]	India	67.93%
[b]	Jaypee Ganga Infrastructure Corporation Limited[JGICL]	India	100%
[c]	Bhilai Jaypee Cement Limited [BJCL]	India	74%
[d]	Jaypee Infratech Limited [JIL]	India	83.16%
[e]	Gujarat Jaypee Cement and Infrastructure Limited [GJCIL]	India	74%
[f]	Himalyan Expressway Limited [HEL]	India	100%
[g]	Jaypee Sports International Limited [JPSI]	India	90.81%
[h]	Bokaro Jaypee Cement Limited[BoJCL]	India	74%
[i]	Jaypee Assam Cement Limited[JAVL]	India	100%
[j]	Himalyaputra Aviation Limited[HAL]	India	100%
[k]	Jaypee Power Grid Limited [JPPGL] (Subsidiary of JPVL)	India	74%
[l]	Jaypee Arunachal Power Limited (Joint Venture Subsidiary of JPVL)	India	100%
[m]	Sangam Power Generation Company Limited (Subsidiary of JPVL)	India	100%
[n]	Prayagraj Power Generation Company Limited (Subsidiary of JPVL)	India	100%
[o]	Jaypee Meghalaya Power Limited (Subsidiary of JPVL)	India	100%
[p]	Jaypee Agra Vikas Limited	India	100%
[q]	Jaypee Cement Corporation Limited	India	100%
[r]	Jaypee Fertilizers & Industries Limited	India	100%
Joint Venture Companies			
[s]	MP Jaypee Coal Limited	India	49%
[t]	MP Jaypee Coal Field Limited	India	49%
[u]	Madhya Pradesh Jaypee Minerals Limited	India	49%
[v]	Jaypee Uttar Bharat Vikas Private Limited (Joint Venture of Jaypee Fertilizers & Industries Limited)	India	50%
[w]	Kanpur Fertilizers & Cement Limited (Subsidiary of Jaypee Uttar Bharat Vikas Private Limited)	India	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 used in Consolidation for Bhilai Jaypee Cement Limited and Jaypee Cement Corporation Limited were for income tax purposes.

		As at 31.03.2012 ₹ LAKHS	As at 31.03.2011 ₹ LAKHS
CONSOLIDATED NOTE No."36"			
	Contingent Liability not provided for in respect of :		
[a]	Claims against the Company / Disputed Liability [including Tax] not acknowledged as debts	187,731	142,424
	Amount deposited under protest	45,506	30,521
	Bank Guarantee deposited under protest (included in [b] below)	14,945	14,953
	Indemnity bond		1,638
[b]	Outstanding amount of Bank Guarantees	206,970	253,747
	Margin Money deposited against the above	2,491	1,980
[c]	Income tax matters under Appeal	4,891	2,309
CONSOLIDATED NOTE No."37"			
	Commitments:		
[a]	Estimated amount of Contract remaining to be executed on capital account and not provided for (net of advances)	4,789,953	5,027,390
[b]	Outstanding Letters of Credit	131,049	139,364
	Margin Money deposited against the above	1,030	217

[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 ₹ 24468 Lakhs [Previous Year ₹ 24468 Lakhs] till 31.03.2015. The Liability amounting to ₹ 4826 Lakhs [Previous Year ₹ 4826 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 inthe ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

CONSOLIDATED NOTE No."39"

(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:

		As at 31.03.2012 ₹ LAKHS	As at 31.03.2011 ₹ LAKHS
(i)	Deferred Tax Liability on account of:		
	Depreciation	130,929	97,410
	Others	29,313	29,314
		160,242	126,724
	Deferred Tax Assets on account of:		
	Employees' Benefits	1,614	1,742
	Others	17,588	3,481
		19,202	5,223
	Net Deferred Tax Liability	141,040	121,501

(ii) Deferred Tax [Net] amounting to ₹ 13,199 LAKHS [Previous year ₹ 29,159 LAKHS] has been recognised in the Consolidated Statement of Profit & Loss for the year ended 31.03.2012.

CONSOLIDATED NOTE No."40"

	As at 31.03.2012 ₹ LAKHS	As at 31.03.2011 ₹ LAKHS
Capital Work-in-Progress includes Civil Works, Machinery Under Erection and in transit, Construction and Erection Materials, Pre-operative Expenses and also Expenditure related to Projects under Implementation.	2,605,457	2,239,500

CONSOLIDATED NOTE No."41"

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 Ventures Private Limited [merged with Jaypee Infra Ventures at SL No (i) above]
[iii]	Jaypee Development Corporation Limited
[iv]	Jaiprakash Kashmir Energy Limited
[v]	JIL Information Technology Limited
[vi]	Gaur & Nagi Limited
[vii]	Indesign Enterprises Private Limited
[viii]	Sonebhadra Minerals Private Limited
[ix]	RPJ Minerals Private Limited
[x]	Jaiprakash Agri Initiatives Company Limited
[xi]	Tiger Hills Holiday Resort Private Limited
[xii]	Anvi Hotels Private Limited
[xiii]	Sarveshwari Stone Products Private Limited
[xiv]	Rock Solid Cement Limited
[xv]	Jaypee International Logistics Company Private Limited
[xvi]	Jaypee Hotels Limited
[xvii]	Jaypee Mining Venture Private Limited
[xviii]	Ceekay Estates Private Limited
[xix]	Jaiprakash Exports Private Limited
[xx]	Bhumi Estate Developers Private Limited
[xxi]	PAC Pharma Drugs and Chemicals Private Limited
[xxii]	Jaypee Technical Consultants Private Limited
[xxiii]	Jaypee Uttar Bharat Vikas Private Limited [Joint Venture] [w.e.f. 21.06.2010]
[xxiv]	Kanpur Fertilizers & Cement Limited [Joint Venture] [w.e.f. 26.09.2010]
[xxv]	Madhya Pradesh Jaypee Minerals Limited [w.e.f. 03.03.2011][Joint Venture]
[xxvi]	MP Jaypee Coal Limited [Joint Venture]
[xxvii]	MP Jaypee Coal Fields Limited [Joint Venture]
[xxviii]	GM Global Mineral Mining Private Limited
[xxix]	Ibonshourne Limited
[xxx]	Power Grid Corporation of India Limited
[xxxi]	Steel Authority of India Limited
[xxxii]	Gujarat Mineral Development Corporation Limited
[xxxiii]	Andhra Cements Limited
[xxxiv]	ISG Traders Limited
[xxxv]	Boydell Media Pvt Limited
[xxxvi]	Gujarat Carbon & Industries Limited
[xxxvii]	Santipara Tea Company Limited
[xxxviii]	Stone Solar 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
[ix]	Shri Rahul Kumar

Jaiprakash Power Ventures Limited

[i]	Shri Suren Jain, Managing Director and CFO
[ii]	Shri G.P.Gaur (w.e.f. 01.02.2011)
[iii]	Shri R.K.Narang
[iv]	Shri Suresh Chandra
[v]	Shri J.N.Gaur (till 30.09.2010)

Jaypee Infratech Limited

[i]	Shri Sameer Gaur (till 31.10.2010)
[ii]	Shri Sachin Gaur
[iii]	Smt Rita Dixit
[iv]	Smt Rekha Dixit (w.e.f. 01.06.2010)

[v] Shri Har Prasad
[vi] Shri Om Prakash Arya (till 20.12.2010)
[vii] Shri Anand Bordia (till 31.01.2011)
[viii] Shri S.K.Dodeja (till 21.09.2010)

Jaypee Power Grid Limited
[i] Shri Rajiv Ranjan Bhardwaj, Managing Director
[ii] Shri Prabhakar Singh

Himalyan Expressway Limited
Shri K.C. Batra

Bhilai Jaypee Cement Limited
[i] Shri Sunil Joshi
[ii] Shri K. P. Sharma

Jaypee Sports International Limited
[i] Shri Sameer Gaur, Managing Director & CEO (w.e.f. 01.11.2010)
[ii] Smt Rekha Dixit (till 30.05.2010)

Prayagraj Power Generation Company Limited
[i] Shri Rakesh Sharma, Managing Director
[ii] Shri Ramesh Chandra Shrivastav (w.e.f. 12.08.2010)
[iii] Shri Arun Gupta (till 31.08.2010)

Sangam Power Generation Company Limited
[i] Shri Siddeshwar Sen (w.e.f. 01.08.2010)
[ii] Shri V.K. Agarwal (w.e.f. 15.11.2010)

[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] 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

Transactions carried out with related parties referred to above:

₹ LAKHS

Nature of Transactions	Related Parties Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Income			
Cement Sales	499	-	-
	(126)	-	-
Real Estate Revenue	1,475	5,465	8,368
	(25,357)	-	-
Service Charges	339	-	-
	(99)	-	-
Others	149	-	-
	(43)	-	-
Expenses			
Design Engineering and Technical Consultancy	6,811	-	-
	(18,128)	-	-

₹ LAKHS

Nature of Transactions	Related Parties Referred in 1(a) above	Related Parties Referred in 1(b) above	Related Parties Referred in 1(c) above
Management Fees	1,094 (1,239)	- -	- -
Security & Medical Services	10,520 (9,897)	- -	- -
Salaries & Other Amenities etc.	- -	1,802 (2,133)	153 (103)
Rent	192 (186)	- -	- -
Fixed Assets & Other Materials Purchased	2,838 (1,770)	- -	- -
Other Expenses	1,544 (273)	- -	- -
Others			
Purchase of Shares	19,011 (22,264)	- -	- -
Share Application Money [Outstanding]	7,651 (5,662)	- -	- -
Outstanding			
Receivables	172,928 (171,387)	- -	- -
Payables	16,207 (4,956)	13 (58)	2 (9)

Notes:Previous Year figures are given in brackets.

CONSOLIDATED NOTE No."42"

Segment Information

Business Segment:

₹ LAKHS

	Particulars	Construction	Cement / Cement Products	Infrastructure Project	Hotel / Hospitality/Sports	Power	Real Estate	Investments	Others	Unallocated	Total
[A]	Segment Revenue										
	External	97,679 (86,836)	690,916 (525,669)	315,877 (257,886)	32,858 (17,769)	165,393 (78,442)	182,762 (171,027)	8,571 (1,741)	2,011 (224)	15,982 (23,387)	1,512,049 (1,162,981)
	Inter Segment Revenue	484,819 (517,909)	42,367 (42,669)	10,264 (20,527)	686 (334)	107 -	- -	- -	3,199 (812)	- -	541,442 (582,251)
	Segment Results Profit/(Loss) before Tax, Interest and Minority Interest	42,600 (51,318)	48,032 (79,784)	181,125 (170,357)	(-) 18,412 (1,515)	129,653 (59,168)	82,035 (90,495)	8,571 (1,741)	(-) 1,613 (-) (785)	3,961 (1,810)	475,952 (455,403)
	Less: Interest										313,414 (197,950)
	Profit beforeTax & Exceptional Item										162,538 (257,453)

JAIPRAKASH ASSOCIATES LIMITED [CONSOLIDATED]

₹ LAKHS

Particulars		Construction	Cement / Cement Products	Infrastructure Project	Hotel / Hospitality/Sports	Power	Real Estate	Investments	Others	Unallocated	Total
	Profit on Sale of Equity Shares (Exceptional Item)										-
											(51,316)
	Profit beforeTax, Minority Interest and Share in Associates										162,538
											(308,769)
	Provision for Tax										
	Current Tax										55,839
											(75,116)
	Deferred Tax										13,199
											(29,159)
	Excess Provision for Income Tax in Earlier Years Reversed										(-) 1,208
											(1,409)
	Profit after Tax before Minority Interest and Share in Associates										94,708
											(205,903)
[B]	Other Information										
	Segment Assets	498,096	2,071,287	1,483,365	316,063	2,320,438	479,382	323,116	108,072	307,752	7,907,571
		(418,934)	(1,785,096)	(1,168,924)	(202,955)	(1,654,691)	(449,993)	(311,112)	(30,000)	(759,749)	(6,781,454)
	Segment Liabilities	136,605	217,969	166,052	37,268	117,297	130,054	-	21,160	145,444	971,849
		(86,107)	(172,200)	(195,503)	(19,823)	(55,182)	(146,392)	-	(2,322)	(165,551)	(843,080)
	Total Loans										5,318,377
											(4,425,029)
	Capital Expenditure during the year including Capital Work-in-Progress	14,657	314,085	241,436	116,206	685,887	931	-	54,054	1,637	1,428,893
		(19,834)	(340,062)	(278,404)	(76,921)	(554,130)	(3,500)	-	(9,112)	(10,158)	(1,292,121)
	Depreciation	4,257	60,421	159	6,672	21,788	663	-	437	500	94,897
		(1,985)	(48,506)	(863)	(1,622)	(10,076)	(159)	-	(465)	(939)	(64,615)
	Non Cash expenditure other than deprecation	-	848	-	21	105	5	-	-	70	1,049
		-	(738)	-	(21)	(32)	(23)	-	-	(645)	(1,459)

[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
[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]	Others	Includes Heavy Engineering Works, Hitech Castings, Coal, Fertilizer, Aviation ,Waste Treatment Plant.

[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."43"

In accordance with the Accounting Standard [AS-20] on 'Earnings Per Share'" computation of Basic and Diluted Earnings per Share is as under

				2011-2012 ₹ LAKHS	2010-2011 ₹ LAKHS
[a]	Net Profit for Basic Earnings Per Share as per Statement of Profit & Loss after extraordinary item			63292	179282
	Net Profit for Basic Earnings Per Share as per Statement of Profit & Loss before extraordinary item			63292	179282
	Add Adjustment for the purpose of Diluted Earnings Per Share			-	2
	Net Profit for Diluted Earnings Per Share as per Statement of Profit & Loss after extraordinary item			63292	179284
	Net Profit for Diluted Earnings Per Share as per Statement of Profit & Loss before extraordinary item			63292	179284
[b]	Weighted average number of equity shares for Earnings Per Share computation:				
	[i]	Number of Equity Shares at the beginning of the year		2,126,433,182	2,124,634,633
	[ii]	Number of Shares allotted during the year		-	1,798,549
	[iii]	Weighted average shares allotted/to be allotted during the year		-	1,177,680
	[iv]	Number of potential Equity Shares		86,803,954	88,443,882
	[v]	Weighted average for:			
		[a] Basic Earnings Per Share		2,126,433,182	2,125,812,313
		[b] Diluted Earnings Per Share		2,213,237,136	2,214,256,195
[c]	Earnings Per Share before extraordinary				
	[i]	Basic	₹	2.98	8.43
	[ii]	Diluted	₹	2.86	8.10
[d]	Earnings Per Share after extraordinary				
	[i]	Basic	₹	2.98	8.43
	[ii]	Diluted	₹	2.86	8.10
[e]	Face Value Per Share		₹	2.00	2.00

CONSOLIDATED NOTE No."44"

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 Liablities (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	262,476	284,022	2,237,742	1,691,244	386,308	168,630	46,299	6,004	40,295	-
	(262,476)	(254,589)	(1,838,130)	(1,321,065)	(360,630)	(84,074)	(20,646)	(4,135)	(16,511)	-
Sangam Power Generation Company Limited	55,198	-7	55,231	40	-	-	-	-	-	-
	(55,198)	(-7)	(55,248)	(57)	-	-	-	-	-	-
Prayagraj Power Generation Company Limited	87,819	-6	323,478	235,665	-	-	-	-	-	-
	(67,819)	(-6)	(142,540)	(74,727)	-	-	-	-	-	-
Jaypee Power Grid Limited	29,200	-376	98,469	69,645	-	-	-111	81	-192	-
	(25,000)	(-184)	(84,800)	(59,984)	-	-	(-184)	-	(-184)	-
Jaypee Infratech Limited	138,893	438,870	1,677,449	1,099,686	-	316,893	159,740	30,768	128,972	8,071
	(138,893)	(337,400)	(1,422,545)	(946,252)	-	(279,863)	(181,464)	(37,958)	(143,506)	(8,071)
Himalayan Expressway Limited	11,809	11,636	75,782	52,337	-	-	-	-	-	-
	(11,809)	(8,429)	(51,259)	(31,021)	-	-	-	-	-	-
Bhilai Jaypee Cement Limited*	20,196	-828	93,763	74,395	-	62,382	-9,633	-1,391	-8,242	-
	(20,196)	(6,972)	(101,235)	(74,067)	-	(33,287)	(-8869)	(2181)	(-11050)	-
Jaypee Ganga Infrastructure Corporation Limited	56,280	-	56,443	163	-	-	-	-	-	-
	(56,600)	-	(56,751)	(151)	-	-	-	-	-	-
Jaypee Arunachal Power Limited	22,400	-225	22,635	460	-	-	-	-	-	-
	(20,000)	(-225)	(20,009)	(234)	-	-	(-99)	-	(-99)	-
Bokaro Jaypee Cement Limited	13,365	-4,526	55,643	46,804	-	27,465	-1,540	2,952	-4,492	-
	(11,869)	(-34)	(39,947)	(28,112)	-	-	(-34)	-	(-34)	-
Jaypee Sports International Limited	56,700	1,171	395,520	337,649	-	94,974	1,981	608	1,373	-
	(64,200)	(-202)	(297,117)	(233,119)	-	-	-	-	-	-
Gujarat Jaypee Cement & Infrastructure Limited	1,185	-26	1,162	3	-	90	2	28	-26	-
	(1,185)	-	(1,258)	(73)	-	-	-	-	-	-
Jaypee Agra Vikas Limited	59,390	-200	71,704	12,514	-	-	-	-	-	-
	(58,380)	(-200)	(70,690)	(12,510)	-	-	(-200)	-	(-200)	-
Jaypee Meghalaya Power Limited	670	-2	767	99	-	-	-	-	-	-
	(500)	(-2)	(501)	(3)	-	-	(-2)	-	(-2)	-
Himalayaputra Aviation Limited	550	-7	544	1	-	3	-7	-	-7	-
	-	-	-	-	-	-	-	-	-	-
Jaypee Cement Corporation Limited*	10,800	-48,463	865,598	903,261	-	123,994	-53,034	-22	-53,012	-
	(8,800)	(-3452)	(13,662)	(8,314)	-	-	(-2413)	(-80)	(-2333)	-
Jaypee Assam Cement Limited	6	-53	56	103	-	-	-53	-	-53	-
	-	-	-	-	-	-	-	-	-	-
Jaypee Ferilizers & Industries Limited	11,819	41,162	53,328	347	46,021	1,095	25	9	16	-
	-	-	-	-	-	-	-	-	-	-

* Figures based on Balance sheet for tax purposes.

CONSOLIDATED NOTE No."45"

Figures for the previous year have been regrouped/ recast/ rearranged wherever considered necessary to confirm to this year's classification in accordance with revised Schedule VI.

CONSOLIDATED NOTE No."46"

Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Parent Company's Financial statements.

Signatures to Note No."1" to "46"

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.

M.P. SINGH
Partner
MNo.1454

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

SHYAM DATT NAILWAL
DIRECTOR [Finance]

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.

Place : Noida
Dated: 30th May, 2012

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

1. We have audited the attached Consolidated Balance Sheet of Jaiprakash Associates Limited and its subsidiaries, as at 31st March 2011, and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Jaiprakash Associates Limited management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing by accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 37,130.99 Crores as at 31st March 2011, the total revenues of Rs. 3,972.24 Crores and total cash flows amounting to Rs. 186.20 Crores 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. Our opinion is based solely on the report of other auditors.

4. 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.

5. 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:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of Jaiprakash Associates Limited and its subsidiaries as at 31st March, 2011;
(b) in the case of the Consolidated Profit and Loss Account, of the profit of Jaiprakash Associates Limited and its subsidiaries for the year ended on the date; and
(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of Jaiprakash Associates Limited and its subsidiaries for the year ended on that date.

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

(CA M.P. SINGH)
Partner
M.No.1454

Place :Noida
Dated :12 August 2011

CONSOLIDATED BALANCE SHEET	SCHEDULE		As At 31.03.2011 ₹ LAKHS		As At 31.03.2010 ₹ LAKHS
SOURCES OF FUNDS					
SHAREHOLDERS FUNDS					
Share Capital	A	42,529		42,493	
Reserves and Surplus	B	1,035,382	1,077,911	811,534	854,027
MINORITY INTEREST (in Subsidiaries)					
Share Capital		92,142		67,940	
Share Capital Suspense		34,408		-	
Reserves and Surplus		140,211		30,991	
Share Application Money		24,000	290,761	1,708	100,639
DEFERRED REVENUE	C		31,302		23,397
LOAN FUNDS					
Secured Loans	D	3,524,802		2,616,081	
Unsecured Loans	E	919,699	4,444,501	911,027	3,527,108
DEFERRED TAX LIABILITY			126,724		96,392
TOTAL FUNDS EMPLOYED			5,971,199		4,601,563
APPLICATION OF FUNDS					
FIXED ASSETS	F				
Gross Block		1,993,552		1,848,684	
Less: Depreciation		349,349		284,687	
Net Block		1,644,203		1,563,997	
Capital Work-in-Progress [Including Incidental Expenditure Pending Allocation]		2,565,592	4,209,795	1,545,929	3,109,926
INVESTMENTS	G		311,112		105,864
DEFERRED TAX ASSET			5,223		4,079
CURRENT ASSETS, LOANS & ADVANCES	H				
CURRENT ASSETS					
Inventories		166,889		141,591	
Projects under Development		543,106		380,696	
Sundry Debtors		267,115		145,168	
Cash and Bank Balances		681,860		848,519	
Other Current Assets		12,966		12,764	
Loans & Advances		608,865		456,982	
		2,280,801		1,985,720	
LESS: CURRENT LIABILITIES & PROVISIONS	I				
Current Liabilities		686,188		516,644	
Provisions		149,601		90,723	
		835,789		607,367	
NET CURRENT ASSETS			1,445,012		1,378,353
MISCELLANEOUS EXPENDITURE	J		57		3,341
TOTAL APPLICATION OF FUNDS			5,971,199		4,601,563
Accounting Policies and Notes to the Consolidated Accounts	T				

For and on behalf of the Board

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

for M.P. SINGH & ASSOCIATES
Chartered Accountants

M.P. SINGH
Partner
M.No 1454
Firm Regn No. 002183C

Place : Noida
Dated: 12th August, 2011

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

GOPAL DAS BANSAL
Sr. VICE-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]

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED	SCHEDULE			2010-2011 ₹ LAKHS		2009-2010 ₹ LAKHS
INCOME						
Cement Sales [Gross]		562,133			392,173	
Less: Excise Duty on Sales		60,262			40,218	
			501,871		351,955	
Construction Revenue			85,015		131,864	
Real Estate/ Infrastructure Revenue			427,658		67,565	
Hotel/Hospitality Revenue			17,629		15,122	
Sale of Energy			81,699		73,707	
Sale of VERs			3,821		4,111	
Asbestos Sheets Sales [Gross]		9,078			8,793	
Less: Excise Duty on Sales		837			(562)	
			8,241			
Other Revenue	K		88,363		157,956	
				1,214,297		810,511
EXPENDITURE						
(Increase)/Decrease in Stocks & Work -in-Progress	L		(29,489)		10,091	
Manufacturing, Construction, Real Estate , Infrastructure, Hotel/ Hospitality & Power Expenses	M		455,735		243,445	
Excise Duty on Stocks			3,836		2,268	
Personnel	N		52,493		59,409	
Selling & Distribution Expenses	O		111,543		60,459	
Other Expenses	P		57,846		57,709	
Interest	Q		187,469		128,638	
Depreciation			64,635		47,220	
				904,068		609,239
				310,229		201,272
Adjustment of Tariff for FY 04 to FY 08				(1,002)		-
Prior Period Adjustments [Net]				(458)		(593)
Profit before Tax				308,769		200,679
Provision for Taxation						
Current Tax			75,116		59,144	
Deferred Tax			29,159		23,351	
Excess Provision for Income Tax in Earlier Years Reversed			(1,409)	102,866	-	82,495
Net Profit after Tax and before Minority Interest and Share in Earnings of Associates				205,903		118,184
Minority Share Holders Interest				(26,536)		(6,266)
Share in Earnings of Associates				(85)		-
Net Profit for the Period				179,282		111,918
Profit brought forward from Previous Year				166,200		152,192
Profit Available for Appropriation				345,482		264,110
Less: Dividend Paid Pertaining to Previous year				11		1
Less: Transferred to Reserve for Redemption Premium on Foreign Currency Convertible Bonds				17,200		11,975
Less:Transferred to Debenture Redemption Reserve				76,523		47,986
Less:Transferred to General Reserve				15,300		24,000
Add: Tax on Proposed Final Dividend Reversed				-		396
Add: Final Dividend Received by Jaiprakash Enterprises Limited [Transferor Company]				-		240
Add: Final Dividend Transferred from Trusts				1,022		705
Add: Minority Shareholders Interest for Appropriation				26,536		6,266
Less:Interim Dividend			10,260		7,571	
Less:Interim Dividend received by Trusts			(757)		(682)	
Tax on Interim Dividend			1,730		1,287	
Proposed Final Dividend			9,675		11,473	
Tax on Proposed Final Dividend			2,506	23,414	1,906	21,555
Balance carried to Balance Sheet				240,592		166,200
Accounting Policies and Notes to the Consolidated Accounts	T					
Earnings Per Share [EPS] [Face Value of ₹ 2/- per Share] [Refer Schedule "T" of Sl. No. 14]						
Before Extraordinary Items						
Basic Earnings per Share				8.43		6.30
Diluted Earnings per Share				8.10		5.98
After Extraordinary Items						
Basic Earnings per Share				8.43		5.30
Diluted Earnings per Share				8.10		5.03

As per our report of even date attached to the Balance Sheet
for M.P. SINGH & ASSOCIATES
Chartered Accountants

M.P. SINGH
Partner
M.No 1454
Firm Regn No. 002183C

Place : Noida
Dated: 12th August, 2011

GOPAL DAS BANSAL
Sr. VICE-PRESIDENT
[Accounts]

RAM BAHADUR SINGH
C.F.O.
[Cement]

HARISH K. VAID
Sr. PRESIDENT
[Corporate Affairs]
& COMPANY SECRETARY

RAHUL KUMAR
DIRECTOR & C.F.O

For and on behalf of the Board

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

SHYAM DATT NAILWAL
DIRECTOR [Finance]

JAIPRAKASH ASSOCIATES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

			2010-2011 ₹ Lakhs		2009-2010 ₹ Lakhs
(A)	CASH FLOW FROM OPERATING ACTIVITIES:				
	Net Profit before Tax and Minority Shareholders Interest as per Profit & Loss Account		308,769		200,679
	Add back:				
	(a) Depreciation	64,635		47,220	
	(b) Deferred Revenue on account of advance against depreciation	7,905		7,530	
	(c) Miscellaneous Expenses (Amortized)	1,419		2,015	
	(d) Interest on Borrowings	187,469		128,638	
	(e) Employee Compensation Expense	-		21,194	
	(f) Loss on sale of fixed assets	179		98	
			261,607		206,695
			570,376		407,374
	Deduct:				
	(a) Interest Income	(23,749)		(15,840)	
	(b) Dividend Income	(1,561)		(758)	
	(c) Profit on Sale of Equity Shares [Previous Year - held through Beneficiary Trusts]	(51,316)		(131,635)	
	(d) Profit on Sale/Redemption of Preference Shares/Mutual Funds	(180)		(849)	
	(e) Other Income	(426)		(119)	
			(77,232)		(149,201)
	Operating Profit before Working Capital Changes		493,144		258,173
	Deduct:				
	(a) (Increase)/ Decrease in Sundry Debtors	(121,506)		(68,884)	
	(b) (Increase)/ Decrease in Inventories	(24,741)		(33,434)	
	(c) (Increase)/ Decrease in Projects under Development	(148,225)		(265,268)	
	(d) (Increase)/Decrease in Other Receivables	1,114		656	
	(e) (Increase)/ Decrease in Loan and Advances	(105,000)		(49,030)	
			(398,358)		(415,960)
			94,786		(157,787)
	Add:				
	Increase/ (Decrease) in Trade Payables & other Liabilities		160,930		161,389
	Cash Generated from Operations		255,716		3,602
	Deduct:				
	Tax Paid [except Tax paid on Profit on sale of Equity Shares]		(80,547)		(35,688)
	CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	"A"	175,169		(32,086)
(B)	CASH FLOW FROM INVESTING ACTIVITIES:				
	Outflow:				
	(a) For Fixed Assets and Capital Work in progress	(1,290,924)		(1,120,242)	
	(b) Purchase of Investments in Equity Shares [including Share Application Money]	(28,426)		(1,877)	
	(c) Purchase of Investments in units of Mutual Fund/ Exchange Traded Funds	(312,969)		(179,144)	
	(d) Miscellaneous Expenditure	(301)		(2,995)	
			(1,632,620)		(1,304,258)
	Inflow:				
	(a) Sale/Transfer of Fixed Assets	2,336		3,702	
	(b) Sale/Redemption of Investments in shares/Mutual Fund	310,568		149,185	
	(c) Sale of Equity Shares [Previous Year held in beneficiary trusts]	57,316		168,079	
	(d) Interest Received	22,433		13,204	
	(e) Dividend Received	1,561		758	
	(f) Other Income	426		119	
			394,640		335,047
	Deduct:				
	Tax Paid on Profit on Sale of Equity Shares		(10,228)		(22,371)
	NET CASH USED IN INVESTING ACTIVITIES	"B"	(1,248,208)		(991,582)

			2010-2011 ₹ Lakhs		2009-2010 ₹ Lakhs
(C)	CASH FLOW FROM FINANCING ACTIVITIES:				
	Inflow:				
	(a) Increase in Share Capital (Refer Note No.1)	36		311	
	(b) Increase in Security Premium (Refer Note No. 1 & 2)	144,236		8,348	
	(c) Increase in Minority Interest	46,857		9,624	
	(d) Increase in Capital Reserve	2,929		5,700	
	(e) Increase in Borrowings (Net)	914,840		1,595,093	
			1,108,898		1,619,076
	Outflow				
	(a) Interest Paid	(178,894)		(119,503)	
	(b) Dividend Paid (including Tax on Dividend)	(23,601)		(19,527)	
			(202,495)		(139,030)
	NET CASH FROM FINANCING ACTIVITIES	"C"	906,403		1,480,046
	CASH AND CASH EQUIVALENT ADJUSTMENT	"D"	(23)		-
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C+D"		(166,659)		456,378
	CASH AND CASH EQUIVALENTS AS AT 01.04 (OPENING BALANCE)		848,519		392,141
	CASH AND CASH EQUIVALENTS AS AT 31.03 (CLOSING BALANCE)		681,860		848,519

Notes:

1. 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.
2. Increase in Security Premium also includes premium received on Public Issue of Equity Shares by Jaypee Infratech Limited [Subsidiary Company].
3. Impact in Cash Flows on account of changes in ownership of Subsidiaries have been effected.
4. Previous Year Figures had been regrouped/rearranged wherever necessary.

For and on behalf of the Board

for M.P. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

M.P.SINGH
PARTNER
MNo.1454
Firm Regn No.002183C

Place : Noida
Dated: 12th August, 2011

GOPAL DAS BANSAL
Sr. VICE PRESIDENT
[Accounts]

R.B. SINGH
C.F.O.
[Cement]

HARISH K. VAID
Sr. PRESIDENT
[Corporate Affairs]
& COMPANY SECRETARY

RAHUL KUMAR
DIRECTOR &
C.F.O.

SUNIL KUMAR SHARMA
EXECUTIVE VICE-CHAIRMAN

SHYAM DATT NAILWAL
DIRECTOR [Finance]

CONSOLIDATED SCHEDULE "A" SHARE CAPITAL		As At 31.03.2011 ₹ LAKHS	As At 31.03.2010 ₹ LAKHS
Authorised			
12,34,40,00,000 (12,34,40,00,000)	Equity Shares of ₹ 2/- each	246,880	246,880
31,20,000 (31,20,000)	Preference Shares of ₹ 100/- each	3,120	3,120
		250,000	250,000
Issued, Subscribed and Paid-up			
2,126,433,182 (2,124,634,633)	Equity Shares of ₹ 2/- each fully paid up comprising of		
860,865,055 (860,865,055)	Equity Shares allotted for consideration other than cash in terms of the Scheme of Amalgamation effective from 11.03.2004;		
20,219,850 (20,219,850)	Equity Shares allotted for cash under "Jaypee Employees Stock Purchase Scheme 2002";		
173,178,150 (171,379,601)	Equity Shares allotted for cash on conversion of Foreign Currency Convertible Bonds;		
124,378,825 (124,378,825)	Equity Shares allotted in terms of Scheme of Amalgamation effective from 22.08.2006 ;		
10,000,000 (10,000,000)	Equity Shares allotted for cash to Promoters on Preferential Basis;		
218,010,985 (218,010,985)	Equity Shares allotted pursuant to Scheme of Amalgamation effective from 27.05.2009;		
12,500,000 (12,500,000)	Equity Shares allotted for cash under "Jaypee Employees Stock Purchase Scheme 2009" and		
707,280,317 (707,280,317)	Equity Shares allotted as Bonus Shares.	42,529	42,493
		42,529	42,493

CONSOLIDATED SCHEDULE "B" RESERVES AND SURPLUS		As At 31.03.2011 ₹ LAKHS		As At 31.03.2010 ₹ LAKHS
General Reserve				
As per last Balance sheet	170,841		141,289	
Add : Transfer from Profit & Loss Account / Debenture Redemption Reserve	27,800		24,000	
Add: Adjustment *	27	198,668	5,552	170,841
Capital Redemption Reserve				
As per last Balance sheet		113		113
Debenture Redemption Reserve				
As per last Balance sheet	97,802		49,816	
Add : Transfer from Profit and Loss Account	76,523		47,986	
Less : Transfer to General Reserve	12,500	161,825	-	97,802
Revaluation Reserve				
As per last Balance sheet	30,390		30,729	
Less: Revaluation Reserved on Lease-hold Land Reversed	9,835		-	
Less: Depreciation adjusted on Revalued Assets	301	20,254	339	30,390
Capital Reserve				
As per last Balance sheet	32,736		11,156	
Add : Gain on buy back of Foreign Currency Convertible Bonds	-		136	
Add : Addition during the year	63,340	96,076	21,444	32,736
Securities Premium Account				
As per last Balance sheet	243,476		238,778	
Add : Shares Issued under Employees Stock Purchase Scheme,2009	-		28,444	
Add : On conversion of Foreign Currency Convertible Bonds into Shares	1,304		1,098	
Add : Premium on issue of Shares	148,707		-	
Less: Premium payable on Redemption of Debentures	28,570		-	
Less: Goodwill Written off as per Scheme of Amalgamation	-		10,698	
Less: Issue of Bonus Shares	-		14,146	
Less: Pre IPO Expenses	8,661	356,256	-	243,476
Reserve for Premium on Foreign Currency Convertible Bonds				
As per last Balance sheet	36,303		24,328	
Add : Provided for the Year	17,200	53,503	11,975	36,303
Share Forfeited Account				
As per last Balance sheet		1		1
Capital Reserve on Consolidation	64,663		85,800	
Less Goodwill arising on Consolidation adjusted	16,358	48,305	21,137	64,663
Surplus				
As per Profit & Loss Account		240,592		166,200
		1,175,593		842,525
Less: Minority Share Holders Interest in Reserve & Surplus		140,211		30,991
		1,035,382		811,534

*Adjustment is on account of Madhya Pradesh Jaypee Minerals Limited extinguishing as subsidiary of the Company.
[Previous Year - on account of Goodwill written off in earlier years now reversed].

CONSOLIDATED SCHEDULE "C" DEFERRED REVENUE		As At 31.03.2011 ₹ LAKHS		As At 31.03.2010 ₹ LAKHS
Advance against depreciation				
As per last Balance Sheet		23,397		15,867
Add: Addition during the Year		7,905		7,905
Add : Prior Period Adjustments		-		(375)
		31,302		23,397

CONSOLIDATED SCHEDULE "D" SECURED LOANS					
A. NON CONVERTIBLE DEBENTURES			815,757		468,488
B. TERM LOANS					
1. From Financial Institutions					
(a) In Rupees	165,142			175,764	
(b) In Foreign Currency	8,992	174,134		10,592	
2. From Banks					
(a) In Rupees		2,422,385		1,827,997	
(b) In Foreign Currency		21,706		73,243	
3. From Others		36,680		16,545	
4. Buyers Credit		6,412		8,012	
			2,661,317		2,112,153
C. WORKING CAPITAL LOANS					
From Banks					
For Working Capital					
In Rupees			29,166		22,716
D. ADVANCES FROM CLIENTS					
From GOVERNMENT DEPARTMENTS, PUBLIC SECTOR UNDERTAKINGS & OTHERS -					
Secured against hypothecation of Construction Material and Plant & Machinery					
Interest Bearing			606		606
E. LOAN FROM STATE GOVERNMENT [INTEREST FREE]			17,956		12,118
			3,524,802		2,616,081

CONSOLIDATED SCHEDULE "E" UNSECURED LOANS		As At 31.03.2011 ₹ LAKHS		As At 31.03.2010 ₹ LAKHS
A. Foreign Currency Convertible Bonds		250,502		254,448
B. Foreign Currency Loans from Banks [ECB]				
ECB [USD]	105,362		124,379	
ECB [GBP]	22,348		22,566	
ECB [CAD]	23,085	150,795	23,310	170,255
C. Non Convertible Debentures		-		14,216
[Repayable within one year -₹NIL; Previous Year ₹ 14,216 Lakhs]				
D. Short Term Loans				
From Financial Institutions	-		20,000	
From Banks	74,557		116,875	
From Others	1,000	75,557	1,000	137,875
[Repayable within one year -₹49,557 Lakhs; Previous Year ₹126,875 Lakhs]				
E. Sales Tax Deferment Loan		2,012		186
F. Commercial Papers [Maximum Amount outstanding during the Year ₹ 150,000 Lakhs]		100,000		50,000
[Repayable within one year -₹100,000 Lakhs; Previous Year ₹50,000 Lakhs]				
G. Bills Discounting		32,725		19,684
[Repayable within one year -₹32,725 Lakhs; Previous Year ₹ 19 684 Lakhs]				
H. Fixed Deposit Scheme		184,405		140,483
[Repayable within one year -₹52,974 Lakhs; Previous Year ₹52,629 Lakhs]				
I. From Others [Including Deposits from Stockists & Sales Promoters]		123,703		123,880
		919,699		911,027

₹ LAKHS

CONSOLIDATED SCHEDULE "F"
FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As On 01.04.2010	Addition during the year	Sale/Transfer/ Discard/ Adjustment during the year	As On 31.03.2011	Upto 31.03.2010	For The year	Sale/Adjust-ment	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
GOODWILL ON AMALGAMATION	106,979	-	106,979	-	10,698	-	10,698	-	-	96,281
Land										
(a) Leasehold Land	122,113	13,215	14,016	121,312	134	589	-	723	120,589	121,979
(b) Freehold Land	40,787	11,124	233	51,678	-	-	-	-	51,678	40,787
Building	183,202	61,648	933	243,917	11,938	4,451	39	16,350	227,567	171,264
Purely Temporary Erections	6,482	151	-	6,633	5,768	864	-	6,632	1	714
Plant & Machinery	1,042,776	169,939	3,141	1,209,574	197,573	53,932	445	251,060	958,514	845,203
Captive Thermal Power Plant	113,443	565	-	114,008	14,082	6,444	-	20,526	93,482	99,361
Hydraulic Works	135,929	-	-	135,929	17,759	3,684	-	21,443	114,486	118,170
Wind Turbine Generators	26,126	587	-	26,713	3,524	1,381	-	4,905	21,808	22,602
Railway siding	11,618	2,759	-	14,377	1,893	598	-	2,491	11,886	9,725
Golf Course	3,710	-	-	3,710	1,377	176	-	1,553	2,157	2,333
Miscellaneous Fixed Assets (Hotel)	3,790	151	26	3,915	1,582	173	10	1,745	2,170	2,208
Motor Vehicles	12,615	2,788	413	14,990	5,517	989	262	6,244	8,746	7,098
Furniture & Office Equipment	20,876	5,355	273	25,958	8,750	1,752	176	10,326	15,632	12,126
Ships: Boat	9	29	1	37	3	1	1	3	34	6
Aeroplane /Helicopter	11,050	2,373	-	13,423	1,777	702	-	2,479	10,944	9,273
Capital Assets - Not owned by the Company (Roads)	269	-	-	269	269	-	-	269	-	-
Mining Rights	450	-	450	-	-	-	-	-	-	450
Technical Books	3	-	3	-	3	-	3	-	-	-
Intangible Assets										
Deferred Revenue Expenditure	4,800	-	-	4,800	1,591	270	-	1,861	2,939	3,209
Fees Paid to Franchiser	22	-	-	22	16	4	-	20	2	6
Software	1,635	652	-	2,287	433	286	-	719	1,568	1,202
	1,848,684	271,336	126,468	1,993,552	284,687	76,296	11,634	349,349	1,644,203	1,563,997
PREVIOUS YEAR	1,225,155	653,878	30,349	1,848,684	225,642	68,597	9,552	284,687	1,563,997	999,513
CAPITAL WORK IN PROGRESS									2,565,592	1,545,929

Note:

[i] Depreciation for the year, includes₹ 11,456 Lakhs [Previous ₹ 9,119 Lakhs] on assets used for Projects under implementation and shown in Schedule "S" Expenditure During Construction Period.

[ii] Sale/Transfer/Disposal of Leasehold Land for the year include ₹ 2,850 Lakhs transferred to Projects Under Development as shown under Schedule "R" and also includes ₹ 9,835 Lakhs being reversal of Revaluation Reserve on the Land transferred to Project Under Development.

[iii] Capital Work-in-progress of ₹ 25,65,592 Lakhs is after transfer of ₹ 11,335 Lakhs to Projects Under Development as shown under Schedule "R" .

CONSOLIDATED SCHEDULE "G" INVESTMENTS (AT COST)		As At 31.03.2011 ₹ LAKHS		As At 31.03.2010 ₹ LAKHS
Other Investments				
[A] INVESTMENT IN ASSOCIATE COMPANIES				
In EQUITY SHARES - Unquoted , fully paid up				
(i) 10,000 Equity Shares of Jaiprakash Kashmir Energy Limited (10,000) of ₹ 10/- each	1		1	
(ii) 50,000 Equity Shares of Indesign Enterprises (P) Limited Cyprus (50,000) of Cyprus Pound 1/- each	72		72	
(iii) 736,620 Equity Shares of RPJ Minerals Private Limited (736,620) of ₹ 10/- each	36		1,213	
(iv) 23,575 Equity Shares of Sonebhadra Minerals Private Limited (23,575) of ₹ 10/- each	16		633	
(v) 10,500,000 Equity Shares of Madhya Pradesh Jaypee Minerals Limited of ₹ 10/- each	993		-	
(vi) 490,000 Equity Shares of MP Jaypee Coal Fields Limited (490,000) of ₹ 10/- each	45		49	
(vii) 4,900,000 Equity Shares of MP Jaypee Coal Limited (4,900,000) of ₹ 10/- each	490	1,653	490	2,458
[B] 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 ₹ 10/- (100) each (₹ 3,500/-)	-		-	
(iii) 721,600 Equity Shares of Indian Overseas Bank (721,600) Limited of ₹ 10/- each	72		72	
(iv) 165,900 Equity Shares of PNB Gilts Limited (165,900) of ₹ 10/- each	50		50	
(v) 25,000 Equity Shares of Tourism Finance Corporation of (25,000) India Limited of ₹ 10/- each	5		5	
(vi) 868,000 Equity Shares of Sumeru Industries Limited (868,800) of ₹ 1/- each	6		6	
(vii) 20,000 Equity Shares of Saket Projects Limited (20,000) of ₹ 10/- each	2	137	2	137
[b] In EQUITY SHARES - Unquoted , fully paid up				
(i) 5 Equity Shares of Makers Chamber VI Premises (5) Co-operative Society Limited, Bombay of ₹50/- each [₹ 250]	-		-	
(ii) 5 Equity Shares of Sanukt Members Association (5) of ₹ 100/- each [₹ 500]	-		-	
(iii) 2,035,000 Equity Shares of Jaypee DSC Ventures Limited (2,035,000) of ₹ 10/- each	204		204	
(iv) 840,000 Equity Shares of UP Asbestos Limited (840,000) of ₹ 10/- each [₹ 1]	-		-	
(v) 6,765,000 Equity Shares of Jaypee Fertilizers & Industries Limited (-) of ₹ 10/- each	677		-	
(vi) - Equity Shares of Jaypee Agra Vikas Limited (50,000) of ₹ 10/- each	-	881	5	209
(C) BBULLION				
Gold [27 kgs]		260		260
[D] INTEREST IN BENEFICIARY TRUST				
(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	-	60,399
[E] IN UNITS OF EXCHANGE TRADED FUNDS, Quoted [Refer Schedule "T" of Sl.No.09(I)]		21,408		5,520
[F] IN UNITS OF MUTUAL FUNDS , Unquoted [Refer Schedule "T" of Sl.No.09(II)]		22,108		35,415
[G] SHARE APPLICATION MONEY				
(i) Jaypee Kashmir Energy Limited	101		101	
(ii) RPJ Minerals Pvt. Ltd.	50		50	
(iii) Jaypee Agra Vikas Limited	-		1,315	
(iv) Madhya Pradesh Jaypee Minerals Limited [Associate Company]	5,511		-	
(v) Jaypee Fertilizers & Industries Limited	10	5,672	-	1,466
		311,112		105,864

Note:	₹ LAKHS	₹ LAKHS
1. Aggregate cost of		
Quoted Investments in Equity Shares [Market Value ₹ 1,094 Lakhs [Previous Year ₹ 721 Lakhs]	137	132
Quoted Investments in Units of Exchange Traded Funds [Market Value ₹ 23,405 Lakhs (Previous Year ₹ 5,430 Lakhs)]	21,408	5,520
Unquoted	283,895	98,746

2. Except investments in Units of Mutual Funds, Exchange Traded Funds , all investments are Non Trade, Long term Investments.
3. 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 SCHEDULE "H"
CURRENT ASSETS, LOANS & ADVANCES

			As At 31.03.2011 ₹ LAKHS		As At 31.03.2010 ₹ LAKHS
A. CURRENT ASSETS					
1. INVENTORIES (As per inventories taken valued and certified by the Management)					
(a) Stores and Spare Parts (at cost)		59,873		62,819	
(b) Construction Materials (at cost)		41,080		41,642	
(c) Raw Materials - Cement Division (at cost)		3,727		3,638	
(d) Raw Materials - Asbestos Sheets (at cost)		699		897	
(e) Finished Goods - Cement Division (at estimated cost or net realisable value whichever is lower)		20,630		13,474	
(f) Finished Goods - Asbestos Sheets (at estimated cost or net realisable value whichever is lower)		656		669	
(g) Food and Beverage (at cost)		195		139	
(h) Stock in Process - Cement Division (at estimated cost)		31,758		9,757	
(i) Stock in Process - Asbestos Division (at estimated cost)		321		361	
(j) Work-in-Progress- Construction Division (at estimated cost)		6,753		6,027	
(k) Goods in Transit (at Cost)		1,197		2,168	
			166,889		141,591
2. PROJECTS UNDER DEVELOPMENT [at cost] [Refer Schedule R]			543,106		380,696
3. SUNDRY DEBTORS					
(Unsecured, considered good)					
(a) Debts outstanding for a period exceeding six months					
(i) From Overseas Works	10,163			10,163	
Less: Provision for writing of Iraq Claims	(10,163)			(10,163)	
(ii) From Others	170,090			42,162	
(iii) Considered Doubtful	142			148	
Less: Provision for Bad & Doubtful Debts	(142)	170,090		(148)	
(b) Other Debts		97,025	267,115	103,006	145,168
4. CASH AND BANK BALANCES					
(a) Cash,Cheques in hand & in transit		4,403		10,759	
(b) Balances with Scheduled Banks					
(i) In Current & Cash Credit Account	159,538			118,888	
(ii) In Fixed Deposits Account [Fixed Deposits of ₹ 10,864 Lakhs (Previous Year ₹ 12,396 Lakhs) pledged as Margin Money with Banks & Others]	455,754			698,490	
(iii) Balance in Dividend Account	1,353	616,645		1,062	
(c) Balance with Non-Scheduled (Foreign) Banks					
(i) In Current Account		121		261	
(d) In Trust & Retention Account					
(i) In Current Account	32,049			4,381	
(ii) In Fixed Deposit Account	28,642	60,691		14,678	
			681,860		848,519
5. OTHER CURRENT ASSETS					
(a) Interest accrued on Fixed Deposits & Others [From Banks ₹ 6934 Lakhs (Previous Year ₹ 3609 Lakhs)]		8,539		7,223	
(b) Deferred Receivable		4,427	12,966	5,541	12,764
			1,671,936		1,528,738
B. LOANS AND ADVANCES					
(Unsecured, Considered Good)					
Advances to Suppliers, Contractors, Sub-Contractors & Others			135,792		133,504
Advances for Land			63,668		23,276
Staff Imprest and Advances			944		1,061
Claims and Refunds Receivable			61,662		48,075
Prepaid Expenses			19,324		14,323
Deposits with Govt. Deptts.,Public Bodies and others					
(a) Govt. Deptts.& Public Bodies		43,156		35,227	
(b) Others					
(i) Real Estate		148,870		120,001	
(ii) Others		716	192,742	487	155,715
Work Contract Tax/ Sales Tax Recoverable			12,445		6,170
Advance Tax & Income Tax deducted at source			122,288		74,858
			608,865		456,982
GRAND TOTAL			2,280,801		1,985,720

CONSOLIDATED SCHEDULE " I "
CURRENT LIABILITIES AND PROVISIONS

		As At 31.03.2011 ₹ LAKHS		As At 31.03.2010 ₹ LAKHS
A. CURRENT LIABILITIES				
Sundry Creditors				
(a) Due to Micro, Small and Medium Enterprises	-		-	
(b) Others	225,287	225,287	157,877	157,877
Advance from Customers				
(a) Real Estate	321,407		246,626	
(b) Others	9,801	331,208	7,711	254,337
Due to Staff		8,856		7,437
Due to Directors		42		44
Adjustable Receipts against Contracts (Against Bank Guarantees)				
(a) Interest Bearing	21,256		14,203	
(b) Non Interest Bearing	4,269	25,525	4,712	18,915
Other Liabilities		62,520		52,799
Expenses Payable		166		1,517
Interest accrued but not due on loans		31,231		22,656
Investor Education and Protection Fund: (Appropriate amounts shall be transferred to "Investor Education and Protection Fund" if and when due)				
Unclaimed Dividend		1,353		1,062
		686,188		516,644
B. PROVISIONS				
For Taxation		103,231		72,869
For Gratuity		342		115
For Provident Fund		767		655
For Leave Encashment		4,510		3,705
For Premium on Redemption of Debentures		28,570		-
For Proposed Final Dividend		9,675		11,473
For Tax on Proposed Final Dividend		2,506		1,906
		149,601		90,723
GRAND TOTAL		835,789		607,367

CONSOLIDATED SCHEDULE "J "
MISCELLANEOUS EXPENDITURE
(To the extent not written off or adjusted)

Preliminary Expenses	57	455
Share & Debenture Issue Expenses	-	2,886
	57	3,341

CONSOLIDATED SCHEDULE "K"
OTHER REVENUE

	2010-2011 ₹ LAKHS	2009-2010 ₹ LAKHS
Dividends from Non Trade Investments	72	264
Dividends from Trade Investments [Mutual Funds] [Current Investments]	1,489	494
Rent	262	61
Machinery Rentals	164	58
Profit on Sale of Equity Shares [Previous Year Profit on sale of shares held in beneficiary Trusts]	51,316	131,635
Profit on Sale/Redemption of Preference Shares/ Mutual Funds	180	849
Foreign Currency Exchange Rate Difference	127	-
Interest (including ₹ 22,179 Lakhs from Banks), (TDS ₹ 2,289 Lakhs)	23,749	15,840
Miscellaneous	11,004	8,755
	88,363	157,956

CONSOLIDATED SCHEDULE "L"
(INCREASE) / DECREASE IN STOCKS & WORK IN PROGRESS

			2010-2011		2009-2010
OPENING STOCK					
Finished Goods	14,123			3,520	
Stock-in-process	10,118			2,537	
Opening Stock of new Subsidiary	361	24,602		-	6,057
LESS:CLOSING STOCK					
Finished Goods	21,286			14,123	
Stock-in-process	32,079	53,365	(28,763)	10,118	24,241
WORK-IN-PROGRESS- CONSTRUCTION DIVISION					
Opening Work-in-Progress		6,027		34,302	
Less: Closing Work-in-Progress		6,753	(726)	6,027	28,275
			(29,489)		10,091

CONSOLIDATED SCHEDULE "M"
MANUFACTURING ,CONSTRUCTION, REAL ESTATE INFRASTRUCTURE, HOTEL/
HOSPITALITY & POWER EXPENSES

	2010-2011	2009-2010
Raw Materials Consumed -Cement Division	59,564	36,887
Raw Materials Consumed -Asbestos Sheets	3,547	3,510
Construction Expenses	16,047	20,785
Excise Duty on Clinkers	6,267	-
Real Estate/ Infrastructure Expenses	152,405	33,771
O & M charges for ICF to SJVNL	158	214
Consumption of Food & Beverages etc.	1,833	1,468
Hotel & Golf Course Operating Expenses	3,507	2,982
Hire Charges & Lease Rentals of Machinery	380	131
Power, Electricity & Water Charges	72,639	46,766
Repairs & Maintenance of Machinery	5,957	18,822
Repairs to Building and Camps	4,486	2,538
Stores and Spares Consumed	16,743	13,889
Coal Consumed	91,703	52,195
Packing Materials Consumed	20,685	12,310
Freight, Octroi & Transportation Charges	38,184	21,329
	494,105	267,597
Less:Attributable to Self Consumption	38,370	23,297
Less:Clinker Transferred for Trial Run	-	855
	455,735	243,445

CONSOLIDATED SCHEDULE "N"
PERSONNEL

	2010-2011	2009-2010
Salaries, Wages & Bonus	46,126	34,158
Gratuity	1,063	419
Contribution to Provident & Other Funds	2,169	1,774
Staff Welfare	3,135	1,864
Employees Compensation Expense [ESPS] - Extraordinary Item	-	21,194
	52,493	59,409

CONSOLIDATED SCHEDULE "O" SELLING & DISTRIBUTION EXPENSES	2010-2011 ₹ LAKHS	2009-2010 ₹ LAKHS
Loading, Transportation & Other Charges	82,305	45,899
Commission on Sales	20,079	6,373
Sales Promotion	9,159	8,187
	111,543	60,459

CONSOLIDATED SCHEDULE "P" OTHER EXPENSES			2010-2011		2009-2010
Rent			1,619		823
Rates & Taxes			4,921		2,530
Insurance			3,716		3,367
Travelling & Conveyance			4,105		2,883
Bank Charges & Guarantee Commission			4,352		3,450
Loss on Sale / Disposal/ Discard/Write-off of Assets (Net)			179		98
Financing Charges			10,481		7,265
Foreign Currency Rate Difference			-		133
Postage,Telephone & Telex			920		971
Light Vehicle Running & Maintenance			1,232		846
Legal & Professional			7,978		4,951
Charity & Donation			4,981		4,473
Security & Medical Services			5,234		3,560
Sundry Balances written off			-		415
Provision for writing off Iraq Claims			-		10,163
Provision for Bad and Doubtful Debts			4		12
Directors' Fees			42		62
Amortisation of Land Premium		342		393	
Less: Transferred from Revaluation reserve		299	43	338	55
Miscellaneous Expenses			7,904		11,107
Auditors' Remuneration:					
Audit Fees		97		78	
Tax Audit Fees		13		13	
Other Services		3			
To Partners in other capacity:					
For Taxation Matters [₹ 12,000/-]	-			-	
For Management Services	1			1	
Reimbursement of Expenses	9	10		6	
			123		98
Preliminary, Share & Debenture Issue & Other carry forward expenses written off			12		447
			57,846		57,709

CONSOLIDATED SCHEDULE "Q" INTEREST	2010-2011	2009-2010
Interest on Non -Convertible Debentures	31,561	24,582
Interest on Term Loans	120,680	86,759
Interest on Bank Borrowing & Others	35,228	17,297
	187,469	128,638

CONSOLIDATED SCHEDULE "R" PROJECTS UNDER DEVELOPMENT	2010-2011	2009-2010
Opening Balance as on 1st April	380,696	113,869
Purchase of Land for development	105,351	205,008
Expenses On Development during the year		
Transfer from Fixed Assets [Leasehold Land]	2,850	-
Transfer from Capital Work in Progress	11,335	-
Construction Expenses	149,376	60,223
Technical Consultancy	2,744	2,345
Personnel Expenses	4,415	4,782
Sales and Promotional Expenses	14,661	703
Interest and Financing Charges	31,485	29,256
Administrative and Other Expenses	2,109	3,411
	705,022	419,597
Less: Cost of Infrastructure & Construction of Properties developed and under Development	161,916	38,901
Balance Carried to Schedule H- A-2	543,106	380,696

CONSOLIDATED SCHEDULE "S" EXPENDITURE DURING CONSTRUCTION PERIOD		2010-2011 ₹ LAKHS		2009-2010 ₹ LAKHS
Opening Balance		320,734		211,222
Opening Balance of new Subsidiaries		-		757
Electricity, Power and Fuel		2,735		3,270
Salary , Wages & Staff Welfare		23,691		17,585
Site / Quarry Development, Compensation & Survey Expenses		2,924		13,111
Repair and Maintenance		2,832		1,256
Consultancy, Legal and Professional		7,624		9,182
Insurance		2,280		3,996
License,Application Fee, Rent, Rates and Taxes		460		600
Safety & Security		2,801		1,287
LC Commission,Bank Charges and Bank Guarantee Commission		3,530		7,292
Freight and Material Handling		3,496		2,977
Environmental, Ecology, Afforestation, Catchment Area Treatment and Compensation		1,168		8,929
Light Vehicle running & Maintenance		1,008		931
Travelling and Conveyance		1,958		1,771
Vehicle/ Machinery Hire Charges and Lease Rent		2,357		2,739
Directors' Sitting Fees		15		21
Miscellaneous		6,350		4,713
Advertisement / Business Promotion Expenses		3,556		3,867
Foreign Exchange Fluctuations		7,496		(49,750)
Interest and Financial Charges		204,434		157,330
Audit Fees		46		32
Depreciation		11,456		9,119
		612,951		412,237
Less:				
Interest Received	8,472		2,120	
Miscellaneous Receipt	1,038		865	
	9,510		2,985	
Less: Provision for Taxation	171	9,339	414	2,571
		603,612		409,666
Less:Capitalised/ Transferred During the Year		61,473		88,932
Carried Over to Balance Sheet [included in Capital Work-in-Progress]		542,139		320,734

CONSOLIDATED SCHEDULE " T "

ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED ACCOUNTS

[A] 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).

[iii] The Accounts are prepared on the historical cost basis and on the principles of a going concern.

[iv] Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

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 Financial Statements of JAL and its subsidiaries are consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

[iii] 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.

Revenue Recognition:

Revenue/Income and Cost/Expenditure are accounted for on accrual basis as they are earned or incurred.

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 cost upto the date of acquisition/ installation.

Depreciation:

[i] Depreciation has been provided @ 2.71% p.a. on straight line method on Hydro Electric Plant 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 to the Companies Act, 1956.

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. Dividend is accounted for as and when received.

Employee Benefits:

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

[i] Provident Fund and Pension contribution - as a percentage of salary/wages is a Defined Contribution Scheme.

[ii] Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method.

Inventories:

[i] The inventories resulting from intra-group transactions are stated at cost after deducting unrealised profit on such transaction.

[ii] The inventories are valued on the basis of weighted Average Cost Method.

[iii] Stock of Cement/ Asbestos Sheets is valued at estimated cost or net realisable value, whichever is less. Value of Cement, Asbestos Sheets and Clinker lying in the factory premises includes excise duty, pursuant to the Accounting Standard (AS-2) [Revised].

[iv] Work-in-Progress and Material-in-Process are valued at estimated cost.

[v] Hotel Business - Stock of Food, Beverages, operating Stores and Supplies are valued at cost. Consumption of material is valued at Cost.

Foreign Currency Transactions:

[i] Monetary Assets and Liabilities related to Foreign Currency transactions and outstanding, except assets and liabilities hedge by a hedged contract, at the close of the year, are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet.

[ii] 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 Profit & Loss Account 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] Transactions in Foreign Currency are recorded in the Books of Account in Indian Rupees at the rate of exchange prevailing on the date of transaction.

[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.

Research and Development:

Revenue expenditure on Research and Development is charged to Profit & Loss Account in the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to Fixed Assets.

Expenditure During Construction Period:

Expenditure incurred on projects during implementation is capitalised and apportioned to various assets on commissioning of the project.

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 outstanding 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 revenue.

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:
Deferred Tax Liability is provided in accordance with Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are stated as the aggregate of respective figures in the separate Balance Sheets.

Provisions, Contingent Liabilities and Contingent Assets [AS-29]
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Premium on Redemption of Debentures
Premium paid/ payable on Redemption of Debentures, net of tax impact, are adjusted against the Securities Premium Account.

[B] NOTES TO THE ACCOUNTS

01 Subsidiaries

[a] The Consolidated Financial Statements present the Consolidated Accounts of Jaiprakash Associates Limited with its following Subsidiaries:

Name of Subsidiaries / Joint Venture Subsidiaries		Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2011
[a]	Jaiprakash Power Ventures Limited [JPVL]*	India	67.93%
[b]	Jaypee Ganga Infrastructure Corporation Limited[JGICL]	India	100%
[c]	Bhilai Jaypee Cement Limited [BJCL]	India	74%
[d]	Jaypee Infratech Limited [JIL]	India	83.16%
[e]	Gujarat Jaypee Cement and Infrastructure Limited [GJCIL]	India	74%
[f]	Jaypee Power Grid Limited [JPPGL] (Subsidiary of Jaiprakash Power Ventures Limited)	India	74%
[g]	Himalyan Expressway Limited [HEL]	India	100%
[h]	Jaypee Sports International Limited [JPSI]	India	90.56%
[i]	Bokaro Jaypee Cement Limited[BoJCL]	India	74%
[j]	Jaypee Arunachal Power Limited (Joint Venture Subsidiary of JPVL)	India	100%
[k]	Sangam Power Generation Company Limited (Subsidiary of Jaiprakash Power Ventures Limited)	India	100%
[l]	Prayagraj Power Generation Company Limited (Subsidiary of Jaiprakash Power Ventures Limited)	India	100%
[m]	Jaypee Meghalaya Power Limited (Subsidiary of Jaiprakash Power Ventures Limited)	India	100%
[n]	Jaypee Agra Vikas Limited	India	100%
[o]	Jaypee Cement Corporation Limited	India	100%
[p]	Jaypee Fertilizers & Industries Limited	India	100%

* Jaypee Karcham Hydro Corporation Limited merged with Jaiprakash Power Ventures Limited [JPVL] w.e.f 01.04.2010. The Shares in merged entity has been allotted on 06.08.2011, However the shares are taken into consideration in computing % of shares held in JPVL

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] The Consolidated Financial Statements does not include the financial statements of Jaypee Fertilizers & Industries Limited [Subsidiary Company] since the first financial year of Jaypee Fertilizers & Industries Limited will be ending on 31.08.2011.

			As at 31.03.2011 ₹ Lakhs	As at 31.03.2010 ₹ Lakhs
02	Contingent Liability not provided for in respect of :			
	[a]	Outstanding amount of Bank Guarantees	253,747	221,967
		Margin Money deposited against the above	1,980	5,531
	[b]	Outstanding Letters of Credit	139,364	161,018
		Margin Money deposited against the above	217	408
	[c]	Liability on account of Custom duty on non fulfillment of Export obligation under EPCG scheme	4,826	10,179
	[d]	Matters under Appeal [with Excise, Sales Tax, and other Government Authorities]	99,449	64,913
		Amount deposited under protest	28,720	21,224
		Bank Guarantee deposited under protest [included in 02[a] above]	16,064	14,037
	[e]	Income tax matters under Appeal	2,309	3,326
	[f]	Other Claims against the Company not acknowledged as debts	42,975	42,077
		Amount deposited under protest	1,801	560
		Bank Guarantee deposited under protest [included in 02[a] above]	527	427
03	Estimated amount of Contract remaining to be executed on capital account and not provided for (net of advances)		5,027,390	5,726,031

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

05 (a) The provision for taxation is the sum of provisions made for taxation in the separate accounts of the Holding and Subsidiaries.

(b) Deferred Tax:

		As at 31.03.2011 ₹ Lakhs	As at 31.03.2010 ₹ Lakhs
(i)	Deferred Tax Liability on account of:		
	Depreciation	97,410	80,160
	Others	29,314	16,232
		126,724	96,392
	Deferred Tax Assets on account of:		
	Employees' Benefits	1,742	2,713
	Others	3,481	1,366
		5,223	4,079
	Net Deferred Tax Liability	121,501	92,313

(ii) Deferred Tax [Net] amounting to ₹ 29,159 Lakhs [Previous year ₹ 23,351 Lakhs] has been recognised in the Consolidated Profit & Loss Account for the year ended 31.03.2011.

06 Plant & Machinery includes a sum of ₹ 6,467 Lakhs [Previous Year ₹ 6,467 Lakhs] being the cost paid for Inter Connection Facility [ICF] established by Satluj Jal Vidyut Nigam Limited [SJVNL] at their Switch Yard at Jhakri for evacuation of power generated by Baspa-II Hydro-Electric Project. The maintenance cost of ICF is paid to SJVNL.

07 The Trust and Retention Account [refer Schedule "H"] is maintained pursuant to the stipulations of the "Financing Agreements" executed with the Lenders.

		As at 31.03.2011 ₹ Lakhs	As at 31.03.2010 ₹ Lakhs
08	Capital Work-in-progress includes Civil Works, Machinery Under Erection and in transit, Construction, Advance to Suppliers, Pre-operative Expenses and Incidental Expenditure Pending Allocation	2,565,592	1,545,929

09 Particulars of Investments in Units of Exchange Traded Funds [ETF] & Mutual Funds as on date of Balance Sheet:

	Name of Mutual Fund/ ETF	Units	2010-11 ₹ Lakhs	Units	2009-10 ₹ Lakhs
[I]	Investment in Units of Exchange Traded Funds				
[a]	UTI Mutual Fund Gold Exchange Traded Fund	445,081	8119	163,648	2,677
[b]	Gold Benchmark Exchange Traded Scheme	616,112	11393	173,850	2,843
[c]	NSEL - E - Silver	34,800	1896	-	-
		1,095,993	21,408	337,498	5,520
[II]	Investment in Units of Mutual Funds				
[a]	Birla Sunlife MIP-II - Savings 5 Growth Plan	4,636,642	750	4,636,642	750
[b]	Templeton India Short Term Income Retail Growth Plan	53,557	1000	102,702	1,850
[c]	Reliance Monthly Income Growth Plan	22,577,075	4750	3,854,486	750
[d]	HDFC MF Monthly Income Plan - Long Term Growth	13,580,438	3000	2,473,092	500
[e]	HDFC Top 200 Fund - Growth	115,010	200	115,010	200
[f]	Reliance Regular Savings Fund Debt Plan - Institutional Growth Plan	2,338,817	300	-	-
[g]	Templeton India Short Term Income Retail Plan - Monthly Dividend	44,988	508	-	-
[h]	FT India Dynamic PE Ration Fund of Funds - Growth	3,775,988	1500	-	-
[i]	Canara Robeco Indigo Fund	960,384	100	-	-
[j]	Kotak Quarterly Interval Plan Series 5 Dividend	25,000,000	2500	-	-
[k]	SBI MF Debt Fund Series - 180 days 14 Dividend	10,000,000	1000	-	-
[l]	Tata Fixed Maturity Plan - Series 30 Scheme A Growth	10,000,000	1000	-	-
[m]	Kotak 368 Days FMP Series 33 - Growth	5,000,000	500	-	-
[n]	DSP Black Rock FMP - 12 M Series 13 Growth	10,000,000	1000	-	-
[o]	SBI Debt Fund Series - 370 Days 9 Growth	15,000,000	1500	-	-
[p]	Birla Sun Life Fixed Term Plan Series CO - Growth	5,000,000	500	-	-
[q]	Kotak FMP Series 34 - Growth	5,000,000	500	-	-
[r]	IDFC Fixed Maturity Yearly Series - 38 Growth	5,000,000	500	-	-
[s]	IDBI FMP 367 Days Series - Feb 11 A Growth	5,000,000	500	-	-
[t]	Reliance Fixed Horizon Fund - XIX Series 8 Growth Plan	5,000,000	500	-	-
[u]	Templeton India Short Term Income Retail Plan - Monthly Dividend Payout	-	-	89,942	1,000
[v]	ICICI Prudential Institutional Short Term Plan - Cumulative	-	-	5,230,262	1,000
[w]	ICICI Prudential Institutional Short Term Plan - Monthly Dividend	-	-	7,019,282	850
[x]	IDFC Super Saver Income Fund - Short Term - Plan C Monthly Dividend	-	-	4,947,115	500
[y]	Baroda Pioneer PSU Bond Fund - Monthly Dividend Plan	-	-	10,117,688	1,012
[z]	Birla Sun Life Dynamic Bond Fund - Retail Plan - Monthly Dividend	-	-	9,764,683	1,018
[aa]	Kotak Flexi Debt Scheme Institutional - Daily Dividend - Reinvestment	-	-	5,205,404	523
[ab]	HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend Reinvestment	-	-	1,309,628	131
[ac]	Birla Sunlife Saving Fund - Institutional - Daily Dividend - Reinvestment	-	-	308,602	31
[ad]	ICICI Prudential Flexible Income Plan Premium - Daily Dividend	-	-	28,318	30
[ae]	LIC MF Income Plus Fund - Daily Dividend Reinvestment	-	-	252,696,605	25,270
		148,082,899	22,108	307,899,461	35,415

10 Managerial remuneration paid/payable by the Company and its subsidiaries to Managing/ Whole-time Directors [excluding Provisions for Gratuity & Leave Encashment on Retirement]:

	2010-11 ₹ Lakhs	2009-10 ₹ Lakhs
Salaries	1,309	1,004
Provident Fund Contribution	123	115
Perquisites	701	716
	2,133	1,835

11 Share Capital Suspense in Minority Interest represent Equity Shares to be allotted by Jaiprakash Power Ventures Limited [JPVL] [Subsidiary Company] on Amalgamation of Jaypee Karcham Hydro Corporation Limited and Bina Power Supply Company Limited with JPVL.

12 Related Parties disclosures, as required in terms of Accounting Standard [AS 18] are given below:

[a] Associate Companies:

[i] Jaypee Ventures Private Limited

[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
[x]	Tiger Hills Holiday Resort Private Limited
[xi]	Anvi Hotels Private Limited
[xii]	Sarveshwari Stone Products Private Limited
[xiii]	Rock Solid Cement Limited
[xiv]	MP Jaypee Coal Limited
[xv]	Jaypee International Logistics Company Private Limited
[xvi]	Jaypee Hotels Limited
[xvii]	Jaypee Mining Venture Private Limited
[xviii]	Jaypee Infra Ventures
[xix]	Indus Hotels UK Limited
[xx]	Ceekay Estates Private Limited
[xxi]	Jaiprakash Exports Private Limited
[xxii]	Bhumi Estate Developers Private Limited
[xxiii]	PAC Pharma Drugs and Chemicals Private Limited
[xxiv]	Jaypee Technical Consultants Private Limited
[xxv]	Jaypee Uttar Bharat Vikas Private Limited
[xxvi]	Kanpur Fertilizers & Cement Limited
[xxvii]	Madhya Pradesh Jaypee Minerals Limited [w.e.f. 03.03.2011]
[xxviii]	MP Jaypee Coal Fields Limited
[xxix]	GM Global Mineral Mining Private Limited
[xxx]	Ibonshourne Limited
[xxxi]	Power Grid Corporation of India Limited
[xxxii]	Steel Authority of India Limited
[xxxiii]	Gujarat Mineral Development Corporation Limited
[xxxiv]	Vasujai Estates Private Limited
[xxxv]	Samsun Estates Private Limited
[xxxvi]	Sunvin Estates Private Limited
[xxxvii]	Manumanik Estates Private Limited
[xxxviii]	Arman Estates Private Limited
[xxxix]	Suneha Estates Private Limited
[xl]	Pee Gee Estates Private Limited
[xli]	Vinamra Housing & Constructions Private Limited

Associate Companies at Sl.No.[xxxiv] to [xli] merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009

[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 Sunny Gaur
[iv]	Shri Pankaj Gaur
[v]	Shri Shyam Datt Nailwal
[vi]	Shri Ranvijay Singh
[vii]	Shri Ravindra Kumar Singh
[viii]	Shri Rahul Kumar

Jaiprakash Power Ventures Limited

[i]	Shri Suren Jain, Managing Director and CFO
[ii]	Shri G.P.Gaur (w.e.f. 01.02.2011)
[iii]	Shri R.K.Narang
[iv]	Shri Suresh Chandra
[v]	Shri J.N.Gaur (till 30.09.2010)

Jaypee Karcham Hydro Corporation Limited *

[i]	Shri Dharam Paul Goyal, Managing Director
[ii]	Shri Praveen Kumar Singh
[iii]	Shri Ravindra Mohan Chadha

Bina Power Supply Company Limited *
[i] Shri P. K. Jain
[ii] Shri V.K. Srivastav
* merged with Jaiprakash Power Ventures Limited w.e.f. 01.04.2010
Jaypee Infratech Limited
[i] Shri Sameer Gaur (till 31.10.2010)
[ii] Shri Sachin Gaur
[iii] Smt Rita Dixit
[iv] Smt Rekha Dixit (w.e.f. 01.06.2010)
[v] Shri Har Prasad
[vi] Shri Om Prakash Arya (till 20.12.2010)
[vii] Shri Anand Bordia (till 31.01.2011)
[viii] Shri S.K.Dodeja (till 21.09.2010)
Jaypee Power Grid Limited
[i] Shri Rajiv Ranjan Bhardwaj, Managing Director
[ii] Shri Prabhakar Singh
Himalyan Expressway Limited
[i] Shri K.C. Batra
Bhilai Jaypee Cement Limited
[i] Shri Sunil Joshi
[ii] Shri K.P. Sharma
Jaypee Sports International Limited
[i] Shri Sameer Gaur, Managing Director & CEO (w.e.f. 01.11.2010)
[ii] Smt Rekha Dixit (01.04.2010 to 30.05.2010)
Prayagraj Power Generation Company Limited
[i] Shri Rakesh Sharma, Managing Director
[ii] Shri Ramesh Chandra Srivastav (w.e.f. 12.08.2010)
[iii] Shri Arun Gupta (till 31.08.2010)
Sangam Power Generation Company Limited
[i] Shri Siddeshwar Sen (w.e.f. 01.08.2010)
[ii] Shri V.K. Agarwal (w.e.f. 15.11.2010)

[c] Relatives of Key Management Personnel, where transactions have taken place
[i] Shri Gyan Prakash Gaur
[ii] Shri Naveen Kumar Singh
[iii] Smt. Neha Goyal
[iv] Shri P.K.Jain [till 31.03.2010]
[v] Smt. Manju Sharma [till 30.06.2009]
[vi] Smt. Rekha Dixit [till 31.08.2009]

Transactions carried out with related parties referred to above:

₹ Lakhs

Nature of Transactions	Related Parties: Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Income			
Cement Sales	126	-	-
	(31)	-	-
Sales of Land	25,357	-	-
	-	-	-
Service Charges	99	-	-
	(3)	-	-
Dividend	-	-	-
	(230)	-	-
Others	43	-	-
	-	-	-
Expenses			
Design Engineering and Technical Consultancy	18,128	-	-
	(14,432)	-	-
Management Fees	1,239	-	-
	-	-	-
Security & Medical Services	9,897	-	-
	(6,606)	-	-

Nature of Transactions	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
		Related Parties	₹ Lakhs
Salaries & Other Amenities etc.	-	2,133	103
	-	(1,835)	(159)
Rent	186	-	-
	(60)	-	-
Fixed Assets & Other Materials Purchased	1,770	-	-
	(2,836)	-	-
Other Expenses	273	-	-
	(576)	-	-
Others			
Purchase of Shares	22,264	-	-
	(539)	-	-
Sale/Redemption of Preference Shares during the year	-	-	-
	(840)	-	-
Shares Allotted during the year	2,358	-	-
	-	-	-
Shares Application Received during the year	24,000	-	-
	-	-	-
Outstanding			
Receivables	171,387	-	-
	(123,487)	-	-
Payables	4,956	58	3
	(2,765)	(51)	(5)

Notes:Previous Year figures are given in brackets.

13 Segment Information

Business Segment:

₹ Lakhs

	Particulars	Construction	Cement / Cement Products	Infrastructure Project	Hotel / Hospitality/Sports	Power	Real Estate	Investments	Others	Unallocated	Total
[A]	Segment Revenue										
	External	86,836	525,669	257,886	17,769	78,442	171,027	1,741	224	23,387	1,162,981
		(132,739)	(371,867)	(2,500)	(15,236)	(73,788)	(65,357)	(1,607)	(1,222)	(14,560)	(678,876)
	Inter Segment Revenue	517,909	42,669	20,527	334	-	-	-	812	-	582,251
		(402,384)	(24,815)	(61,581)	(197)	-	-	-	(1,338)	-	(490,315)
	Segment Results										
	Profit/(Loss) before Tax,	51,318	78,436	170,116	1,515	55,340	90,495	1,741	(-) 785	(-) 3,254	444,922
	Interest and Minority Interest	(49,421)	(105,614)	(2,268)	(898)	(54,109)	(25,982)	(1,607)	(-) (100)	(-) (10,760)	(229,039)
[B]	Less: Interest										(-) 187,469
											(-) (128,638)
											257,453
											(100,401)
	Profit on Sale of Equity Shares (Previous Year held through beneficiary Trust)										51,316
											(131,635)
	Provision for writing off claims - Iraq Works										(-) -
											(-) (10,163)
	Employee Compensation Expense - [ESPS]										(-) -
											(-) (21,194)
	Profit before Tax										308,769

₹ Lakhs

Particulars	Construction	Cement / Cement Products	Infrastructure Project	Hotel / Hospitality/Sports	Power	Real Estate	Investments	Others	Unallocated	Total
Provision for Tax										
Current Tax										75,116 (59,144)
Deferred Tax										29,159 (23,351)
Excess Provision for Income Tax in Earlier Years Reversed									(-)	1,409 -
Profit after Tax before Minority Interest										205,903 (118,184)
[C] Other Information										
Segment Assets	418,934 (377,588)	1,785,096 (1,423,446)	1,168,924 (685,913)	202,955 (127,785)	1,654,691 (1,168,465)	449,993 (366,081)	311,112 (105,864)	30,000 (25,772)	759,749 (890,206)	6,781,454 (5,171,120)
Segment Liabilities	86,107 (68,290)	152,728 (111,341)	195,503 (129,306)	19,823 (6,327)	55,182 (28,457)	146,392 (138,905)	- -	2,322 (1,178)	165,551 (110,184)	823,608 (593,988)
Total Loan and Interest payable thereon										4,444,501 (3,527,108)
Capital Expenditure during the year including CWIP	19,834 (18,180)	340,062 (297,328)	278,404 (261,707)	76,921 (77,301)	554,130 (452,013)	3,500 (5,300)	- -	9,112 (8,176)	10,158 (237)	1,292,121 (1,120,242)
Depreciation	1,985 (2,992)	48,526 (31,219)	863 (59)	1,622 (1,706)	10,076 (10,141)	159 (63)	- -	465 (208)	939 (832)	64,635 (47,220)
Non Cash expenditure other than deprecation	- -	738 (507)	- -	21 (23)	32 (3)	23 (32)	- -	- -	645 (1,134)	1,459 (1,699)

[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
[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]	Others	Includes Heavy Engineering Works, Hitech Castings, Coal, Waste Treatment Plant.

[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.

14 In accordance with the Accounting Standard [AS-20] on 'Earnings Per Share'" computation of Basic and Diluted Earnings per Share is as under:

				2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
[a]	Net Profit for Basic Earnings Per Share as per Profit & Loss Account after extraordinary item			179279	111918
	Add Employee Compensation Expense - [ESPS] [Extraordinary Item]			-	21194
	Net Profit for Basic Earnings Per Share as per Profit & Loss Account before extraordinary item			179279	133112
	Add Adjustment for the purpose of Diluted Earnings Per Share			2	14
	Net Profit for Diluted Earnings Per Share as per Profit & Loss Account after extraordinary item			179281	111932
	Net Profit for Diluted Earnings Per Share as per Profit & Loss Account before extraordinary item			179281	133126
[b]	Weighted average number of equity shares for Earnings Per Share computation:				
	[i]	Number of Equity Shares at the beginning of the year		2,124,634,633	1,183,800,579
	[ii]	Number of Shares allotted during the year		1,798,549	940,834,054
	[iii]	Weighted average shares allotted/to be allotted during the year		1,177,680	929,811,772
	[iv]	Number of potential Equity Shares		88,443,882	111,696,159
	[v]	Weighted average for:			
		[a] Basic Earnings Per Share		2,125,812,313	2,113,612,351
		[b] Diluted Earnings Per Share		2,214,256,195	2,225,308,510
[c]	Earnings Per Share before extraordinary				
	[i]	Basic	₹	8.43	6.30
	[ii]	Diluted	₹	8.10	5.98
[d]	Earnings Per Share after extraordinary				
	[i]	Basic	₹	8.43	5.30
	[ii]	Diluted	₹	8.10	5.03
[e]	Face Value Per Share		₹	2.00	2.00

15 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

	Jaiprakash Power Power Ventures Ltd.	Sangam Power Generation Co. Ltd.	Prayagraj Generation Co. Ltd.	Jaypee Grid tech Ltd.	Jaypee Infra- Ltd.	Himalyan Expressway Ltd.	Bhilai Jaypee Cement Ltd.	Jaypee Ganga Infrastructure Corporation Ltd.	Jaypee Arunachal Power Ltd.	Bokaro Jaypee Cement Ltd.	Jaypee Sports International Ltd.	Gujarat Jaypee Cement & Infra'ture Ltd.	Jaypee Agra Vikas Ltd.	Jaypee Meghalaya Power Ltd.	Jaypee Cement Corporation Ltd.	Jaypee * Karcham Hydro Corp. Ltd.	Bina Power * Supply Company Ltd.	Madhya Pradesh Jaypee Minerals Ltd.
Capital (including Share	262,476	55,198	67,819	25,000	138,893	11,809	20,196	56,600	20,000	11,869	64,200	1,185	58,380	500	8,800	-	-	-
Application Money)	(209,568)	(15,198)	(24,319)	(22,250)	(122,600)	(11,809)	(20,196)	(42,185)	(16,250)	(9,267)	(55,200)	(1,185)	-	-	-	(132,500)	(22,416)	(6,215)
Reserves	254,589	-7	-6	-184	337,400	8,429	6,972	-	-225	-34	-202	-	-200	-2	-3452	-	-	-
	(128,212)	(-7)	(-6)	-	(76,685)	(5,500)	(14,179)	-	(-126)	-	(-202)	-	-	-	-	(-201)	(-85)	-
Total Assets	1,838,130	55,248	142,540	84,800	1,422,545	51,259	101,235	56,751	20,009	39,947	297,117	1,258	70,690	501	13,662	-	-	-
	(912,506)	(23,759)	(84,359)	(68,205)	(972,617)	(31,639)	(95,547)	(42,393)	(16,854)	(14,097)	(191,030)	(1,234)	-	-	-	(474,121)	(74,447)	(6,326)
Total Liabilities (including Loans)	1,321,065	57	74,727	59,984	946,252	31,021	74,067	151	234	28,112	233,119	73	12,510	3	8,314	-	-	-
	(574,726)	(8,568)	(60,046)	(45,955)	(773,332)	(14,330)	(61,172)	(208)	(730)	(4,830)	(136,032)	(49)	-	-	-	(341,822)	(52,116)	(111)
Investment Details (including Share held in Trusts and Share Application	360,630	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Money)	(142,096)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnover (including Other Income)	84,074	-	-	-	279,863	-	33,287	-	-	-	-	-	-	-	-	-	-	-
	(71,778)	-	-	-	(65,286)	-	(5,618)	-	-	-	-	-	-	-	-	-	-	-
Profit Before Taxation	20,646	-	-	-184	181,464	-	-8869	-	-99	-34	-	-	-200	-2	-2413	-	-	-
	(30,339)	(-7)	(-6)	-	(58,735)	(-64)	(-490)	-	(-126)	-	(-202)	-	-	-	-	(-201)	(-85)	-
Provision for Taxation	4,135	-	-	-	37,958	-	2,181	-	-	-	-	-	-	-	(80)	-	-	-
	(5,185)	(-7)	-	-	(9,986)	-	(-7)	-	-	-	-	-	-	-	-	-	-	-
Profit After Taxation	16,511	-	-	-184	143,506	-	-11050	-	-99	-34	-	-	-200	-2	-2333	-	-	-
	(25,154)	-	(-6)	-	(48,749)	(-64)	(-483)	-	(-126)	-	(-202)	-	-	-	-	(-201)	(-85)	-
Proposed Dividend [including Dividend	-	-	-	-	8,071	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution Tax]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Jaypee Karcham Hydro Corporation Limited and Bina Power Supply Company Limited merged with Jaiprakash Power Ventures Limited w.e.f. 01.04.2010.

16 Figures for the previous year have been regrouped/ recast/ rearranged wherever considered necessary to confirm to this year's classification.

17 Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Parent Company's Financial statements.

Signatures to Schedules "A" to "T"

For and on behalf of the Board

For M.P. SINGH & ASSOCIATES
Chartered Accountants

MANOJ GAUR
EXECUTIVE CHAIRMAN & C.E.O.

M.P. SINGH
Partner
MNo.1454
Firm Regn No.002183C

SUNIL KUMAR SHARMA
EXECUTIVE VICE CHAIRMAN

GOPAL DAS BANSAL
Sr. VICE-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: 12th August 2011

Annexure V to Clause 41

Review Report to The Board of Directors of JAIPRAKASH POWER VENTURES LIMITED

We have reviewed the accompanying statement of unaudited financial results of JAIPRAKASH POWER VENTURES LIMITED for the Quarter and Half Year ended 30th September, 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the *Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditors of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

(R.Nagpal)
Partner
M.No. 081594

Place: Noida
Date:

JAIPRAKASH

POWER VENTURES LIMITED

Regd. Office : JUIT Complex, Waknaghat, P.O. Dumehar Bani, Kandaghat- 173215, Distt. Solan (H.P.)
Corporate Office: Sector 128, Noida - 201304, Distt. Gautam Budh Nagar (U.P.)
Website: www.jppowerventures.com Email: jpvl.investor@jalindia.co.in

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER/HALF YEAR ENDED 30TH SEPTEMBER, 2012

Rs. in Lacs except Shares and EPS

	Particulars	Quarter Ended			Six months ended		Previous Accounting Year Ended 31.03.2012
		30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
a)	Net Sales / Income from Operations	89,544	54,507	64,042	144,051	91,522	157,569
b)	Other Operating Income (VERs)	1,035	28	931	1,063	983	3,987
	Total Income from Operations (a+b)	90,579	54,535	64,973	145,114	92,505	161,556
2	Expenditure						
a)	Cost of operation and maintenance	6,272	2,965	1,451	9,237	2,338	4,936
b)	Purchases of stock-in-trade	-	-	-	-	-	-
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	-
d)	Employee benefits expense	1,377	1,071	1,105	2,448	1,976	4,329
e)	Depreciation and amortisation expense	7,743	6,738	5,839	14,481	9,389	23,005
f)	Other expenses	1,783	1,499	1,590	3,282	2,691	6,695
	Total expenses (a+b+c+d+e+f)	17,175	12,273	9,985	29,448	16,394	38,965
3	Profit / (loss) from operations before other Income, finance costs and exceptional Items (1-2)	73,404	42,262	54,988	115,666	76,111	122,591
4	Other Income	727	913	2,111	1,640	2,977	7,074
5	Profit / (loss) from ordinary activities before finance costs and exceptional items (3+4)	74,131	43,175	57,099	117,306	79,088	129,665
6	Finance costs	28,850	22,781	22,007	51,631	35,308	83,366
7	Profit / (loss) from ordinary activities after finance costs but before exceptional items (5-6)	45,281	20,394	35,092	65,675	43,780	46,299
8	Exceptional items	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7-8)	45,281	20,394	35,092	65,675	43,780	46,299
10	Tax expenses						
	Current Tax	1,049	168	7,027	1,217	8,759	-
	Income Tax / Fringe Benefit Tax - Earlier Years	-	-	-	-	-	(124)
	Deferred tax charge	7,629	1,930	-	9,559	-	6,128
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	36,603	18,296	28,065	54,899	35,021	40,295
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	36,603	18,296	28,065	54,899	35,021	40,295

	Particulars	Quarter Ended			Six months ended		Previous Accounting Year Ended 31.03.2012
		30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
14	Paid-up Equity Share Capital (Face Value of Rs 10/- each)	262,476	262,476	262,476	262,476	262,476	262,476
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-		284,024
16 i)	Earnings Per Share (EPS) (Rs.)						
a)	Basic EPS before Extraordinary items for the period	1.39	0.70	1.07	2.09	1.33	1.54
b)	Diluted EPS before Extraordinary items for the period	1.34	0.67	1.03	2.01	1.28	1.47
16 ii)	Earnings Per Share (EPS) (Rs.)						
a)	Basic EPS after Extraordinary items for the period	1.39	0.70	1.07	2.09	1.33	1.54
b)	Diluted EPS after Extraordinary items for the period	1.34	0.67	1.03	2.01	1.28	1.47
		Not Annualised	Not Annualised	Not Annualised	Not Annualised	Not Annualised	Annualised
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- Number of Shares	656,189,281	656,189,281	617,133,899	656,189,281	617,133,899	627,133,899
	- % of Shareholding	25.00%	25.00%	23.52%	25.00%	23.52%	23.89%
2	Promoters & Promoter Group Shareholding						
a)	Pledged/Encumbered						
	- Number of Shares	1,417,667,481	1,465,022,383	1,277,600,000	1,417,667,481	1,277,600,000	1,526,136,265
	- Percentage of shares of total shareholding of promoter and promoter group	72.02%	74.42%	63.64%	72.02%	63.64%	76.40%
	- Percentage of shares of total share Capital	54.01%	55.82%	48.67%	54.01%	48.67%	58.14%
b)	Non-Encumbered						
	- Number of Shares	550,900,361	503,545,459	730,023,224	-	730,023,224	471,486,959
	- Percentage of shares of total shareholding of promoter and promoter group	27.98%	25.58%	36.36%	27.98%	36.36%	23.60%
	- Percentage of shares of total share Capital	20.99%	19.18%	27.81%	20.99%	27.81%	17.96%

	Particulars	30.09.2012
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter (01.07.2012)	Nil
	Received during the quarter	22
	Disposed during the quarter	22
	Remaining unresolved at the end of the quarter (30.09.2012)	Nil

STATEMENTOFASSETSANDLIABILITIES

Ason30.09.2012

(RupeesinLacs)

	Particulars	Standalone 30.09.2012 Unaudited	Standalone 31.03.2012 Audited
A	EQUITY AND LIABILITIES		
1	**Shareholders'Fund**		
(a)	ShareCapital	262,476	262,476
(b)	ReservesandSurplus	324,999	284,024
(c)	Moneyreceivedagainstsharewarrants	-	-
	Sub-total - Shareholders'funds	**587,475**	**546,500**
2	**Shareapplicationmoneypendingallotment**	-	-
3	**Minorityinterest**	-	-
4	**DeferredRevenue**	43,158	39,207
4	**Non-currentliabilities**		
(a)	Long-termborrowings	1,530,154	1,310,803
(b)	Deferredtaxliabilities(net)	21,903	12,344
(c)	Otherlong-termliabilities	2,225	1,253
(d)	Long-termprovisions	51,972	35,533
	Sub-total - Non-currentliabilities	**1,606,254**	**1,359,933**
5	**Currentliabilities**		
(a)	Short-termborrowings	-	51
(b)	Tradepayables	77,962	81,127
(c)	Othercurrentliabilities	188,469	174,363
(d)	Short-termprovisions	47,162	36,561
	Sub-total - Currentliabilities	**313,593**	**292,102**
	TOTAL - EQUITYANDLIABILITIES	**2,550,480**	**2,237,742**
B	**ASSETS**		
1	**Non-currentAssets**		
(a)	FixedAssets	1,864,727	1,604,077
(b)	Goodwillonconsolidation	-	-
(c)	Non-currentinvestments	403,392	386,308
(d)	Deferredtaxassets(net)	-	-
(e)	Long-termloansandadvances	47,222	68,394
(f)	Othernon-currentassets	6,349	9,661
	Sub-total - Noncurrentassets	**2,321,690**	**2,068,440**
2	**CurrentAssets**		
(a)	Currentinvestments	-	-
(b)	Inventories	7,189	4,866
(c)	Tradereceivables	50,928	43,036
(d)	Cashandcashequivalents	99,787	71,581
(e)	Short-termloansandadvances	68,177	46,615
(f)	Othercurrentassets	2,709	3,204
	Sub-total - Currentassets	**228,790**	**169,302**
	TOTAL - ASSETS	**2,550,480**	**2,237,742**

Notes:

1 The results under review are in respect of 300 MW Jaypee Baspa II H.E. Plant , 400 MW Jaypee Vishnuprayag H.E. Plant, 1000 MW Jaypee Karcham Wangtoo H.E. Plant and 250 MW Jaypee Bina Thermal Power Plant. The 1000 MW Jaypee Karcham Wangtoo H.E. Plant had commenced commercial operation of its Unit 3 and Unit 4 of 250 MW each on 13.09.2011 in the previous year and Jaypee Bina Thermal Power Plant had commenced commercial operation of its first unit of 250 MW on 31.08.2012 in the current quarter . Therefore the results of the current quarter are not comparable with the figures of corrosponding quarter of previous year.

2 The Company has presently one segment under operation i.e. Generation of Power. During the current quarter, the Company has commenced construction of Cement Grinding Unit at Jaypee Nigrie Super Thermal Power Plant, for gainful utilisation of dry fly ash and as mandated by Ministry of Environment and Forests. Accordingly, the Company has two segments, Power Generation and Cement. As total assets employed in Cement Grinding Unit are less than 10% of the total assets of the Company, therefore, separate segment reporting is not applicable.

3 (i) The Company now has operating Capacity of 1700 MW (Hydro) & 250 MW (Thermal) and under implementation generating capacity of 1570 MW (Thermal). Besides, the Company through its Subsidiary, Prayagraj Power Generation Company Limited is implementing Bara Thermal Power Project with an aggregate capacity of 1980 MW. To meet the part of capital expenditure, the Company has raised resources by securitisation of receivables of Jaypee Baspa II HEP and Jaypee Vishnuprayag HEP and also other financial assistance resulting in additional interest cost.

(ii) The power generation during the current quarter was impacted on account of (i) Northern Region Grid failure on 30th & 31st July, 2012 (ii) Restrictions imposed w.e.f. 24th August, 2012 on approved overload generation of Baspa-II and Karcham Wangtoo Hydro Electric Plant by SLDC and NRLDC respectively.

4 In respect of Hydro Power Projects, the water availability in the first half of the financial year is higher as compared to the second half. As such, the revenues from the Power generation in the first two quarters is higher than the second two quarters of the year.

5 Depreciation on Fixed Assets has been charged on the following basis:

(i) Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works of 300 MW Jaypee Baspa II H.E. Plant, 400 MW Jaypee Vishnuprayag H.E. Plant as approved by Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under section 205 (2) (c)of the Companies Act, 1956.

(ii) Depreciation has been provided @2.57% p.a. on straight line method on Hydro Electric Works of 1000 MW Jaypee Karcham Wangtoo H.E. Plant w.e.f. 01.04.2011, as approved by Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under section 205 (2) (c) of the Companies Act, 1956.

(iii) Depreciation in respect of Fixed Assets other than of Hydro Electric Works including Jaypee Bina Thermal Power Plant is provided as per straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956.

6 Pursuant to Revised Schedule-VI of the Companies Act and Guidance Note issued by the Institute of Chartered Accountants of India requiring recognition of MAT credit in the Books of Accounts and the decision of the Company to opt for 80 (IA) benefit under the Income Act, 1961 from a subsequent year in respect of Jaypee Karcham Hydro Electric Plant, the Company has decided to recognize MAT Credit Entitlement and also Deferred Tax Liability (Net) in the Books of Account w.e.f. 31.03.2012. Therefore out of MAT of Rs. 9060 Lacs for the quarter, Rs. 1049 Lacs has been charged as Income Tax expense (on the total taxable income for the quarter) and balance Rs. 8011 Lacs is MAT credit entitlement for the current quarter. Further deferred tax liability Rs. 7629 Lacs has been provided for the quarter under review.

7 The foreign exchange fluctuation on the outstanding Foreign Currency Loans has been accounted for as per Accounting Standard (AS 11) as amended vide Notification dated 31.03.2009 and revised Notification dated 29.12.2011, issued by Ministry of Corporate Affairs, Govt. of India and the same has been adjusted in the cost of Plant & Machinery.

8 The percentage of the shares shown against column at Sl. No. A 2(a) as encumbered shareholding (54.01 %) represents (i) the shares held by Promoter company, namely, Jaiprakash Associates Ltd., pledged to the lenders of the Company for its Jaypee Baspa II HE Plant, Jaypee Vishnuprayag HE Plant, Jaypee Nigrie Super Critical Thermal Power Project, Jaypee Karcham Wangtoo HE Plant, Jaypee Bina Thermal Power Plant and Corporate Loan as per terms of sanction of the financial assistance(s) and (ii) shares held by promoter group company namely Jaypee Infra Ventures (a Private Compnay with Unlimited Liability) encumbered by way of non disposal undertaking in favour of their lenders.

9 Diluted Earnings per Share as on 30.09.2012, has been calculated on the basis of 2,73,22,92,149 Equity Shares after including 10,75,35,026 shares which could be allotted to the Foreign Currency Convertible Bondholders assuming Bondholder exercise the conversion option of Bonds into Equity Shares.

10 The above unaudited financial results have been reviewed by Audit Committee and then approved by the Board of Directors at their respective meetings held on the 23rd October, 2012.

PLACE **Noida**
DATE **23rd October, 2012**

MANOJ GAUR
CHAIRMAN

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF JAIPRAKASH POWER VENTURES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAIPRAKASH POWER VENTURES LIMITED AND ITS SUBSIDIARIES

The Board of Directors
JAIPRAKASH POWER VENTURES LIMITED

1. We have audited the attached consolidated Balance Sheet of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries, as at 31st March, 2012, and also the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of **JAIPRAKASH POWER VENTURES LIMITED'S** management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing by accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 4,771.80 Crores as at 31st March 2012, total revenue of Rs. Nil and total Net cash flows amounting to Rs. 1.82 Crores for the year then ended. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us. Our opinion is based solely on the report of the other auditors.

4. We report that the consolidated financial statements have been prepared by **JAIPRAKASH POWER VENTURES LIMITED'S** 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.

5. Based on our audit and on consideration of report 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:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries as at 31st March, 2012.

(b) in the case of the Consolidated Statement of Profit & Loss, of the profit of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries for the year ended on that date.

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

Place : NOIDA
Dated : 17th May 2012

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

JAIPRAKASH POWER VENTURES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

(Rupees in Lacs)

Particulars	Note No.	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	3		262,476		262,476
(b) Reserves and Surplus	4		283,401		254,162
(c) Money received against share warrants			-		-
(d) Minority Interest (in subsidiaries)	5		7,592		6,500
(2) Share application money pending allotment			-		-
(3) Deferred Revenue	6		39,207		31,302
(4) Non Current Liabilities					
(a) Long-term borrowings	7		1,567,898		1,301,740
(b) Deferred tax liabilities (net)	8		12,424		-
(c) Other Long-term liabilities	9		6,267		9,746
(d) Long-term provisions	10		35,626		34,715
(5) Current Liabilities					
(a) Short-term borrowings	11		51		5,082
(b) Trade payables	12		120,458		39,570
(c) Other current liabilities	13		178,662		31,963
(d) Short-term provisions	14		36,564		1,955
TOTAL			2,550,626		1,979,211
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets	15				
(i) Tangible assets	15A	986,001		321,120	
(ii) Intangible assets	15B	-		-	
(iii) Capital work-in-progress	15C	956,533		1,032,429	
(iv) Intangible assets under development		-	1,942,534	-	1,353,549
(b) Non-current investments	16		198,594		198,594
(c) Deferred tax assets (net)	17		-		-
(d) Long-term loans and advances	18		207,582		150,631
(e) Other non-current assets	19		9,661		10,578
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories	20	4,901		5,490	
(c) Trade receivables	21	43,036		15,566	
(d) Cash and cash equivalents	22	91,925		222,815	
(e) Short-term loans and advances	23	48,278		16,450	
(f) Other current assets	24	4,115	192,255	5,538	265,859
TOTAL			2,550,626		1,979,211

Accounting Policies and Notes to the Accounts 2 (ii)

Note nos. 1 to 48 are integral part of the financial statements

For and on behalf of the Board

As per our report of even date

FOR R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 002626N

Manoj Gaur
Chairman

R. NAGPAL
Partner
M.No. 81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Place: Noida
Dated: 17th May, 2012

Y. K. Sharma
Vice President (F & A)

R.K. Porwal
Sr. General Manager (F & A)

M. M. Sibbal
Sr. General Manager
& Company Secretary

JAIPRAKASH POWER VENTURES LIMITED

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(Rupees in Lacs)

	Particulars	Note No.	Figures for the current reporting period, March 31, 2012		Figures for the previous reporting period, March 31, 2011	
I.	Revenue from operations	25		161,556		73,689
II.	Other Income	26		7,074		10,385
III.	Total Revenue (I+II)			168,630		84,074
IV.	Expenses :					
	Cost of operation and maintenance	27		4,936		2,678
	Purchase of Stock-in-trade			-		-
	Changes in inventories of finished goods work-in-progress and stock-in-trade			-		-
	Employee benefits expense	28		4,329		2,434
	Finance costs	29		85,945		44,844
	Depreciation and amortization expense	30		23,118		9,778
	Other expenses	31		4,116		2,978
	Total expenses			122,444		62,712
V.	Profit before exceptional and extraordinary items and tax (III -IV)			46,186		21,362
VI.	Minority Interest			29		48
VII.	Profit before exceptional and extraordinary items and tax (V -VI)			46,157		21,314
VIII.	Exceptional items			-		-
IX.	Profit before extraordinary items and tax (VII -VIII)			46,157		21,314
X.	Extraordinary items			-		1,002
XI.	Profit before tax (IX-X)			46,157		20,312
XII.	Tax Expense :					
	(i) Current tax (MAT)		9,265		4,116	
	Less : MAT credit entitlement		9,265		-	
	Net Current Tax		-		4,116	
	(ii) Earlier years		-		25	
	(iii) Previous Year - Written Off		(124)		(4)	
	(iv) Provision of tax for earlier years reversed		-		-	
	(v) Fringe benefit tax of earlier year written off		-		(2)	
	(vi) Deferred tax		6,208	6,084	-	4,135
XIII.	Profit/(loss) from continuing operations (XI-XII)			40,073		16,177
XIV.	Profit/(loss) from discontinuing operations			-		-
XV.	Tax expense of discontinuing operations			-		-
XVI.	Profit/(loss) from discontinuing operations (after tax) (XIV-XV)			-		-
XVII.	Profit/(loss) for the period (XIII + XVI)			40,073		16,177
XVIII.	Earnings per equity share :					
	Before Extraordinary items					
	(i) Basic			1.53		0.82
	(ii) Diluted			1.47		0.66
	After Extraordinary items					
	(i) Basic			1.53		0.77
	(ii) Diluted			1.47		0.62

Accounting Policies and Notes to the Accounts 2 (ii)
Note nos. 1 to 48 are integral part of the financial statements

For and on behalf of the Board

As per our report of even date

FOR R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 002626N

Manoj Gaur
Chairman

R. NAGPAL
Partner
M.No. 81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Y. K. Sharma
Vice President (F & A)

R.K. Porwal
Sr. General Manager (F & A)

M. M. Sibbal
Sr. General Manager
& Company Secretary

Place: Noida
Dated: 17th May, 2012

Consolidated Notes to the financial statements for the year ended March 31, 2012

Note 1 Corporate Information

Jaiprakash Power Ventures Limited a part of Jaypee Group was incorporated in the year 1994. The Company is engaged in business of generation of Power. The Company owns and operates the 300 MW Jaypee Baspa II Hydro Electric Plant at District Kinnaur, Himachal Pradesh, 400 MW Jaypee Vishnuprayag Hydro Electric Plant at District Chamoli, Uttrakhand and 1000 MW Jaypee Karcham Wangtoo Hydro Electric Plant at District Kinnaur, Himachal Pradesh.

The Company is also implementing the following Thermal Power Plants:

(a) 500 MW (Phase I) Jaypee Bina Thermal Power Plant at Village Sirchopi, District Sagar, Madhya Pradesh. It is expected to commence operations in the financial year 2012-13.

(b) 1320 MW Jaypee Nigrie Super Critical Thermal Power Plant at District Singrauli, Madhya Pradesh. It is expected to commence operations in the financial year 2013-14.

The Company is setting up/planning following Power Plants through its subsidiaries:

(a) 1980 MW (Phase I) Thermal Power Plant Through Prayagraj Power Generation Company Limited at Bara, District Allahabad.

(b) 1320 MW (Phase- I) Thermal Power Plant Through Sangam Power Generation Company Limited at Karchana, District Allahabad.

(c) 2700 MW Lower Siang and 500 MW Hirong Hydro Electric Plants Through Jaypee Arunachal Power limited in Arunachal Pradesh.

(d) 450 MW Kynshi and 270 MW Umngot Hydro Electric Plants Through Jaypee Meghalaya Power limited in Meghalaya.

The Company through its subsidiary Jaypee Powergrid Limited has developed 217 Km long power transmission line to evacuate power from 1000 MW Jaypee Karcham Wangtoo Hydro electric Plant.

Note 2

2(i) Basis of Preparation of Financial Statements

(a) The accounts are prepared on the historical cost basis and on the principles of a going concern.

(b) Accounting policies not specifically referred to otherwise are being consistently followed and are in accordance with generally accepted accounting principles.

2(ii) Summary of significant accounting policies

(a) 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, AS-23 on Accounting for Investment in Associates in Consolidated Financial Statements and AS-27 on Financial Reporting of Interests in Joint Ventures.

(ii) The financial statements of the Subsidiary Companies used in the consolidation are drawn up to the same reporting date, as that of the Parent Company, Jaiprakash Power Ventures Limited (JPVL).

(iii) The accounts are prepared on the historical cost basis and on the principles of a going concern.

(iv) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

(b) Principles of Consolidation

(i) The financial statements of JPVL and its 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-company balances, intra-company transactions and unrealised profits / losses.

(ii) The financial statements of JPVL and its subsidiaries are consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

(iii) The difference between the cost to JPVL of its investments in each of the subsidiaries over its equity in the respective subsidiary, on the acquisition date, is recognized in the financial statement as Goodwill or Capital Reserve, as the case may be. Goodwill is amortised over a period of ten years.

(c) Revenue Recognition

(i) (a) 300 MW BASPA-II HEP : Revenue from sale of electrical energy is accounted for on the basis of billing to Himachal Pradesh State Electricity Board (HPSEB) as per Tariff approved by Himachal Pradesh Electricity Regulatory Commission (HPERC) in accordance with the provisions of Power Purchase Agreement dated 4th June, 1997, Amendment No.1 dated 07.01.1998 executed between the Company and HPSEB.

(b) 400 MW Vishnuprayag HEP : Revenue from sale of electrical energy is accounted for on the basis of billing to Uttar Pradesh Power Corporation Limited (UPPCL) as per Tariff approved by Uttar Pradesh Electricity Regulatory Commission (UPERC) in accordance with the provisions of Power Purchase Agreement dated 16.01.2007, executed between the Company and UPPCL.

(c) 1000 MW Karcham Wangtoo HEP : Revenue from sale of electrical energy is accounted for on the basis of billing to various buyers as per short term/medium term Power Purchase Agreements executed with them.

(ii) Revenue from sale of Verified Emission Reductions (VERs) is accounted for on receipt basis.

(iii) Insurance claims are accounted for on receipt basis or as acknowledged by the Insurance company.

(iv) Other Income and cost/ expenditure are accounted for on accrual basis as they are earned or incurred.

(v) Advance against depreciation claimed/ to be claimed as part of tariff in terms of PPA during the currency of loans to facilitate repayment installments is treated as `Deferred Revenue'. Such Deferred Revenue shall be included in Sales in subsequent years.

(d) 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 borrowings, financing cost and foreign exchange loss/ gain, up to the date of commissioning.

(e) Depreciation

(i) Premium on Leasehold Land is amortised over the period of lease.

(ii) (a) 300 MW BASPA-II HEP: Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works w.e.f. 24.5.2003 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act,1956 vide their letter no. 45/1/2006-CL-III dated 26.6.2006.

(b) 400 MW Vishnuprayag HEP: Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works w.e.f. 17.06.2006 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act,1956 vide their letter no. 45/7/2006-CL-III dated 03.05.2007.

(c) 1000 MW Karcham Wangtoo HEP : Depreciation has been provided @ 2.57% p.a. on straight line method on Hydro Electric Works w.e.f. 01.04.2011 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act,1956 vide their letter no. 45/6/2011-CL-III dated 09.08.2011.

(iii) Fixed Assets other than Hydro Electric Works are depreciated as per straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956.

(iv) Depreciation on Assets of the Rs. 5,000 or less is provided at 100% irrespective of the actual period of use.

(f) Expenditure during Construction Period

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

(g) Foreign Currency Transactions

(i) Transactions in Foreign Currency are recorded in the Books of Accounts in Indian Currency at the rate of exchange prevailing on the date of transaction.

(ii) All loans and deferred credits repayable in Foreign Currency and outstanding at the close of the year are expressed in Indian Currency at the rate of exchange prevailing on the date of the Balance Sheet.

(iii) Foreign Exchange gain/loss is being adjusted against the cost of assets in terms of the amendment to Accounting Standard (AS–11) issued vide Notification dated 31st March, 2009 and revised Notification dated 29th December, 2011 by Ministry of Corporate Affairs, Govt. of India.

(h) Investments

Investments are stated at Cost and where there is permanent diminution in the value of Investments a provision is made wherever applicable. Dividend will be accounted for as and when the Company has a right to receive the same on or before the Balance Sheet date.

(i) Inventories

(a) Inventories of Stores & Spares are valued on the basis of Weighted Average Cost Method.

(b) Material-in-transit is valued at cost.

(j) Retirement and other Employees Benefits

(a) Provident Fund and Pension contribution as a percentage of salary/wages as per provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952.

(b) Gratuity and Leave Encashment is defined benefit obligation. The liability is provided for on the basis on Projected Unit Credit Method adopted in the actuarial valuation made at the end of each financial year.

(k) Borrowing Costs

Borrowing costs attributable to the procurement/construction of fixed assets are capitalised as part of the cost of the respective assets upto the date of commissioning. Other borrowing costs are recognized as expense during the year in which they are incurred.

(l) Taxes on Income

Provision for current tax is being made after taking into consideration benefits admissible to the Company under the provisions of the Income Tax Act, 1961.

Deferred Tax Liability, if any is computed as per in accordance with Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are computed by applying rates and tax laws that have been enacted upto the Balance Sheet date.

(m) Provisions, Contingent Liabilities and Contingent Assets

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

(n) 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 outstanding during the year.

(o) Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognised immediately as income in the profit and loss account.

(p) Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation on straight line basis from the date the assets are put for commercial use.

q) Premium on Redemption of Debentures

Premium paid/payable on Redemption of Debentures are adjusted against Securities Premium Reserve/Surplus.

(r) 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”.

Note "3" - Share Capital

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
	Number	Amount	Number	Amount
Authorised				
Equity shares of Rs. 10/- each	8,300,000,000	830,000	8,300,000,000	830,000
Preference shares of Rs. 100/- each	300,000,000	300,000	-	-
Total		1,130,000		830,000
Issued, Subscribed & Paid up				
Equity shares of Rs. 10/- each	2,624,757,123	262,476	2,095,680,200	209,568
Share Capital Suspense Account	-	-	529,076,923	52,908
Total	2,624,757,123	262,476	2,624,757,123	262,476

Note 3.1 - Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,095,680,200	209,568	2,095,680,200	209,568
Shares issued during the year	529,076,923	52,908	-	-
Shares brought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,624,757,123	262,476	2,095,680,200	209,568

Amount of Rs. 52,908 Lacs was in share suspense account as on 31.03.2011 and 52,90,76,923 equity shares of Rs.10/- each were allotted during the year, consequent to amalgamation of erstwhile Jaypee Karcham Hydro Corporation Limited, (JKHCL) and erstwhile Bina Power Supply Company Limited, (BPSCL) with the Company from the appointed date i.e. 01.04.2010.

Note 3.2 - The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

Equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share and entitled to dividend.

Preference shares having a par value of Rs. 100/- per share, with power to the Company to convert Preference Shares into Equity Shares at any time and from time to time to increase, reduce or modify the capital and to divide all or any of the shares in the capital of the Company, for the time being , and to classify and reclassify such shares from shares of one class into shares of other class or classes and to attach there to respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abortage any such rights , privilages, conditions or restrictions, in accordance with the provisions of Articles of Association of the Company and the provisions of the Companies Act, 1956. Preference share holders are entitled to dividend at a fixed rate and is not entitled to vote at the General Meeting of the Company. The Company has not issued any class of Preference shares.

Note 3.3 - Equity Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding compnay or the ultimate holding company in aggregate

178,30,00,600 equity shares are held by Jaiprakash Associates Limited, the holding company.

21,46,22,624 equity shares are held by Jaypee Infra Ventures (a private company with unlimited liability) associate company of Jaiprakash Associates Limited.

Note 3.4 - Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholder	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
	No. of shares held	% of holding	No. of shares held	% of holding
Jaiprakash Associates Limited	1,783,000,600	67.93	1,598,000,600	76.25
Jaypee Infra Ventures (a private company with unlimited liability)	214,622,624	8.18	225,190,622	10.75
JPVL Trust	344,076,923	13.11	-	-

Note 3.5 - Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments, including terms and amounts

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCB) of US$ 1.00 Lacs each aggregating to US$ 200 Million at par on 12.02.2010. These Bonds are convertible at the option of the bond-holders into equity shares of Rs. 10/- each fully paid up at the conversion price of Rs. 85.8139 per share, subject to the terms of issue with a fixed exchange rate of Rs. 46.14 equal to US$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

No conversion has taken place till date upto financial year 2011-12.

The bonds are redeemable at maturity on 13.02.2015 at a YTM of 7% p.a. inclusive of coupon rate of 5% p.a. [value as on 31.03.2012 in US$ 1.04 Lacs (Previous Year - US$1.02 Lacs) for a principal amount of US$ 1.00 Lacs each]. A reserve aggregating to Rs.3,935 Lacs up to 31.03.2012 (Previous year- Rs.2,089 Lacs) has been created for the redemption premium.

No shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments.

Note 3.6 - Aggregate number and class of shares alotted as fully paidup persuant to contract without payment being received in cash, alottment by way of bonus shares or shares bought back

Particulars	Year (Aggregate No. of shares)	
Equity Shares	2011-12	2010-11
Fully paid up equity shares allotted for consideration other than cash in terms of Scheme of Amalgamation of erstwhile Jaiprakash Power Ventures Limited with Jaiprakash Hydro-Power Limited (renamed as Jaiprakash Power Ventures Limited)w.e.f 01.04.2009 (the appointed date), as sanctioned by Hon'ble High Court of Himachal Pradesh at Shimla vide Order dated 14.12.2009, effective from 14.12.2009.	1,604,679,600	1,604,679,600
Fully paid up equity shares allotted for consideration other than cash in terms of Scheme of Amalgamation of erstwhile Jaypee Karcham Hydro Corporation Limited and Bina Power Supply Company Limited with Jaiprakash Power Ventures Limited w.e.f 01.04.2010 (the appointed date), as sanctioned by Hon'ble High Court of Himachal Pradesh at Shimla vide Order dated 25.07.2011, effective from 26.07.2011.	529,076,923	529,076,923
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-

Note 3.7 - Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
	Number	Amount	Number	Amount
5% Foreign Currency Convertible Bonds (FCCB)	107,535,026	10,754	107,535,026	10,754

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCB) of US$ 1.00 Lacs each aggregating to US$ 200 Million at par on 12.02.2010. These Bonds are convertible at the option of the bond-holders into equity shares of Rs. 10/- each fully paid up at the conversion price of Rs. 85.8139 per share, subject to the terms of issue with a fixed exchange rate of Rs. 46.14 equal to US$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

Note 3.8 - Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

There are no calls unpaid including by directors and officers of the Company.

Note 3.9 - Forfeited shares (amount originally paid up)

No shares have been forfeited

Note "4" - Reserves and Surplus

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
1. Securities Premium Reserve				
Opening Balance	4,342		28,601	
Less : Transfer to Provision for Premium on Redemption of Debentures	4,342	-	24,259	4,342
2. Debenture Redemption Reserve				
Opening Balance	27,768		4,832	
Add : Provisions for the year	27,737		27,736	
Less : Transfer to Statement of profit & loss on redemption	-	55,505	4,800	27,768
3. General Reserve				
Opening Balance	4,785		4,785	
Add : Transfer from Statement of profit & loss	-	4,785	-	4,785
4. Capital Reserve on Amalgamation				
Opening Balance	134,411		-	
Add : On amalgamation of JKHCL & BPSCL	-		230,692	
Less : Goodwill written off	-	134,411	96,281	134,411
5. Reserve for Premium on Foreign Currency Convertible Bonds				
Opening Balance	2,089		243	
Add : Provisions for the year	1,846	3,935	1,846	2,089
6. Surplus				
Opening Balance	80,767		88,861	
Add : Profit transferred from Amalgamating Company	-		(286)	
Add : Profit After Tax during the year	40,073		16,177	
Add : Debenture Redemption Reserve Written Back	-		4,800	
Add : MAT credit for earlier years	23,201		-	
Less : Deferred tax liability of earlier years	6,216		-	
Less : Debenture Redemption Reserve for the year	27,736		27,736	
Less : Provision for Premium on Redemption of Debenture	23,507		-	
Add : Minority Share holders interest for appropriation	29		48	
Add : Amortisation of goodwill reversed on a/c of amalgamation of BPSCL	-		749	
Less : Reserve for Premium on Foreign Currency Convertible Bonds	1,846	84,765	1,846	80,767
Total		283,401		254,162

Note "5" - Minority interest (in subsidiaries)

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Minority interest (in subsidiaries)	7,592	6,500
Total	7,592	6,500

Note "6 " Deferred Revenue

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
Advance against depreciation				
Opening Balance	31,302		23,397	
Addition during the year	7,905	39,207	7,905	31,302
Total		39,207		31,302

As per accounting policy, the Advance against Depreciation amounting to Rs. 7,905 lacs (Previous Year Rs.7,905 lacs) has been treated as Deferred Revenue.

Non Current Liabilities

Notes "7" - Long-term borrowings

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
"A" Secured Loans				
Bonds/Debentures				
Redeemable Non-Convertible Debentures		98,259		198,257
Term Loans				
Rupee Loan				
- from Financial Institutions	204,639		192,660	
- from Banks	1,149,355		749,268	
Foreign Currency Loan				
- from Banks	170		254	
- from Financial Institutions	7,905	1,362,069	64,798	1,006,980
Working Capital - From Banks		600		1,800
From other parties				
Foreign Currency - Buyers' Credit		3,870		4,803
Total "A"		1,464,798		1,211,840
"B" Unsecured Loans				
- Foreign Currency Convertible Bonds		102,600		89,400
Others				
Govt. of Uttarakhand		500		500
Total "B"		103,100		89,900
Total "A + B"		1,567,898		1,301,740

Note "8" - Deferred Tax Liabilities (Net)

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Deferred Tax Liabilities		
On account of Depreciation	16,450	-
Total "A"	16,450	-
Deferred tax assets		
On account of loss carried forward	3891	-
On account of employee benefits	135	-
Total "B"	4,026	-
Total "A-B"	12,424	-

Notes "9" - Other Long Term Liabilities

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Trade Payables	5,013	2,351
Others	1,254	7,395
Total	6,267	9,746

Notes "10" - Long Term Provisions

(Rupees in Lacs)

	Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
a)	Provision for employee benefits				
	Gratuity	35		14	
	Leave Encashment	172	207	185	199
b)	Others				
	Wealth Tax	3		3	
	Income Tax	10,305		10,254	
	Premium on redemption of debentures	25,111	35,419	24,259	34,516
	Total		35,626		34,715

Current Liabilities

Note "11" - Short-term borrowings

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Secured Loans		
Loans repayable on demand		
Rupee Loan		
- from Banks	-	5,042
Working Capital - From Banks	51	40
Total	51	5,082

Note '12' - Trade Payables

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Trade Payables	120,412	39,544
Others	46	26
Total	120,458	39,570

Note '13' - Other Current Liabilities

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
Current maturities of long-term debt				
"A" Secured Loans				
Bonds/Debentures				
Redeemable Non-Convertible Debentures		99,998		-
Term Loans				
- from Financial Institutions	3,821		2,009	
- from Banks	65,991		20,812	
Foreign Currency Loan				
- from Banks	134		127	
- from Financial Institutions	395	70,341	1,482	24,430
From other parties				
Foreign Currency - Buyer's Credit		1,744		1,609
Working Capital				
- from Banks		1,200		1,200
"B" Unsecured Loans				
Govt. of Uttarakhand		500		500
ii) Interest accured but not due on borrowings		3,201		2,264
iii) Investors' Education & Protection Fund :				
(Appropriate amount shall be transferred to Investors' Education & Protection Fund, if and when due)				
- Unclaimed Dividend		191		193
iv) Other payables		1,487		1,767
Total		178,662		31,963

Notes '14' - Short Term Provisions

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
a) Provision for employee benefits				
Gratuity	61		5	
Leave Encashment	65		4	
Bonus & Incentive	178	304	62	71
b) Others				
Income Tax	9,265		1,884	
Premium on redemption of debentures	26,995	36,260	-	1,884
Total		36,564		1,955

Note '15' - Fixed Assets

Note '15 A' - Tangible Assets

(Rupees in Lacs)

S.No.	PARTICULARS	GROSS CARRYINGAMOUNT					DEPRECIATION /AMORTIZATION					NET CARRYING AMOUNT	
		As on 01.04.2011	Additions during the Year	Disposals during the Year	Other Adjustments	As on 31.03.2012	Upto 31.03.2011	For the Year	Disposals during the Year	Other Adjustments	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011
1	Goodwill on Consolidation	19	-	-	-	19	4	2	-	-	6	13	15
2	Land												
	Lease Hold	3,473	60	-	-	3,533	718	141	-	-	859	2,674	2,755
	Free Hold	19,153	19	-	-	19,172	-	-	-	-	-	19,172	19,153
3	Buildings	18,586	7,366	-	-	25,952	1,867	414	-	-	2,281	23,671	16,719
4	Plant&Machinery	3,37,086	6,78,275	-	2,035	10,17,396	55,966	22,731	-	-	78,697	9,38,699	2,81,120
5	Furniture &Fixture	263	94	-	-	357	92	48	-	-	140	217	171
6	Vehicles	969	139	12	-	1,096	250	83	9	-	324	772	719
7	Office Equipments	596	378	1	-	973	128	62	-	-	190	783	468
	Total	3,80,145	6,86,331	13	2,035	10,68,498	59,025	23,481	9	-	82,497	9,86,001	3,21,120
PREVIOUS YEAR		4,83,024	11,738	1,14,488	129	3,80,145	60,246	10,230	11,451	-	59,025	3,21,120	

Note :

1 Depreciation on Assets of Projects under implementation amounting to Rs. 363 Lacs (Previous Year 718 Lacs) has been charged to Pre-operative Expenses of New Projects pending Capitalisation.

2 Other adjustment is on account of exchange fluctuation (profit) / loss on the valuation of Foreign Currency Loans for the purchase of Plant & Machinery at the exchange rate prevailing on the date of Balance Sheet.

Note '15 B' - Intangible Assets

S.No.	PARTICULARS	GROSS CARRYINGAMOUNT					DEPRECIATION /AMORTIZATION					NET CARRYING AMOUNT	
		As on 01.04.2011	Additions during the Year	Disposals during the Year	Other Adjustments	As on 31.03.2012	Upto 31.03.2011	For the Year	Disposals during the Year	Other Adjustments	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011
1	Intangible Assets-Computer Software	3	-	-	-	3	3	-	-	-	3	-	-
	Total	3	-	-	-	3	3	-	-	-	3	-	-
PREVIOUS YEAR		3	-	-	-	3	3	-	-	-	3	-	

Note `15 C' : Capital work in progress and Incidental expenditure during construction pending allocation

(Rupees in Lacs)

Sl. No.	Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
A.	Direct cost of project under construction				
	Opening Balance		791,415		157,005
	Add : Addition during the year		482,872		634,410
	Less : Capitalisation during the year		539,421		-
	Balance Capital Work in Progress (A)		734,866		791,415
B.	Incidental Expenditure During Construction pending allocation				
	Opening Balance		241,014		147,347
	Add : Addition during the year				
	Employee Benefit Expense				
	Salary, Wages, Bonus and other benefit	3,397		2,614	
	Contribution to Provident and Other Funds	80		104	
	Gratuity	35		38	
	Staff Welfare Expenses	205		157	
	Directors' Remuneration	66	3,783	243	3,156
	Finance Costs				
	Interest				
	Term Loans	73,329		85,021	
	Financial charges				
	Front end fee and other charges	4,810	78,139	465	85,486
	Depreciation and amortization expenses		363		718
	Other Expenses				
	Advertisement Expenses	108		79	
	Bank Charges & Guarantee Commission	522		180	
	Bidding expenses	1		5	
	Bonus paid for early Commissioning	1,291		-	
	Catchment Area Treatment Plan	-		474	
	Compensation for Land	1,310		-	
	Compensation for Trees and Buildings	2,209		1,289	
	Directors' Sitting Fee	5		15	
	Environmental Management Plan Monitoring Cost	7,630		308	
	Freight & Octroi Charges: Freight	1,205		677	

(Rupees in Lacs)

Sl. No.	Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
	Insurance - Others	1,327		1,678	
	Internal Auditors' Fee	2		7	
	Legal & Professional & Consultancy Charges	4,007		3,676	
	Licence and application fees	37		20	
	Local Area Development	7,410		763	
	Miscellaneous Expenses	1,991		946	
	Overhead line connection charges	73		50	
	Postage & Couriers Expense	2		2	
	Power, Water & Electricity Charges	448		219	
	Printing & Stationery Expenses	21		23	
	Rates & Taxes	158		64	
	Rehabilitation and resettlement expenses	37		187	
	Rent	132		186	
	Royalty paid	35		14	
	Security & Medical charges	558		-	
	Telephone Expenses	38		30	
	Travelling Expenses	506		474	
	Vehicle Running & Maintenance Expenses	328		268	
	Auditor's Remuneration				
	- Audit Fee	12		20	
	- Tax Audit Fee	-		1	
	- Reimbursement of expenses	1	31,404	-	11,655
	Less : Other income				
	Transferred to Jaypee Meghalaya Power Ltd. (Wholly owned subsidiary)	-		360	
	Interest Earned on Deposits	3,031		4,642	
	Foreign exchange variation	(12,264)		1,761	
	Infirm Energy	754		-	
	Excess provision (previous years) written back	563	(7,916)	585	7,348
	Less : Capitalisation during the year		140,952		-
	Balance Incidental expenditure during construction pending allocation (B)		221,667		241,014
	Total A + B		956,533		1,032,429

Note `16' : Non-current investments

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Investments in Equity Instruments INVESTMENTS (AT COST)		
Investment in Beneficiary Trust (Unquoted)		
JPVL Trust	1,98,594	1,98,594
TOTAL	1,98,594	1,98,594

Note :

1 Aggregate cost of :

Quoted Investments (Market Value Rs.Nil) (Previous Year-Rs. Nil)	-
Unquoted (Previous Year Rs. 1,98,594) (See Note No. 2)	1,98,594

2. Pursuant to Scheme of Amalgamation of erstwhile Jaypee Karcham Hydro Corporation Limited (JKHCL) and erstwhile Bina Power Supply Company Limited (BPSCL) with the Company, sanctioned by the Hon'ble High Court of Himachal Pradesh at Simla, JPVL Trust was created on 3rd june, 2011 to hold Equity Shares allotted upon amalgamation in accordance with the share exchange ratio in terms of the said Scheme. Upon sanction of the said Scheme, the cross holdings were not cancelled and were transferred to JPVL Trust in which the Company is the sole beneficiary. Accordingly, 21,70,00,000 Equity Shares in respect of erstwhile JKHCL and 12,70,76,923 Equity Shares in respect of erstwhile BPSCL held by the Company, were transferred to JPVL Trust, as per the approved Share Exchange Ratio.

3 All Investments are Non-trade, Long Term Investments

Note '17' : Deferred tax assets (net)

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Deferred tax assets	-	-
Total	-	-

Note '18' : Long-term loans and advances

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
Secured, Considered Good		-		-
Unsecured, considered good				
Capital Advance		155,755		130,773
Security Deposits				
a) With Govt. Deptt.	9,806		8,340	
b) With Related Parties	100		100	
c) With Others	2,934	12,840	6	8,446
Loans and advances to related parties		19,320		4,658
Other loans and advances				
Advance Income Tax and TDS		10,572		2,748
Advances to suppliers		9,095		4,006
Total		207,582		150,631

Note '19' : Other non-current assets

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Long term trade receivables	3,542	4,427
Others		
Interest receivable from HPSEB	1,588	1,588
Pre-paid Expenses	4,531	4,563
Total	9,661	10,578

Current Assets

Note '20' - Inventories

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Raw Material	-	-
Work-in-progress	-	-
Stores and Spares - at weighted average cost	4,901	5,490
Others	-	-
Total	4,901	5,490

Note '21' - Trade receivables

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Secured, considered good	-	-
Unsecured, considered good		
Due for a period exceeding six months	5,056	5,262
Due for a period less than six months	37,980	10,304
Total	43,036	15,566

Note '22' - Cash and cash equivalents

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
Balances with Scheduled Banks				
(i) In Current Account	4,272		28,513	
(ii) In Fixed Deposits				
(a) Having maturity of more than twelve months	7,230		-	
(b) Other deposits	57,534		125,220	
(iii) In Fixed Deposits pledged with Govt. Deptt./Banks having a maturity of less than twelve months	1,198		6,255	
(iv) Trust & Retention accounts				
(a) In Current Account	11,182		33,921	
(b) In Fixed Deposits having a maturity of less than twelve months	10,255		28,642	
(v) In Unclaimed Dividend account	191	91,862	193	222,744
Cheques, draft on hand		2		-
Cash In hand		61		71
Total		91,925		222,815

Unit wise Trust and Retention Accounts are maintained pursuant to the stipulations of the ‘Financing Agreements’ executed with the respective Lenders.

Note '23' - Short-term loans and advances

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
Others				
Unsecured, considered Good				
Advances recoverable in cash or in kind or for value to be received				
Others	5,436		2,155	
Related Parties	134	5,570	3,621	5,776
Staff Imprest & Advance		66		38
MAT credit entitlement		32,466		-
Advance Tax & Tax Deducted at Source		10,176		10,636
Total		48,278		16,450

Note '24' - Other current assets

(Rupees in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
Interest accrued on fixed deposits with Banks	1,355	1,470
Prepaid Expenses	2,760	4,068
Total	4,115	5,538

(Rupees in Lacs)

PARTICULARS	Figures for the current reporting period, March 31, 2012		Figures for the previous reporting period, March 31, 2011	
Note '25 ' - Revenue From Operations				
Sale of Products				
Sale of Electrical Energy	1,59,140		70,977	
(Net of advance against depreciation)				
Less: Rebate for prompt payments	1,571	1,57,569	1,109	69,868
Other Operating Revenues				
Sale of Verified Emission Reduction (VERs)		3,987		3,821
Total		1,61,556		73,689
Note '26' - Other income				
Interest on deposits with banks		6,686		8,724
Interest on arrears		327		1,363
Dividend received on Mutual Funds		-		45
Other non-operating income				
Profit on sale of Fixed Assets	1		-	
Misc. Receipts	60	61	253	253
Total 7,074				10,385
Note '27 ' - Cost of Operation and Maintenance				
Stores and Spares Consumed		439		368
Repair & Maintenance - Buildings		141		103
Repair & Maintenance - Plant & Machinery		1,561		1,644
Operation and Maintenance Expenses		1,932		158
Insurance		863		405
Total		4,936		2,678
Note '28' - Employee Benefit Expense				
Salary , Wages & Bonus		3,357		1,990
Contribution to Provident and Other Funds		157		90
Gratuity		49		42
Leave Encashment		53		5
Workmen and Staff Welfare		176		145
Directors' Remuneration		537		162
Total		4,329		2,434
Note '29' - Finance Costs				
Interest				
Debentures	-		220	
Foreign Currency Loan	338		363	
Term Loans	81,147		39,952	
Working Capital	304	81,789	482	41,017
Financial charges				
DPG Commission	112		132	
Prepayment Premium	-		908	
Front end fee and other charges	2,635		2,761	
Security & Trusteeship Fee	1,409	4,156	26	3,827
Total		85,945		44,844

(Rupees in Lacs)

PARTICULARS	Figures for the current reporting period, March 31, 2012		Figures for the previous reporting period, March 31, 2011	
Note '30' - Depreciation and amortization expenses				
Depreciation		23,013		9,461
Amortization of Lease Hold Land and miscellaneous expenditure		105		317
Total		23,118		9,778
Note ' 31' - Other Expenses				
Advertisement		1,218		172
Consultancy, Legal & Professional Fee		756		1,574
Courier & Postage		47		83
Directors' Sitting Fee		15		20
Freight and Octroi		132		64
Gas, Water and Electricity		540		330
Internal Auditors' Fee		11		11
Lease Rent of land		56		56
Listing & Custodia Fee		53		63
Miscellaneous Expenses		622		104
Printing & Stationery		57		88
Rent		43		44
Taxes & Fees		163		50
Telephone and Telex		23		14
Travelling & Conveyance		251		209
Vehicle Running & Maintenance		84		61
Auditors' Remuneration				
For Audit	37		28	
For Tax Audit	4		4	
For Other Services	3		3	
Re-imbursement of Expenses	1	45	-	35
TOTAL		4,116		2,978

Note 32 Subsidiary

The Consolidated Financial Statements present the Consolidated Accounts of Jaiprakash Power Ventures Limited with its following Subsidiaries:

Sl. No.	Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest
[a]	Jaypee Powergrid Limited	India	74%
[b]	Prayagraj Power Generation Company Limited	India	100%
[c]	Sangam Power Generation Company Limited	India	100%
[d]	Jayypee Arunachal Power Limited	India	100%
[e]	Jaypee Meghalaya Power Limited	India	100%

Note 33

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 in the individual financial statements, which fairly present the needed disclosures.

Note 34

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

Note 35

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

(Rupees in Lacs)

Sl. No.	Particulars	Figures as at the end of current reporting period, March 31, 2012	Figures as at the end of previous reporting period, March 31, 2011
a)	The principal amount and interest due thereon		
	-Principal Amount	Nil	Nil
	-Interest Amount	Nil	Nil
b)	The amount of interest paid by the buyer in terms of Section16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the suppliers beyond the appointed day.	Nil	Nil
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

Note 36 Contingent Liabilities:

(Rupees in Lacs)

Sl. No.	Particulars		Figures for the current reporting period, March 31, 2012	Figures for the previous reporting period, March 31, 2011
(i)	Outstanding amount of Letter of Credit		48,333	16,452
	Margin Money deposited against the above		244	208
(ii)	Outstanding amount of Bank Guarantee		21,028	12,602
	Margin Money deposited against the above		800	658
(iii)	Estimated amount of Contracts remaining to be executed on capital account and not provided for	INR	10,27,077	11,01,042
		USD	3,075	3,744
		Euro	3,103	3,179
		JPY	2,84,152	3,21,581
		Can Doll.	-	1
(iv)	Claims against the Company not acknowledged as debts		4,171	2,23
(v)	Income Tax matters under appeal		795	1,895
(vi)	The Government of Himachal Pradesh has imposed entry tax on the goods entering the state of Himachal Pradesh. This was challenged by the Company before the Hon'ble High Court of Himachal Pradesh at Shimla. The Hon'ble High Court passed an interim order that tax paid by the petitioner would be treated as deposit and not as tax payment. The final decision of Hon'ble High Court is awaited. The total liability as at 31st March, 2012 is Rs. 3,363.60 Lacs(Previous Year Rs. 2,714.69 Lacs) against which Company has deposited Rs. 1,834.53 Lacs.			

Note 37

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

(1) Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

(a) Holding Company

Jaiprakash Associates Limited

(b) Fellow Subsidiary Companies:

(1) Jaypee Ganga Infrastructure Corporation Limited
(2) Himalyan Expressway Limited
(3) Jaypee Infratech Limited
(4) Jaypee Sports International Limited
(5) Jaypee Cement Corporation Limited
(6) Bhilai Jaypee Cement Limited
(7) Bokaro Jaypee Cement Limited
(8) Gujarat Jaypee Cement & Infrastructure Limited
(9) Jaypee Agra Vikas Limited
(10) Jaypee Fertilizers & Industries Limited
(11) Jaypee Assam Cement limited (w.e.f. 30.08.2011)
(12) Himalayaputra Aviation Limited (w.e.f. 23.07.2011)

(c) Associate Companies / Concerns :

(1) Jaypee Infra Ventures (A Private Company with unlimited liability)-(The erstwhile Jaypee Ventures Private limited merged in the Company w.e.f. 01.04.2011, the appointed date)
(2) Jaypee Development Corporation Limited (subsidiary of Jaypee Ventures (A Private Company with unlimited liability)
(3) JIL Information Technology Limited (subsidiary of Jaypee Ventures (A Private Company with unlimited liability)
(4) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited)
(5) Indesign Enterprises Pvt. Limited (subsidiary of Jaypee Ventures (A Private Company with unlimited liability)
(6) Indus Hotels UK Limited (subsidiary of Indesign Enterprises Pvt. Limited) (upto 15.07.2011)
(7) GM Global Mineral Mining Private Limited (Subsidiary of Indesign Enterprises Pvt. Limited)
(8) Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Ventures (A Private Company with unlimited liability)

(9) Jaypee International Logistics Company Private Limited (subsidiary of Jaypee Ventures (A Private Company with unlimited liability)

(10) Tiger Hills Holiday Resort Private Limited (subsidiary of Jaypee Development Corporation Limited)
(11) Anvi Hotels Private Limited (subsidiary of Jaypee Ventures (A Private Company with unlimited liability)
(12) Jaypee Uttar Bharat Vikas Private Limited
(13) Kanpur Fertilisers and Cement limited (subsidiary of Jaypee Uttar Bharat Vikas Pvt. Limited)
(14) RPJ Minerals Private Limited
(15) Sarveshwari Stone Products Pvt. Ltd. (subsidiary of RPJ Minerals Private Limited)
(16) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited)
(17) Sonebhadra Minerals Private Limited
(18) MP Jaypee Coal Limited
(19) Madhya Pradesh Jaypee Minerals Limited
(20) MP Jaypee Coal Fields Limited
(21) Jaiprakash Kashmir Energy Limited
(22) Jaypee Hotels Limited
(23) Jaypee Mining Venture Private Limited
(24) Ceekay Estate Private Limited.
(25) Pac Pharma Drugs and Chemicals Private Limited
(26) Akasva Associates Private Limited
(27) Sparton Growth Fund Private Limited- Upto 30.6.2011
(28) Jaiprakash Exports Private Limited
(29) Bhumi Estate Developers Private Limited
(30) Jaypee Technical Consultants Private Limited
(31) Essjay Enterprises Private Limited-Upto 30.6.2011
(32) Angad Growth Fund Private Limited-Upto 30.6.2011
(33) Andhra Cements Limited (subsidiary of Jaypee Development Corporation Limited (w.e.f. 10.02.2012)

(d) Key management Personnel:

(i) Jaiprakash Power Ventures Limited

(1) Shri Manoj Gaur, Chairman
(2) Shri Sunil Kumar Sharma, Vice Chairman and CEO
(3) Shri Suren Jain, Managing Director and CFO
(4) Shri R.K. Narang, Whole-time Director
(5) Shri Suresh Chandra, Whole-time Director
(6) Shri Dharam Paul Goyal, Whole-time Director (w.e.f. 12.08.2011)*
(7) Shri Parveen Kumar Singh, Whole-time Director (w.e.f. 12.08.2011)*
(8) Shri Ravindra Mohan Chadha, Whole-time Director (w.e.f. 12.08.2011)*
(9) Shri P.K.Jain, Whole Time Director of erstwhile Bina Power Supply Company Limited (up to 30.06.2011)
(10) Shri V.K.Sriwastava, Whole Time Director of erstwhile Bina Power Supply Company Limited (up to 25.07.2011)

* Shri Dharam Paul Goyal was Managing Director of erstwhile Jaypee Karcham Hydro Corporation Limited (JKHCL) up to 11.08.2011 and Shri Ravindra Mohan Chadha & Shri Praveen Kumar Singh were Whole-time Directors of erstwhile JKHCL up to 11.08.2011

(ii) Jaypee Powergrid Limited

(1) Shri Rajiv Ranjan Bhardwaj, Managing Director
(2) Shri Prabhakar Singh, Whole-time Director

(iii) Prayagraj Power Generation Company Limited

(1) Shri Rakesh Sharma, Managing Director(Up to 31.03.2012)
(2) Shri H.K.Sharma, Managing Director (w.e.f. 01.03.2012)
(3) Shri Ramesh Chandra Shrivastav, Whole-time Director (up to 16.04.2011)

(iv) Sangam Power Generation Company Limited

(1) Shri Rakesh Sharma, Managing Director (Up to 12.05.2011)
(2) Shri Siddheshwar Sen, Whole-time Director
(3) Shri V.K.Agarwal, Whole-time Director (Up to 03.11.2011)

(v) Jaypee Arunachal Power Limited

(1) Shri Pankaj Gaur, Managing Director

(2) Transactions carried out with related parties referred to above:

(Rupees in Lacs)

Name of Transactions	Related Parties			
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Expenses				
Hiring Charges	191			
(Previous Year)	(41)			
Rent	17			
(Previous Year)	(40)			
Cement	9,772			
(Previous Year)	(5,643)			
Sale of Energy	20,559			
(Previous Year)	(-)			
Other Expenses	641	152	101	
(Previous Year)	(1,015)	(-)	(154)	
Consultancy			1,125	
(Previous Year)			(-)	
			(154)	
Salary & Perquisites	-			857
				(729)
(Previous Year)				
	-			
Services Availed	2		527	
(Previous Year)	(1)		(999)	
Execution of Work	1,01,953			
(Previous Year)	(1,57,280)			
<u>Outstandings</u>				
<u>- Payables</u>				
Amount payable	18,563	-	197	13
(Previous Year)	(24,527)	-	(78)	(17)
<u>Outstandings</u>				
<u>- Receivables</u>				
Amount receivable	9,284	-	-	-
(Previous Year)	(6,766)	-	-	-

Guarantees given by the holding Company on behalf of the Company have been mentioned elsewhere in the Notes to Financial Statements.

Note 38

Earnings Per Share is computed in accordance with Accounting Standard –20 issued by the Institute of Chartered Accountants of India.

(Rupees in Lacs)

	Particulars	2011-12		2010-11	
[a]	Net Profit for Basic Earnings Per Share as per Profit & Loss Account		40,073		16,177
	Adjustment for the purpose of Diluted Earnings Per Share		-		-
	Net Profit for Diluted Earnings Per Share		40,073		16,177
[b]	Weighted average number of equity shares for Earnings Per Share computation:				
[i]	Number of Equity Shares at the beginning of the year		2,09,56,80,200		2,09,56,80,200
[ii]	Number of Shares allotted on amalgamation		52,90,76,923		-
[iii]	Number of Shares to be allotted on amalgamation		-		52,90,76,923
[iv]	Weighted average shares to be allotted during the year on Amalgamation		-		39,48,72,741
[v]	Number of potential Equity Shares		10,75,35,026		10,75,35,026
[vi]	Weighted average No. of Shares for calculating:				
[a]	Basic Earnings Per Share		2,62,47,57,123		2,09,56,80,200
[b]	Diluted Earnings Per Share		2,73,22,92,149		2,59,80,87,967
[c]	Earnings Per Share				
[i]	Basic	Rs.	1.53	Rs.	0.77
[ii]	Diluted	Rs.	1.47	Rs.	0.62
[d]	Face Value Per Share	Rs.	10	Rs.	10

Note 39

Provisions for Taxation have been made as per individual accounts of the Companies.

Note 40

(a) Jaiprakash Associates Limited (JAL), the holding company of Jaiprakash Power Ventures Ltd.(JPVL), has furnished Corporate Guarantees for the financial assistance outstanding as on 31.03.2012 amounting to Rs. 1,02,89.42 Lacs(Previous Year Rs. 1,27,86.98 Lacs) in respect of 300 MW Baspa II HEP to the Financial Institutions and Banks.

(b) JAL, the holding company has furnished Corporate Guarantees for financial assistance outstanding as on 31.03.2012 amounting to US$ 1,61.81 Lacs (Previous Year US$ 1,92.63 Lacs) in respect of 400 MW Vishnuprayag HEP.

(c) JAL, the holding company has pledged 6291 Lacs (Previous year 6291 Lacs) equity shares of Rs.10/- each of JPVL held by it for the financial assistance given in respect of Baspa-II HEP, Vishnuprayag HEP and Nigrie Project.

(d) JAL the holding company has pledged 5279 Lacs (Previous Year 4546 Lacs) equity shares of Rs.10/- each of JPVL for Corporate Loan of for Rs.1,00,000 Lacs.

(e) (i) 8,40,00,000 equity shares of Rs. 10/- each fully paid (Previous year 7,50,00,000) held by the Company of Jaypee Powergrid Ltd. (Subsidiary Company) are pledged with IDBI Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Jaypee Powergrid Ltd.

(ii) 35,35,26,798 equity shares of Rs. 10/- each fully paid (previous year 25,96,86,798) held by the Company of Prayagraj Power Generation Co. Ltd. (Subsidiary Company) are pledged with SBI Cap Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Prayagraj Power Generation Co. Ltd.

(f) (i) JAL, the Holding Company has furnished Performance Guarantees of Rs. 9549.14 Lacs to Prayagraj Power Generation Company Limited in respect of E & C Contract given by them to JAL.

(ii) JAL, the Holding Company has furnished Performance Bank Guarantees of Rs.15,000 Lacs to five Subsidiaries of UPPCL on behalf of Prayagraj Power Generation Company Limited in respect of Tariff based bidding process for sale of Power.

(iii) JAL, the Holding Company has furnished Performance Bank Guarantees of Rs.9,900 Lacs to five Subsidiaries of UPPCL on behalf of Sangam Power Generation Company Limited in respect of Tariff based bidding process for sale of Power.

Note 41

300 MW BASPA-II HEP: The Company has claimed tax on income (Minimum Alternate Tax) as per actual during the tax holiday period available to the Company under section 80 –IA of the Income Tax Act, 1961. Appellate Tribunal of Electricity has also confirmed the claim of the Company. HPSEB has filed an appeal with Hon'ble Supreme Court of India against the same. Accordingly the receivables to the extent of Rs.8607 Lacs (Previous year Rs. 7698 Lacs) from HPSEB are subject to final decision on the application/ appeal and other legal remedies.

Note: 42

(a) A Power Purchase Agreement (PPA) for sale of 704 MW power, out of 1000 MW power from the Karcham Wangtoo HEP to Power Trading Corporation (India) Limited (PTC) was executed by erstwhile JKHCL (since merged with the Company) on 21st March, 2006 for a term of 35 years with the stipulation that the tariff for sale of power shall be as approved by Central Electricity Regulatory Commission (CERC) based on the completion cost to be approved by Central Electricity Authority (CEA)/Central Electricity Regulatory Commission. It was subsequently found that the Electricity Act, 2003, does not provide for the determination of tariff for sale of power by a Generating Company to a Trading company and therefore based on the legal opinion the said PPA was considered to be void and PTC was informed accordingly. PTC had approached the Hon'ble High Court of Delhi with a prayer for restraining the Company from entering into agreement for sale of aforesaid power to any third party which was rejected. The PTC then filed a SLP in the Hon'ble Supreme Court against the order of Hon'ble High Court of Delhi, which is pending.

During the proceedings before Hon'ble High Court of Delhi, PTC invoked the arbitration clause of the PPA against Company's stand that the PPA was void and an Arbitral Tribunal consisting of three members was constituted. The Arbitral Tribunal, by its majority Award dated 28th April, 2011, dismissed the claim of PTC and declared the PPA to be void. PTC challenged the said Award before the Hon'ble High Court of Delhi. The Learned Single Judge of the Hon'ble High Court of Delhi vide its judgment and order dated 15th May, 2012 set aside the majority Award and concluded that the PPA is not void. Company shall file an Appeal against the said judgment before the Division Bench of the Hon'ble High Court of Delhi.

(b) The Haryana Power Generation Corporation Limited (HPGCL) with whom the PTC had entered into a Power Sale Agreement (PSA) for sale of 200 MW out of 704 MW power covered by the PPA has approached Haryana Electricity Regulatory Commission (HERC) to direct the company to supply 200 MW power to PTC for onward supply to HPGCL. The Company has taken a position that HPGCL has no privity of contract with the Company and HERC has no jurisdiction in the matter. HERC has however held that it has jurisdiction in the matter and therefore the Company has filed an Appeal before the Appellate Tribunal for Electricity (APTEL) against the order of HERC. APTEL after hearing the parties has reserved its judgment in the matter.

Note: 43

The Company is developing 1320 MW Power Project at Tehsil Karchana, Distt. Allahabad, Uttar Pradesh which is awarded by UPPCL on Build, Own, Operate and Maintain (BOOM) basis. As per the agreement, UPPCL has to provide 583 Ha. of land to the Company. UPPCL has since executed deed of conveyance for 512 Ha. (Approx.) of land. A few land owners had filed Writ Petition before Hon'ble High Court of Allahabad against the Government of Uttar Pradesh/ UPPCL.

The Court vide its order dated April 13, 2012 allowed the petitions of the farmers of Karchana and stalled the work given to the Company. The order is to be effective subject to deposit of compensation, if any, received by the farmers. However, the Company has not received any communication from UPPCL in this regard.

Hence, expenditure incurred during the construction and incidental to setting up the project are carried forward as 'Capital Work in Progress'. Considering the current status, the Company does not envisage provision for impairment/ write off as at the Balance Sheet date.

Note 44

(a) The Company has presently one operative segment i.e. Generation and Transmission of Power, hence, separate segment reporting is not applicable.

(b) The operations of the Company are carried within the Country and therefore geographical segments are not applicable.

Note 45

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 08.02.2011 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, presentation of audited consolidated financial statements in compliance with applicable Accounting Standards, Board of directors of the Company has by Resolution given consent for not attaching the Balance Sheet of the Subsidiary companies and disclosure of following information:

Particulars	Jaypee Power Grid Ltd	Prayagraj Power Generation Co. Ltd.	Sangam Power Generation Co. Ltd.	Jaypee Arunachal Power Ltd	Jaypee Meghalaya Power Ltd.
Capital (including Share Application Money)	29,200	87,819	55,198	22,400	670
Reserves	(376)	(6)	(7)	(225)	(2)
Total Assets	98,469	3,23,479	55,232	22,634	767
Total Liabilities (including Loans)	69,645	2,35,666	41	459	99
Investment details (including Share Application Money)	--	--	--	--	--
Turnover (including Other Income)	--	--	--	--	--
Profit before taxation	(111)	--	--	--	--
Provision for taxation	(81)	--	--	--	--
Profit/ (Loss) after taxation	(192)	--	--	--	--
Proposed Dividend [including Dividend Distribution Tax]	--	--	--	--	--

Note 46

In terms of 'Accounting Standard (AS) 28', the assets are not impaired because the recoverable amount of fixed assets collectively determined by the present value of estimated future cash flows is higher than its carrying value.

Note 47

Previous Year's figures have been regrouped/re-arranged as per new Schedule VI to Companies Act, wherever considered necessary to make them conform to the figures for the year.

Note 48

All the figures have been rounded off to the nearest rupees in lacs.

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

For and on behalf of the Board

Manoj Gaur
Chairman

R. Nagpal
Partner
M.No.81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Date: 17th May,2012
Place : Noida

Y.K.Sharma
Vice President (F&A)

R.K. Porwal
Sr. General Manager (F&A)

M.M. Sibbal
Sr. General Manager & Company Secretary

JAIPRAKASH POWER VENTURES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Rupees in Lacs)

	Particulars	Figures as at the end of current reporting period, March 31, 2012		Figures as at the end of previous reporting period, March 31, 2011	
A.	Cash flow from operating activities				
	Profit before taxation		46,186		20,360
	Add Back				
	Depreciation	23,118		9,493	
	Deffered Revenue on account of advance against depreciation	7,905		7,905	
	Amount written off - Miscellaneous Expenditure	-		285	
	(Gain)/Loss on sale of Assets	3		-	
	Interest & financial charges	85,945	116,971	44,844	62,527
	Deduct:				
	Interest Income (Interest on bank depoits)	(6,686)		(8,724)	
	Interest Income (Interest on Arrears)	(327)		(1,363)	
	Dividend Income (On Mutual Funds)	-		(45)	
	Other Income	(60)	(7,073)	(253)	(10,385)
	Operating profit before working capital changes				
	Add:				
	(Increase)/Decrease in Trade Debtor	(27,470)		4,827	
	Add: Transfer from amalgamating Company	-		-	
	(Increase)/Decrease in Inventories	589		353	
	Add: Transfer from amalgamating Company	-		20	
	(Increase)/Decrease in Long Term/Short Term Loans and Advances and others Current Asses	(46,725)		(12,240)	
	Add: Transfer from amalgamating Company	-	(73,606)	20,418	13,378
	Deduct:				
	Increase (Decrease) in Current Liabilities & Other Long Term Liabilities	77,126		25,447	
	excluding Current Maturities of Long Term Debts				
	Less: Transfer from amalgamating Company	-		47,802	
	Increase (Decrease) in Provisions	241		58	
	Less: Transfer from amalgamating Company	-	77,367.00	65	(22,362)
	Cash generated from Operations		159,845		63,518
	Adjustments for :				
	Income tax paid (net of refund)		(9,066)		(4,418)
	Net cash inflow from operating activities----'A'		150,779		59,100
B.	Cash flow from Investing activities				
	Outflow				
	Investment in Fixed Assets/Capital Work in Progress	(612,113)		(876,278)	
	Less: Transfer from amalgamating Company	-	(612,113)	441,275	(435,003)
	Work in Progress				
	Investment in Subsidiary	-		(158,594)	
	Less: Transfer from amalgamating Company	-	-	158,594	-
	Inflow				
	Sale of Assets	1		2	
	Interest Income	7,128		12,139	
	Other Income	60	7,189	253	12,394
	Net cash used in investing activities-----`B'		(604,924)		(422,609)
C.	Cash flow from Financing activities				
	Inflow				
	Increase in Share Capital-Minority Interest	1,092			650
	Increase in Long Term Borrowings & Current Maturities of Long Term debt-Net	407,171		653,440	
	Less: Transfer from Transfree Company	-	408,263	(287,627)	365,813
	Outflow				
	Payment of Preliminary expenses		-		(101)
	Interest & financial charges paid		(85,008)		(44,844)
	Net cash in financing activities---`C'		323,255		321,518
D.	CASH AND CASH EQUIVALENT ON AMALGAMATIONS…..'D'		-		6,089
	Net increase/(Decrease) in cash or cash equivalent (A+B+C+D)		(130,890)		(35,902)
	Cash & cash equivalent at the commencement of the year (Opening balance)		222,815		258,717
	Cash & cash equivalent at the end of the year (closing balance)		91,925		222,815

1. Cash and Cash Equivalents:

Cash-in-hand and Balances with Scheduled Banks in Rupees [including Rs 191 Lakhs lying in Unpaid Dividend Account (Previous Year Rs 193 Lakhs) which are not available for use by the Company].

2. Previous year figures have been regrouped/rearranged as per revised schedule VI, whereever necessary.

For and on behalf of the Board

FOR R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 002626N

Manoj Gaur
Chairman

R. NAGPAL
Partner
M.No. 81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Place: Noida
Dated: 17th May, 2012

Y. K. Sharma
Vice President (F&A)

R.K. Porwal
Sr. General Manager (F & A)

M. M. Sibbal
Sr. General Manager & Company Secretary

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF JAIPRAKASH POWER VENTURES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAIPRAKASH POWER VENTURES LIMITED AND ITS SUBSIDIARIES

The Board of Directors
JAIPRAKASH POWER VENTURES LIMITED

1. We have audited the attached consolidated Balance Sheet of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries, as at 31st March, 2011, and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of **JAIPRAKASH POWER VENTURES LIMITED'S** management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing by accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 2755.92 Crores as at 31st March 2011, total revenue of Rs. Nil and total Net cash flows amounting to Rs. 25.59 Crores for the year then ended. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us. Our opinion is based solely on the report of the other auditors.

4. We report that the consolidated financial statements have been prepared by **JAIPRAKASH POWER VENTURES LIMITED'S** 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.

5. Based on our audit and on consideration of report 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:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries as at 31st March, 2011.

(b) in the case of the Consolidated Profit & Loss account, of the profit of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries for the year ended on that date.

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

Place : NOIDA **(CA R. NAGPAL)**
Dated : 11th August 2011 **Partner**

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

(Rs. in Lacs)

PARTICULARS	SCHE-DULE	As at 31.03.2011		As at 31.03.2010	
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	A [I]		2,09,568		2,09,568
Share Capital Suspense	A [II]		52,908		-
Reserve & Surplus	B		2,54,162		1,27,237
MINORITY INTEREST (in subsidiaries)					
Share Capital			6,500		4,550
Share Application Money			-		1,300
DEFERRED REVENUE	C		31,302		23,397
LOAN FUNDS					
Secured Loans	D		12,39,145		5,54,847
Unsecured Loans	E		95,442		1,26,300
TOTAL SOURCES OF FUNDS			18,89,027		10,47,199
APPLICATION OF FUNDS					
FIXED ASSETS	F				
Gross Block		3,80,148		4,83,027	
Less: Depreciation		59,028		60,249	
Net Block		3,21,120		4,22,778	
Capital Work in Progress		9,32,113	12,53,233	1,57,005	5,79,783
Preoperative Expenses of New Projects (Pending Capitalisation)	G		2,41,014		82,230
INVESTMENTS	H		1,98,594		40,000
CURRENT ASSETS, LOANS & ADVANCES	I				
Inventories		1,817		2,170	
Sundry Debtors		15,566		20,393	
Cash & Bank Balances		2,22,814		2,58,717	
Other Current Assets		7,485		9,265	
Loans & Advances		38,685		92,057	
		2,86,367		3,82,602	
LESS: CURRENT LIABILITIES & PROVISIONS	J				
Current Liabilities		53,483		27,476	
Provisions		36,698		10,124	
		90,181		37,600	
NET CURRENT ASSETS			1,96,186		3,45,002
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	K		-		184
TOTAL APPLICATION OF FUNDS			18,89,027		10,47,199

Accounting Policies and Notes to the Accounts Q

As per our report of even date attached to the Accounts

For and on behalf of the Board

FOR R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 002626N

Manoj Gaur
Chairman

R. NAGPAL
Partner
M.No. 81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Place: Noida
Dated: 11th August, 2011

R.K. Porwal
Sr. General Manager (F & A)

M. M. Sibbal
Sr. General Manager
& Company Secretary

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

CONSOLIDATED PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. In Lacs)

PARTICULARS	SCHEDULE	2010-11		2009-10	
INCOME					
Sale of Electrical Energy		70,977		65,942	
(Net of advance against depreciation - see note 9 of the Schedule "Q")					
Less: Rebate for prompt payments		1,109	69,868	981	64,961
Sale of Verified Emission Reduction (VERs)			3,821		4,112
Other Income	L		10,385		2,706
			84,074		71,779
EXPENDITURE					
Operation & Maintenance	M		2,688		3,067
Employees Remuneration & Benefits	N		2,434		2,155
Administration & other expenses	O		2,968		3,003
Interest & Financial Charges	P		44,844		23,643
Miscellaneous Expenditure Written Off			101		147
Prior Period Expenses (Preliminary Expenses)			184		139
			53,219		32,154
Operating Profit			30,855		39,625
Depreciation			9,493		10,261
PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS			21,362		29,364
Extra ordinary items:					
Less - Adjustment of Tariff for FY 04 to FY 08			1,002		-
PROFIT BEFORE TAX			20,360		29,364
Provision for Income Tax - Current Year		4,116		5,157	
Provision for Income Tax - Earlier Years		21		27	
Provision for Fringe Benefit Tax for earlier years reversed		(2)		-	
Provision for Wealth Tax		-	4,135	1	5,185
PROFIT AFTER TAX AND BEFORE MINORITY INTEREST			16,225		24,179
Minority Share Holders Interest			(48)		-
Net profit for the period			16,177		24,179
Add: Profit brought forward from previous year		88,861		51,830	
Add: Profit/(Loss) Transferred from Amalgamating Company (BPSCL)		(85)	88,776	10,142	
Add: Profit/(Loss) Transferred from Amalgamating Company (JKHCL)		(201)		-	
Add : Debenture Redemption Reserve Written Back		4,800			
Add : Amortisation of Goodwill reversed on a/c of Amalgamation of BPSCL		749	5,348	2,900	64,872
PROFIT AVAILABLE FOR APPROPRIATION			1,10,301		89,051
APPROPRIATION:					
Add : Minority Share Holders Interest for Appropriation		48		-	
Less : Debenture Redemption Reserve for the year		27,736		32	
Less : Premium on Foreign Currency Convertible Bonds		1,846	29,534	243	275
BALANCE CARRIED TO BALANCE SHEET			80,767		88,776
Basic Earning Per Share before Extraordinary Items (EPS), (in Rs.)			0.82		1.15
Diluted Earning Per Share before Extraordinary Items (EPS), (in Rs.)			0.66		1.15
Basic Earning Per Share after Extraordinary Items (EPS), (in Rs.)			0.77		1.15
Diluted Earning Per Share after Extraordinary Items (EPS), (in Rs.)			0.62		1.15

Accounting Policies and Notes to the Accounts Q

For and on behalf of the Board

As per our report of even date attached to the Accounts

FOR R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 002626N

Manoj Gaur
Chairman

R. NAGPAL
Partner
M.No. 81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Place: Noida
Dated: 11th August, 2011

R.K. Porwal
Sr. Geneeral Manager (F & A)

M. M. Sibbal
Sr. General Manager
& Company Secretary

JAIPRAKASH POWER VENTURES LIMITED

(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

(Rs. In Lacs)

PARTICULARS	As at 31.03.2011		As at 31.03.2010	
CONSOLIDATED SCHEDULE `A' : SHARE CAPITAL				
Authorised Capital				
830,00,00,000 Equity Shares of Rs. 10/- each (Previous year 390,00,00,000 Equity shares of Rs.10/- each)		8,30,000		3,90,000
[I] Issued & Subscribed				
209,56,80,200 Equity Shares of Rs.10/- each		2,09,568		2,09,568
(Previous year 209,56,80,200 Equity shares of Rs.10/- each fully paid up)				
[160,46,79,600 Equity Shares (Previous year 160,46,79,600) allotted as fully paid-up for consideration other than cash in terms of Scheme of Amalgamation effective from 14.12.2009]				
(Out of the above 1,59,80,00,600 equity shares are held by Jaiprakash Associates Ltd.- the holding company.)				
(Previous year 159,80,00,600 equity shares of Rs. 10/- each)				
[II] Share Capital Suspense				
52,90,76,923 Equity Shares of Rs. 10/- each fully paid up to be allotted pursuant to scheme of amalgamation, for consideration other than cash, effective from 26.07.2011		52,908		-
(Out of the above 18,50,00,000 equity shares will be held by Jaiprakash Associates Ltd.- the holding company.)				
TOTAL		2,62,476		2,09,568
CONSOLIDATED SCHEDULE `B' : RESERVE AND SURPLUS				
General Reserve				
Opening Balance	4,785		1,785	
Add : Transfer from Amalgamating Company	-	4,785	3,000	4,785
Capital Reserve on Amalgamation				
Opening Balance	-		-	
Add : On amalgamation of JKHCL & BPSCL	2,30,692		-	
Less : Goodwill as at 01.04.2010 written off	96,281	1,34,411	-	-
Debenture Redemption Reserve				
Opening Balance	4,832		4,800	
Add : Transfer from Profit & Loss Account	27,736		32	
Add : Transfer from Amalgamating Company	-		2,900	
Less : Transfer to Profit & Loss Account on Redemption	4,800	27,768	2,900	4,832
Share Premium Account:				
Opening Balance	28,601		-	
Add : Transfer from Amalgamating Company	-		39,299	
Less: Transfer to Provision for Premium on Redemption of Debentures	24,259		-	
Less: Goodwill Written Off as per Scheme of Amalgamation	-	4,342	10,698	28,601
Reserve for Premium on Foreign Currency Convertible Bonds				
Opening Balance	243		-	
Add : Provisions for the year	1,846	2,089	243	243
Surplus				
As per Profit & Loss Account		80,767		88,776
TOTAL		2,54,162		1,27,237
CONSOLIDATED SCHEDULE -'C' :DEFERRED REVENUE				
Advance against depreciation				
Opening Balance	23,397		7,764	
Add : Transfer from Amalgamating Company	-		8,103	
Add: For the year	7,905		7,905	
Less : Adjustment of Tariff for FY 04 to FY 08	-	31,302	375	23,397
TOTAL		31,302		23,397

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

(Rs. In Lacs)

PARTICULARS	As at 31.03.2011		As at 31.03.2010	
CONSOLIDATED SCHEDULE `D' : SECURED LOANS				
(Refer Note 6 of Schedule Q for Security)				
DEBENTURES:				
Redeemable Non-Convertible Debentures		1,98,257		1,16,488
TERM LOANS FROM:				
Financial Institutions	1,60,070		88,783	
Banks	8,62,374	10,22,444	3,30,972	4,19,755
FOREIGN CURRENCY LOANS:				
Financial Instituions	8,992		10,592	
Buyers' Credit	6,412	15,404	8,012	18,604
WORKING CAPITAL:				
Banks		3,040		-
TOTAL		12,39,145		5,54,847
CONSOLIDATED SCHEDULE `E' : UNSECURED LOANS				
Foreign Currency Convertible Bonds		89,400		90,300
Short Term Loans from Banks (Repayable within one year)		5,042		35,000
From Govt. of Uttarakhand		1,000		1,000
(Non Interest Bearing)				
TOTAL		95,442		1,26,300

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

CONSOLIDATED SCHEDULE `F'

FIXED ASSETS

(Rs. in Lacs)

S.No.	Particulars	Gross Block					Depreciation						
		As at 1.4.2010	Assets Acquired on Amalgamation (JKHCL)	Additions during the Year	Sale /Transfer During the Year	As at 31.03.2011	Upto 31.03.2010	On Assets Acquired on Amalgamation (JKHCL)	For the Year	Sale /Transfer During the Year	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
1	GOODWILL	106,979	-	-	106,979	-	10,698	-	-	10,698	-	-	96,281
2	GOODWILL ON CONSOLIDATION	7,513	-	-	7,494	19	751	-	2	749	4	15	6,762
3	LAND												
	Lease hold Land	1,082	1,752	639	-	3,473	135	-	583	-	718	2,755	947
	Freehold Land	11,727	2,448	4,978	-	19,153	-	-	-	-	-	19,153	11,727
4	BUILDING, ROAD & BRIDGES	18,070	-	247	-	18,317	1,301	-	297	-	1,598	16,719	16,769
5	HYDRAULIC WORKS	156,003	-	-	-	156,003	19,389	-	4,228	-	23,617	132,386	136,614
6	TRANSMISSION LINE	23,793	-	-	-	23,793	4,375	-	645	-	5,020	18,773	19,418
7	PLANT AND MACHINERY	156,460	-	746	129 *	157,077	23,001	-	4,316	-	27,317	129,760	133,459
8	FURNITURE & FIXTURES	175	10	78	-	263	71	-	21	-	92	171	104
9	OFFICE EQUIPMENT	371	139	299	-	809	80	5	55	-	140	669	291
10	VEHICLES	582	66	336	15	969	176	14	64	4	250	719	406
11	CAPITAL EXPENDITURE ON ASSETS NOT OWNED BY THE COMPANY	269	-	-	-	269	269	-	-	-	269	-	-
12	INTANGIBLE ASSETS	3	-	-	-	3	3	-	-	-	3	-	-
	TOTAL	**483,027**	**4,415**	**7,323**	**114,617**	**380,148**	**60,249**	**19**	**10,211**	**11,451**	**59,028**	**321,120**	**422,778**
	Previous Year 31.03.2010	184,874	278,416	22,384	2,647	483,027	26,412	12,830	21,019	12	60,249	422,778	
	CAPITAL WORK IN PROGRESS											**932,113**	**157,005**

Note :

1 Depreciation on Assets of Projects under implementation amounting to Rs. 718 Lacs (Previous Year Rs. 69 Lacs) has been charged to Pre-operative Expenses of New Projects pending Capitalisation.
2 Goodwill created on earlier amalgamation as per Sl. No. 1 above has been written off through Amalgamation Reserve as per scheme of amalgamation effective from 26.07.2011.
3 Goodwill on consolidation has been reversed on account of BPSCL, amalgamating with the company consequently extingushing as subsidiary of the company w.e.f 01.04.2010.
4 Amount mentioned at ***** Rs. 129 Lacs is on account of exchange fluctuation profit / (loss) on the valuation of Foreign Currency Loans taken for purchase of Plant & Machinery at the exchange rate prevailing on the date of Balance Sheet.

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

CONSOLIDATED SCHEDULE 'G'

PRE-OPERATIVE EXPENSES OF NEW PROJECTS- PENDING CAPITALISATION

(Rs. in Lacs))

PARTICULARS	As at 31.03.2011	As at 31.03.2010
Opening Balance as on 01.04.2010	82,230	5,586
Balance Transferred from the Amalgamating Company	65,117	14,637
Advertisement & Publicity	79	160
Bank Charges and BG Commission Charges	180	52
Bidding Expenses	5	11
Books and Periodicals	-	2
Catchment area treatment plan	474	-
Compensation for Forest Clearance, Land, Trees & Buildings	1,289	17,959
Consultancy Expenses	1,084	3,517
Depreciation	718	69
Directors' Remuneration & Benefits	243	24
Directors' Sitting Fee	15	24
Employee Remuneration & Benefits	2,614	1,214
Local Area Development & Environmental Management Plan Monitoring Cost	583	10
Eqipment Hire Charges	-	8
Interest & Finance Charges	85,021	33,561
Freight & Octroi Charges	677	101
Gratuity & Leave Encashment Expenses	38	16
Insurance	1,678	47
Internal Auditors' Fees	7	-
Lease Rent / Rent	186	22
Legal and Professional Expenses	2,592	1,643
Licence and Application Fee	20	7
Miscellaneous Expenses	324	276
NOC Charges (Pollution Control)	-	5
Office & Camp Maintenance Expenses	1	237
Overhead Line Connection Charges	50	-
Postage & Courier Expenses	2	1
Power Water & Electricity Charges	219	219
Printing & Stationery Expenses	23	17
Provident Fund, ESI & Admin Charges	104	7
Provision for VAT	-	8
Provision for Wealth Tax	-	1
Rehabilitation & Resettlement Expenses	187	-
Rates & Taxes	62	69
Repair & Maintenance (Others)	229	1
Repair & Maintenance (Plant & Machinery)	9	-
Royalty Paid	14	3
Rural Development Expenses	180	-
Site Development Expenses	308	134
Staff Welfare Expenses	157	71
Stores & Spares Consumed	115	236
Survey Work Expenses	244	-
Telephone Expenses	30	31
Testing Fees	24	35
Travelling & Conveyance	474	270
Upfront & Processing Fees	465	3,300
Vehicle Running & Maintenance	268	121
Auditor's Remuneration		
- For Audit	20	11
- For Reimbrusement of Expenses	-	-
- For Tax Audit	1	1
TOTAL	**248,360**	**83,724**
Less:		
- Transferred to Jaypee Meghalaya Power Ltd. (Wholly owned subsidiary)	360	-
- Transferred to Land Account	-	250
- Transferred to Advance for Water Cess	-	39
- Interest Received (TDS Rs. 3,00,51,436/-)	4,642	783
- Foreign Exchange Variation	1,761	241
- Bidding Fees	-	14
- Excess provision (Previous Year) written back	585	224
- Miscellaneous Receipts	-	-
Add:		
Income Tax on Interest Received	-	57
Wealth Tax	2	-
NET EXPENDITURE CARRIED TO BALANCE SHEET	**241,014**	**82,230**

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

(Rs. In Lacs)

PARTICULARS	As at 31.03.2011	As at 31.03.2010
CONSOLIDATED SCHEDULE `H' : INVESTMENTS		
INVESTMENTS (AT COST)		
(A) Investment in Subsidiary / Associate Company		
Un-Quoted		
i) Nil equity shares of Rs.10/- each fully paid up of Jaypee Karcham Hydro Corporation Ltd. (Previous year 40,00,00,000 equity shares)	-	40,000
(B) Investment in JPVL Trust (Refer Note No. 2 -- below)	1,98,594	-
TOTAL	1,98,594	40,000

Note :

1 Aggregate cost of :	
Quoted Investments (Market Value Nil) (See Note No. 2) Previous Year Rs. Nil)	1,98,594
Unquoted (Previous Year Rs. 40,000 Lacs)	Nil

2 Trust have been created on 03.06.11 for transfer of
(i) Shares of Bina Power Supply Company Limited held by the Company - No. of shares 12,70,76,923 shares (converted)
(Ii) Shares of Jaypee Karcham Hydro Corporation Limited held by the Company - No. of shares 21,70,00,000 shares (converted)
(iii) The JPVL Trust is holding shares of Jaiprakash Power Ventures Limited on merger of JKHCL & BPSCL, the sole beneficiary of which is the Company.

3 All Investments are Non-trade, Long Term Investments

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

(Rs. in Lacs)

PARTICULARS	As at 31.03.2011		As at 31.03.2010	
Consolidated SCHEDULE `I' : CURRENT ASSETS, LOANS AND ADVANCES				
CURRENT ASSETS				
Inventories				
(As per Inventory taken, valued and certified by Management)				
Stores & Spares		1,817		2,170
Sundry Debtors (Considered Good)				
Due for a period exceeding six months	5,262		9,944	
Other Debts	10,304	15,566	10,449	20,393
Cash and Bank Balances				
Cash In hand	60		37	
Balances with Scheduled Banks				
(i) In Current Account	30,631		23,691	
(ii) In Fixed Deposits	131,380		215,764	
(Pledged with Govt. Deptt./Banks Rs. 60,75,27,476/- Previous year Rs. 1,52,52,916/-)				
(iii) Trust & Retention Account				
(i) In Current Account	31,908		4,352	
(ii) In Fixed Deposits	28,642		14,678	
(iv) In Unpaid Dividend account	193	222,814	195	258,717
Other Current Assests				
a) Interest receivable from HPSEB	1,588		3,709	
b) Interest accrued on FDR with Banks	1,470		244	
c) Deffered Receivable	4,427	7,485	5,312	9,265
A		**247,682**		**290,545**
Loans and Advances				
(Unsecured, considered good)				
Advances recoverable in cash or in kind or for value to be received.		8,187		69,788
Staff Imprest & Advances		38		19
Prepaid Expenses		8,630		3,961
Security Deposits -with Govt. Deptts., Public bodies	8,340		7,866	
-others	106	8,446	140	8,006
Advance Tax & Tax Deducted at Source		13,384		10,283
B		**38,685**		**92,057**
TOTAL (A + B)		**286,367**		**382,602**

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

(Rs. in Lacs)

PARTICULARS	As at 31.03.2011		As at 31.03.2010	
CONSOLIDATED SCHEDULE `J' : CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors				
- Due to Micro, Small Scale, Medium Scale Industries / Enterprises	-		-	
-Others	46,412	46,412	20,159	20,159
Due to Staff		273		150
Due to Directors'		1		3
Other Liabilities		4,365		5,577
Interest Accrued but not Due on loans		2,239		1,392
Investors Education & Protection Fund:				
(Appropriate amounts shall be transferred to Investor Eductation & Protection Fund, if and when due)				
-Unclaimed Dividend		193		195
A		**53,483**		**27,476**
PROVISIONS				
Income Tax		12,131		9,868
Wealth Tax		3		3
Fringe Benefit Tax		7		15
Provident fund		26		14
Bonus & Incentive		62		50
Gratuity		20		44
Leave Encashment		189		130
Premium on Redemption of Debentures		24,260		-
B		**36,698**		**10,124**
TOTAL (A + B)		**90,181**		**37,600**
CONSOLIDATED SCHEDULE `K' : MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted)				
Preliminary & Share issue Expenses - Opening Balance	184		184	
Add : Transfer from Amalgamating Company	-		269	
Add : Addition During the Year	101		-	
Less: Written Off	285	-	269	184
Deferred Revenue Expenditure - Opening Balance	-		-	
Add : Transfer from Amalgamating Company	-		3	
Less: Written Off	-	-	3	-
TOTAL		**-**		**184**

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

(Rs. in Lacs)

PARTICULARS	2010-11		2009-10	
CONSOLIDATED SCHEDULE-'L' : OTHER INCOME				
Interest on deposits with banks		8,724		1,193
(TDS Rs 9,01,57,367/- Previous Year Rs. 1,49,92,507/-)				
Interest on Arrears		1,363		1,466
Dividend received on Mutual Fund		45		-
Others (including sale of scrap and sundry balances written back)		253		47
TOTAL		10,385		2,706
CONSOLIDATED SCHEDULE-'M' : OPERATION & MAINTENANCE (O & M)				
Stores & Spares consumed		368		299
Repairs to Building		103		96
Repairs to Machinery		1,644		2,067
Repairs to Barrage		10		2
O & M Charges		158		214
Insurance		405		389
TOTAL		2,688		3,067
CONSOLIDATED SHCEDULE-'N' : EMPLOYEES REMUNERATION & BENEFITS				
Employees Remuneration & Benefits		1,995		1,662
Contribution to Provident and other funds		90		88
Workmen & Staff Welfare Expenses		145		151
Gratuity		42		32
Leave Encashment		-		54
Directors' Remuneration		162		168
TOTAL		2,434		2,155
CONSOLIDATED SCHEDULE-'O' : ADMINISTRATION & OTHER EXPENSES				
Advertisement		172		446
Consultancy, Legal & Professional Fee		1,549		1,452
Courier & Postage		83		95
Directors' Sitting Fee		20		36
Internal Auditors' Fee		11		5
Lease Rent		56		56
Listing & Custodia Fee		63		43
Miscellaneous Expenses		158		140
Power & fuel		330		332
Printing & Stationery		88		70
Rent		44		61
Taxes & Fees		75		11
Telephone and Telex		14		12
Travelling & Conveyance		209		171
Vehicle Running & Maintenance		61		48
Auditor's Remuneration				
For Audit	28		22	
For Tax Audit	4		3	
For Other Services	3		-	
Re-imbursement of Expenses	-	35	-	25
TOTAL		2,968		3,003
CONSOLIDATED SCHEDULE-'P' : INTEREST & FINANCIAL CHARGES				
Interest				
Debentures		220		2,407
Term Loans		40,315		18,993
Working Capital		482		675
Financial charges				
DPG Commission		132		172
Front end fee and other charges		3,669		1,374
Security & Trusteeship Fee		26		22
TOTAL		44,844		23,643

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as Jaiprakash Hydro Power Limited)

CONSOLIDATED SCHEDULE "Q"
ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES

(a) 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, AS-23 on Accounting for Investment in Associates in Consolidated Financial Statements and AS-27 on Financial Reporting of Interests in Joint Ventures.

(ii) The financial statements of the Subsidiary Companies used in the consolidation are drawn upto the same reporting date, as that of the Parent Company, Jaiprakash Power Ventures Limited (JPVL) (Formerly known as Jaiprakash Hydro Power Limited).

(iii) The accounts are prepared on the historical cost basis and on the principles of a going concern.

(iv) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

(b) Principles of Consolidation:

(i) The financial statements of JPVL (formerly known as Jaiprakash Hydro Power Limited) and its 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-company balances, intra-company transactions and unrealised profits / losses.

(ii) The financial statements of JPVL (formerly known as Jaiprakash Hydro Power Limited) and its subsidiaries are consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

(iii) The difference between the cost to JPVL (formerly known as Jaiprakash Hydro Power Limited) of its investments in each of the subsidiaries over its equity in the respective subsidiary, on the acquisition date, is recognized in the financial statement as Goodwill or Capital Reserve, as the case may be. Goodwill is amortised over a period of ten years.

(c) Revenue Recognition:

(i)(a) 300 MW BASPA-II HEP : Revenue from sale of electrical energy is accounted for on the basis of billing to Himachal Pradesh State Electricity Board (HPSEB) as per Tariff approved by Himachal Pradesh Electricity Regulatory Commission (HPERC) in accordance with the provisions of Power Purchase Agreement dated 4th June, 1997, Amendment No.1 dated 07.01.1998 executed between the Company and HPSEB.

(b) 400 MW Vishnuprayag HEP : Revenue from sale of electrical energy is accounted for on the basis of billing to Uttar Pradesh Power Corporation Limited (UPPCL) as per Tariff approved by Uttar Pradesh Electricity Regulatory Commission (UPERC) in accordance with the provisions of Power Purchase Agreement dated 16.01.2007, executed between the Company and UPPCL.

(ii) Revenue from sale of Verified Emission Reductions (VERs) is accounted for on receipt basis.

(iii) Insurance claims are accounted for on receipt basis or as acknowledged by the Insurance company.

(iv) Other Income and cost/expenditure are accounted for on accrual basis as they are earned or incurred.

(v) Advance against depreciation claimed /to be claimed as part of tariff in terms of PPA during the currency of loans to facilitate repayment installments is treated as `Deferred Revenue'. Such Deferred Revenue shall be included in Sales in subsequent years.

(d) 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 borrowings and financing cost upto the date of commissioning.

(e) Depreciation:

(i) Premium on Leasehold Land is amortised over the period of lease.

(ii)(a) 300 MW BASPA-II HEP: Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works w.e.f. 24.5.2003 as approved by The Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act 1956 vide their letter no. 45/1/2006-CL-III dated 26.6.2006.

(b) 400 MW Vishnuprayag HEP: Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works w.e.f. 17.06.2006 as approved by The Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act 1956 vide their letter no. 45/7/2006-CL-III dated 03.05.2007.

(iii) Fixed Assets other than Hydro Electric Works are depreciated as per straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956.

(iv) Depreciation on Assets of the Rs. 5,000 or less is provided at 100% irrespective of the actual period of use.

(f) Expenditure during Construction Period:

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

(g) Foreign Currency Transactions:

(i) Transactions in Foreign Currency are recorded in the Books of Accounts in Indian Currency at the rate of exchange prevailing on the date of transaction.

(ii) All loans and deferred credits repayable in Foreign Currency and outstanding at the close of the year are expressed in Indian Currency at the rate of exchange prevailing on the date of the Balance Sheet.

(iii) Foreign Exchange gain/loss is being adjusted against the cost of assets in terms of the amendment to Accounting Standard (AS–11) issued vide Notification dated 31st March, 2009 by Ministry of Corporate Affairs, Govt. of India.

(h) Investments:

Investments are stated at Cost and where there is permanent diminution in the value of Investments a provision is made wherever applicable. Dividend will be accounted for as and when received.

(i) Inventories:

(a) Inventories of Stores & Spares are valued on the basis of Weighted Average Cost Method.

(b) Material-in-transit is valued at cost.

(j) Employees Benefits:

(a) Provident Fund and Pension contribution as a percentage of salary/wages as per provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952.

(b) Gratuity and Leave Encashment is defined benefit obligation. The liability is provided for on the basis on Projected Unit Credit Method adopted in the actuarial valuation made at the end of each financial year.

(k) Borrowing Costs:

Borrowing costs attributable to the procurement/construction of fixed assets are capitalised as part of the cost of the respective assets upto the date of commissioning. Other borrowing costs are recognized as expense during the year in which they are incurred.

(l) Taxes on Income:

Provision for current tax is being made after taking into consideration benefits admissible to the Company under the provisions of the Income Tax Act, 1961.

Deferred Tax Liability, if any is computed as per in accordance with Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are computed by applying rates and tax laws that have been enacted upto the Balance Sheet date.

(m) Provisions, Contingent Liabilities and Contingent Assets:

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

(n) Earnings Per Share:

Basic earning 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 outstanding during the year.

(o) Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognised immediately as income in the profit and loss account.

(p) Intangible Assets:

(i) Intangible assets are stated at cost of acquisition less accumulated amortisation on straight line basis from the date the assets are put for commercial use.

(ii) As provided in the Scheme of Amalgamation approved by Hon'ble High Court of Himachal Pradesh at Shimla, 'Amalgamation Reserve' being created on merger of Bina Power Supply Company Limited and Jaypee Karcham Hydro Corporation Limited with the company Jaiprakash Power Ventures Limited, will be utilized for writing off the Goodwill arisen on previous amalgamation and outstanding in the books as on 1st April, 2010.

q) Premium on Redemption of Debentures

Premium paid/ payable on Redemption of Debentures are adjusted against Share Premium Account.

(r) 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".

(B) NOTES TO THE ACCOUNTS

1. Amalgamation

Pursuant to the Scheme of Amalgamation ["the Scheme"] U/s 391/394 of the Companies Act, 1956, the erstwhile Jaypee Karcham Hydro Corporation Limited (JKHCL) and Bina Power Supply Company Limited (BPSCL) (Amalgamating Companies) stand merged with Jaiprakash Power Ventures Limited (Amalgamated Company) w.e.f 01.04.2010 ["the Appointed date"] in terms of the Order dated 25.07.2011 of Hon'ble High Court of Himachal Pradesh at Shimla sanctioning the Scheme and is effective from 26.07.2011. The Amalgamating Companies are in Power generation business. JKHCL is setting up 1000 MW Hydro-electric Power Project and BPSCL is setting up 1250 MW Thermal Power Project. The Amalgamated Company is engaged in generation of hydro-electric power (300 MW at Baspa HEP & 400 MW at Vishnuprayag HEP) and implementing 1320 MW Super Critical Thermal Power Project at Nigrie.

With effect from the Appointed date, all the business undertakings, assets, liabilities, rights and obligations of the Amalgamating Company stood transferred to and vested in the Amalgamated Company in consideration for issue of one equity shares of Rs. 10/- each in the Amalgamated Company for every five equity share of Rs. 10/- each held in JKHCL (Amalgamating Company) and for issue of two equity shares of Rs. 10/- each in the Amalgamated Company for every thirteen equity share of Rs. 10/- each held in BPSCL (Amalgamating Company).

The Amalgamating Company carried on all the businesses and activities for the benefit of and in trust for the Amalgamated Company from the ‘Appointed date’. Thus, the profit or income accruing or arising to the Amalgamating Company or expenditure or losses arising or incurred from the ‘Appointed date’ are treated as profit or income or expenditure or loss as the case may be of the Amalgamated Company. The Scheme has accordingly been given effect to in these accounts.

The Amalgamation has been accounted for under the "Pooling of Interests method" as prescribed in Accounting Standard 14 - Accounting for Amalgamations [AS-14] issued by the Institute of Chartered Accountants of India. Accordingly, the assets, liabilities and reserves of the Amalgamating Companies have been taken over at their book values on the Appointed dated i.e. 01.04.2010 as detailed hereunder:

Particulars	Jaypee Karcham Hydro Corporation Limited (Rupees)	Bina Power Supply Company Limited (Rupees)
Assets		
Fixed Assets [including Capital Work-in-Progress]	37,61,57,94,958	5,87,46,01,773
Current Assets	2,78,36,33,039	18,07,30,462
Pre-Operative Expenses of New Projects (Pending Capitalisation)	6,51,16,59,415	1,38,93,98,499
Profit and Loss Account	2,00,94,680	85,04,599
Total	46,93,11,82,092	7,45,32,35,333

Liabilities				
Current Liabilities			4,91,84,52,079	89,45,81,248
Secured Loans			28,76,27,30,013	4,31,70,68,585
Total			33,68,11,82,092	5,21,16,49,833
Net Assets over Liabilities			13,25,00,00,000	2,24,15,85,500
Represented by Number of Equity Shares of Rs. 10/- each			1,32,50,00,000	22,41,58,550
Consideration				
Number of Equity Shares of Rs. 10/- each [to be allotted] by the Transferee Company			26,50,00,000	3,44,85,931
Addition to Equity Share Capital	(a)	Rs.	2,65,00,00,000	34,48,59,310
Balance credited to Capital Reserve for Amalgamation.	(b)	Rs.	10,60,00,00,000	1,89,67,26,190

Pursuant to sanction of Scheme of Amalgamation

Company (JPVL) to issue further Share Capital against the shares allotted by the transferor companies (JKHCL & BPSCL) during the year 2010-11 :

Share Capital issued by transferor companies		Rs.	6,85,00,00,000	6,01,84,14,500
No. of Equity Shares allotted by transferor companies for the year 2010-11			68,50,00,000	60,18,41,450
No. of Equity Shares to be allotted by transferee company			13,70,00,000	9,25,90,992
Addition to Equity Share Capital	(c)	Rs.	1,37,00,00,000	92,59,09,920
Balance carried to Capital Reserve for Amalgamation	(d)	Rs.	5,48,00,00,000	5,09,25,04,580
Total addition to Equity Share Capital	(a+c)	Rs.	4,02,00,00,000	1,27,07,69,230
Total Amount Credited to Capital Reserve on Amalgamation	(b+d)	Rs.	16,08,00,00,000	6,98,92,30,770

In view of aforesaid amalgamation with effect from 01.04.2010, the figures for the current year are not comparable with those of the previous year.

2. Subsidiary

The Consolidated Financial Statements present the Consolidated Accounts of Jaiprakash Power Ventures Limited (Formerly known as Jaiprakash Hydro Power Limited) with its following Subsidiaries:

S. No.	Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest
[a]	Jaypee Powergrid Limited	India	74%
[b]	Prayagraj Power Generation Company Limited	India	100%
[c]	Sangam Power Generation Company Limited	India	100%
[d]	Jaypee Arunachal Power Limited	India	100%
[e]	Jaypee Meghalaya Power Limited (w.e.f. 26.08.2010)	India	100%

3. 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 in the individual financial statements, which fairly present the needed disclosures.

4. Contingent Liability not provided for in respect of :

S. No.	Particulars		2010 -11 Rs.	2009-10 Rs.
(i)	Outstanding Letters of Credit		164,52,38,966	30,49,22,392
	Margin Money deposited against the above		2,08,28,000	1,44,53,916
(ii)	Outstanding amount of Bank Guarantee		126,01,71,692	1,00,44,00,152
	Margin Money deposited against the above		6,57,56,691	98,60,300
(iii)	Estimated amount of Contracts remaining to be executed on capital account and not provided for	INR	11,01,042.27 Lac	4,34,561.12 Lac
		USD	3,744.64 Lac	2,690.31 Lac
		Euro	3,178.82 Lac	2,273.00 Lac
		JPY	3,21,580.72 Lac	2,30,530.43 Lac
		Can Doll.	1.41 Lac	-
(iv)	Claims against the Company not acknowledged as debts		2,22,67,389	4,39,74,413
(v)	Income Tax matters under appeal		18,95,23,051	-

(vi) The Government of Himachal Pradesh has imposed entry tax on the goods entering the state of Himachal Pradesh. This was challenged by the Company before the Hon'ble High Court of Himachal Pradesh at Shimla. The Hon'ble High Court passed an interim order that tax paid by the petitioner would be treated as deposit and not as tax payment. The final decision of Hon'ble High Court is awaited. The total liability as at 31st March, 2011 is Rs. 27,14,69,392/- (Previous Year Rs. Nil) against which Company has deposited Rs. 13,75,24,925/-.

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

6(a) Jaiprakash Associates Limited (JAL), the holding Company of Jaiprakash Power Ventures Ltd.(JPVL), has furnished Corporate Guarantees for the financial assistance outstanding as on 31.03.2011 amounting to Rs.1,27,86,97,966/- in respect of 400 MW Baspa II HEP (Previous Year Rs.1,98,00,25,692/-) to the Financial Institutions and Banks.

(b) JAL, the Holding Company has furnished Corporate Guarantees for financial assistance outstanding as on 31.03.2011 amounting to US$ 1,92,62,500 in respect of 400 MW Vishnuprayag HEP (Previous Year US$ 2,23,44,500).

(c) JAL, the Holding Company has pledged 62.91 Crore Equity Shares of Rs.10/- each of JPVL held by it for the financial assistance given in respect of Baspa-II HEP, Vishnuprayag HEP and Nigrie Project.

(d) JAL the Holding Company has pledged 45.46 Crore Equity Shares of Rs.10/- each of JPVL for Corporate Loan of for Rs.1,000 crore.

(e) (i) 7,50,00,000 Equity Shares of Rs. 10/- each fully paid (Previous year 5,25,00,000) held by the Company of Jaypee Powergrid Ltd. (Subsidiary Company) are pledged with IDBI Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Jaypee Powergrid Ltd.

(ii) 32,55,00,000 Equity Shares of Rs. 10/- each fully paid (previous year 12,00,00,000) held by the Company (earlier a Holding Company) of Jaypee Karcham Hydro Corporation Ltd. (earlier a Subsidiary Company) are pledged with IDBI Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Jaypee Karcham Hydro Corporation Ltd. Consequent to amalgamation of JKHCL with JPVL, the pledge of shares would get changed as might be approved by lenders.

(iii) 42,12,60,000 Equity Shares of Rs. 10/- each fully paid (previous year 11,43,20,861) held by the Company (earlier a Holding Company) of Bina Power Supply Company Ltd. (earlier a Subsidiary Company) are pledged with IDBI Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Bina Power Supply Company Ltd. Consequent to amalgamation of BPSCL with JPVL, the pledge of shares would get changed as might be approved by lenders.

(iv) 25,96,86,798 Equity Shares of Rs. 10/- each fully paid (previous year 1,18,62,300) held by the Company of Prayagraj Power Generation Co. Ltd. (Subsidiary Company) are pledged with SBI Cap Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Prayagraj Power Generation Co. Ltd.

(f) (i) JAL, the Holding Company has furnished Performance Guarantees of Rs. 9549.14 Lacs to Prayagraj Power Generation Company Limited in respect of E & C Contract given by them to JAL.

(ii) JAL, the Holding Company has furnished Performance Bank Guarantees of Rs.15,000 Lacs to five Subsidiaries of UPPCL on behalf of Prayagraj Power Generation Company Limited in respect of Tariff based bidding process for sale of Power.

(iii) JAL, the Holding Company has furnished Performance Bank Guarantees of Rs.9,900 Lacs to five Subsidiaries of UPPCL on behalf of Sangam Power Generation Company Limited in respect of Tariff based bidding process for sale of Power.

7. 300 MW BASPA-II HEP: The Himachal Pradesh Electricity Regulatory Commission (HPERC) have passed the Multi Year Tariff (MYT) Order dated 30th March, 2009 & Review Order dated 10th September, 2009 and 23rd June, 2010 for F.Y. 09, 10 and 11 and has also trued up the Tariff for F.Y. 04 to 08 based on actual for the period. The Company has filed Appeals with Appellate Tribunal for rectification of certain items of Tariffs inter-alia including MAT for FY 04 to 08 and for FY 09 to FY10 and Rate of Interest on Arrears. Accordingly, the receivables to the extent of Rs. 76.98 Crore (Previous Year Rs. 56.07 Crore) from HPSEB in respect of review items are subject to final decision on the Application / Appeal and other legal remedies available to the Company.

8. Karcham Wangtoo Project : The erstwhile amalgamating company Jaypee Karcham Hydro Corporation Ltd had executed a Power Purchase Agreement (PPA) for sale of 704 MW power, out of 1000 MW power from Karcham Wangtoo Project to Power Trading Corporation (India) Limited (PTC) on 21st March, 2006 for a term of 35 years with the stipulation that the tariff for sale of power shall be as approved by Central Electricity Regulatory Commission (CERC) based on the completion cost as approved by Central Electricity Authority (CEA) / Central Electricity Regulatory Commission. It was subsequently found that the Electricity Act, 2003 does not provide for the determination of tariff for sale of power by a Generating Company to a Trading Company and therefore based on the legal opinion the said PPA was considered to be void and PTC was informed accordingly. The PTC had disputed the position taken by the Company and the dispute was referred to arbitration. The Arbitral Tribunal have pronounced the order on 28th April, 2011 by majority verdict in favour of the Company and held that the PPA executed with PTC was void. The PTC had also approached the Hon'ble High Court of Delhi for restraining the Company from entering into agreement for sale of aforesaid power to any third party which was rejected. The PTC then filed a SLP in the Hon'ble Supreme Court against the order of Hon'ble High Court, which is pending.

9. As per accounting policy the Advance against Depreciation amounting to Rs.7905 lacs (Previous Year Rs.7905 lacs) has been treated as Deferred Revenue.

10. Earnings Per Share is computed in accordance with Accounting Standard-20 issued by the Institute of Chartered Accountants of India.

(Amount in Rs.)

Sl. No.	Particulars	2010-11	2009-10
[a]	Net Profit for Basic Earnings Per Share as per Profit & Loss Account	161,76,35,616	241,78,02,887
	Adjustment for the purpose of Diluted Earnings Per Share	-	-
	Net Profit for Diluted Earnings Per Share	161,76,35,616	241,78,02,887
[b]	Weighted average number of equity shares for Earnings Per Share computation:		
	[i] Number of Equity Shares at the beginning of the year	209,56,80,200	49,10,00,600
	[ii] Number of Shares allotted/ to be allotted on amalgamation	52,90,76,923	160,46,79,600

	[iii] Weighted average shares allotted / to be allotted during the year on Amalgamation	39,48,72,741	160,46,79,600
	[iv] Number of potential Equity Shares	10,75,35,026	1,38,46,976
	[v] Weighted average No. of Shares for calculating:		
	[a] Basic Earnings Per Share	209,56,80,200	209,56,80,200
	[b] Diluted Earnings Per Share	259,80,87,967	210,95,27,176
[c]	Earnings Per Share		
	[i] Basic	0.77	1.15
	[ii] Diluted	0.62	1.15
[d]	Face Value Per Share	10.00	10.00

11. Provisions for Taxation have been made as per individual accounts of the Companies.

12. Managerial remuneration paid/ payable by the Company and its subsidiaries to Managing/Whole-time Directors [excluding provisions for Gratuity & Leave Encashment on Retirement] :

	2010-11* Rs.	2009-10 Rs.
Salary	5,30,00,870	3,34,79,227
Provident Fund	33,98,845	23,38,142
Perquisites	1,65,45,428	82,78,438
Total	7,29,45,143	4,40,95,807

(*) Including remuneration/ Ex Gratia paid to Directors of Amalgamating Company. The remuneration paid to Directors for Projects under implementation has been shown in ‘Incidental expenditure during construction’.

13. Related Party disclosures, as required in terms of “Accounting Standard [AS] 18" are given below:

1. Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors):

(a) Holding Company:
Jaiprakash Associates Limited

(b) Fellow Subsidiary Companies:
(1) Jaypee Ganga Infrastructure Corporation Limited
(2) Himalyan Expressway Limited
(3) Jaypee Infratech Limited
(4) Jaypee Sports International Limited
(5) Jaypee Cement Corporation Limited (w.e.f. 22.02.2011)
(6) Bhilai Jaypee Cement Limited
(7) Bokaro Jaypee Cement Limited
(8) Gujarat Jaypee Cement & Infrastructure Limited
(9) Jaypee Agra Vikas Limited
(10) Jaypee Fertilizers & Industries Limited (w.e.f.03.06.2010)

(c) Associate Companies / Concerns :

(1) Jaypee Ventures Private Limited

(2) Jaypee Development Corporation Limited (subsidiary of Jaypee Ventures Private Limited)

(3) JIL Information Technology Limited (subsidiary of Jaypee Ventures Private Limited)

(4) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited)

(5) Indesign Enterprises Pvt. Limited (subsidiary of Jaypee Ventures Private Limited)

(6) Indus Hotels UK Limited (subsidiary of Indesign Enterprises Pvt. Limited)

(7) GM Global Mineral Mining Private Limited (subsidiary of Indesign Enterprises Pvt. Limited) (w.e.f. 16.07.2010)

(8) Ibonshourne Limited (subsidiary of Indesign Enterprises Pvt. Limited) (w.e.f. 13.10.2010)

(9) Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Ventures Private Limited)

(10) Jaypee International Logistics Company Private Limited (subsidiary of Jaypee Ventures Private Limited)

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

(12) Anvi Hotels Private Limited (subsidiary of Jaypee Ventures Private Limited)

(13) Jaypee Uttar Bharat Vikas Pvt. Limited (w.e.f. 21.06.2010)

(14) Kanpur Fertilisers and Cement limited (subsidiary of Jaypee Uttar Bharat Vikas Pvt. Limited) (w.e.f. 26.09.2010)

(15) RPJ Minerals Private Limited

(16) Sarveshwari Stone Products Pvt. Ltd. (subsidiary of RPJ Minerals Private Limited)

(17) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited)

(18) Sonebhadra Minerals Private Limited

(19) MP Jaypee Coal Limited

(20) Madhya Pradesh Jaypee Minerals Limited

(21) MP Jaypee Coal Fields Limited

(22) Jaiprakash Kashmir Energy Limited

(23) Jaypee Hotels Limited

(24) Jaypee Mining Venture Private Limited

(25) Ceekay Estate Private Limited

(26) Pac Pharma Drugs and Chemicals Private Limited

(27) Akasva Associates Private Limited

(28) Sparton Growth Fund Private Limited

(29) Jaypee Infra Ventures (A Private Company with unlimited liability)

(30) Sunvin Estates Private Limited (since merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009)

(31) Manumanik Estates Private Limited (since merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009)
(32) Arman Estate Private Limited (since merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009)
(33) Suneha Estates Private Limited (since merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009)
(34) Pee Gee Estates Private Limited (since merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009)
(35) Vinamra Housing & Constructions Private Limited (since merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009)
(36) Vasujai Estates Private Limited (since merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009)
(37) Samsun Estates Private Limited (since merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009)
(38) Jaiprakash Exports Pvt. Ltd.
(39) Bhumi Estate Developers Pvt. Ltd.
(40) Jaypee Technical Consultants Pvt. Ltd.
(41) Essjay Enterprises Pvt. Ltd.
(42) Angad Growth Fund Pvt. Ltd.
(43) OHM Products Pvt. Ltd.

(d) Key management Personnel:

(i) Jaiprakash Power Ventures Limited
(1) Shri Manoj Gaur, Chairman
(2) Shri S.K. Sharma, Vice Chairman and CEO
(3) Shri Suren Jain, Managing Director and CFO
(4) Shri G.P. Gaur, Whole-time Director,(w.e.f. 01.02.2011)
(5) Shri R.K. Narang, Whole-time Director,
(6) Shri Suresh Chandra, Whole-time Director
(7) Shri J.N. Gaur, Whole-time Director (Up to 30.09.2010)

(ii) Jaypee Karcham Hydro Corporation Limited – Amalgamating company
(1) Shri Dharam Paul Goyal, Managing Director,
(2) Shri Parveen Kumar Singh, Whole-time Director
(3) Shri Ravindra Mohan Chadha, Whole-time Director

(iii) Bina Power Supply Company Limited – Amalgamating company
(1) Shri P. K. Jain, Whole-time Director
(2) Shri V.K. Sriwastva, Whole-time Director

(iv) Jaypee Powergrid Limited
(1) Shri Rajiv Ranjan Bhardwaj, Managing Director
(2) Shri Prabhakar Singh, Whole-time Director

(v) Prayagraj Power Generation Company Limited
(1) Shri Rakesh Sharma, Managing Director
(2) Shri Ramesh Chandra Shrivastav, Whole-time Director (w.e.f 12.08.2010)
(3) Shri Arun Gupta – Whole-time Director (upto 31.08.2010)

(vi) Sangam Power Generation Company Limited

(1) Shri Rakesh Sharma, Managing Director

(2) Shri Siddheshwar Sen, Whole-time Director (w.e.f. 01.08.2010)

(3) Shri V.K.Agarwal, Whole-time Director (w.e.f. 15.11.2010)

(vii) Jaypee Arunachal Power Limited

(1) Shri Pankaj Gaur, Whole-time Director

(viii) Jaypee Meghalaya Power Limited

(1) Shri Pankaj Gaur, Whole-time Director

2. Transactions carried out with related parties referred to above:

Name of Transactions — Related Parties — (Amount in Rs)

	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Expenses				
Hiring Charges	40,70,988			
(Previous Year)	(23,94,451)			
Rent 40,32,000				
(Previous Year)	(64,32,000)			
Cement	56,42,89,409			
	(-)			
Other Expenses	10,15,11,343		1,53,72,076	
(Previous Year)	(8,97,42,668)		(2,57,37,264)	
Salary & Perquisites	-			7,29,45,143
(Previous Year)				(4,40,95,807)
Consultancy -			-	
(Previous Year)	(3,30,900)		(6,61,80,000)	
Services Availed	73,214		9,99,46,618	
(Previous Year)	(14,59,259)		(1,05,07,517)	
Execution of Work	15,72,80,20,202		-	-
(Previous Year)	(92,60,41,994)		-	-

<u>Outstandings - Payables</u>				
Amount payable	245,26,66,217		78,43,026	17,31,032
(Previous Year)	(13,55,73,230)		(2,02,673)	(3,00,880)
<u>Outstandings - Receivables</u>				
Amount receivable	67,66,35,470		-	-
(Previous Year)	(28,23,06,655)		-	-
Investment in Shares Capital	-	-	-	-
(Previous Year)	-	(4,00,00,00,000)	-	-

Guarantees/ Bank Guarantees given by the holding Company on behalf of the Company have been mentioned elsewhere in the Notes to Accounts.

14 (a) In terms of Scheme of Amalgamation as approved by the Hon'ble High Court of Himachal Pradesh at Shimla vide order dated 25.07.2011, the Company has decided to write off the balance lying in Goodwill for Rs.962.81 Crore (out of amount created on earlier Amalgamation) from 'Amalgamation Reserve' arising on merger of Jaypee Karcham Hydro Corporation Limited and Bina Power Supply Company Limited with the Company. In the previous year Goodwill amounting to Rs.106.98 Crore was written off from Share Premium Account.

(b) Goodwill amounting to Rs. 7,513.06 Lac was created during the year 2009-10 on Consolidation of Accounts of parent company and the subsidiary companies i.e. Jaypee Powergrid Limited, Jaypee Karcham Hydro Corporation Limited, Bina Power Supply Company Limited, Prayagraj Power Generation Company Limited, Sangam Power Generation Company Limited and Jaypee Arunachal Power Limited. Consequent upon merger of Bina Power Supply Company Limited (BPSCL) with the Company (JPVL) w.e.f. 01.04.2010, the Goodwill amount of Rs 7,494.14 Lacs on account of BPSCL has been reversed. Since goodwill is to be amortised over a period of ten years, an amount of Rs. 1.70 Lac (Previous Year Rs. 751 Lac) has been written off out of remaining balance of Goodwill and the same is included in the depreciation for the year ended 31st March, 2011.

15 (a) The Company has presently one operative segment i.e. Generation and Transmission of Power, hence, separate segment reporting is not applicable.

(b) The operations of the Company are carried within the Country and therefore geographical segments are not applicable.

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

S.No.	Particulars 2010-11 2009-10	(Rs.)	(Rs.)
a)	The principal amount and interest due thereon remaining unpaid to any supplier - Principal Amount - Interest Amount	 Nil Nil	 Nil Nil
b)	The amount of interest paid by the buyer in terms of section16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the suppliers beyond the appointed day.	Nil	Nil
c)	The amount of interest due and payable for the Period of delay in making payment (which have been paid but beyond the appointed date during period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

17. 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 08.02.2011 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, presentation of audited consolidated financial statements in compliance with applicable Accounting Standards, Board of directors of the Company has by Resolution given consent for not attaching the Balance Sheet of the Subsidiary companies and disclosure of following information:

(Rs. In Lacs)

Particulars	Jaypee Power Grid Ltd	Prayagraj Power Generation Co. Ltd.	Sangam Power Generation Co. Ltd.	Jaypee Arunachal Power Ltd	Jaypee Meghalaya Power Ltd.
Capital (including Share Application Money)	25,000	67,819	55,198	20,000	500
Reserves	--	--	--	--	--
Total Assets	84,800	1,42,540	55,248	20,009	501
Total Liabilities (including Loans)	59,984	74,727	57	234	3

Investment details (including Share Application Money)	--	--	--	--	--
Turnover (including Other Income)	--	--	--	--	--
Profit Before Taxation	(184)	(6)	(7)	(225)	(2)
Provision for Taxation	--	--	--	--	--
Profit After Taxation	(184)	(6)	(7)	(225)	(2)
Proposed Dividend [including Dividend Distribution Tax]	--	--	--	--	--

18. In terms of 'Accounting Standard (AS) 28', the assets are not impaired because the recoverable amount of fixed assets collectively determined by the present value of estimated future cash flows is higher than its carrying value.

19. The previous year figures have been regrouped/re-arranged wherever considered necessary to make them conform to the figures for the current period.

20. All the figures have been rounded off to the nearest rupees in lacs except in the Notes to the Accounts.

Signature to Schedules "A to Q"

For and on behalf of the Board

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

Manoj Gaur
Chairman

R. Nagpal
Partner
M No. 81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Place: Noida
Date : 11th August, 2011

R.K. Porwal
Sr. General Manager (F&A)

M.M. Sibbal
Sr. General Manager
& Company Secretary

JAIPRAKASH POWER VENTURES LIMITED
(Formerly known as JAIPRAKASH HYDRO POWER LIMITED)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in Lacs)

	PARTICULARS	CURRENT YEAR 01.04.2010 TO 31.03.2011			PREVIOUS YEAR 01.04.2009TO 31.03.2010	
A.	Cash flow from operating activities					
	Profit before taxation and after Extra ordinary items			20,360		29,364
	Add Back					
	Depreciation		9,493		10,261	
	Deffered Revenue on account of advance against depreciation	7,905			7,905	
	Less : Adjustment of traiff	-	7,905		(375)	
	Amount written off-Miscellaneous Expenditure		285		286	
	(Gain)/Loss on sale of Assets		-		4	
	Interest & financial charges		44,844	62,527	23,643	41,724
	Deduct:					
	Interest Income (Interest on bank depoits)	(8,724)			(1,193)	
	Interest Income (Interest on Arrears)	(1,363)			(1,466)	
	Dividend Income (On Mutual Funds)	(45)	(10,132)		-	
	Other Income		(253)	(10,385)	(47)	(2,706)
	Operating profit before working capital changes					
	Add:					
	(Increase)/Decrease in Trade Debtor	4,827			(8,335)	
	Add: Transfer from amalgamating Company	-	4,827		5,364	
	(Increase)/Decrease in Inventories	353			(1,680)	
	Add: Transfer from amalgamating Company	20	373		137	
	(Increase)/Decrease in Loans and Advances and others	(12,240)			(78,914)	
	Add: Transfer from amalgamating Company	20,418	8,178	13,378	4,886	(78,542)
	Deduct:					
	Increase/(Decrease) in Trade Payables	25,447			23,336	
	Less: Transfer from amalgamating Company	47,802	(22,355)		3,104	
	Increase/(Decrease) in Provisions	58			84	
	Less: Transfer from amalgamating Company	65	(7)	(22,362)	2,517	17,799
	Cash generated from Operations			63,518		7,639
	Adjustments for :					
	Income tax paid (net of refund)			(4,418)		(5,526)
	Net cash inflow from operating activities----'A'			59,100		2,113
B.	Cash flow from Investing activities					
	Outflow					
	Investment in Fixed Assets/Capital Work in Progress		(8,76,278)		(1,87,764)	
	Less: Transfer from amalgamating Company		4,41,275	(4,35,003)	-	(1,87,764)
	Investment in Subsidiary		(1,58,594)		(40,000)	
	Less: Transfer from amalgamating Company/on account of merger of Subsidiary companies		1,58,594	-	-	(40,000)
	Inflow					
	Sale of Assets		2		1	
	Interest Income		12,139		1,656	
	Other Income		253	12,394	47	1,704
	Net cash used in investing activities-----`B'			(4,22,609)		(2,26,060)
C.	Cash flow from Financing activities					
	Inflow					
	Increase in Share Capital			650		2,600
	Increase in Borrowings-Net		6,53,440		7,03,210	
	Less: Transfer from Transfree Company		(2,87,627)	3,65,813	(1,14,485)	5,88,725
	Outflow					
	Decrease in Borrowings			-		(1,10,561)
	Payment of Preliminiary Expenses			(101)		(13)
	Payment of Dividend and Dividend Distribution Tax			-		(4,299)
	Interest & financial charges paid			(44,844)		(23,552)
	Net cash in financing activities---`C'			3,21,518		4,52,900
D.	CASH AND CASH EQUIVALENT ON AMALGAMATIONS…..'D'			6,089		17,396
	Net increase/(Decrease) in cash or cash equivalent (A+B+C+D)			(35,903)		2,46,350
	Cash & cash equivalent at the commencement of the year (Opening balance)			2,58,717		12,367
	Cash & cash equivalent at the end of the year (closing balance)			2,22,815		2,58,717

Notes :

1. Cash and Cash Equivalents:

   Cash-in-hand and Balances with Scheduled Banks in Rupees [including Rs 193 Lacs lying in Unpaid Dividend Account (Previous Year Rs 195 Lacs) which are not available for use by the Company].
2. Figures for the current year are post merger, hence not comparable with those of the previous year figures.
3. Current year figures are not comparable with those of previous year. Refer Point No. (B) of Schedule Q.

For and on behalf of the Board

FOR R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn. No. 002626N

Manoj Gaur
Chairman

R. NAGPAL
Partner
M.No. 81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Place : Noida
Dated : 11th August, 2011

R.K. Porwal
Sr. General Manager (F&A)

MM Sibbal
Sr. General Manager
& Company Secretary

Annexure V to Clause 41

Review Report to The Board of Directors of JAYPEE INFRATECH LIMITED

We have reviewed the accompanying statement of unaudited financial results of JAYPEE INFRATECH LIMITED for the Quarter and Half Year ended 30th September, 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the *Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditors of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

(R.Nagpal)
Partner
M.No. 081594

Place:
Date:

JAYPEE INFRATECH LIMITED
Sector -128, Noida-201304 (U.P)
Ph: 91 (120) 4609000,2470800 Fax : 91 (120) 4609783
Website: www.jaypeeinfratech.com

PART I - STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2012

(` in Lacs)

S.No.	Particulars	Quarter Ended			Half Year Ended		Previous Accounting Year Ended
		30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Net Sales/income from Operations	70,468	67,830	71,575	138,298	133,272	315,590
	(b) Other Operating Income	-	-	-	-	-	-
	Total Income from Operations	70,468	67,830	71,575	138,298	133,272	315,590
2.	Expenses						
	(a) Cost of Sales	31,866	39,355	31,262	71,221	60,030	145,979
	(b) Employee benefits expense	759	410	246	1169	536	1,267
	(c) Depreciation and amortisation expense	345	58	40	403	79	159
	(d) Other expenses	1,999	858	559	2857	1076	3,426
	Total Expenses (a:d)	34,969	40,681	32,107	75,650	61,721	150,831
3.	Profit from operations before other income, finance cost and exceptional Items (1-2)	35,499	27,149	39,468	62,648	71,551	164,759
4.	Other income	353	75	196	428	862	1,303
5.	Profit from ordinary activities before finance costs & exceptional items (3+4)	35,852	27,224	39,664	63,076	72,413	166,062
6.	Finance costs	13,231	979	833	14,210	3,857	6,322
7.	Profit from ordinary activities after finance costs but before exceptional items (5-6)	22,621	26,245	38,831	48,866	68,556	159,740
8.	Exceptional items	-	-	-	-	-	-
9.	Profit from ordinary activities before tax (7+8)	22,621	26,245	38,831	48,866	68,556	159,740
10.	Tax Expenses (MAT)	4,526	5,251	7,773	9,777	13,720	30,767
11.	Net Profit from ordinary activities after tax (9-10)	18,095	20,994	31,058	39,089	54,836	128,973
12.	Extraordinary Items (net of tax expense)	-	-	-	-	-	-
13.	Net Profit for the period (11-12)	18,095	20,994	31,058	39,089	54,836	128,973
14.	Paid-up Equity Share Capital (Face Value of ` 10/- each)	138,893	138,893	138,893	138,893	138,893	138,893
15.	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year						438,871
16.	(i) Earnings per Share (before extraordinary items)						
	(of ` 10/- each) (not annualised):						
	- Basic (In `)	1.30	1.51	2.24	2.81	3.95	9.29
	- Diluted (In `)	1.30	1.51	2.24	2.81	3.95	9.29
	(ii) Earnings per Share (after extraordinary items)						
	(of ` 10/- each) (not annualised):						
	- Basic (In `)	1.30	1.51	2.24	2.81	3.95	9.29
	- Diluted (In `)	1.30	1.51	2.24	2.81	3.95	9.29

PART II: Select information for the Quarter and Half Year ended 30th September, 2012

S.No.	Particulars	Quarter Ended			Half Year Ended		Previous Accounting Year Ended
		30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of Shares	232,341,337	232,341,337	232,341,337	232,341,337	232,341,337	232,341,337
	- Percentage of Shareholding	16.73	16.73	16.73	16.73	16.73	16.73
2	Promoters & Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of Shares	778,356,087	708,356,087	625,260,000	778,356,087	625,260,000	708,356,087
	- Percentage of Shares (as a % of the total Shareholding of promoter and promoter group)	67.30	61.25	54.06	67.30	54.06	61.25
	- Percentage of Shares (as a % of the total Share capital of the Company)	56.04	51.00	45.02	56.04	45.02	51.00
	b) Non-Encumbered						
	- Number of Shares	378,236,073	448,236,073	531,332,160	378,236,073	531,332,160	448,236,073
	- Percentage of Share (as a % of the total Shareholding of promoter and promoter group)	32.70	38.75	45.94	32.70	45.94	38.75
	- Percentage of Shares (as a % of the total Share capital of the Company)	27.23	32.27	38.25	27.23	38.25	32.27

	Particulars	Quarter ended 30.09.2012
B	INVESTORS COMPLAINTS	
	Pending at the beginning of the quarter	1
	Received during the quarter	28
	Disposed of during the quarter	29
	Remaining unresolved at the end of the quarter	0

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(` in Lacs)

S.No.	Particulars	As at Current half year ended 30.09.2012 (Unaudited)	As at Previous year ended 31.03.2012 (Audited)
A	EQUITY AND LIABILITIES		
1.	Shareholders' Funds:		
	(a) Share Capital	138,893	138,893
	(b) Reserves & Surplus	472,988	438,871
	(c) Money received against Share Warrants	-	-
	Sub-Total - Shareholders' Funds	611,881	577,764
2	Share Application Money Pending Allotment	-	-
3	Non current liabilities :		
	(a) Long-term borrowings	725,670	664,516
	(b) Deferred tax liabilities (net)	-	-
	(c) Other long -term liabilities	309	281
	(d) Long-term provisions	10,623	9,761
	Sub-Total -Non current liabilities	736,602	674,558
4	Current liabilities :		
	(a) Short-term borrowings	-	-
	(b) Trade payables	27,933	69,638
	(c) Other Current liabilities	336,048	264,298
	(d) Short-term provisions	97,479	91,192
	Sub-Total -Current liabilities	461,460	425,128
	TOTAL -EQUITY AND LIABILITIES	1,809,943	1,677,450
B	ASSETS		
1	Non Current Assets :		
	(a) Fixed Assets	983,135	922,989
	(b) Non-current investments	-	-
	(c) Deferred tax assets (net)	-	-
	(d) Long -term loans and advances	114,391	120,765
	(e) Other non- current assets	1,604	1,242
	Sub-Total -Non- current assets	1,099,130	1,044,996
2	Current Assets:		
	(a) Current investments	-	-
	(b) Inventories	500,910	452,835
	(c) Trade receivables	62,100	40,955
	(d) Cash & cash equivalents	48,619	54,160
	(e) Short term loans and advances	90,010	82,721
	(f) Other current assets	9,174	1,783
	Sub-Total - Current Assets	710,813	632,454
	TOTAL-ASSETS	1,809,943	1,677,450

Notes:

1. The Yamuna Expressway Project has been Commissioned on 7th August,2012, and opened to public from 9th August,2012.
2. The increase in Finance Cost is on account of Interest charged to Statement of Profit & Loss, upon commissioning of the Yamuna Expressway.
3. The Company has only one segment i.e. Yamuna Expressway Project, an integrated project which interalia includes construction, operation and maintenance of Yamuna Expressway and rights for land development along the expressway.
4. The utilisation of proceeds of Initial Public Offer is in accordance with the Prospectus.
5. Previous corresponding quarter/ half year figures have been reworked/regrouped/rearrangedwherever necessary to conform to the requirement of revised Schedule VI to the Companies Act,1956.
6. The above unaudited financial results have been subjected to limited review by the Statutory Auditors in terms of Clause 41 of the Listing Agreement. The same were also reviewed by the Audit Committee and then approved by the Board of Directors in their respective meetings held on 12th November, 2012.

Place : New Delhi
Date : 12th November, 2012

Manoj Gaur
Chairman-cum-Managing Director

AUDITORS' REPORT
To the Members of
JAYPEE INFRATECH LIMITED

We have audited the attached Balance Sheet of **JAYPEE INFRATECH LIMITED** as at 31st March 2012, and also the annexed Statement of Profit and Loss and the Cash Flow statement for the year ended 31st March 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

(1) As required by the Companies (Auditor's Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004, issued by the Central Government of India in terms of Section 227(4-A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

(2) Further to our comments in the Annexure referred to in paragraph 1 above:

(a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account have been kept by the Company as required by law so far as appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow statement referred to in this report, are in agreement with the books of account;

(d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow statement referred to in this report, comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

(e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with significant accounting policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:

i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012,

ii) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended 31st March 2012, and

iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended 31st March 2012.

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

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

Place: Noida
Dated: 17 May 2012

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March 2012 of **JAYPEE INFRATECH LIMITED.**

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to us, no material discrepancies have been noticed on such physical verification.

(c) Fixed assets disposed off during the year, are not material so as to affect the Company as a going concern.

(ii) (a) The Inventory has been physically verified by the management at reasonable intervals during the year.

(b) In our opinion 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 of inventory as compared to book records 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, 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 sales. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.

(v) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the 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) According to the information and explanations given to us Clause (viii) of Para 4 of the Order is not applicable.

(ix) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Income-tax, Wealth Tax, Provident Fund, Sales Tax, Service Tax, and other material statutory dues applicable to it, with the appropriate authorities, and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they became payable.

(b) As per records produced before us and according to the information and explanations given to us there are no dues of Income-tax, Sales-tax, Customs duty, Wealth tax, Service Tax, Excise Duty or Cess which have not been deposited on account of any dispute, except for the following:

Name of Statute (Nature of dues)	Period to which amount relates	Forum where dispute is pending	Amount(Rs)
Income Tax (TDS)	AY 2008-09	Commissionarate	803,670

Income Tax (TDS)	AY 2009-10	Commissionarate	243,100

(x) The company does not have any accumulated losses at the end of the financial year, and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.

(xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion the Company is not a chit fund or a nidhi/mutual benefit fund/society. Hence, Clause (xiii) of Para 4 of the Order is not applicable.

(xiv) In our opinion the Company is not dealing in or trading in shares, debentures or other investments. Accordingly, Clause (xiv) of Para 4 of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, where the Company has given guarantee for loans/NCDs taken by its holding company/fellow subsidiary company 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 period 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 redeemable non-convertible debentures issued and outstanding at the end of the year.

(xx) Based on our audit procedures and on the information and explanations given to us, the management has disclosed on the end use of money raised by public issue and the same has been duly verified.

(xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

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

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

Place: Noida
Dated: 17 May 2012

JAYPEE INFRATECH LIMITED

BALANCE SHEET AS AT 31st MARCH,2012 ₹

Particulars	Note No.	As at 31.03.2012		As at 31.03.2011	
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	1	13,889,334,970		13,889,334,970	
(b) Reserves and Surplus	2	43,887,055,307		33,740,033,483	
(c) Money received against share warrants		-		-	
			57,776,390,277		47,629,368,453
(2) Share application money pending allotment		-	-		-
(3) Non-Current Liabilities					
(a) Long-term borrowings - Secured	3	65,352,269,816		62,098,475,000	
(b) Long-term borrowings - Unsecured	3	1,099,276,000		582,693,000	
(c) Deferred tax liabilities (Net)		-		-	
(d) Other Long term liabilities	4	28,123,189		5,447,818	
(e) Long term provisions	5	976,072,388		267,334,923	
			67,455,741,393		62,953,950,741
(4) Current Liabilities					
(a) Short-term borrowings		-		-	
(b) Trade payables	6	6,963,844,419		1,949,331,721	
(c) Other current liabilities	7	26,429,792,928		23,750,269,981	
(d) Short-term provisions	8	9,119,264,512		5,971,581,064	
			42,512,901,859		31,671,182,766
Total			167,745,033,529		142,254,501,960
II.ASSETS					
(1) Non-current assets					
(a) Fixed assets	9				
(i) Tangible assets		272,776,116		163,879,115	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress	9A	92,026,159,872		68,305,746,357	
(iv) Intangible assets under development		-		-	
			92,298,935,988		68,469,625,472
(b) Non-current investments			-		-
(c) Deferred tax assets (net)			-		-
(d) Long term loans and advances	10		12,076,512,957		10,711,816,281
(e) Other non-current assets	11		124,240,625		25,821,232
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories	12	45,283,501,943		33,377,436,742	
(c) Trade receivables	13	4,095,471,002		5,378,917,875	
(d) Cash and cash equivalents	14	5,416,005,663		18,508,477,260	
(e) Short-term loans and advances	15	8,272,073,104		5,439,295,806	
(f) Other current assets	16	178,292,247		343,111,292	
			63,245,343,959		63,047,238,975
Total			167,745,033,529		142,254,501,960
Significant Accounting Policies	39				

The Note Nos. 1 to 39 form an integral part of the Financial Statements

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

For and on behalf of the Board

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

Manoj Gaur
Chairman-cum-Managing Director

R. Nagpal
Partner
M. No. 81594

Sachin Gaur
Whole Time Director &
Chief Financial Officer

Sameer Gaur
Jt. Managing Director

Place: Noida
Dated:17 May 2012

Pramod K Aggarwal
Sr. Vice President (Finance)

A. S. Kindra
Company Secretary

JAYPEE INFRATECH LIMITED

Statement of Profit and Loss for the year ended 31st March, 2012

₹

Particulars	Note No.	For the year ended 31.03.2012	For the year ended 31.03.2011
REVENUE			
Revenue from Operations	17	31,559,019,676	27,787,029,750
Other Income	18	130,320,145	199,285,259
Total Revenue		31,689,339,821	27,986,315,009
EXPENSES			
Cost of Sales	19	14,597,884,100	9,214,746,202
Employee Benefits Expenses	20	126,688,959	86,003,937
Finance Costs	21	632,249,261	101,043,482
Depreciation and Amortization Expenses	9	15,931,066	86,281,778
Other Expenses	22	342,619,578	351,872,297
Total Expenses		15,715,372,964	9,839,947,696
Profit before exceptional and extraordinary items and tax		15,973,966,857	18,146,367,313
Exceptional Items		-	-
Profit before extraordinary items and tax		15,973,966,857	18,146,367,313
Extraordinary Items		-	-
Profit Before Tax		15,973,966,857	18,146,367,313
Tax Expense:			
- Current tax		3,196,100,000	3,683,400,000
- For earlier year		-	112,330,708
- Excess Provision for Income Tax Written Back		(119,360,582)	-
Tax expenses of continuing operations		3,076,739,418	3,795,730,708
Profit for the period from continuing operations		12,897,227,439	14,350,636,605
Profit/(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
Profit/(Loss) from discontinuing operations (after Tax)		-	-
Profit for the period		12,897,227,439	14,350,636,605
Earning Per Equity Share (Face value of ` 10/- each)	23		
(1) Basic		9.29	10.48
(2) Diluted		9.29	10.48
Significant Accounting Policies	39		

The Note Nos. 1 to 39 form an integral part of the Financial Statements

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

For and on behalf of the Board

For R. Nagpal Associates
Chartered Accountants

Firm Registration No.002626N

Manoj Gaur
Chairman-cum-Managing Director

R. Nagpal
Partner
M. No. 81594

Sachin Gaur
Whole Time Director &
Chief Financial Officer

Sameer Gaur
Jt. Managing Director

Place: Noida
Dated:17 May 2012

Pramod K Aggarwal
Sr. Vice President (Finance)

A. S. Kindra
Company Secretary

JAYPEE INFRATECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2012

Note 1 Share Capital

(i) Details of Authorized , Issued, Subscribed and fully paid share capital

Share Capital	As at 31.03.2012		As at 31.03.2011	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10 each	1,50,00,00,000	15,00,00,00,000	1,50,00,00,000	15,00,00,00,000
Issued				
Equity Shares ₹ 10 each	1,38,89,33,497	13,88,93,34,970	1,38,89,33,497	13,88,93,34,970
Subscribed & fully Paid up				
Equity Shares of ₹ 10 each fully paid	1,38,89,33,497	13,88,93,34,970	1,38,89,33,497	13,88,93,34,970
Total	1,38,89,33,497	13,88,93,34,970	1,38,89,33,497	13,88,93,34,970

(ii) Reconciliation of shares outstanding at the beginning and at the end of the Financial Year 2011-12

Particulars	Equity Shares			
	As at 31.03.2012		As at 31.03.2011	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	1,38,89,33,497	13,88,93,34,970	1,22,60,00,000	12,26,00,00,000
Shares Issued during the year	-	-	16,29,33,497	1,62,93,34,970
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
Shares outstanding at the end of the year	1,38,89,33,497	13,88,93,34,970	1,38,89,33,497	13,88,93,34,970

(iii) Terms/rights/restrictions attached to equity shares:

The company has only one class of Equity Shares having a par value of Rs 10 per share.
Each holder of equity shares is entitled to one vote per share and entitled for dividend.
27,81,58,899 number of Equity Shares of Rs 10/- each held by our holding Company (Jaiprakash Associates Ltd.) are under lock - in upto May 14 , 2013 .

(iv) Shares held by the holding company, ultimate holding company and their subsidiaries /associates:

Particulars	Nature of Relationship	As at 31.03.2012	As at 31.03.2011
Equity Shares			
Jaiprakash Associates Limited	Holding Company	1,15,50,00,000	1,15,50,00,000
Jaypee Infra Ventures (A pvt.co. with unlimited liability)	Associate of Holding Company	15,92,160	15,92,160
Jaypee Development Corporation Limited (Subsidiary of Jaypee Infra Ventures)	Associate of Holding Company	1,15,20,605	88,70,030

(v) Details of Shareholders holding more than 5% shares:

Name of Shareholder	Equity Shares			
	As at 31.03.2012		As at 31.03.2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
JAIPRAKASH ASSOCIATES LIMITED	1,15,50,00,000	83.16	1,15,50,00,000	83.16

(vi) Details of shares allotted during the period of 5 years immediately preceding in respect of undermentioned particulars:

Particulars	Aggregate No. of Shares (FY 2010-11)	Aggregate No. of Shares (FY 2009-10)	Aggregate No. of Shares (FY 2008-09)	Aggregate No. of Shares (FY 2007-08) (being the first year since incorporation)
Equity Shares:				
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	20,00,00,000
Fully paid up by way of bonus shares	-	-	-	-
Shares bought back	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2012

Note 2 RESERVES & SURPLUS

			As at 31.03.12 ₹		As at 31.03.11 ₹
(i)	General Reserve				
	As per last Balance Sheet	1,61,00,00,000		-	
	Add: Transferred from Debenture Redemption Reserve	-		1,25,00,00,000	
	Add: Transferred from Statement of Profit & Loss	-		36,00,00,000	
			1,61,00,00,000		1,61,00,00,000
(ii)	Debenture Redemption Reserve				
	As per last Balance sheet	28,75,21,688		1,25,00,00,000	
	Less: Transferred to General Reserve as no longer required	-		1,25,00,00,000	
		28,75,21,688		-	
	Add: Transferred from Statement of Profit & Loss	1,13,58,44,419		28,75,21,688	
			1,42,33,66,107		28,75,21,688
(iii)	Securities Premium Reserve				
	As per last Balance sheet	13,98,27,33,529		24,00,00,000	
	Add: Premium on issue of Shares	-		14,87,06,65,030	
		13,98,27,33,529		15,11,06,65,030	
	Less: Premium on Redemption of Non Convertible Debentures	1,13,59,52,381		26,18,25,397	
	Less: Initial Public Offer Expenses	-		86,61,06,104	
			12,84,67,81,148		13,98,27,33,529
(iv)	Surplus				
	Profit brought forward from Previous Year	17,85,97,78,266		6,17,85,03,459	
	Add: Profit for the Year	12,89,72,27,439		14,35,06,36,605	
	Less: Transfer to General Reserve	-		36,00,00,000	
	Transfer to Debenture Redemption Reserve	1,13,58,44,419		28,75,21,688	
	Interim Dividend on Equity Shares	69,44,66,749		1,04,17,00,123	
	Tax on Interim Dividend on Equity Shares	11,26,59,868		17,30,13,370	
	Proposed Final Dividend on Equity Shares	69,44,66,749		69,44,66,749	
	Tax on Proposed Final Dividend on Equity Shares	11,26,59,868		11,26,59,868	
			28,00,69,08,052		17,85,97,78,266
			43,88,70,55,307		33,74,00,33,483

Note 3 LONG TERM BORROWINGS

			As at 31.03.12 ₹		As at 31.03.11 ₹
(a)	Secured				
(i)	Debentures				
	(8000, 2% Secured Redeemable Non- Convertible Debentures of ₹ 10,00,000 each)		8,00,00,00,000		10,00,00,00,000
	Term Loans				
(ii)	- from Banks	51,17,65,19,816		46,44,88,00,000	
(iii)	- from NBFC/Financial Institutions	6,17,57,50,000	57,35,22,69,816	5,64,96,75,000	52,09,84,75,000
			65,35,22,69,816		62,09,84,75,000
(b)	Unsecured				
(i)	Fixed Deposit Scheme		1,09,92,76,000		58,26,93,000
			1,09,92,76,000		58,26,93,000

The 2% redeemable Non-Convertible Debentures (NCDs) of` 10,00,000/- each aggregating to ₹1000 Crores are secured by subservient charge on 41 KM land for constructing the Yamuna Expressway, Land for Development admeasuring approx. 1032.7518 acres at Mirzapur, 150 acres at Jaganpur and 151.0063 acres at Tappal, and all the moveable properties (including all receivables/ revenues) relating to the Yamuna Expressway both present and future, Corporate guarantee of Jaiprakash Associates Limited and personal guarantee of the Directors namely Shri Manoj Gaur, Shri Sunil Kumar Sharma and Shri Sameer Gaur,and are redeemable during 2012-14 in five equal installments starting from November 2012 along with redemption premium of ₹ 344 crores

The Term Loan from the lenders is secured by way of registered mortgage ranking pari passu on (i) about 41 KM land for constructing the Yamuna Expressway (ii) Land for Development admeasuring approximately 1032.7518 acres at Mirzapur, 150 acres at Jaganpur & 151.0063 acres at Tappal (iii) charge on all the moveable properties (including all receivables/ revenues),Intangible Assets relating to the Yamuna Expressway both present and future, (iv) pledge of 51% shares of the issued share capital of the Company held by Jaiprakash Associates Limited (JAL) and (v) personal guarantee of Shri Manoj Gaur, Chairman cum Managing Director. The said Loans are repayable in structured installments from April 2011 till March 2025

Note 4 OTHER LONG TERM LIABILITIES

		As at 31.03.1 2 ₹	As at 31.03.11 ₹
(i)	Trade Payables	2,81,23,189	54,47,818
		2,81,23,189	54,47,818

Note 5 LONG TERM PROVISIONS

			As at 31.03.12 ₹		As at 31.03.11 ₹
(i)	Employee Benefits :				
(a)	Provision for Gratuity	11,82,022		-	
(b)	Provision for Leave Encashment	71,12,588		55,09,526	
			82,94,610		55,09,526
(ii)	Premium on Redemption of Non Convertible Debentures		96,77,77,778		26,18,25,397
			97,60,72,388		26,73,34,923

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2012

Note 6 CURRENT LIABILITIES

		As at 31.03.12 ₹	As at 31.03.11 ₹
(i)	Trade Payables (Also refer Note No. 34)	6,96,38,44,419	1,94,93,31,721
		6,96,38,44,419	1,94,93,31,721

Note 7 OTHER CURRENT LIABILITIES

		As at 31.03.12 ₹	As at 31.03.11 ₹
(i)	Current Maturities of Long-term Debts	4,64,41,86,180	64,00,48,000
(ii)	Others Payables -Employees	1,09,73,485	92,85,942
(iii)	Unclaimed interest on Fixed Deposits	1,47,460	29,101
(iv)	Interest Accrued but not due on Borrowings	24,62,60,680	17,80,78,793
(v)	Unpaid / unclaimed Dividends	43,32,949	22,27,783
(vi)	Advances from Customers	15,23,21,83,627	19,51,81,73,475
(vii)	Creditors for Capital Expenditure	5,85,26,77,607	3,06,92,11,066
(viii)	Other Payables	43,90,30,940	33,32,15,821
		26,42,97,92,928	23,75,02,69,981

Note 8 SHORT -TERM PROVISIONS

			As at 31.03.12 ₹		As at 31.03.11 ₹
(i)	Dividend on Equity Shares		69,44,66,749		69,44,66,749
(ii)	Dividend Distribution Tax		11,26,59,868		11,26,59,868
(iii)	Income Tax & Wealth Tax		7,87,90,00,596		5,16,21,89,915
(iv)	Employee Benefits				
(a)	Provision for Gratuity	1,19,690		-	
(b)	Provision for Leave Encashment	30,17,609		22,64,532	
			31,37,299		22,64,532
(v)	Premium on Redemption of Non Convertible Debentures		43,00,00,000		-
			9,11,92,64,512		5,97,15,81,064

JAYPEE INFRATECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2012

Note 9 FIXED ASSETS

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	Description	Gross Block -Cost/ Book Value					Depreciation / Amortisation				Net Block	
		Balance as at 01.04.2011	Additions during the year	Deductions/ Adjustment during the year	Impairment/ (reversal) during the year	Total as at 31.03.2012	Balance as at 01.04.2011	Provided during the year	Deductions/ Adjustment during the year	Total as at 31.03.2012	As at 31.03.2012	As at 31.03.2011
(a)	TANGIBLE ASSETS											
	Land - (Freehold)	12,393,262	-			12,393,262	-	-	-	-	12,393,262	12,393,262
	Purely Temporary Erections	425,916,965	-			425,916,965	425,916,965	-	-	425,916,965	-	-
	Plant & Machinery	66,520,384	77,400,385			143,920,769	15,708,785	3,278,462	-	18,987,247	124,933,522	50,811,599
	Motor Vehicles	59,177,763	35,620,721	851,020		93,947,464	15,801,737	5,682,460	544,334	20,939,863	73,007,601	43,376,026
	Office Equipments	32,406,570	10,318,729			42,725,299	7,096,917	1,526,591	-	8,623,508	34,101,791	25,309,653
	Furniture & Fixture	25,492,764	301,030			25,793,794	5,344,550	1,623,036	-	6,967,586	18,826,208	20,148,214
	Computers	23,175,394	1,493,888			24,669,282	11,335,033	3,820,517	-	15,155,550	9,513,732	11,840,361
	Total	**645,083,102**	**125,134,753**	**851,020**	**-**	**769,366,835**	**481,203,987**	**15,931,066**	**544,334**	**496,590,719**	**272,776,116**	**163,879,115**
	Previous Year	**627,759,692**	**27,612,601**	**10,289,191**	**-**	**645,083,102**	**396,179,087**	**86,281,778**	**1,256,878**	**481,203,987**	**163,879,115**	
(b)	**Capital Work in progress including Incidental Expenditure During Construction Pending Allocation [Refer Note No.9A]**										**92,026,159,872**	**68,305,746,357**
	Total Fixed Assets										**92,298,935,988**	**68,469,625,472**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2012

Note 9A CAPITAL WORK IN PROGRESS (INCLUDING INCIDENTAL EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION)

		As at 31.03.2012	As at 31.03.2011
I. CAPITAL WORK IN PROGRESS			
(i)	Land Leasehold for Expressway	10,921,171,012	10,451,901,255
(ii)	Construction Expenses of Expressway	64,246,301,435	47,054,123,589
(iii)	Plant & Machineries	3,248,946	-
		75,170,721,393	57,506,024,844
II. INCIDENTAL EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION			
	Opening Balance	10,799,721,513	6,319,466,754
(i)	Salary, Wages, Bonus and other benefits	73,114,658	55,954,258
(ii)	Contribution to Provident fund	2,506,832	2,322,129
(iii)	Staff Welfare Expenses	2,026,585	1,489,064
(iv)	Rent	3,104,434	3,300,284
(v)	Rates & Taxes	1,220,445	122,283
(vi)	Consultancy & Advisory Charges	114,631,328	201,863,821
(vii)	Travelling & Conveyance Expenses	33,780,679	36,170,972
(viii)	Postage & Telephone Expenses	2,147,106	2,166,181
(ix)	Bank Charges	8,493,048	2,194,148
(x)	Insurance Charges	24,449,973	12,767,419
(xi)	Electricity, Power & Fuel Expenses	12,479,545	11,649,407
(xii)	Office and Camp Maintenance	15,230,274	15,672,980
(xiii)	Vehicles Running & Maintenance	8,844,483	9,611,632
(xiv)	Repair & Maintenance - Machinery	912,726	1,032,177
(xv)	Printing & Stationery	1,447,404	2,508,333
(xvi)	Security Service Expenses	7,445,428	3,303,242
(xvii)	Finance Costs	5,740,883,854	4,113,792,095
(xviii)	Miscellaneous Expenses	2,998,164	4,334,334
	TOTAL	16,855,438,479	10,799,721,513

Interest received ₹ 65,26,52,964/- (Previous year ₹ 70,84,19,927) on temporary placement of funds in fixed deposit with banks has been adjusted against Finance Costs shown above as per AS-16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2012

NON CURRENT ASSETS

Note 10 LONG TERM LOANS & ADVANCES

			As at 31.03.12 ₹		As at 31.03.11 ₹
(i)	Unsecured, considered good				
(a)	Loans & Advances to Related parties	11,62,61,89,823		9,97,18,92,862	
(b)	Other Capital Advances	38,13,33,353		67,18,61,738	
(c)	Security Deposits	6,89,89,781		6,80,61,681	
			12,07,65,12,957		10,71,18,16,281
			12,07,65,12,957		10,71,18,16,281

Note 11 OTHER NON - CURRENT ASSETS

		As at 31.03.12 ₹	As at 31.03.11 ₹
(i)	Prepaid Expenses	12,42,40,625	2,58,21,232
		12,42,40,625	2,58,21,232

CURRENT ASSETS

Note 12 INVENTORIES
(As per Inventories taken, valued and certified by the Management)

		As at 31.03.12 ₹	As at 31.03.11 ₹
(i)	Stores & Spares (at weighted average cost)	51,50,54,551	29,37,987
(ii)	Project Under Development (at cost) (Refer Note 12A below)	44,76,84,47,392	33,37,44,98,755
		45,28,35,01,943	33,37,74,36,742

12A	PROJECT UNDER DEVELOPMENT	As at 31.03.12 ₹	As at 31.03.11 ₹
a)	Opening Balance	33,37,44,98,755	19,09,28,75,697
b)	Expenses on development of projects during the year :		
(i)	Land	1,86,84,15,253	8,40,13,45,627
(ii)	Lease Rent	2,44,667	2,52,080
(iii)	Land Survey Expenditure	-	19,139
(iv)	Construction Expenses	20,55,89,31,472	12,10,97,06,888
(v)	Interest	2,59,28,53,062	2,21,65,74,163
(vi)	Consultancy Charges	1,55,78,501	12,29,34,642
(vii)	Subvention Discount	95,58,09,782	64,55,36,721
		25,99,18,32,737	23,49,63,69,260
c)	Sub Total (a + b)	59,36,63,31,492	42,58,92,44,957
d)	Less: Cost of Sales, taken to Statement of Profit & Loss (Refer Note 19)	14,59,78,84,100	9,21,47,46,202
	Total	44,76,84,47,392	33,37,44,98,755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2012

Note 13 TRADE RECEIVABLES

		As at 31.03.12 ₹	As at 31.03.11 ₹
(a)	Secured, considered good	-	-
(b)	Unsecured, considered good		
(i)	Over Six Months	2,208,847,875	3,225,009,875
(ii)	Others	1,886,623,127	2,153,908,000
		4,095,471,002	5,378,917,875
(c)	Doubtful	-	-

Note 14 CASH AND CASH EQUIVALENTS

			As at 31.03.12		As at 31.03.11
A	Balances with Banks :				
(i)	On Current Accounts	2,146,509,507		1,190,200,546	
(ii)	On Dividend Accounts	4,332,949		2,227,783	
(iii)	On Deposit Accounts	3,226,488,840		17,160,643,532	
(iv)	On Fixed Deposit Interest Account	544,362		29,101	
(v)	On Fixed Deposit Repayment Account	1,755,237		-	
(vi)	On Public Issue Account	32,562,990		152,080,977	
			5,412,193,885		18,505,181,939
B	Cash on hand		3,811,778		3,295,321
			5,416,005,663		18,508,477,260

The above includes ₹ 503 Crores towards unutilized IPO proceeds out of which ₹300 Crores have been placed in FDRs (previous year ₹1203 Crores)

FDRs pledged with Govt. bodies ₹1,56,000/-(previous year ₹1,56,000/-)

FDRs pledged as Margin Money ₹35.72 Crores,(previous year ₹20.72 Crores) includes FDRs worth ₹` 10 Lacs having maturity period more than 12 months

The amount under Deposit Accounts in (iii) above includes ₹ 8.21 crores (previous year ₹ 5.00 crores) earmarked towards current maturities of Public Deposits

Note 15 SHORT TERM LOANS AND ADVANCES
(Unsecured, considered good)

		As at 31.03.12 ₹	As at 31.03.11 ₹
(i)	Advance against Land for Development	222,367,191	308,571,391
(ii)	Loans and Advances to Other Suppliers & Contractors	33,755,423	26,726,190
(iii)	Loans and Advances to Employees	7,000	228,409
(iv)	Advance Payment of Income Tax (including TDS)	8,015,943,490	5,103,769,816
		8,272,073,104	5,439,295,806

Note 16 OTHER CURRENT ASSETS

		As at 31.03.12 ₹	As at 31.03.11 ₹
(i)	Interest Accrued on FDRs	72,484,146	270,309,364
(ii)	Prepaid Expenses	102,282,216	68,428,459
(iii)	Others	3,525,885	4,373,469
		178,292,247	343,111,292

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2012

Note 17 REVENUE FROM OPERATIONS

		For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
(i)	Sales - Developed Plots	4,57,77,500	12,13,58,34,500
(ii)	Sales - Built-up Properties	31,47,52,99,600	15,63,03,23,000
(iii)	Lease Rent	24,00,000	1,99,00,000
(iv)	Transfer Fees	3,55,42,576	9,72,250
		31,55,90,19,676	27,78,70,29,750

Note 18 OTHER INCOME

		For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
(i)	Interest from Banks	10,16,75,028	14,50,06,637
(ii)	Interest from others	1,649	-
(iii)	Foreign Currency Rate Difference	-	35,29,690
(iv)	Miscellaneous Income	2,86,43,468	5,07,48,932
		13,03,20,145	19,92,85,259

Note 19 COST OF SALES

		For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
(i)	Developed Plots	1,92,70,400	1,31,44,56,202
(ii)	Built-up Properties	14,57,86,13,700	7,90,02,90,000
		14,59,78,84,100	9,21,47,46,202

Note 20 EMPLOYEE BENEFITS EXPENSE

		For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
(i)	Salaries, Wages, Bonus & other benefits	11,92,92,332	8,05,19,534
(ii)	Contribution to Provident Fund	40,90,094	33,41,603
(iii)	Staff Welfare Expenses	33,06,533	21,42,800
		12,66,88,959	8,60,03,937

Note 21 FINANCE COST

		For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
(a)	Interest Expense		
(i)	Interest on Non-Convertible Debentures	20,04,11,708	4,71,23,288
(ii)	Interest on Others	13,88,53,178	2,97,92,069
		33,92,64,886	7,69,15,357
(b)	Other Financing Charges	29,29,84,375	2,41,28,125
	TOTAL	63,22,49,261	10,10,43,482

Note 22 OTHER EXPENSES

			For the year ended 31.03.2012 ₹		For the year ended 31.03.2011 ₹
(i)	Advertisement & Marketing Expenses		6,25,77,820		12,20,05,278
(ii)	Consultancy & Advisory Charges		4,19,93,223		7,34,67,404
(iii)	Travelling & Conveyance Expenses		4,47,79,039		3,20,76,144
(iv)	Postage & Telephone Expenses		28,46,164		19,20,953
(v)	Bank Charges		1,12,58,226		19,45,755
(vi)	Insurance Charges		5,58,334		5,38,672
(vii)	Rent		38,55,375		25,50,077
(viii)	Rates & Taxes		21,30,798		1,08,440
(ix)	Electricity, Power & Fuel Expenses		1,65,42,653		1,03,30,606
(x)	Office and Camp Maintenance		2,01,88,967		1,38,98,680
(xi)	Vehicles Running & Maintenance		1,17,24,083		85,23,524
(xii)	Repair & Maintenance - Machinery		12,09,892		9,15,326
(xiii)	Printing & Stationery		19,18,654		22,24,370
(xiv)	Security Service Expenses		98,69,520		29,29,291
(xv)	Brokerage		1,49,66,255		1,35,57,913
(xvi)	Listing Fees		33,80,264		2,36,61,689
(xvii)	Charity & Donation		8,26,97,000		22,93,501
(xviii)	Foreign Currency Rate Difference		61,272		-
(xix)	Miscellaneous Expenses		76,56,514		3,68,41,599
(xx)	Auditors' Remuneration:-				
(a)	Audit Fee	19,10,120		16,54,500	
(b)	Tax Audit Fee	3,37,080		3,30,900	
(c)	Reimbursement of Expenses	1,58,325		97,675	
			24,05,525		20,83,075
			34,26,19,578		35,18,72,297

Note 23 Earnings Per Share in accordance with Accounting Standard [AS – 20] for the year ended 31.03.2012

Computation of Basic & Diluted Earnings per Share is as under:

	For the year ended 31.03.2012	For the year ended 31.03.2011
Net Profit after Tax (`)	12,89,72,27,439	14,35,06,36,605
Weighted average number of Equity shares for Earnings per share computation.		
(i) Number of Equity Shares at the Beginning of the year.	1,38,89,33,497	1,22,60,00,000
(ii) Number of Equity Shares allotted during the year.	-	16,29,33,497
(iii) Weighted average number of Equity Shares allotted during the year.	-	14,37,38,592
(iv) Weighted average number of Equity Shares at the end of the year.	1,38,89,33,497	1,36,97,38,592
Basic & diluted Earnings per share(`)	9.29	10.48
Face Value per Share(`)	10.00	10.00

NOTE 24

Contingent Liabilities & Commitments (to the extent not provided for):

a) Claim against the Company not acknowledged as debts: ₹4,60,963/-(Previous Year ₹ 83,967).

b) Outstanding amount of Bank Guarantees: ₹ 23,14,00,000 (Previous Year ₹ 23,14,00,000).

c) Income Tax (TDS) matters under appeal.

S.No.	Assessment Year	Tax Demand (₹)	Tax Deposited (₹)
i	2008-09	8,78,670	75,000
ii	2009-10	4,93,100	2,50,000

NOTE 25

Outstanding Letters of credit : ₹ 7.84 Crores (Previous year – Nil)
Margin Money against the same: ₹ 7.84 Crores (Previous year – Nil)

NOTE 26

Estimated amount of contracts, remaining to be executed on capital account (net of advances) is ₹39 Crores. (Previous Year ₹ 1,009 Crores).

NOTE 27

The Company has provided a letter of comfort to ICICI Bank. UK Plc., and ICICI Bank, Canada, in respect of financial assistance, equivalent to USD 50 million each, to Jaiprakash Associates Limited. In the event of default, if any, in repayment of said facilities the liability of the lenders of the Company shall have priority.

NOTE 28

a) The Company has mortgaged 40 acres of land situated at Noida in favour of IDBI Trusteeship Securities Limited for the benefit of debenture holder(s) of 9000 Secured Redeemable Non-Convertible Debentures aggregating to ` 900 Crores issued by Jaiprakash Associates Limited.

b) Out of the said 40 acres of land, the Company has entered into an 'Agreement to Sell' dated 15th December, 2009 for 15 acres of land with Jaiprakash Associates Limited. The Company has requested for substitution of mortgage for the said land, which is under consideration by the bank.

NOTE 29

The Company has given an Undertaking to ICICI Bank Ltd to exercise the option to purchase the outstanding amount of the facility of ₹ 250 crores sanctioned by ICICI Bank Ltd to M/s Jaypee Sports International Ltd(JPSI), a fellow subsidiary Company, by way of Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS), after five years or under the circumstances as stipulated under the terms and conditions of the sanction.

NOTE 30

In the opinion of Board of Directors the 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 31

Incidental Expenditure during Construction Pending Allocation has been prepared and grouped under capital work in progress as per Note No. 9A.

NOTE 32

(a) Provident Fund – Defined contribution Plan

All employees are entitled to Provident Fund Benefit as per law. Amount debited to financial statements is ₹ 65,96,926/- during the year (Previous Year ₹ 56,63,732/-).

(b) The Liability for Gratuity is provided on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method as per AS-15 (revised). Jaiprakash Associates Limited (JAL) (the holding company) has constituted a gratuity fund trust under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March,2009 for JAL and its subsidiaries and appointed SBI Life Insurance Co. Ltd. for the management of the trust funds for the benefit of employees. As a subsidiary of JAL, the company is participating in the trust fund by contributing its liability accrued upto the close of each financial year to the trust fund.

(c) Provision has been made for Gratuity and Leave Encashment as per actuarial valuation (Previous year figures are mentioned in brackets).

S. No.	Particulars	Amount in ₹	
		Gratuity - Funded	Leave Encashment -Non Funded
I	Expenses recognized in the Financial Statements for the year ended 31st March 2012.		
	1. Current Service Cost.	17,07,344 (15,57,551)	34,50,829 (32,82,926)
	2. Interest Cost	3,11,924 (2,04,915)	6,60,795 (5,70,212)
	3. Employee Contribution	- (-)	- (-)
	4. Actuarial (Gains)/Losses	32,43,061 ((-)10,98,707)	5,81,006 ((-)8,27,153)
	5. Past Service Cost	- (5,69,216)	- (-)
	6. Settlement Cost	- (-)	- (-)
	7. Total Expenses	46,13,089 (11,67,146)	46,92,630 (30,25,985)
II	Net Asset/ (Liability) recognized in the Balance Sheet as at 31st March 2012.		
	1. Present Value of Defined Benefit Obligation.	49,45,808 (36,69,698)	1,01,30,197 (77,74,058)
	2. Fair Value of Plan Assets	36,44,096 (69,81,075)	- (-)
	3. Funded Status (Surplus/ Deficit)	(-)13,01,712 (33,11,377)	(-)1,01,30,197 ((-)77,74,058)

	4. Net Asset/(Liability) as at 31st March, 2012.	(-)13,01,712 (33,11,377)	(-) 1,01,30,197 ((-)77,74,058)
III	Change in Obligation during the year ended 31st March, 2012.		
	1. Present value of Defined Benefit Obligation at the beginning of the year.	36,69,698 (25,61,439)	77,74,058 (71,27,644)
	2. Current Service Cost.	17,07,344 (15,57,551)	34,50,829 (32,82,926)
	3. Interest Cost	3,11,924 (2,04,915)	6,60,795 (5,70,212)
	4. Settlement Cost	- (-)	- (-)
	5. Past Service Cost.	- (5,69,216)	- (-)
	6. Employee Contributions	- (-)	- (-)
	7. Actuarial (Gains)/Losses	31,69,828 ((-)10,97,328)	5,81,006 ((-)8,27,153)
	8. Benefit Paid	(-) 39,12,986 ((-)1,26,095)	(-) 23,36,491 ((-)23,79,571)
	9 Present Value of Defined Benefit Obligation at the end of the year.	49,45,808 (36,69,698)	1,01,30,197 (77,74,058)
IV	Change in Assets during the Year ended 31st March, 2012.		
	1. Plan Assets at the beginning of the year.	69,81,075 (7,31,437)	- (-)
	2. Assets acquired on amalgamation in previous year.	- (-)	- (-)
	3. Settlements	- (-)	- (-)

	4. Expected return on Plan Assets	6,49,240 (65,829)	- (-)
	5. Contribution by Employer	- (63,08,525)	- (-)
	6. Actual Benefit Paid	(-)39,12,986 ((-)1,26,095)	- (-)
	7. Actuarial Gains/ (Losses)	(-)73,233 (1,379)	- (-)
	8. Plan Assets at the end of the year.	36,44,096 (69,81,075)	- (-)
	9. Actual Return on Plan Assets	5,76,007 (67,208)	- (-)

V. Assets/Liabilities:

	As on	31.03.2012	31.03.2011	31.03.2010	31.03.2009
	<u>Gratuity</u>				
A	PBO (C)	49,45,808	36,69,698	25,61,439	7,38,042
B	Plan Assets	36,44,096	69,81,075	7,31,437	-
C	Net Assets/(Liabilities)	(-)13,01,712	33,11,377	(-)18,30,002	(-)7,38,042
	<u>Leave Encashment</u>				
A	PBO (C)	1,01,30,197	77,74,058	71,27,644	23,28,886
B	Plan Assets	-	-	-	-
C	Net Assets/ (Liabilities)	(-)1,01,30,197	(-)77,74,058	(-)71,27,644	(-)23,28,886

VI. Experience on actuarial Gain/(Loss) for PBO and Plan Assets:

	<u>Gratuity</u>				
A	On Plan PBO	(-)31,88,176	5,28,112	(-)1,85,587	-
B	On Plan Assets	(-) 52,290	1,379	-	-
	<u>Leave Encashment</u>				
A	On PBO (C)	(-)6,19,876	8,27,153	(-)3,14,467	-
B	On Plan Assets	-	-	-	-

VII. Enterprises best estimate of contribution during next year:

Gratuity ₹ 11,08,275

Leave encashment ₹ 18,72,554

VIII. Actuarial Assumptions

(i) Discount Rate 8.50%

(ii) Mortality LIC (1994-96)

(iii) Turnover Rate Up to 30 years - 4%, 31-44years - 4%, Above 44 years -4%

(iv)Future Salary Increase 8.50%

NOTE 33

a. Earnings in Foreign Exchange:

Particulars Year ended	31.3.2012 ₹	Year ended 31.3.2011 ₹
Real Estate Collection	3,71,47,926	4,65,53,806

b. Expenditure in Foreign Currency:

Particulars Year ended	31.3.2012 ₹	Year ended 31.3.2011 ₹
Capital Goods (Advance)	-	4,56,60,000
Capital Goods	68,57,028	-
Foreign Travel	6,50,681	58,64,849
Business Promotion Expenses	-	5,87,773
Consultancy Charges	9,41,295	7,16,61,858
Advertisement Expenses	2,43,652	-
Salary	41,90,820	-
Initial Public Offer Expenses (Consultancy)	-	2,54,98,932
Initial Public Offer Expenses (Advertisement)	-	5,10,751
Refund of Real Estate Collection	-	6,91,56,762

NOTE 34

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

S. No.	Particulars As on	31.03.2012	As on 31.03.2011
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 section16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day.	Nil	Nil
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed date during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
d)	The amount of interest accrued and remain unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the remaining period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

NOTE 35

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

Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

(a) Holding Company : Jaiprakash Associates Limited (JAL)

(b) Fellow Subsidiary Companies:

(1) Jaiprakash Power Ventures Limited (JPVL)
(2) Jaypee Powergrid Limited (subsidiary of JPVL)
(3) Himalyan Expressway Limited
(4) Jaypee Agra Vikas Limited
(5) Jaypee Sports International Limited
(6) Jaypee Ganga Infrastructure Corporation Limited
(7) Bhilai Jaypee Cement Limited
(8) Bokaro Jaypee Cement Limited
(9) Gujarat Jaypee Cement & Infrastructure Limited
(10) Jaypee Assam Cement Limited (w.e.f. 30.08.2011)
(11) Himalyaputra Aviation Limited (w.e.f. 23.07.2011)
(12) Jaypee Arunachal Power Limited (subsidiary of JPVL)
(13) Sangam Power Generation Company Limited (subsidiary of JPVL)
(14) Prayagraj Power Generation Company Limited (subsidiary of JPVL)
(15) Jaypee Fertilizers & Industries Limited
(16) Jaypee Meghalaya Power Limited (subsidiary of JPVL)
(17) Jaypee Cement Corporation Limited
(18) Jaypee Karcham Hydro Corporation Limited (was subsidiary of JPVL) (merged with JPVL on 26.07.2011)
(19) Bina Power Supply Company Limited (was subsidiary of JPVL)(merged with JPVL on 26.07.2011)

(c) Associate Companies:

(1) Jaypee Infra Ventures (A Private Company with Unlimited Liability)(JIV)
(2) Jaypee Development Corporation Limited (JDCL)(subsidiary of JIV)
(3) JIL Information Technology Limited (JILIT)(subsidiary of JIV)
(4) Andhra Cements Limited (subsidiary of JIV) (w.e.f. 10.02.2012)
(5) Gaur & Nagi Limited (subsidiary of JILIT)
(6) Indesign Enterprises Private Limited (IEPL)(subsidiary of JIV)
(7) Indus Hotels UK Limited (subsidiary of IEPL) (dissolved on 05.07.11)
(8) GM Global Mineral Mining Private Limited (subsidiary of IEPL)
(9) Madhya Pradesh Jaypee Minerals Limited
(10) Jaiprakash Kashmir Energy Limited
(11) Sonebhadra Minerals Private Limited
(12) RPJ Minerals Private Limited
(13) Jaiprakash Agri Initiatives Company Limited (subsidiary of JIV)

(14) Jaypee International Logistics Company Private Limited (subsidiary of JIV)

(15) Tiger Hills Holiday Resort Private Limited (subsidiary of JDCL)

(16) Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals Private Limited)

(17) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited)

(18) MP Jaypee Coal Limited

(19) MP Jaypee Coal Fields Limited

(20) Anvi Hotels Private Limited (subsidiary of JIV)

(21) Jaypee Uttar Bharat Vikas Private Limited.

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

(d) Key Managerial Personnel:

(1) Shri Manoj Gaur, Chairman cum Managing Director.

(2) Shri Sameer Gaur, Joint Managing Director.

(3) Shri Sachin Gaur, Whole Time Director & CFO.

(4) Smt. Rita Dixit, Whole Time Director.(upto 15.06.2011)

(5) Smt. Rekha Dixit, Whole Time Director

(6) Shri Har Prasad, Whole Time Director.

Transactions carried out with related parties referred to above: (Amount in ₹)

Nature of Transactions	Referred in (a) above	Referred in (b) above	Referred in (c) above	Referred in (d) above
Receipts/Income				
Sales	- (205,27,00,000)			
Other income		- (2,83,50,000)		
Miscellaneous	- (2,42,000)			
Share of IPO Expenses	- (31,89,42,189)			
Expenditure				
Contract Expenses	3551,25,90,888 (3333,88,92,284)		7,70,389 (-)	
Cement	246,22,16,371 (-)			
Technical Consultancy			8,70,26,700 (11,92,55,181)	

Advertisement			1,27,46,518 (58,69,435)	
Travelling	28,82,478 (47,15,837)		78,915 (-)	
Salary & Other Amenities etc.				4,04,72,115 (3,53,37,369)
Business Promotions		1,57,97,000 (-)		
Hire Charges	3,73,37,395 (1,60,25,212)			
Dividend Paid	115,49,99,700 (86,62,50,000)		1,31,12,765 (47,34,120)	1,11,000 (1,47,061)

Outstanding

Receivables				
Mobilization Advance	595,00,00,000 (297,18,92,862)			
Special Advance	184,44,73,549 (200,00,00,000)			
Advance	383,17,16,274 (500,00,00,000)			
Debtors	- (102,63,50,000)			
Payables				
Creditors	1274,90,79,722 (484,48,36,389)		27,27,457 (2,57,865)	
Security Deposit	2,41,95,567 (12,46,328)			

1 Details of guarantees for loans/NCDs taken by Jaiprakash Associates Ltd, holding company and Jaypee Sports International Limited, fellow subsidiary company from banks/financial institutions are stated elsewhere in the Notes

2 Previous Year figures are given in brackets

NOTE 36

The Yamuna Expressway Project is an integrated project which interalia include construction, operation and maintenance of Yamuna Expressway and right for land development of 25 million sq.mtrs. alongwith the proposed expressway. Keeping this in view, segment information is not provided since the company has only one segment.

NOTE 37

(a) Provision for current taxation of ₹319,61,00,000(Previous year ₹ 368,34,00,000/-) towards Minimum Alternative Tax (MAT) as tax payable under section 115JB of Income Tax Act,1961 has been made. The MAT paid by the company for the year is allowed to be carried forward for a period upto next ten years to be adjusted against the normal tax payable, if any, in those years.

b) Provision for deferred Tax has not been made as deferred tax liability arising due to the timing differences during the tax holiday period is less than the deferred tax assets. However the provision for deferred tax assets has not been created as a matter of prudence.

NOTE 38

a) All the figures have been rounded off to the nearest rupees .

b) Previous year figures have been reworked/regrouped/rearranged wherever necessary to conform to the requirement of revised Schedule VI of the Companies Act,1956.

NOTE 39: SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under historical cost convention, on accrual basis, on the principles of going concern, in accordance with the generally accepted accounting principles, the relevant accounting standards and the relevant guidance notes issued by the Institute of Chartered Accountants of India (ICAI) and the applicable provisions of the Companies Act, 1956.

Revenue Recognition

Under the terms of the Concession Agreement with Yamuna Expressway Industrial Development Authority (YEA), the Company has undertaken the work of development, operation and maintenance of the six – lane access controlled expressway along with service road and associated structures etc. between Noida and Agra and the revenues are derived there from at present mainly by way of transfer of constructed properties & transfer of developed and undeveloped land allotted under the said Concession Agreement along the proposed expressway. These revenues are recognised as under:

Revenue from real estate development of constructed properties is recognised 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 change in such estimates is recognised in the period such change is 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 recognised when full consideration is received against agreement to sell / sub-lease; all significant risks and rewards are transferred to the customer and possession is handed over.

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.

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 reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/ materialise .

Fixed Assets

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

Capital Work in Progress

Capital work-in-progress represents capital expenditure incurred in respect of Yamuna Expressway Project and is carried at cost. Cost includes land, related acquisition expenses, construction costs, borrowing costs capitalized and other direct expenditure.

Depreciation

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

Employee Benefits .

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

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

(ii) Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method,

Inventories

Inventories are valued as under:

i)	Stores & Spares	:	At Weighted Average Cost.
ii)	Project under Development	:	As under

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

Foreign Currency Transactions:

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

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

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 or 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.

Miscellaneous Expenditure

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

Expenditure during Construction Period

Expenditure incurred on the project during construction is capitalized to project asset(s) on commissioning.

Earnings Per Share

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

Borrowing Costs

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

Taxes on Income

Provision for current tax is being made after taking into consideration benefits admissible to the company under the provisions of the Income Tax Act, 1961.

Deferred Tax Assets 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

Management periodically assesses using external and internal sources whether there is an indication that assets may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sale prices or present value as determined above.

Provisions, Contingent Liabilities and contingent Assets

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

Signatures to Notes 1 to 39

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

Sd/-
R. Nagpal
Partner
M. No. 81594

For and on behalf of the Board

sd/-
Manoj Gaur
Chairman-cum-Managing Director

sd/-
Sameer Gaur
Jt. Managing Director

sd/-
Sachin Gaur
Whole Time Director & Chief Financial Officer

sd/-
Pramod K Aggarwal
Sr. Vice President (Finance)

sd/-
A. S. Kindra
Company Secretary

Place : Noida
Date : 17.05.2012

JAYPEE INFRATECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

		For the Year ended March 31, 2012 Amount in ₹	For the Year ended March 31, 2011 Amount in ₹
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax as per Profit & Loss Account	15,973,966,857	18,146,367,313
	Add Back:		
(a)	Depreciation	15,931,066	86,281,778
(b)	Interest & Finance Charges	632,249,261	101,043,482
(c)	Deficit on Loss of Asset	178,492	114,396
		648,358,819	187,439,656
	Deduct:		
(a)	Interest Income	101,676,677	145,006,637
(b)	Profit on sale of Assets	-	-
		101,676,677	145,006,637
	Operating Profit before Working Capital Changes	16,520,648,999	18,188,800,332
	Deduct:		
(a)	Increase in Inventories	9,313,212,139	12,060,987,332
(b)	Increase in Trade Receivables	-	4,352,567,875
(c)	Increase in Other Current Assets	-	309,381,435
		9,313,212,139	16,722,936,642
	Add		
(a)	Decrease in Inventories	-	
(b)	Increase in Current Liabilites	7,334,962,369	6,864,425,453
(c)	Decrease in Short Term Loan & Advances	439,838,113	6,142,142,176
(d)	Decrease in Other Current Assets	164,819,045	
(e)	Decrease in Trade Receivables	1,283,446,873	-
		9,223,066,400	13,006,567,629
	Cash Generated from Operations	16,430,503,260	14,472,431,319
	Deduct:		
(a)	Tax Paid (including Wealth Tax)	3,272,615,411	4,712,855,171
(b)	Dividend Paid (including Dividend Distribution Tax)	1,614,253,234	1,214,713,493
		4,886,868,645	5,927,568,664
	CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	11,543,634,615	8,544,862,655
(B)	CASH FLOW FROM INVESTING ACTIVITIES:		
	Inflow:		
(a)	Interest Income	101,676,677	145,006,637
(b)	Sale of Fixed Assets	145,499	8,509,456
(c)	Insurance Claim Receipts	-	408,463
		101,822,176	153,924,556
	Outflow:		
(a)	Increase in Fixed Assets (including Capital work in progress)	18,108,371,722	12,250,060,310
(b)	Increase in Long Term Loan & Advances	1,364,696,676	10,711,816,281
(c)	Increase in Other Non Current Assets	98,419,393	25,821,232
(d)	Initial Public Offer Expenses	-	577,507,907
		19,571,487,791	23,565,205,730
	CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	(19,469,665,615)	(23,411,281,174)

(C)	CASH FLOW FROM FINANCING ACTIVITIES:		
	Inflow:		
(a)	Proceeds from issue of Share Capital (including Securities Premium)	-	16,500,000,000
(b)	Long-Term Borriwings -Secured	3,655,319,820	16,888,475,000
©	Long-Term Borriwings -UnSecured	516,583,000	582,693,000
(d)	Other Long-Term Laibilities	25,460,455	5,447,818
		4,197,363,275	33,976,615,818
	Outflow:		
(a)	Repayment of Borrowings	401,525,004	12,000,000,000
(b)	Interest Paid	8,962,278,868	6,431,409,740
		9,363,803,872	18,431,409,740
	CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	(5,166,440,597)	15,545,206,078
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C"	(13,092,471,597)	678,787,559
	CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	18,508,477,260	17,829,689,701
	CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	5,416,005,663	18,508,477,260
	COMPONENTS OF CASH AND CASH EQUIVALENTS :		
	In Balance with Schedule Banks		
	In Current Accounts	2,185,705,045	1,344,538,407
	In Deposit Account	3,226,488,840	17,160,643,532
	Cash and Cheque in Hand	3,811,778	3,295,321
		5,416,005,663	18,508,477,260

Notes:

1 The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS - 3) "Cash Flow Statement".

2 Interest paid included under 'Project Under Development' and 'Capital Work in Progress' are separately included in 'Interest Paid' under cash outflow from Financing Activities.

3 Cash and Cash Equivalents:
Balance with Scheduled Banks include ₹ 43,32,949 being Unclaimed Dividend (Previous Corresponding Year ₹ 22,27,783) which are not available for use by the Company.

For R.Nagpal Associates
Chartered Accountants
FRN 002626N

For and on behalf of the Board

sd/-
Manoj Gaur
Chairman- cum- Managing Director

sd/-
R.Nagpal
Partner
M.No. 81594

sd/-
Sachin Gaur
Whole Time Director & CFO.

sd/-
Sameer Gaur
Jt. Managing Director

sd/-
Pramod K. Aggarwal
Sr. Vice President (Finance)

sd/-
A.S.Kindra
Company Secretary

Place: Noida
Dated: 17 th May,2012

AUDITORS' REPORT
To the Members of
JAYPEE INFRATECH LIMITED

We have audited the attached Balance Sheet of **JAYPEE INFRATECH LIMITED** as at 31st March 2011, and also the annexed Profit and Loss Account and the Cash Flow statement for the year ended 31st March 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

(1) As required by the Companies (Auditor's Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004, issued by the Central Government of India in terms of Section 227(4-A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

(2) Further to our comments in the Annexure referred to in paragraph 1 above:
   - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
   - (b) In our opinion, proper books of account have been kept by the Company as required by law so far as appears from our examination of those books;
   - (c) The Balance Sheet, the Profit and Loss Account and Cash Flow statement referred to in this report, are in agreement with the books of account;
   - (d) In our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow statement referred to in this report, comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
   - (e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with significant accounting policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
     - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011,
     - ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended 31st March 2011, and
     - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended 31st March 2011.

For R.NAGPAL ASSOCIATES
Chartered Accountants
FRN: 002626N

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

Place: Noida
Dated: 07 May 2011

ANNEXURE TO THE AUDITORS' REPORT
Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March 2011 of **JAYPEE INFRATECH LIMITED.**

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to us, no material discrepancies have been noticed on such physical verification.

(c) Fixed assets disposed off during the year, are not material so as to affect the Company as a going concern.

(ii) (a) The Inventory has been physically verified by the management at reasonable intervals during the year.

(b) In our opinion 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 of inventory as compared to book records 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, 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 sales. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.

(v) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the 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) According to the information and explanations given to us Clause (viii) of Para 4 of the Order is not applicable.

(ix) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Income-tax, Wealth Tax, Provident Fund, Sales Tax, Service Tax, and other material statutory dues applicable to it, with the appropriate authorities, and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they became payable.

(b) As per records produced before us and according to the information and explanations given to us there are no dues of Income-tax, Sales-tax, Customs duty, Wealth tax, Service Tax, Excise Duty or Cess which have not been deposited on account of any dispute, except for the following:

Name of Statute (Nature of dues)	Period to which amount relates	Forum where dispute is pending	Amount(Rs)
Income Tax (TDS)	AY 2008-09	Commissionarate	803,670

Income Tax (TDS)	AY 2009-10	Commissionarate	243,100

(x) As the Company is one which has been registered for a period of less than five years, Clause (x) of Para 4 of the Order is not applicable.

(xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.

(xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion the Company is not a chit fund or a nidhi/mutual benefit fund/society. Hence, Clause (xiii) of Para 4 of the Order is not applicable.

(xiv) In our opinion the Company is not dealing in or trading in shares, debentures or other investments. Accordingly, Clause (xiv) of Para 4 of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, where the Company has given guarantee for loans/NCDs taken by its holding company/fellow subsidiary company 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 period 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 redeemable non-convertible debentures issued and outstanding at the end of the year.

(xx) Based on our audit procedures and on the information and explanations given to us, the management has disclosed on the end use of money raised by public issue and the same has been duly verified.

(xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For R. NAGPAL ASSOCIATES
Chartered Accountants
FRN: 002626N

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

Place: Noida
Dated: 07 May 2011

JAYPEE INFRATECH LIMITED

BALANCE SHEET AS AT 31 st MARCH,2011

	SCHEDULE		As at 31.03.11. ₹		As at 31.03.10 ₹
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	A		13,88,93,34,970		12,26,00,00,000
Reserves & Surplus	B		33,74,00,33,483		7,66,85,03,459
LOAN FUNDS					
Secured Loans	C		62,50,00,00,000		57,21,00,00,000
Unsecured Loans	D		82,12,16,000		-
TOTAL FUNDS EMPLOYED			1,10,95,05,84,453		77,13,85,03,459
APPLICATION OF FUNDS					
FIXED ASSETS	E				
(a) Gross Block		64,50,83,102		62,77,59,692	
Less: Depreciation		48,12,03,987		39,61,79,087	
Net Block		16,38,79,115		23,15,80,605	
(b) Capital Work-In- Progress		63,10,40,11,729		45,56,38,71,489	
(c) Incidental Expenditure During Construction Pending Allocation	F	10,79,97,21,513	74,06,76,12,357	6,31,94,66,754	52,11,49,18,848
CURRENT ASSETS, LOANS & ADVANCES	G				
Stores & Spares		29,37,987		69,99,550	
Project under Development		33,37,44,98,755		19,09,28,75,697	
Sundry Debtors		5,37,89,17,875		1,02,63,50,000	
Cash & Bank Balances		18,50,84,77,260		17,82,96,89,701	
Other Current Assets		27,03,09,364		3,37,29,857	
Loans & Advances		10,65,17,48,362		6,86,85,82,811	
		68,18,68,89,603		44,85,82,27,616	
LESS: CURRENT LIABILITIES & PROVISIONS	H				
Current Liabilities		25,32,68,26,917		18,74,61,24,911	
Provisions		5,97,70,90,590		1,37,71,16,291	
		31,30,39,17,507		20,12,32,41,202	
NET CURRENT ASSETS			36,88,29,72,096		24,73,49,86,414
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	I		-		28,85,98,197
TOTAL APPLICATION OF FUNDS			1,10,95,05,84,453		77,13,85,03,459
Accounting Policies and Notes to the Accounts	O				

For and on behalf of the Board

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

For R.Nagpal Associates
Chartered Accountants
FRN 002626N

Manoj Gaur
Chairman-cum-Managing Director

R.Nagpal
Partner
M.No. 81594

Sachin Gaur
Whole Time Director &
Chief Financial Officer

Sameer Gaur
Jt.Managing Director

Place: Noida
Dated: 07.05.2011

Pramod K Aggarwal
Sr.Vice President (Finance)

Geeta Puri Seth
Company Secretary

JAYPEE INFRATECH LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH,2011

	SCHEDULE	2010-11 ₹	2009-10 ₹
INCOME			
Sales	J	27,787,029,750	6,406,546,500
Other Income	K	199,285,259	122,006,334
		27,986,315,009	**6,528,552,834**
EXPENDITURE			
Cost of Sales		9,214,746,202	367,318,399
Personnel Expenses	L	86,003,937	68,917,203
Marketing & Advertising Expenses		122,005,278	-
Administrative & Other Expenses	M	229,867,019	49,374,559
Finance Charges		24,128,125	-
Interest	N	76,915,357	7,596,277
Depreciation		86,281,778	161,868,972
		9,839,947,696	**655,075,410**
Profit before Tax		**18,146,367,313**	**5,873,477,424**
Provision for Tax			
Current tax		3,683,400,000	998,600,000
For earlier year		112,330,708	-
Profit after Tax		**14,350,636,605**	**4,874,877,424**
Profit brought forward from Previous Year		**6,178,503,459**	**2,553,626,035**
Profit Available for Appropriation		**20,529,140,064**	**7,428,503,459**
Appropriations			
General Reserve		360,000,000	-
Debenture Redemption Reserve		287,521,688	1,250,000,000
Interim Dividend on Equity Shares		1,041,700,123	-
Tax on Interim Dividend		173,013,370	-
Proposed Final Dividend on Equity Shares		694,466,749	-
Tax on Proposed Final Dividend		112,659,868	-
Balance Carried to Balance Sheet		**17,859,778,266**	**6,178,503,459**
Accounting Policies and Notes to the Accounts	O		
Basic & Diluted Earning Per Share [Face value of ₹10/- per share]		**10.48**	4.33

For and on behalf of the Board

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

For R.Nagpal Associates
Chartered Accountants
FRN 002626N

Manoj Gaur
Chairman-cum-Managing Director

Sachin Gaur
Whole Time Director &
Chief Financial Officer

Sameer Gaur
Jt.Managing Director

R.Nagpal
Partner
M.No. 81594

Place: Noida
Dated: 07.05.2011

Pramod K Aggarwal
Sr.Vice President (Finance)

Geeta Puri Seth
Company Secretary

JAYPEE INFRATECH LIMITED

SCHEDULE "A"
SHARE CAPITAL

	As at 31.03.11 ₹	As at 31.03.10 ₹
Authorised :		
150,00,00,000 Equity Shares of ₹ 10/- each	15,00,00,00,000	15,00,00,00,000
Issued, Subscribed and paid -up :		
138,89,33,497 Equity Shares of ₹ 10/- each fully paid up	13,88,93,34,970	12,26,00,00,000
(Previous year : 122,60,00,000 Equity Shares)		
Out of the above:		
(i) 20,00,00,000 shares are allotted as fully paid -up pursuant to project transfer agreement without payment being received in cash		
(ii) 115,50,00,000 Shares are held by Jaiprakash Associates Limited - the Holding Company.		
	13,88,93,34,970	12,26,00,00,000

SCHEDULE "B"
RESERVES & SURPLUS

General Reserve				
As per last Balance Sheet	-		-	
Add:Transferred from Debenture Redemption Reserve	1,25,00,00,000		-	
Add:Transferred from Profit & Loss Account	36,00,00,000		-	
		1,61,00,00,000		-
Debenture Redemption Reserve				
As per last Balance sheet	1,25,00,00,000		-	
Less:Transferred to General Reserve as no longer required	1,25,00,00,000		-	
	-		-	
Add:Transferred from Profit & Loss Account	28,75,21,688		1,25,00,00,000	
		28,75,21,688		1,25,00,00,000
Securities Premium Account				
As per last Balance sheet	24,00,00,000		24,00,00,000	
Add: Premium on issue of Shares	14,87,06,65,030		-	
	15,11,06,65,030		24,00,00,000	
Less:Premium on Redemption of NCDs	26,18,25,397		-	
Less:Initial Public Offer Expenses	86,61,06,104		-	
		13,98,27,33,529		24,00,00,000
Profit and Loss Account		17,85,97,78,266		6,17,85,03,459
		33,74,00,33,483		7,66,85,03,459

SCHEDULE "C"
SECURED LOANS

Term Loan from Banks /NBFC/Financial Institutions		52,50,00,00,000	52,21,00,00,000
5000 10% Secured Reedemable Non Convertible Debentures of each	₹ 10,00,000	-	5,00,00,00,000
10000 2% Secured Reedemable Non Convertible Debentures of each	₹ 10,00,000	10,00,00,00,000	-
		62,50,00,00,000	57,21,00,00,000

SCHEDULE "D"
UNSECURED LOANS

Fixed Deposit Scheme	82,12,16,000	-
(Repayable within one year ₹ 23,85,23,000/-,previous year - Nil)		
	82,12,16,000	-

JAYPEE INFRATECH LIMITED

SCHEDULE "E"
FIXED ASSETS

₹

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As On 01.04.10	Additions during the Year	Sale / Adjustment / Transfer	Total As On 31.03.11	As On 01.04.10	For the Year	On Sale / Adjustment / Transfer	Total As On 31.03.11	As On 31.03.11	As On 31.03.10
1	Freehold Land	8,692,070	11,788,742	8,087,550	12,393,262	-	-	-	-	12,393,262	8,692,070
2	Purely Temporary Erections	425,916,965	-	-	425,916,965	354,598,770	71,318,195	-	425,916,965	-	71,318,195
3	Plant & Machinery	65,424,936	1,095,448	-	66,520,384	12,553,857	3,154,928	-	15,708,785	50,811,599	52,871,079
4	Furniture & Fixtures, Office Equipment & Computers	76,317,884	4,756,844	-	81,074,728	17,274,108	6,502,392	-	23,776,500	57,298,228	59,043,776
5	Motor Vehicles	51,407,837	9,971,567	2,201,641	59,177,763	11,752,352	5,306,263	1,256,878	15,801,737	43,376,026	39,655,485
	Total	**627,759,692**	**27,612,601**	**10,289,191**	**645,083,102**	**396,179,087**	**86,281,778**	**1,256,878**	**481,203,987**	**163,879,115**	**231,580,605**
	Previous Year	**588,221,436**	**86,168,310**	**46,630,054**	**627,759,692**	**235,026,445**	**161,868,972**	**716,330**	**396,179,087**	**231,580,605**	**-**
Capital Work in Progress										**63,104,011,729**	**45,563,871,489**

JAYPEE INFRATECH LIMITED

SCHEDULE "F" INCIDENTAL EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION	As at 31.03.11 ₹	As at 31.03.10 ₹
Opening Balance	6,31,94,66,754	2,45,56,10,407
Salary, Wages,Bonus and other benefits	5,59,54,258	3,16,11,777
Contribution to Provident fund	23,22,129	14,73,310
Staff Welfare	14,89,064	8,59,206
Rent	33,00,284	24,92,782
Rates & Taxes	1,22,283	6,00,184
Technical & Consultancy Fee	20,18,63,821	6,26,95,220
Travelling Expenses	3,61,70,972	2,93,98,879
Postage & Telephone Expenses	21,66,181	22,16,166
Bank Charges	21,94,148	15,18,932
Insurance	1,27,67,419	1,71,62,557
Electricity,Power & Fuel Expenses	1,16,49,407	1,00,57,206
Office and Camp Maintenance	1,56,72,980	35,12,992
Vehicles Running & Maintenance	96,11,632	96,00,069
Repair & Maintenance - Machinery	10,32,177	9,79,385
Printing & Stationery	25,08,333	16,19,735
Security Expenses	33,03,242	19,97,778
Finance Charges	11,49,41,372	1,06,62,56,973
Interest	3,99,88,50,723	2,53,65,92,254
Advertising Expenses	-	8,14,54,784
Other Expenses	43,34,334	17,56,158
TOTAL	10,79,97,21,513	6,31,94,66,754

SCHEDULE "G" CURRENT ASSETS, LOANS & ADVANCES		As at 31.03.11 ₹		As at 31.03.10 ₹
A) CURRENT ASSETS				
1 INVENTORIES (As per Inventories taken, valued and certified by the Management)				
a) Stores and Spares (at weighted average cost)	29,37,987		69,99,550	
b) Project Under Development				
(at cost) (Refer Schedule "P")	33,37,44,98,755	33,37,74,36,742	19,09,28,75,697	19,09,98,75,247
2 SUNDRY DEBTORS				
(Unsecured,considered good)				
Debts outstanding for a period exceeding six months	3,22,50,09,875		-	
Others	2,15,39,08,000		1,02,63,50,000	
		5,37,89,17,875		1,02,63,50,000
(Due from Jaiprakash Associates Ltd,the Holding Company- ₹ 102,63,50,000/-,previous year ₹ 102,63,50,000/-)				
3 CASH AND BANK BALANCES				
(a) Cash in Hand	32,95,321		6,60,16,625	
(b) Cheques in Hand	-		1,67,29,915	
(c) Balances with Scheduled Banks				
- In Current Account	1,34,23,10,624		1,86,14,56,396	
- In Deposit Account	17,16,06,43,532		15,88,54,86,765	
(Including ₹ 1203 Crores towards unutilized IPO proceeds,out of which ₹ 1188 Crores have been placed in FDRs.) (FDRs pledged with Govt.bodies ₹ 1,56,000/-,Previous year ₹ 1,56,000/-) (FDRs pledged as Margin Money ₹ 20,72,00,000/-,Previous year Nil)				
- In Dividend Account	22,27,783		-	
		18,50,84,77,260		17,82,96,89,701
4 OTHER CURRENT ASSETS				
Interest accrued on Fixed Deposits		27,03,09,364		3,37,29,857
TOTAL (A)		57,53,51,41,241		37,98,96,44,805
B) LOANS & ADVANCES				
(Unsecured,considered good)				
a) Advances to Suppliers, Contractors & others		5,07,68,29,274		4,20,32,73,681
[including advance against work to Jaiprakash Associates Ltd,the Holding Company- ₹ 500,00,00,000/-,Maximum amount due ₹ 500,00,00,000/-(Previous Year ₹ 420,00,00,000/-)]				
b) Advances for Land		30,85,71,391		1,93,84,88,854
c) Staff Imprest & Advances		2,66,509		4,52,26,589
d) Prepaid Expenses		9,42,49,691		25,33,17,861
e) Deposits				
(i) With Govt Deptts., Public Bodies	6,70,51,786		3,65,19,786	
(ii) With Others	10,09,895	6,80,61,681	8,41,395	3,73,61,181
f) Advance Tax & IncomeTax Deducted at Source		5,10,37,69,816		39,09,14,645
TOTAL (B)		10,65,17,48,362		6,86,85,82,811
TOTAL (A+B)		68,18,68,89,603		44,85,82,27,616

JAYPEE INFRATECH LIMITED

SCHEDULE "H"		As at 31.03.11		As at 31.03.10
CURRENT LIABILITIES & PROVISIONS		₹		₹
A) CURRENT LIABILITIES				
a) Sundry Creditors				
(i) Dues to Micro, Small and Medium enterprises	-		-	
(ii) Others	5,03,01,32,694		6,25,76,80,789	
b) Advances from Customers	19,51,81,73,475		11,97,13,43,566	
c) Other Liabilities	59,49,25,440		33,10,60,503	
d) Due to Staff	32,88,732		8,44,847	
e) Interest Accrued but not due on Loans	16,43,30,301		18,51,95,206	
f) Interest Accrued but not due on Fixed Deposits	1,37,48,492		-	
g) Investors Education & Protection Fund : (Appropriate amounts shall be transferred to Investor Education & Protection Fund,if and when due)				
- Unclaimed Dividend	22,27,783		-	
		25,32,68,26,917		18,74,61,24,911
TOTAL (A)		25,32,68,26,917		18,74,61,24,911
B) PROVISIONS				
a) For Taxation	5,15,97,93,304		1,36,44,00,000	
b) For Fringe Benefit Tax	23,96,611		37,58,645	
c) For Gratuity	-		18,30,002	
d) For Leave Encashment	77,74,058		71,27,644	
e) For Proposed Final Dividend	69,44,66,749		-	
f) For Tax on Proposed Final Dividend	11,26,59,868		-	
		5,97,70,90,590		1,37,71,16,291
TOTAL (B)		5,97,70,90,590		1,37,71,16,291
TOTAL (A+B)		31,30,39,17,507		20,12,32,41,202

SCHEDULE "I"	As at 31.03.11 ₹	As at 31.03.10 ₹
Miscellaneous Expenditure (to the extent not written off or adjusted)		
Initial Public Offer Expenses		
Opening Balance	28,85,98,197	-
Add: Addition during the year	57,75,07,907	28,85,98,197
	86,61,06,104	28,85,98,197
Less:Adjusted against Securities Premium Account	86,61,06,104	-
Total	-	28,85,98,197

SCHEDULE "J" Sales		2010-11 ₹	2009-10 ₹
Sale - Developed Plots		12,13,58,34,500	6,40,32,62,500
Sale - Built-up Properties		15,63,03,23,000	-
Lease Rent		1,99,00,000	18,00,000
Transfer Fees		9,72,250	14,84,000
	Total	27,78,70,29,750	6,40,65,46,500

SCHEDULE "K" OTHER INCOME		
Interest-from Banks [TDS- ₹ 1,47,16,538/-,(Previous Year ₹ 1,38,75,229/-)]	14,50,06,637	12,04,50,334
Interest -from Others (TDS- Nil,Previous Year-Nil)	-	18,287
Foreign Currency Rate Difference	35,29,690	-
Profit on Sale of Assets	-	15,37,713
Miscellaneous Income	5,07,48,932	-
Total	19,92,85,259	12,20,06,334

SCHEDULE "L" PERSONNEL EXPENSES				
Salary, Wages,Bonus and other benefits	7,98,30,918		6,29,55,387	
Contribution to Provident fund	33,41,603		29,91,265	
Gratuity	6,88,616		12,26,101	
Staff Welfare	21,42,800		17,44,450	
		8,60,03,937		6,89,17,203
Total		8,60,03,937		6,89,17,203

JAYPEE INFRATECH LIMITED

SCHEDULE "M" ADMINISTRATIVE & OTHER EXPENSES		2010-11 ₹		2009-10 ₹
Consultancy & Advisory Charges		7,34,67,404		1,21,22,983
Travelling & Conveyance Expenses		3,20,76,144		1,51,44,876
Postage & Telephone Expenses		19,20,953		11,41,662
Bank Charges		19,45,755		7,82,480
Insurance Charges		5,38,672		5,46,830
Rent		25,50,077		11,99,625
Rates & Taxes		1,08,440		3,09,185
Electricity,Power & Fuel Expenses		1,03,30,606		51,80,986
Office and Camp Maintenance		1,38,98,680		18,09,723
Vehicles Running & Maintenance		85,23,524		49,45,490
Repair & Maintenance - Machinery		9,15,326		5,04,533
Printing & Stationery		22,24,370		8,34,409
Security Expenses		29,29,291		10,29,158
Brokerage		1,35,57,913		20,800
Listing Fees		2,36,61,689		71,283
Other Expenses		3,91,35,100		20,97,961
Auditors' Remuneration:-				
Audit Fee	16,54,500		11,03,000	
Tax Audit Fee	3,30,900		4,96,350 *	
Reimbursement of Expenses	97,675		33,225	
		20,83,075		16,32,575
Total		22,98,67,019		4,93,74,559

*inclusive of earlier years₹ 2,75,750/-

SCHEDULE "N"	2010-11 ₹	2009-10 ₹
INTEREST		
Interest on Non-Convertible Debentures	4,71,23,288	-
Interest on Others	2,97,92,069	75,96,277
Total	7,69,15,357	75,96,277

JAYPEE INFRATECH LIMITED

SCHEDULE “O”

ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011.

(A) SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under historical cost convention, on accrual basis, on the principles of going concern, in accordance with the generally accepted accounting principles, the relevant accounting standards and the relevant guidance notes issued by the Institute of Chartered Accountants of India (ICAI) and the applicable provisions of the Companies Act, 1956.

Revenue Recognition

Under the terms of the Concession Agreement with Yamuna Expressway Industrial Development Authority (YEA), the Company has undertaken the work of development, operation and maintenance of the six – lane access controlled expressway along with service road and associated structures etc. between Noida and Agra and the revenues are derived there from at present mainly by way of transfer of constructed properties & transfer of developed and undeveloped land allotted under the said Concession Agreement along the proposed expressway. These revenues are recognised as under:

Revenue from real estate development of constructed properties is recognised 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 change in such estimates is recognised in the period such change is 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 recognised when full consideration is received against agreement to sell / sub-lease; all significant risks and rewards are transferred to the customer and possession is handed over.

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.

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 reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/ materialise .

Fixed Assets

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

Capital Work in Progress

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

Depreciation

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

Employee Benefits .

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

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

(ii) Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method, Inventories

Inventories are valued as under:

i)	Stores & Spares	:	At Weighted Average Cost.
ii)	Project under Development	:	As under

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

Foreign Currency Transactions:

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

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

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 or 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 Account.

Miscellaneous Expenditure

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

Expenditure during Construction Period

Expenditure incurred on the project during construction is capitalized to project asset(s) on commissioning.

Earnings Per Share

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

Borrowing Costs

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

Taxes on Income

Provision for current tax is being made after taking into consideration benefits admissible to the company under the provisions of the Income Tax Act, 1961.

Deferred Tax Assets 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

Management periodically assesses using external and internal sources whether there is an indication that assets may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sale prices or present value as determined above.

Provisions, Contingent Liabilities and contingent Assets

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

(B) NOTES TO THE ACCOUNTS

1) Contingent Liabilities not provided for in respect of:

a) Outstanding amount of Bank Guarantees: ₹ 23,14,00,000/- (Previous Year ₹ 2,42,00,000/-).

b) Claim against the Company not acknowledged as debts: ₹83,967/-(Previous year ₹Nil).

c) Income Tax (TDS) liability that may arise in respect of matters in appeals ₹ 13,71,770/- (Amount deposited under protest

₹3,25,000/-) [Previous year ₹ 6,43,810/-(Amount deposited under protest ₹3,25,000/-)].

2) Estimated amount of contracts, remaining to be executed on capital account (net of advances) is ₹1009 Crores. (Previous Year ₹2612 Crores)

3) The Company has provided a letter of comfort to ICICI Bank. UK Plc., and ICICI Bank, Canada, in respect of financial assistance, equivalent to USD 50 million each, to Jaiprakash Associates Limited. In the event of default, if any, in repayment of said facilities the liability of the lenders of the Company shall have priority.

4) a) The Company has mortgaged 40 acres of land situated at Noida in favour of IDBI Trusteeship Securities Limited for the benefit of debenture holder(s) of 9000 Secured Redeemable Non - Convertible Debentures aggregating to ₹ 900 Crores issued by Jaiprakash Associates Limited.

b) Out of the said 40 acres of land, the Company has entered into an 'Agreement to Sell' dated 15th December, 2009 for 15 acres of land with Jaiprakash Associates Limited. The Company has requested for substitution of mortgage for the said land, which is under consideration by the bank.

5) The Company has given an Undertaking to ICICI Bank Ltd to exercise the option to purchase the outstanding amount of the facility of ₹ 250 crores sanctioned by ICICI Bank Ltd to M/s Jaypee Sports International Ltd(JPSI), a fellow subsidiary Company, by way of Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS), after five years or under the circumstances as stipulated under the terms and conditions of the sanction.

6) a) The Term Loan from the lenders is secured by way of registered mortgage ranking pari passu on (i) about 41 KM land for constructing the Yamuna Expressway (ii) Land for Development admeasuring approximately 1032.7518 acres at Mirzapur and 150 acres each at Dankaur & Tappal (iii) charge on all the moveable properties (including all receivables/ revenues) relating to the Yamuna Expressway both present and future, (iv) pledge of 51% shares of the issued share capital of the Company held by Jaiprakash Associates Limited (JAL) and (v) personal guarantee of Shri Manoj Gaur, Chairman cum Managing Director.

b) 2% redeemable Non-Convertible Debentures (NCDs) of ₹10,00,000/- each aggregating to ₹1000 Crores are secured by subservient charge on 41 KM land for constructing the Yamuna Expressway, Land for Development admeasuring approx. 1032.7518 acres at Mirzapur and 150 acres each at Dankaur and Tappal, and all the moveable properties (including all receivables/ revenues) relating to the Yamuna

Expressway both present and future, Corporate guarantee of Jaiprakash Associates Limited and personal guarantee of the Directors namely Shri Manoj Gaur, Shri Sunil Kumar Sharma and Shri Sameer Gaur, and are redeemable during 2012-14 in five equal installments along with redemption premium at the rate of approximately 10.50% p.a.

7) The Company has repaid during the year the Secured Redeemable Non Convertible Debentures of ₹ 500 Crores subscribed by Axis Bank Ltd on interest reset date i.e.27th May 2010. The Company has also prepaid ₹ 700 crores to ICICI Bank Ltd against their outstanding out of the loan of ₹3700 Crores as sectioned by the consortium of Banks in January, 2010.

8) The Company had raised ₹1650 Crores from capital market through Initial Public Offer in May, 2010. Jaiprakash Associates Limited (JAL), the holding company had also simultaneously made an offer for sale of 6,00,00,000 Equity Shares of the Company held by it. The Company had issued 16,29,33,497 Equity Shares of ₹10/- each subsequently. The utilization of proceeds of Initial Public Offer is in accordance with the prospectus.

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

10) Incidental Expenditure During Construction Pending Allocation in Schedule “F” has been prepared giving the necessary disclosures as required under Part II of Schedule VI to the Companies Act, 1956.

11) Capital Work - In - Progress includes Cost of Land, Civil Works, Advance to Contractors and others including advance of ₹ 497,18,92,862/- to Jaiprakash Associates Limited (Previous year ₹ 928,25,48,030/-) Maximum balance outstanding during the year – ₹ 928,25,48,030/-).

12) Interest received ₹ 75,75,63,278/- (TDS of ₹ 7,98,60,909/-) [Previous year ₹ 9,58,14,777/- (TDS ₹ 1,12,14,463/-)] on temporary placement of funds in fixed deposit with banks, has been adjusted against interest expense shown in Schedule ‘F’ and Schedule ‘P’ as per AS-16.

13) (a) Provident Fund – Defined contribution Plan

All employees are entitled to Provident Fund Benefit as per law. Amount debited to financial statements is ₹ 56,63,732/- during the year (Previous year ₹ 44,64,575/-).

(b) The Liability for Gratuity is provided on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method as per AS-15 (revised). Jaiprakash Associates Limited (JAL) (the holding company) has constituted a gratuity fund trust under the name

Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March,2009 for JAL and its subsidiaries and appointed SBI Life Insurance Co. Ltd. for the management of the trust funds for the benefit of employees. As a subsidiary of JAL, the company is participating in the trust fund by contributing its liability accrued upto the close of each financial year to the trust fund.

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

S.No.	Particulars	Amount in ₹	
		Gratuity - Funded	Leave Encashment -Non Funded
I	Expenses recognized in the Financial Statements for the year ended 31st March 2011.		
	1. Current Service Cost.	15,57,551 (13,29,430)	32,82,926 (36,25,125)
	2. Interest Cost	2,04,915 (59,043)	5,70,212 (1,86,311)
	3. Employee Contribution	- (-)	- (-)
	4. Actuarial (Gains)/Losses	(-)10,98,707 (4,41,529)	(-)8,27,153 (9,87,322)
	5. Past Service Cost	5,69,216 (-)	- (-)
	6. Settlement Cost	- (-)	- (-)
	7. Total Expenses	11,67,146 (18,30,002)	30,25,985 (47,98,758)

II	Net Asset/ (Liability) recognized in the Balance Sheet as at 31st March 2011.		
	1. Present Value of Defined Benefit Obligation.	36,69,698 (25,61,439)	77,74,058 (71,27,644)
	2. Fair Value of Plan Assets	69,81,075 (7,31,437)	- (-)
	3. Funded Status (Surplus/ Deficit)	33,11,377 ((-)18,30,002)	(-)77,74,058 ((-)71,27,644)
	4. Net Asset/(Liability) as at 31st March , 2011.	33,11,377 ((-)18,30,002)	(-) 77,74,058 ((-)71,27,644)
III	Change in Obligation during the year ended 31 st March, 2011.		
	1. Present value of Defined Benefit Obligation at the beginning of the year.	25,61,439 (7,38,042)	71,27,644 (23,28,886)
	2. Current Service Cost.	15,57,551 (13,29,430)	32,82,926 (36,25,125)
	3. Interest Cost	2,04,915 (59,043)	5,70,212 (1,86,311)
	4. Settlement Cost	- (-)	- (-)
	5. Past Service Cost.	5,69,216 (-)	- (-)
	6. Employee Contributions	- (-)	- (-)

	7. Actuarial (Gains)/Losses	(-) 10,97,328 (4,41,529)	(-) 8,27,153 (9,87,322)
	8. Benefit Payments	(-) 1,26,095 (-) (6,605)	(-) 23,79,571 (-)
	9 .Present Value of Defined Benefit Obligation at the end of the year.	36,69,698 (25,61,439)	77,74,058 (71,27,644)
IV	Change in Assets during the Year ended 31st March, 2011.		
	1. Plan Assets at the beginning of the year.	7,31,437 (-)	- (-)
	2. Assets acquired on amalgamation in previous year.	- (-)	- (-)
	3. Settlements	- (-)	- (-)
	4. Expected return on Plan Assets	65,829 (-)	- (-)
	5. Contribution by Employer	63,08,525 (7,38,042)	- (-)
	6. Actual Benefit Paid	(-)1,26,095 ((-)6,605)	- (-)
	7. Actuarial Gains/ (Losses)	1,379 (-)	- (-)
	8. Plan Assets at the end of the year.	69,81,075 (7,31,437)	- (-)
	9. Actual Return on Plan Assets	67,208 (-)	- (-)

(Previous year figures are in brackets)

Actuarial Assumptions

(i) Discount Rate 8%

(ii) Mortality LIC (1994-96)

(iii) Turnover Rate Up to 30 years - 4%, 31-44years - 4%, Above 44 years -4%

(iv)Future Salary Increase 8.00%

14) Managerial remuneration paid to Whole Time Directors (excluding liability for gratuity and leave encashment provided on acturial basis) shown in Profit & Loss Account and Statement of Incidental Expenditure (Schedule 'F').

Particulars	₹ Current Year	₹ Previous Year
Basic Pay	1,68,87.000/-	1,87,55,000/-
House Rent Allowance	1,01,32,000/-	1,12,53,000/-
Provident Fund	20,26,440/-	22,50,600/-
Perquisites	62,91,729/-	38,15,311/-
Total	3,53,37,369/-	3,60,73,911/-

15) Other additional information pursuant to provisions of paragraphs 3 and 4 of Part – II of Schedule – VI to the Companies Act, 1956.

a. Earnings in Foreign Exchange:

Particulars	₹ Current Year	₹ Previous Year
Real Estate Collection	4,65,53,806	9,44,00,000

b. Expenditure in Foreign Currency:

Particulars	₹ Current Year	₹ Previous Year
Capital Goods (Advance)	4,56,60,000/-	-
Foreign Travel	58,64,849/-	47,66,612/-
Business Promotion Expenses	5,87,773/-	-
Consultancy Charges	7,16,61,858/-	2,62,78,719/-
Finance Charges	-	12,05,18,750/-
Initial Public Offer Expenses (Consultancy)	2,54,98,932/-	-
Initial Public Offer Expenses (Advertisement)	5,10,751/-	-
Refund of Real Estate Collection	6,91,56,762/-	-

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

S. No.	Particulars As on	31.03.2011	As on 31.03.2010
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 section16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day.	Nil	Nil
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed date during the period) 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 remain unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the remaining period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

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

Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

(a) Holding Company: Jaiprakash Associates Limited (JAL)

(b) Fellow Subsidiary Companies :

(1) Jaiprakash Power Ventures Limited
(2) Jaypee Powergrid Limited (Subsidiary of Jaiprakash Power Ventures Limited)
(3) Sangam Power Generation Company Limited (Subsidiary of Jaiprakash Power Ventures Limited)
(4) Prayagraj Power Generation Company Limited (Subsidiary of Jaiprakash Power Ventures Limited)
(5) Jaypee Arunachal Power Limited (Subsidiary of Jaiprakash Power Ventures Limited)
(6) Jaypee Meghalaya Power Limited (Subsidiary of Jaiprakash Power Ventures Limited)
(7) Bina Power Supply Limited (Subsidiary of Jaiprakash Power Ventures Limited)
(8) Jaypee Karcham Hydro Corporation Limited (Subsidiary of Jaiprakash Power Ventures Limited)
(9) Jaypee Ganga Infrastructure Corporation Limited
(10) Himalyan Expressway Limited
(11) Jaypee Sports International Limited
(12) Jaypee Cement Corporation Limited (wef 22.02.2011)
(13) Bhilai Jaypee Cement Limited
(14) Bokaro Jaypee Cement Limited
(15) Gujarat Jaypee Cement & Infrastructure Limited
(16) Jaypee Agra Vikas Limited
(17) Jaypee Fertilizers & Industries Limited (w.e.f.03.06.2010)

(c) Associate Companies / Concerns :

(1) Jaypee Ventures Private Limited
(2) Jaypee Development Corporation Limited (subsidiary of Jaypee Ventures Private Limited)
(3) JIL Information Technology Limited (subsidiary of Jaypee Ventures Private Limited)
(4) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited)
(5) Indesign Enterprises Pvt. Limited (subsidiary of Jaypee Ventures Private Limited)
(6) Indus Hotels UK Limited (Subsidiary of Indesign Enterprises Pvt. Limited)

(7) GM Global Mineral Mining Private Limited (Subsidiary of Indesign Enterprises Pvt. Limited) (wef 16.07.2010)

(8) Ibonshourne Limited (Subsidiary of Indesign Enterprises Pvt. Limited) (wef 13.10.2010)

(9) Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Ventures Private Limited)

(10) Jaypee International Logistics Company Private Limited (subsidiary of Jaypee Ventures Private Limited)

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

(12) Anvi Hotels Private Limited (subsidiary of Jaypee Ventures Private Limited)

(13) Jaypee Uttar Bharat Vikas Pvt. Limited (wef 21.06.2010)

(14) Kanpur Fertilisers and Cement Limited (Subsidiary of Jaypee Uttar Bharat Vikas Pvt. Limited) (wef 26.09.2010)

(15) RPJ Minerals Private Limited

(16) Sarveshwari Stone Products Pvt. Ltd. (subsidiary of RPJ Minerals Private Limited)

(17) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited)

(18) Sonebhadra Minerals Private Limited

(19) MP Jaypee Coal Limited

(20) Madhya Pradesh Jaypee Minerals Limited

(21) MP Jaypee Coal Fields Limited

(22) Jaiprakash Kashmir Energy Limited

(23) Jaypee Infra Ventures (A Private Company with unlimited liability)

(24) Ceekay Estates Private Limited.

(25) Jaiprakash Exports Private Limited.

(26) Bhumi Estate Developers Private Limited.

(27) Jaypee Technical Consultants Private Limited.

Following Associate Companies have since merged with Jaypee Ventures Private Limited during the year ended 31.03.2011:

(28) Pee Gee Estates Private Limited

(29) Vinamra Housing & Constructions Private Limited

(30) Vasujai Estates Private Limited

(31) Samsun Estates Private Limited

(32) Sunvin Estates Private Limited

(33) Manumanik Estates Private Limited

(34) Arman Estate Private Limited

(35) Suneha Estates Private Limited

(d) Key Managerial Personnel (KMP):

(1) Shri Manoj Gaur, Chairman cum Managing Director.

(2) Shri Sameer Gaur, Joint Managing Director.

(3) Shri O.P.Arya, Managing Director –cum- Chief Executive Officer (upto 20.12.2010).

(4) Shri Sachin Gaur, Whole Time Director & CFO.

(5) Smt. Rita Dixit, Whole Time Director.

(6) Smt. Rekha Dixit, Whole Time Director (w.e.f. 01.06.2010).

(7) Shri Har Prasad, Whole Time Director.

(8) Shri Anand Bordia, Whole Time Director & C.F.O.(up to 31.01.2011).

(9) Shri S.K.Dodeja, Whole Time Director (up to 21.09.2010).

Transactions carried out with related parties referred to above: Amount in ₹

Nature of Transactions	Referred in (a) above	Referred in (b) above	Referred in (c) above	Referred in (d) above
Receipts				
Share Capital	- (260,00,00,000)			
Income				
Sales	205,27,00,000 (615,81,00,000)			
Other Income		2,83,50,000 (-)		
Miscellaneous	2,42,000 (-)			
Share of IPO Expenses	31,89,42,189 (-)			
Expenditure				
Contract Expenses	3333,88,92,284 (2111,49,36,781)			
Technical Consultancy			11,92,55,181 (3,91,62,368)	
Advertisement			58,69,435 (16,93,923)	
Hire Charges	1,60,25,212 (27,71,286)			
Travelling	47,15,837 (67,27,327)			
Salary & Other Amenities etc.				3,53,37,369 (3,60,73,911)
Interim Dividend Paid	86,62,50,000 (-)		47,34,120 (-)	1,47,061 (-)

Outstanding

Receivables				
Mobilization Advance	297,18,92,862 (728,25,48,030)		- (96,00,000)	
Special Advance	200,00,00,000 (200,00,00,000)			
Advance	500,00,00,000 (420,00,00,000)			
Debtors	102,63,50,000 (102,63,50,000)			
Payables				
Creditors	484,48,36,389 (575,58,45,140)		2,57,865 (46,18,404)	

1 Details of guarantees for loans/NCDs taken by Jaiprakash Associates Ltd, holding company and Jaypee Sports International Limited, fellow subsidiary company from banks/financial institutions are stated elsewhere in the Notes
2 Previous year figures are given in brackets

18) The Yamuna Expressway Project is an integrated project which interalia include construction, operation and maintenance of Yamuna Expressway and right for land development of 25 million sq.mtrs. alongwith the proposed expressway. Keeping this in view, segment information is not provided since the company has only one segment.

19) (a) Provision for current taxation of ₹ 368,34,00,000/-(Previous Year ₹ 99,86,00,000/-) towards Minimum Alternative Tax (MAT) as Tax Payable under section 115JB of Income Tax Act,1961 has been made. The MAT paid by the company for the year is allowed to be carried forward for a period upto next ten years to be adjusted against the normal tax payable, if any, in those years.

The above said provision includes wealth tax of ₹ 3,39,000/- (Previous year ₹ 3,35,000/-).

b) Provision for deferred Tax has not been made as deferred tax liability arising due to the timing differences during the tax holiday period is less than the deferred tax assets. However the provision for deferred tax assets has not been created as a matter of prudence.

20) In accordance with the Accounting Standard [AS – 20] ‘Earnings per Share’, computation of Basic & Diluted Earnings per Share is as under:-

		Current Year	Previous Year
(a)	Net Profit after Tax	₹1435,06,36,605	₹4,87,48,77,424
(b)	Weighted average number of Equity shares for Earnings per share computation.		

	(i) Number of Equity Shares at the Beginning of the year.	122,60,00,000	96,60,00,000
	(ii) Number of Equity Shares allotted During the year.	16,29,33,497	26,00,00,000
	(iii) Weighted average number of Equity Shares allotted during the year.	14,37,38,592	15,95,61,644
	(iv)Weighted average number of Equity Shares at the end of the year.	136,97,38,592	112,55,61,644
(c)	Basic & diluted Earnings per share.	₹10.48	₹4.33
(d)	Face Value per Share	₹10.00	₹10.00

21) All the figures have been rounded off to the nearest ₹.

22) Previous year figures have been reworked / regrouped / rearranged wherever necessary to conform to current year classification.

Signatures to Schedules “A to P”

For R.NAGPAL ASSOCIATES
Chartered Accountants
FRN 002626N

For and on behalf of the Board

Sd/-
R. Nagpal
Partner
M.No.81594

sd/-
Manoj Gaur
Chairman- cum- Managing Director

Sd/-
Sachin Gaur
Whole Time Director &
Chief Financial Officer

sd/-
Sameer Gaur
Jt. Managing Director

Sd/-
Pramod K Aggarwal
Sr.Vice President (Finance)

sd/-
Geeta Puri Seth
Company Secretary

Place : Noida
Dated: 07.05.2011

JAYPEE INFRATECH LIMITED

SCHEDULE "P" PROJECT UNDER DEVELOPMENT	As at 31.03.11 ₹	As at 31.03.10 ₹
a) Opening Balance	19,09,28,75,697	5,47,83,21,431
b) Expenses on development of projects during the year :		
Land	8,40,13,45,627	9,76,40,09,574
Lease Rent	2,52,080	1,52,197
Land Survey Expenditure	19,139	2,92,056
Construction Expenses	12,10,96,41,188	1,98,33,68,748
Interest	2,21,65,74,163	1,76,73,66,345
Finance Charges	-	37,41,00,833
Consultancy Charges	12,29,34,642	3,87,22,540
Subvention Discount	64,55,36,721	-
Stores & Spares Consumed	65,700	5,38,60,372
	23,49,63,69,260	13,98,18,72,665
c) Sub Total (a + b)	42,58,92,44,957	19,46,01,94,096
d) Less:Cost of Sales, taken to Profit & Loss Account	9,21,47,46,202	36,73,18,399
Total as per Contra-Schedule 'G'	33,37,44,98,755	19,09,28,75,697

JAYPEE INFRATECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 st MARCH, 2011

		For the year ended March 31, 2011 Amount in ₹	For the year ended March 31, 2010 Amount in ₹
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax as per Profit & Loss Account	18,14,63,67,313	5,87,34,77,424
	Add Back:		
(a)	Depreciation	8,62,81,778	16,18,68,972
(b)	Interest	7,69,15,357	75,96,277
(c)	Deficit on Loss of Asset	1,14,396	20,508
		16,33,11,531	16,94,85,757
	Deduct:		
(a)	Interest Income	14,50,06,637	12,04,68,621
(b)	Profit on sale of Assets	-	15,37,713
		14,50,06,637	12,20,06,334
	Operating Profit before Working Capital Changes	18,16,46,72,207	5,92,09,56,847
	Deduct:		
(a)	Increase in Project under Development	12,06,50,48,895	11,84,71,87,921
(b)	Increase in Sundry Debtors	4,35,25,67,875	1,02,63,50,000
(c)	Increase in Other Receivables	23,65,79,507	1,87,28,660
(d)	Increase in Loan & Advances	-	3,54,78,67,707
		16,65,41,96,277	16,44,01,34,288
	Add		
(a)	Decrease in Inventories	40,61,563	1,60,69,149
(b)	Increase in Trade Payables & Other Liabilities	6,31,59,93,581	14,13,55,62,596
(c)	Decrease in Loan & Advances	92,96,89,620	-
		7,24,97,44,764	14,15,16,31,745
	Cash Generated from Operations	8,76,02,20,694	3,63,24,54,304
	Deduct:		
(a)	Tax Paid (including Wealth Tax)	4,71,28,55,171	34,43,20,513
(b)	Dividend Paid (including Dividend Distribution Tax)	1,21,47,13,493	-
		5,92,75,68,664	34,43,20,513
	CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	2,83,26,52,030	3,28,81,33,791
(B)	CASH FLOW FROM INVESTING ACTIVITIES:		
	Inflow:		
(a)	Interest Income	14,50,06,637	12,04,68,621
(b)	Sale of Fixed Assets	85,09,456	4,70,00,000
(c)	Insurance Claim Receipts	4,08,463	4,30,929
		15,39,24,556	16,78,99,550
	Outflow:		
(a)	Purchase of Fixed Assets	2,76,12,601	8,61,68,310
(b)	Capital Work in Progress	17,54,01,40,240	22,65,65,28,278
(c)	Incidental Expenditure, Pending Allocation	48,14,04,036	1,32,72,64,093
(d)	Initial Public Offer Expenses	57,75,07,907	28,85,98,197
		18,62,66,64,784	24,35,85,58,878
	CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	(18,47,27,40,228)	(24,19,06,59,328)

(C)	CASH FLOW FROM FINANCING ACTIVITIES:		
	Inflow:		
(a)	Proceeds from issue of Share Capital (including Securities Premium)	16,50,00,00,000	2,60,00,00,000
(b)	Proceeds from Borrowings	18,11,12,16,000	40,46,00,00,000
		34,61,12,16,000	43,06,00,00,000
	Outflow:		
(a)	Repayment of Borrowings	12,00,00,00,000	1,92,54,15,777
(b)	Interest Paid	6,29,23,40,243	4,31,15,54,876
		18,29,23,40,243	6,23,69,70,653
	CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	16,31,88,75,757	36,82,30,29,347
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C"	67,87,87,559	15,92,05,03,810
	CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	17,82,96,89,701	1,90,91,85,891
	CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	18,50,84,77,260	17,82,96,89,701
	COMPONENTS OF CASH AND CASH EQUIVALENTS :		
	In Balance with Schedule Banks		
	In Current Accounts	1,34,45,38,407	1,86,14,56,396
	In Deposit Account	17,16,06,43,532	15,88,54,86,765
	Cash and Cheque in Hand	32,95,321	8,27,46,540
		18,50,84,77,260	17,82,96,89,701

Notes:

1 The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS - 3) "Cash Flow Statement".

2 Interest paid included under 'Project Under Development' and 'Incidental Expenditure Pending Allocation' are separately included in 'Interest Paid' under Cash outflow from Financing Activities.

3 Cash and Cash Equivalents:

Balance with Scheduled Banks include ₹22,27,783 being Unclaimed Dividend (Previous Year ₹ Nil) which are not available for use by the Company.

For R.Nagpal Associates
Chartered Accountants
FRN 002626N

For and on behalf of the Board

sd/-
Manoj Gaur
Chairman- cum- Managing Director

sd/-
R.Nagpal
Partner
M.No. 81594

sd/-
Sachin Gaur
Whole Time Director & CFO.

sd/-
Sameer Gaur
Jt. Managing Director

sd/-
Pramod K. Aggarwal
Sr. Vice President (Finance)

sd/-
Geeta Puri Seth
Company Secretary

Place: Noida
Dated: 07.05.2011

Review Report of JAYPEE CEMENT CORPORATION LIMITED for Inclusion in Preliminary Placement Document and Placement Document (hereinafter collectively referred to as the Offer Documents) for Qualified Institutions Placement

We have reviewed the accompanying statement of unaudited financial results of JAYPEE CEMENT CORPORATION LIMITED for the Half year ended 30th September, 2012. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the *Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditors of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in the manner in which it is to be disclosed, or that it contains any material misstatement.

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

(J.SQuadros)
Partner
M.No. 089181

Place: Noida
Date: 10th Dec 2012

JAYPEE CEMENT CORPORATION LIMITED
Unaudited Balance Sheet as at 30th Sept, 2012

	NOTE		As at 30.09.2012		As at 30.09.2011
I. EQUITY AND LIABILITIES					
(1)Shareholder's Funds					
(a)Share Capital	2	6,00,50,00,000.00		13,00,00,000.00	
(b)Reserve & Surplus	3	(2,25,81,72,856.84)	3,74,68,27,143.16	(2,99,15,14,445.03)	(2,86,15,14,445.03)
(2)Share Application Money Pending Allotment	4		54,00,00,000.00		95,00,00,000.00
(3)NON-CURRENT LIABILITIES					
(a)Long-term Borrowings	5	33,22,34,38,862.22		35,16,95,63,000.00	
(b)Other Long-term Liabilities	6	1,06,30,49,529.18		8,47,50,692.00	
(c)Long-term Provisions	7	7,70,64,111.38	34,36,35,52,502.78	6,55,19,649.25	35,31,98,33,341.25
(4)CURRENT LIABILITIES					
(a)Short-term Borrowings	8	1,69,62,29,182.92		70,00,55,007.00	
(b)Trade Payables	9	14,52,41,35,967.52		5,87,39,71,480.43	
(c)Other Current Liabilities	10	34,18,05,90,370.02		42,93,63,00,694.15	
(d)Short-term Provisions	11	1,36,00,406.88	50,41,45,55,927.34	93,84,285.00	49,51,97,11,466.58
TOTAL			**89,06,49,35,573.28**		**82,92,80,30,362.80**
II. ASSETS					
(1) NON CURRENT ASSETS					
(a) FIXED ASSETS	12				
Tangible Assets		60,49,94,38,129.45		37,05,74,17,876.39	
Intangible Assets - Goodwill		8,57,92,54,143.38		9,59,01,23,708.00	
Capital Work-in-Progress		8,98,65,79,916.06		28,90,49,10,212.96	
Intangible Assets under Development		-	78,06,52,72,188.89		75,55,24,51,797.35
(b)Deferred Tax Assets(Net)	13		83,31,77,243.00		50,47,713.00
Long term Loans and Advances					
(c) Long term Loans and Advances	14		2,81,08,48,627.98		1,19,05,25,121.90
(d) Other Non Current Assets	15		5,70,51,306.89		31,51,962.00
(2)CURRENT ASSETS					
(a)Current Investments		-		-	
(b)Inventories	16	2,82,54,51,710.92		2,60,37,28,695.73	
(c)Trade Receivables	17	1,03,09,68,735.68		11,53,75,709.40	
(d)Cash and Cash Equivalents	18	59,71,44,039.72		43,93,06,412.36	
(e)Short-term Loans and Advances	19	1,47,15,67,492.67		93,25,42,963.21	
(f)Other Current Assets	20	1,37,34,54,227.53	7,29,85,86,206.52	2,08,58,99,987.85	6,17,68,53,768.55
TOTAL			**89,06,49,35,573.28**		**82,92,80,30,362.80**
Significant Accounting Policies & Notes	**1 to 28**				

JAYPEE CEMENT CORPORATION LIMITED
Unaudited Statement of Profit and Loss for the period ended 01.04.2012 to 30.09.2012

	Note No.	Apr,12 to Sept 12	Apr,11 to Sept 11
Income			
Revenue from Operations	**21**	9,36,39,47,184.24	4,81,62,88,032.25
Other Income	**22**	6,24,07,525.29	1,14,41,536.01
Total Revenue		9,42,63,54,709.53	4,82,77,29,568.26
Eypenses			
Cost of Materials Consumed	**23**	3,57,84,82,238.78	2,19,12,47,353.24
Changes in Inventories of Finished Goods and Work in Progress	**24**	(19,71,27,731.82)	(36,00,00,372.44)
Manufacturing Expenses	**25**	1,92,24,73,994.21	1,25,28,26,498.02
Employee Benefit Expenses	**26**	61,67,43,518.80	31,05,97,160.60
Finance Costs	**27**	1,90,81,19,256.35	1,31,84,82,795.61
Other Expenses	**28**	3,25,26,75,983.67	1,59,37,00,836.97
Depreciation & Ammortisation Expenses		1,66,78,49,944.55	1,16,67,59,843.75
Total Expenses		12,74,92,17,204.54	7,47,36,14,115.75
Profit before exceptional and extraordinary items and tax		**(3,32,28,62,495.01)**	**(2,64,58,84,547.49)**
Exceptional Items		-	-
Profit before extraordinary items and tax		**(3,32,28,62,495.01)**	**(2,64,58,84,547.49)**
Prior Period Adjustments		1,01,32,179.05	(4,52,734.00)
Profit before Tax		**(3,31,27,30,315.96)**	**(2,64,63,37,281.49)**
Tax Expense			
Current Tax		-	-
Deferred Tax		(82,59,06,317.00)	-
Profit for the period from continuing operation		**(2,48,68,23,998.96)**	**(2,64,63,37,281.49)**

Jaypee Cement Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPT, 2012

Note '1'

1 **Basis of preparation of Financial Statements**

a. The accounts are prepared on historical cost basis and on the principles of a going concern.

b. Accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles and Accounting Standards issued by the Institute of Chartered Accountants of India.

2 **SIGNIFICANT ACCOUNTING POLICIES**

A Use of Estimates

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

B Fixed Assets

i. Tangible Assets -

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

ii. Intangible Assets -

Intangible Assets are stated at cost of acquisition less accumulated ammortisation/ depletion.

C Depreciation

i. Depreciation on Fixed Assets (Tangible 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. Goodwill (Intangible Assets) is being Ammortized over a period of 10 years.

D Impairment of Assets

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

E Expenditure during Construction Period

Expenditure incurred on projects during implementation is capitalised and apportioned to various assets on commissioning of the Project.

F Inventories

i. Stock of Cement, Asbestos Sheets and Bags are valued at estimated cost or net realisable value, whichever is less. Value of Cement, Clinker, Asbestos Sheet and Bags lying in the factory premises includes excise duty, pursuant to the Accounting Standard (AS-2) [Revised].

ii. The inventories are valued on the basis of Weighted Average Cost Method.

iii. Work-in-progress and Material-in-process is valued at Estimated Cost.

G Investments

Investments are stated at cost and where there is permanent diminution in the value of Investments a provision is made, wherever applicable. Dividend is accounted for as and when received.

H Revenue Recognition

i. Revenue/Income and costs/expenditure are accounted for on accrual basis as they are earned or incurred.

ii. Sales are net of excise duty and VAT.

I Borrowing Costs

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

J Foreign Currency Transactions

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

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

iii. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account except incase of long term liabilities, where they relate to acquisition of fixed asset, in which case they are adjusted to the carrying cost of such assets.

K Employee Benefits

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

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

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

L Research and Development

Revenue Expenditure on research and development is charged to Profit & Loss Account and Capital expenditure is shown as addition to Fixed Assets.

M Miscellaneous Expenditure

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

N Taxes on Income

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

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

O Earnings Per Share

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

P Provisions, Contingent Liabilities and Contingent Assets

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

NOTE 2

	As at 30.09.2012	As at 30.09.2011
SHARE CAPITAL		
Authorised		
100,00,00,000 Equity Shares (Previous year 1,30,00,000) of Rs. 10/- each	10,00,00,00,000	13,00,00,000
	10,00,00,00,000	13,00,00,000
Issued, Subscribed and Paid-up		
60,05,00,000 Equity Shares (Previous year 1,30,00,000)of Rs. 10/- each fully paid up Includes 50,00,00,000 Equity Shares alloted for consideration other than cash	6,00,50,00,000	13,00,00,000
	6,00,50,00,000	13,00,00,000

Note 2.1: Issued , Subscribed and Paid-up Share Capital in number comprises of :
50,00,00,000 Equity shares (previous year NIL) were alloted during the year persuant to the scheme of amalgamation for consideration other than cash.

Note 2.2 Reconciliation of the number of the shares outstanding

Particulars	Sept 30,2012		Sept 30,2011	
	Number	AMOUNT (RS)	Number	AMOUNT (RS)
Shares outstanding at the beginning of the year	**1,30,00,000**	**13,00,00,000**	**1,30,00,000**	**13,00,00,000**
Shares issued during the year	**58,75,00,000**	**5,87,50,00,000**		**0**
Shares outstanding at the end of the year	**60,05,00,000**	**6,00,50,00,000**	**1,30,00,000**	**13,00,00,000**

Note 2.3: The Rights attached to the each clause of shares
The company has issued only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share and is entitled for dividend.

Note 2.4 The shares held by the holding company

60,05,00,000 Equity Shares of Rs.10 each held by Jaiprakash Associates Limited, the holding company.

Note 2.5 The equity shares held by the shareholders more than 5% of the aggregate shares in the company.

Particulars	Sept 30,2012		Sept 30,2011	
Name of the shareholder	**Number of shares**	**% of holding**	**Number of shares**	**% of holding**
Jaiprakash Associates Limited	**60,05,00,000**	**100.00**	**1,30,00,000**	**100.00**

NOTE 3	**As at 30.09.2012**	**As at 30.09.2011**
RESERVE & SURPLUS		
Security Premium Reserve		
Opening balance b/f	-	-
Security Premium Reserve received during the period other than cash in scheme of	5,00,00,00,000.00	(87,50,00,000.00)
Security Premium Reserve received during the period in cash	87,50,00,000.00	87,50,00,000.00
Closing balance	5,87,50,00,000.00	-
Surplus		
Profit/(Loss) b/f	(5,64,63,48,857.88)	(34,51,77,163.54)
Profit for the period	(2,48,68,23,998.96)	(2,64,63,37,281.49)
Closing balance	(8,13,31,72,856.84)	(2,99,15,14,445.03)
	(2,25,81,72,856.84)	(2,99,15,14,445.03)

NOTE '4'

Share Application Money Pending Allotment

i. Upto Sept 30,2012, the Company has received Rs. 19,00,00,000 from Jaiprakash Associates Limited, the Holding Company, as share application money towards subscription of 95,00,000 no. of Equity Shares of Rs. 10 each at premium of Rs. 10 per share.

ii. The Company will issue the existing class of Equity shares of Rs. 10 each at premium of Rs. 10 per share out of the share application money pending for allotment.

iii. Accordingly, 95,00,000 no. of Equity shares of Rs. 10 each will be issued to Jaiprakash Associates Limited, the company's holding company, which has subscribed for the entire amount of issue.

iv. No amount out of the said share application money is due for refund.

v. The company has sufficient Authorised Share Capital for allotment of shares to its holding company.

NOTE 5
Long Term Borrowings
Secured Loans

Term Loans from Banks				
Rupee Loans	32,18,90,23,862.22		34,51,99,44,000.00	
Foreign Currency Loan	41,92,00,000.00	32,60,82,23,862.22	38,89,04,000.00	34,90,88,48,000.00
Loan from State Government (Interest Free)		26,07,15,000.00		26,07,15,000.00
		33,22,34,38,862.22		35,16,95,63,000.00

	As at 30.09.2012		As at 30.09.2011	
NOTE 6				
Other Long Term Liabilities				
Deposits (from Stockists,Sales Promoters, Transporters & Others)	1,06,30,49,529.18	1,06,30,49,529.18	8,47,50,692.00	8,47,50,692.00
NOTE 7				
Long - Term Provisions				
Provisions for Employee Benefits				
Gratuity	6,17,84,316.58		3,51,40,887.49	
Leave Encashment	1,52,79,794.80	7,70,64,111.38	3,03,78,761.76	6,55,19,649.25
NOTE 8				
Short Term Borrowings				
Short Term Loan From Banks	15,27,22,811.92		70,00,55,007.00	
From Financial Institutions	40,00,00,000.00			
Unsecured Loans				
Bills Discounting	1,14,35,06,371.00	1,69,62,29,182.92		70,00,55,007.00
NOTE 9				
Trade Payables				
Sundry Creditors				
Due to Micro,Small & Medium Enterprises	-			
Others	4,33,61,37,405.44		4,33,08,27,652.10	
Advances from Related Party	10,18,79,98,562.08	14,52,41,35,967.52	1,54,31,43,828.33	5,87,39,71,480.43
NOTE 10				
Other Current Liabilities				
Current maturities of Long term Debt	-			
Term Loans from Banks - (Rupees)	2,37,19,58,151.00		1,90,00,13,000.00	
Term Loans from Banks - (FC)	3,14,40,000.00		3,91,87,000.00	
Interest accrued but not due on loans	11,34,19,692.00		-	
Interest Received in Advance	-		-	
Advances from Customers	31,72,77,235.71		8,75,06,387.89	
Payable to Jaiprakash Associates Ltd. for Demerger Consideration	30,30,98,00,000.00		40,30,98,00,000.00	
Other Payables	95,70,90,763.80		47,09,08,853.55	
Due to Staff	7,96,04,527.51	34,18,05,90,370.02	12,88,85,452.71	42,93,63,00,694.15
NOTE 11				
Short Term Provisions				
Provisions for Employee Benefits				
Gratuity	96,69,274.32		13,77,582.00	
Leave Encashment	39,31,132.56	1,36,00,406.88	80,06,703.00	93,84,285.00

NOTE '12'
FIXED ASSETS

SL.NO	Description Of Assets	Gross Carrying Value				Depreciation / Amortisation				Net Carrying Value
		As on 01.04.2012	Additions during the year	Sales / Transfer / Adjustment	As on 30.09.2012	up to 31.03.2012	During the Year	Sales / Transfer / Adjustment	up to 30.09.2012	As on 30.09.2012
A	Tangible Assets									
1	Leasehold Land	20,965,017.00	170,031,044.61	14,686,834.77	176,309,226.84	-	-	-	-	176,309,226.84
2	Freehold Land	7,110,245,856.01	(167,048,064.61)	-	6,943,197,791.40	-	-	-	-	6,943,197,791.40
3	Buildings	7,684,461,985.11	2,204,549,871.67	-	9,889,011,856.78	415,412,761.59	115,697,542.90	-	531,110,304.49	9,357,901,552.29
4	Plant & Machinery									
	a) Plant & Machinery	22,840,130,274.91	15,529,399,920.06	419,259.10	38,369,110,935.87	1,822,389,049.85	830,653,290.73	125,707.58	2,652,916,633.00	35,716,194,302.87
	b) Electrical Installation	995,851,289.26	643,930,369.38	23,876,925.60	1,615,904,733.04	71,997,216.23	34,271,764.23	2,755,823.30	103,513,157.16	1,512,391,575.88
	c) Water Works,Tanks & Reservoir	36,588,549.00	141,846,431.85	-	178,434,980.85	759,254.72	2,743,732.90	-	3,502,987.62	174,931,993.23
5	Captive Thermal Power Plant									
	a) Plant & Machinery	4,241,380,588.76	2,175,858,038.32	-	6,417,238,627.08	263,462,501.39	140,879,058.11	-	404,341,559.50	6,012,897,067.58
	b) Electrical Installation	204,538,567.45	162,920,516.61	-	367,459,084.06	14,101,889.50	7,474,189.82	-	21,576,079.32	345,883,004.74
6	Railway Siding	10,723,535.00	-	-	10,723,535.00	2,534,280.16	254,684.00	-	2,788,964.16	7,934,570.84
7	Vehicles	197,365,627.11	1,754,515.00	-	199,120,142.11	42,739,150.91	9,948,744.27	-	52,687,895.18	146,432,246.93
		-			-					
		-			-					
8	Furniture, Fixtures & Fittings	46,801,654.96	2,310.00	-	46,803,964.96	9,600,031.97	1,791,171.43	-	11,391,203.40	35,412,761.56
9	Office Equipment	100,057,074.09	891,241.99		100,948,316.08	26,533,410.40	4,462,870.39	-	30,996,280.79	69,952,035.29
	Total Tangible Assets	43,489,110,018.66	20,864,136,194.88	38,983,019.47	64,314,263,194.07	2,669,529,546.72	1,148,177,048.78	2,881,530.88	3,814,825,064.62	60,499,438,129.45

B	Intangible Assets (Goodwill)	9,085,380,354.94	-	506,126,211.46	8,579,254,143.48	-	-	-	-	8,579,254,143.48
	GRAND TOTAL	52,574,490,373.60	20,864,136,194.88	545,109,230.93	72,893,517,337.55	2,669,529,546.72	1,148,177,048.78	2,881,530.88	3,814,825,064.62	69,078,692,272.93
	Capital Work In Progress (Inclusive of Expenditure during Construction Period)									8,986,579,916.06

		As at 30.09.2012		As at 30.09.2011

NOTE 13

Deferred Tax Assets (Net)

Deferred Tax Assets	2,76,11,16,307.00		50,47,713.00	
Less: Deferred Tax Liabilities	1,92,79,39,064.00	83,31,77,243.00	-	50,47,713.00

NOTE 14
Long Term Loans and Advances

Capital Advance	2,51,86,23,012.53		1,01,47,57,084.23	
Deposits with Govt Dept,Public Bodies & Others				
(i)Govt Dept & Public Bodies	24,51,21,484.45		16,46,92,554.67	
(ii)Others	4,51,51,720.00		1,05,77,800.00	
Other Loans and Advances	19,52,411.00	2,81,08,48,627.98	4,97,683.00	1,19,05,25,121.90

NOTE 15
Other Non Current Assets

Prepaid Expenses	3,75,42,361.89			
Income Tax deducted at source	1,95,08,945.00	5,70,51,306.89	31,51,962.00	31,51,962.00

NOTE 16
Inventories
(As per Inventories taken, valued & certified by the Management)

a) Stores & Spare Parts at Weighted Average Cost	97,43,03,764.00		1,14,47,02,850.64	
b) Raw Materials & Other Materials at Weighted Average Cost	33,61,90,014.16		36,87,99,963.03	
c i) Finished Goods Cement at Estimated cost	60,59,93,143.34		18,45,19,836.45	
c ii) Finished Goods Asbestos Sheets at Estimated Cost	15,28,18,723.28		6,28,46,608.40	
d) Goods-in-Transit at Cost	1,51,88,920.71		-	
e) Stock-in-Process at Estimated cost	74,09,57,145.43	2,82,54,51,710.92	84,28,59,437.21	2,60,37,28,695.73

NOTE 17
Trade Receivables
(Unsecured, considered good)

a) Debts outstanding for a period exceeding six months	7,77,54,994.76		5,27,80,075.88	
b) Other Debts	95,32,13,740.92	1,03,09,68,735.68	6,25,95,633.52	11,53,75,709.40

NOTE 18
Cash and Cash Equivalents

a) Cash	36,38,676.00		87,62,726.70	
b) Balance with Scheduled Banks				
- In Current Accounts	52,25,94,472.72		19,19,37,829.66	
- In Fixed Deposits Account				
Having maturity more than 12 months	1,55,000.00		2,00,56,211.00	
Others	7,07,55,891.00	59,71,44,039.72	21,84,31,645.00	43,93,06,412.36

NOTE 19
Short-term Loans and Advances
Unsecured, Considered good

a) Advances to Suppliers, Contractors & Others	91,14,66,581.12		91,97,54,419.50	
b) Advances to Related Parties	54,55,94,091.98		-	
c) Deposits with Government Deptts,Public Bodies & Others.				
Government Deptts. & Public Bodies	-			
Others	3,26,544.00		99,000.00	
d) Staff Imprest & Advances	1,34,25,204.57	1,47,15,67,492.67	1,26,89,543.71	93,25,42,963.21

NOTE 20
Others Current Assets
Unsecured,Considered good

a) Claims and Refunds Receivable	1,23,65,01,359.98		1,99,39,84,197.11	
b) Prepaid Expenses	13,60,63,545.46		8,87,41,943.74	
c) Interest accrued on Fixed Deposits & others	8,89,322.09	1,37,34,54,227.53	31,73,847.00	2,08,58,99,987.85

	April 12 to Sept 12	April 11 to Sept 11
NOTE 21		
Revenue from Operations		
Sale of Products (Refer Note 21.1)	9,25,06,74,632.81	4,76,42,54,773.67
Sale of Services (Refer Note 21.2)	5,42,94,181.00	1,89,07,128.00
Other Operating Revenues (Refer Note 21.3)	5,89,78,370.43	3,31,26,130.58
	9,36,39,47,184.24	**4,81,62,88,032.25**
NOTE 21.1		
Sale of Products		
Cement Sales (Gross) (Including Clinker Sales)	9,60,93,88,453.01	4,56,18,84,532.87
Less: Excise Duty on Sales	1,22,25,16,335.17	54,55,89,502.91
REVENUE NET OF EXCISE DUTY	**8,38,68,72,117.84**	**4,01,62,95,029.96**
Asbestos Sheets Sales (gross)	75,45,20,538.72	48,31,50,999.75
Less: Excise Duty on Sales	8,22,35,849.84	4,25,80,324.04
REVENUE NET OF EXCISE DUTY	**67,22,84,688.88**	**44,05,70,675.71**
Bags Sale (Gross)	17,32,68,657.87	14,90,35,879.00
Less: Excise Duty on Sales	1,60,98,271.40	1,57,23,853.00
REVENUE NET OF EXCISE DUTY	**15,71,70,386.47**	**13,33,12,026.00**
Sale (HEW) (Gross)	4,75,70,297.62	19,99,74,176.00
Less: Excise Duty on Sales	1,32,22,858.00	2,58,97,134.00
REVENUE NET OF EXCISE DUTY	**3,43,47,439.62**	**17,40,77,042.00**
Total	**9,25,06,74,632.81**	**4,76,42,54,773.67**
NOTE 21.2		
Sale of Services (Job Work)	5,42,94,181.00	1,89,07,128.00
NOTE 21.3		
Other Operating Revenue		
Rent	50,37,993.87	56,398.00
Foreign Currency Rate Difference (Net) - Other than Finance Costs	(2,83,26,728.06)	27,81,120.16
Miscellaneous	8,22,67,104.62	3,02,88,612.42
	5,89,78,370.43	**3,31,26,130.58**
NOTE 22		
Other Income		
Interest	6,24,07,525.29	1,14,41,536.01
NOTE 23		
Cost of Materials Consumed		
Raw Materials Consumed	1,29,50,74,143.95	76,49,12,213.67
Stores and Spares Consumed	19,42,39,216.76	23,16,64,649.15
Coal Consumed	1,99,37,95,905.46	1,08,49,25,477.25
Packing Materials Consumed	30,62,49,296.23	15,66,64,175.34
SUB TOTAL	**4,44,72,69,349.30**	**2,23,81,66,515.41**
Less: Attributable to Self Consumption	21,08,76,323.62	4,69,19,162.17
	3,57,84,82,238.78	**2,19,12,47,353.24**

		April 12 to Sept 12		April 11 to Sept 11
NOTE 24 **CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS**				
Opening Stocks				
Finished Goods	52,79,38,093.68		6,56,01,150.98	
Add: Finished Goods -(Transferred from Transferor Company)	-	52,79,38,093.68	26,34,59,509.53	32,90,60,660.51
Stock in Process	71,11,99,689.45		3,20,67,405.77	
Add: Stock in Process -(Transferred from Transferor Company)	-	71,11,99,689.45	29,98,22,751.30	33,18,90,157.07
Less:Closing Stocks				
Finished Goods	75,88,11,866.62		24,04,39,101.85	
Stock in Process	74,09,57,145.43	1,49,97,69,012.05	81,75,41,006.21	1,05,79,80,108.06
Excise Duty Difference on Changes in Closing Stocks		6,35,03,497.10		3,70,28,918.04
		(19,71,27,731.82)		(36,00,00,372.44)

NOTE 25
MANUFACTURING EXPENSES

	April 12 to Sept 12	April 11 to Sept 11
Hire Charges and Lease Rental of Machineries	2,65,69,551.07	4,00,926.59
Power, Electricity & Water Charges	1,10,73,77,605.94	78,36,34,991.65
Repairs & Maintenanace of Machinery	9,16,48,820.73	2,41,75,881.97
Repairs to Buildings & Camps	4,55,22,041.28	3,70,13,580.70
Fabrication Expenses		2,04,82,430.00
Freight, Octroi & Transportation Charges	68,73,35,495.10	40,43,78,504.01
	1,95,84,53,514.12	**1,27,00,86,314.92**
Less: Attributable to Self Consumption	3,59,79,519.91	1,72,59,816.90
	1,92,24,73,994.21	**1,25,28,26,498.02**

NOTE 26
Employee Benefits Expenses

	April 12 to Sept 12	April 11 to Sept 11
Salaries,Wages & Bonus	57,02,54,771.28	27,41,96,682.83
Gratuity	(56,77,315.75)	36,62,201.89
Contribution to Provident & Other Funds	2,06,92,509.42	1,33,05,161.03
Staff Welfare	3,14,73,553.85	1,94,33,114.85
	61,67,43,518.80	31,05,97,160.60

NOTE 27
Finance Costs

	April 12 to Sept 12	April 11 to Sept 11
Term Loans	1,32,86,50,167.67	1,24,75,70,377.85
Banks Borrowings and Others	53,88,60,902.61	6,55,83,882.44
Financial Charges	4,11,96,513.00	53,28,535.32
Foreign Currency Rate Difference (Net) on Financing	(5,88,326.93)	-
	1,90,81,19,256.35	1,31,84,82,795.61

NOTE 28
Other Expenses

		April 12 to Sept 12		April 11 to Sept 11
Loading,Transportation and Other Charges		2,28,35,32,111.22		1,17,14,30,752.06
Commission & Discount on Cement Sales		47,67,05,382.82		19,43,07,176.92
Sales Promotion		16,71,33,182.28		3,27,04,652.26
Rent		3,98,58,402.62		1,18,67,570.54
Rates & Taxes		2,25,64,556.26		3,80,04,324.23
Insurance		2,65,72,267.38		1,27,53,977.07
Travelling & Conveyance		3,17,23,102.48		2,07,46,972.94
Bank Charges and Guarantee Commission		9,14,66,722.33		3,76,79,964.77
Postage,Telephone & Fax		43,00,044.48		29,72,905.16
Legal & Professional Charges		1,40,72,109.29		72,05,514.71
Light Vehicle Running and Maintenance		2,30,52,832.47		1,75,62,327.09
Safety,Security & Medical Services		2,98,07,747.18		2,16,21,763.69
Gain/(Loss) due to Exchange Fluctuation		75,13,113.94		-
Donation & Charity		(6,84,281.34)		20,68,458.76
Loss on Sale of Assets		18,14,332.44		-
Miscellaneous Expenses		3,29,05,097.82		2,27,74,119.57
Auditors Remuneration				
Statutory Audit Fees	3,31,460.00		-	
Reimbursement of Expenses	7,800.00	3,39,260.00	357.20	357.20
		3,25,26,75,983.67		1,59,37,00,836.97

A W A T A R & C O.
CHARTERED ACCOUNTANTS
New Delhi – Alwar- Bhilai

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New Delhi - 110 001
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23320537
Fax: 23358544

AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF
JAYPEE CEMENT CORPORATION LIMITED

1. We have audited the attached Balance Sheet of **JAYPEE CEMENT CORPORATION LIMITED** ("the Company") as at 31st March, 2012 and Statement of Profit and Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimate made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We further report that:

   (i) 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;

   (ii) 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;

   (iii) the Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the books of account;

   (iv) in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

   (v) in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the significant accounting policies and notes thereon, gives a true and fair view:

      a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012; and

      b) in the case of the Statement of Profit and Loss, of the LOSS of the Company for the year ended on that date.

For **A W A T A R & C O.**
Chartered Accountants
Registration No. 000726N

BRIJENDRA AGRAWAL
Partner
Membership No. : 087787

Place : New Delhi
Date : 28th May, 2012

Jaypee Cement Corporation Limited

Balance Sheet as at 31st March, 2012

	Note No.		March 31, 2012		March 31, 2011
EQUITY AND LIABILITIES					
Shareholders' Funds			₹		₹
Share Capital	2	930,000,000		130,000,000	
Reserve & Surplus	3	(4,846,348,858)		(345,177,164)	
Money received against share warrants		-	(3,916,348,858)	-	(215,177,164)
Share Application Money Pending Allotment	4		150,000,000		750,000,000
Non-Current Liabilities					
Long-term Borrowings	5	34,287,213,334		-	
Deferred Tax Liabilities [Net]		-			
Other Long-term Liabilities	6	923,881,312		-	
Long-term Provisions	7	96,961,906	35,308,056,552	33,436,093	33,436,093
Current Liabilities					
Short-term Borrowings	8	2,131,576,099		700,071,233	
Trade Payables	9	49,905,891,151		33,447,519	
Other Current Liabilities	10	2,964,827,802		64,483,870	
Short-term Provisions	11	15,825,856	55,018,120,909	-	798,002,622
TOTAL			**86,559,828,603**		**1,366,261,551**
ASSETS					
Non Current Assets					
Fixed Assets	12				
Tangible assets		40,819,580,472		291,290,574	
Intangible assets		9,085,380,355		-	
Capital Work-in-Progress		28,067,000,036		78,393,262	
Intangible Assets under Development		-	77,971,960,863	-	369,683,836
Non Current Investments			-		-
Deferred Tax Assets (Net)			7,270,926		5,047,713
Long term Loans and Advances	13		2,801,150,866		454,379,994
Current Assets					
Current Investments		-		-	
Inventories	14	2,614,095,686		61,777,709	
Trade Receivables	15	369,310,534		44,134,285	
Cash and Cash Equivalents	16	573,008,863		393,172,462	
Short-term Loans and Advances	17	2,217,316,090		37,698,723	
Other Current Assets	18	5,714,776	5,779,445,948	366,830	537,150,008
TOTAL			**86,559,828,603**		**1,366,261,551**
Significant Accounting Policies	1				

As per our report of even date annexed

For and on behalf of the Board

For Awatar & Co.
Chartered Accountants

Manoj Gaur
Chairman

Brijendra Agrawal
Partner
M.No. 087787
Firm Regn. No. 000726N

R Rama Raju
Managing Director

Place: Noida
Dated: 28th May, 2012

R S Kuchhal
Company Secretary

Jaypee Cement Corporation Limited

Statement of Profit and Loss for the year ended 31st March, 2012

	Note No.	For the Year ended March 31, 2012	For the Year ended March 31, 2011
Income		₹	₹
Revenue From Operations	19	12,371,410,873	4,730,008
Other Income	20	27,967,682	-
Total Revenue		12,399,378,556	4,730,008
Expenses			
Cost of Materials Consumed	21	5,380,253,435	-
Changes In Inventories of Finished Goods and Work In Progress	22	(504,025,272)	2,744,854
Manufacturing Expenses	23	2,831,855,291	-
Employees Benefits Expenses	24	687,270,980	83,686,661
Finance Costs	25	2,831,373,542	3,450,094
Other Expenses	26	3,903,287,462	148,202,723
Depreciation & Amortisation Expenses		2,508,541,004	7,903,099
Total Expenses		17,638,556,441	245,987,431
Profit before exceptional and extraordinary items and tax		**(5,239,177,886)**	**(241,257,424)**
Exceptional items		-	-
Profit before extraordinary items and tax		**(5,239,177,886)**	**(241,257,424)**
Extraordinary Items		-	-
Prior Period Adjustments		(64,217,022)	-
Profit before tax		**(5,303,394,907)**	**(241,257,424)**
Tax expense			
Current Tax		-	-
Deferred Tax		(2,223,213)	(7,957,805)
Profit for the period from continuing operation		**(5,301,171,694)**	**(233,299,619)**
Profit from discontinuing operations			
Tax expenses of discontinuing operations		-	-
Profit from discontinuing operations (after tax)		-	-
Profit for the period		-	-
Significant Accounting Policies	1		

As per our report of even date annexed

For Awatar & Co.
Chartered Accountants

Brijendra Agrawal
Partner
M.No. 087787
Firm Regn. No. 000726N

Place: Noida
Dated: 28th May, 2012

For and on behalf of the Board

Manoj Gaur
Chairman

R Rama Raju
Managing Director

R S Kuchhal
Company Secretary

Jaypee Cement Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Note '1'

1.1 **Basis of preparation of Financial Statements**

a. The accounts are prepared on historical cost basis and on the principles of a going concern.

b. Accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles and Accounting Standards issued by the Institute of Chartered Accountants of India.

1.2 **Significant Accounting Policies**

A. Use of Estimates

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

B. Fixed Assets

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

C. Depreciation

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

D. Leased Assets

(i) Operating Leases: Rentals are expensed with reference to lease terms.

(ii) Financial Leases: The lower of the fair value of the assets or present value of the minimum lease rentals is capitalised as Fixed Assets and corresponding amount shown as Lease Liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the Profit and Loss Account.

E. Impairment of Assets

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

F. Expenditure during Construction Period

Expenditure incurred on projects during implementation is capitalised and apportioned to various assets on commissioning of the Project.

G. Inventories

(i) Stock of cement is valued at estimated cost or net realisable value, whichever is less. Value of cement and clinker lying in the factory premises includes excise duty, pursuant to the Accounting Standard (AS-2) [Revised].

(ii) The stocks have been valued on the basis of Weighted Average Cost Method.

(iii) Material-in-process is valued at Estimated Cost.

H. Investments

Investments are stated at cost and where there is permanent diminution in the value of Investments a provision is made, wherever applicable. Dividend is accounted for as and when received.

I. Revenue Recognition

(i) Revenue / Income and costs / expenditure are accounted for on accrual basis.

(ii) Sales are net of excise duty and VAT.

J. Borrowing Costs

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

K. Foreign Currency Transactions

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

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

L. Employee Benefits

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

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

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

M. Research and Development

Revenue Expenditure on research and development is charged to Profit & Loss Account and Capital expenditure is shown as addition to Fixed Assets.

N. Miscellaneous Expenditure

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

O. Taxes on Income

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

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

P. Earnings Per Share

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

Q. Provisions, Contingent Liabilities and Contingent Assets

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

NOTE '2'

Share Capital	March 31, 2012	March 31, 2011
	₹	₹
Authorised		
100,00,00,000 Equity Shares (Previous year 1,30,00,000) of ₹10/- each	10,000,000,000	130,000,000
Issued, Subscribed and Paid-up		
9,30,00,000 Equity Shares (Previous year 1,30,00,000) of ₹10/- each fully paid up	930,000,000	130,000,000

Note 2.1 Reconciliation of the number of the equity shares outstanding

Particulars	March 31, 2012		March 31, 2011	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	13,000,000	130,000,000	13,000,000	130,000,000
Shares issued during the year	80,000,000	800,000,000	-	-
Shares outstanding at the end of the year	93,000,000	930,000,000	13,000,000	130,000,000

Note 2.2: The Rights attached to the each class of shares
The company has issued only one class of equity shares having a par value of ₹10/- per share. Each shareholder is eligible for one vote per share and is entitled for dividend.

Note 2.3 The equity shares held by the holding company
9,30,00,000 Equity Shares of ₹10/- each held by Jaiprakash Associates Limited, the holding company.

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

Particulars	March 31, 2012		March 31, 2011	
Name of the shareholder	Number of shares held	% of holding	Number of shares held	% of holding
Jaiprakash Associates Limited	93,000,000	100	13,000,000	100

NOTE '3'

Reserve & Surplus		March 31, 2012		March 31, 2011
		₹		₹
Securities Premium Reserve		800,000,000		-
Profit / (Loss) brought forward from previous year	(345,177,164)		(111,877,545)	
Add: Profit / (Loss) for the year	(5,301,171,694)	(5,646,348,858)	(233,299,619)	(345,177,164)
		(4,846,348,858)		(345,177,164)

NOTE '4'

Share Application Money Pending Allotment

i. Upto March 31,2012, the Company has received ₹150,000,000 from Jaiprakash Associates Limited, the Holding Company, as share application money towards subscription of 75,00,000 no. of Equity Shares of ₹10 each at premium of ₹10 per share.

ii. The Company will issue the existing class of Equity shares of ₹10 each at premium of ₹10 per share out of the share application money pending for allotment.

iii. Accordingly, 75,00,000 no. of Equity shares of ₹10 each will be issued to Jaiprakash Associates Limited, the company's holding company, which has subscribed for the entire amount of issue.

iv. No amount out of the said share application money is due for refund.

v. The company has sufficient Authorised Share Capital for allotment of shares to its holding company.

NOTE '5'

Long-Term Borrowings				
Secured Loans				
Term Loans from Banks				
In Rupees	33,593,646,334		-	
In Foreign Currency	432,852,000	34,026,498,334	-	-
Loan from State Government (Interest Free)		260,715,000		-
		34,287,213,334		-

5.1 [a] Terms of Repayment of Secured Term Loans from Banks are given as under :

`

S.No.	Banks	Terms of Repayment/ Periodicity	outstanding as on 31.03.2012
1	Union Bank of India	In 20 quarterly instalments from 01.04.11 to 31.03.16	749,419,952
2	Bank of Maharashtra	In 20 quarterly instalments from 01.04.11 to 31.03.16	369,981,482
3	Central Bank of India	In 20 quarterly instalments from 01.04.11 to 31.03.16	749,968,405
4	Bank of India	In 20 quarterly instalments from 01.04.11 to 31.03.16	749,981,136
5	The Jammu & Kashmir Bank	In 20 quarterly instalments from 01.04.11 to 31.03.16	750,000,000
6	Axis Bank Ltd	In 30 quarterly instalments from 31.12.12 to 31.03.20	1,000,000,000
7	South Indian Bank Ltd	In 30 quarterly instalments from 31.12.12 to 31.03.20	999,999,975
8	Corporation Bank	In 30 quarterly instalments from 31.12.12 to 31.03.20	1,599,996,798
9	Punjab National Bank	In 30 quarterly instalments from 31.12.12 to 31.03.20	5,000,000,000
10	Allahabad Bank	In 30 quarterly instalments from 31.12.12 to 31.03.20	1,500,002,822
11	State Bank of Bikaner & Jaipur	In 30 quarterly instalments from 31.12.12 to 31.03.20	999,996,208
12	State Bank of Mysore	In 30 quarterly instalments from 31.12.12 to 31.03.20	999,996,154
13	Dena Bank	In 30 quarterly instalments from 31.12.12 to 31.03.20	999,996,368
14	IDBI Bank Ltd	In 20 quarterly instalments from 01.04.14 to 31.03.19	10,000,000,000
15	State Bank of India	In 32 quarterly instalments from 30.06.11 to 31.03.19	8,999,737,034
		TOTAL	**35,469,076,334**
	LESS:	**transferred to Other Current Liabilities**	**1,875,430,000**
		LONG TERM BORROWINGS	**33,593,646,334**

[b] Term loans of ₹`449,32,73,112/- (outstanding ₹ 336,93,50,975/-) sanctioned by Union Bank of India, Bank of Maharashtra, Central Bank of India, Bank of India and The Jammu & Kashmir Bank Ltd. together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements, are secured / to be secured by equitable mortgage of immovable properties and hypothecation of movables of Jaypee Gujarat Cement Plant at Vayor and Jaypee Wanakbori Cement Grinding Unit (both present and future), save and except book debts, ranking pari-passu, subject to prior charge on specified movables created / to be created in favour of company's bankers for working capital facilities.

[c] Term loans of ₹ 1310,00,00,000/- (outstanding ₹ 1309,99,88,325/-) sanctioned by Axis Bank Limited, South Indian Bank Limited, Corporation Bank, Punjab National Bank, Allahabad Bank, State Bank of Bikaner & Jaipur, State Bank of Mysore and Dena Bank together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements, are secured / to be secured by equitable mortgage of immovable properties and hypothecation of movables of Jaypee Balaji Cement Plant at Jaggayyapet, District Krishna, Andhra Pradesh (both present and future), save and except book debts, ranking pari-passu, subject to prior charge on specified movables created / to be created in favour of company's bankers for working capital facilities.

[d] Refinance assistance of ₹ 1000,00,00,000/-(outstanding ₹`1000,00,00,000/-)sanctioned to Jaiprakash Associates Limited by IDBI Bank Limited together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreement is secured by way of equitable mortgage of immovable properties and hypothecation of movables (both present and future), except the assets pertaining to wind power and real estate division and assets specifically charged to State Govt. / Financial Institutions etc., ranking pari-passu, save & except book debts, subject to prior charge on specified movables created / to be created in favour of company's bankers for working capital facilities has been transferred to the Company pursuant to the Scheme of Arrangement sanctioned by Hon'ble High Court of Judicature at Allahabad vide order dated 09.04.2012 subject to final approval of IDBI Bank Limited.

[e] Refinance assistance of ₹ 1000,00,00,000/- (outstanding ₹`899,97,37,034/-) sanctioned to Jaiprakash Associates Limited by State Bank of India together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreement is secured by way of equitable mortgage of immovable properties and hypothecation of movables (both present and future), except the assets pertaining to wind power and real estate division and assets specifically charged to State Govt. / Financial Institutions etc., ranking pari-passu, save & except book debts, subject to prior charge on specified movables created / to be created in favour of company's bankers for working capital facilities has been transferred to the Company pursuant to the Scheme of Arrangement sanctioned by Hon'ble High Court of Judicature at Allahabad vide order dated 09.04.2012 subject to final approval of State Bank of India.

5.2 ECB of (USD 50 Million) (outstanding `₹ 46,37,70,000/-) (inclusive of ₹`30,918,000/- transferred to Other Current Liabilities) sanctioned by Bank of India together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreement is secured by equitable mortgage of immovable properties and hypothecation of movables of Jaypee Gujarat Cement Plant (both present and future), save and except book debts, ranking pari-passu, subject to prior charge on specified movables created / to be created in favour of company's bankers for working capital facilities. The said amount is payable in 25 quarterly instalments from 01.04.2011 to 30.06.2017.

5.3 Interest Free Loans of ₹`26,07,15,000/- granted by U.P.Financial Corporation under Audyogik Nivesh Protshahan Yojna are secured by way of First Charge on the Fixed Assets of the respective Units of the Company. The said loans are repayable within 10 years from the date of disbursement and repayment will commence from F.Y. 2018-19.

5.4 Term Loans and Other Loans guaranted by Directors of the Company are given as under:

	₹ Amount outstanding
Secured Project Term Loans from Banks	16,469,339,300
Refinance assistance from IDBI Bank	10,000,000,000
Loans from State Government	260,715,000
ECB from Bank of India	463,770,000
	27,193,824,300

		March 31, 2012	March 31, 2011
NOTE '6'		₹	₹
Other Long Term Liabilities			
Others		923,881,312	-
		923,881,312	-
NOTE '7'			
Long-Term Provisions			
Provisions for Employee Benefits			
Gratuity		63,884,088	31,601,271
Leave Encashment		33,077,818	1,834,822
		96,961,906	33,436,093
NOTE '8'			
Short-Term Borrowings			
Short Term Loans from Banks		525,084,855	700,071,233
Bills Discounting		1,606,491,244	-
		2,131,576,099	700,071,233
NOTE '9'			
Trade Payables			
--Due to Micro, Small & Medium Enterprises		-	-
--Others		3,707,568,417	33,447,519
Advances from Related Party		46,198,322,735	-
		49,905,891,151	33,447,519
NOTE '10'			
Other Current Liabilities			
Current maturities of Long term Debt	-		-
Term Loans from Banks			
In Rupees	1,875,430,000		-
In Foreign Currency	30,918,000	1,906,348,000	-
Interest accrued but not due on loans		120,752,508	-
Advances from Customers		256,716,811	-
Other Payables		552,445,281	64,483,870
Due to Staff		128,565,203	-
		2,964,827,802	64,483,870
NOTE '11'			
Short-Term Provisions			
Provisions for Employee Benefits			
Provision for Gratuity		10,690,947	-
Provision for Leave Encashment		5,134,909	-
		15,825,856	-

NOTE '12'
FIXED ASSETS

₹

SL.NO	Description Of Assets	Gross Carrying Value					Depreciation / Amortisation					Net Carrying Value	
		As on 01.04.2011	On Account of Business Combination	Additions during the year	Sales / Transfer / Adjustment	As on 31.03.2012	up to 31.03.2011	On Account of Business Combination	During the Year	Sales / Transfer / Adjustment	up to 31.03.2012	As on 31.03.2012	As on 31.03.2011
A	Tangible Assets												
1	Leasehold Land	-	22,072,877	-	1,107,860	20,965,017	-	-	-	-	-	20,965,017	-
2	Freehold Land	72,634,412	7,027,116,200	10,495,244	-	7,110,245,856	-	-	-	-	-	7,110,245,856	72,634,412
3	Buildings	102,775,058	6,290,929,525	1,290,757,402	-	7,684,461,985	9,719,636	163,226,955	242,466,171	-	415,412,762	7,269,049,224	93,055,422
4	Plant & Machinery												
	a) Plant & Machinery	118,631,021	18,215,950,549	4,504,190,295	1,358,410	22,840,130,275	14,928,165	746,789,590	1,060,671,294	-	1,822,389,050	21,017,741,225	103,702,856
	b) Electrical Installation	-	633,757,547	362,974,653	(880,911)	995,851,289	-	34,929,425	37,067,791	-	71,997,216	923,854,073	-
	c) Water Works,Tanks & Reservoir	-	3,230,667	33,357,882	-	36,588,549	-	471,592	287,663	-	759,255	35,829,294	-
5	Captive Thermal Power Plant												
	a) Plant & Machinery	-	1,686,859,607	2,554,520,982	-	4,241,380,589	-	108,554,285	154,908,216	-	263,462,501	3,977,918,087	-
	b) Electrical Installation	-	112,810,466	91,728,102	-	204,538,567	-	6,118,652	7,983,238	-	14,101,890	190,436,678	-
6	Railway Siding	10,723,535	-	-	-	10,723,535	2,024,912	-	509,368	-	2,534,280	8,189,255	8,698,623
7	Vehicles	184,239	151,822,550	45,358,838	-	197,365,627 - -	69,580	25,948,051	16,721,520	-	42,739,151	154,626,476	114,659
8	Furniture, Fixtures & Fittings	4,466,956	19,473,950	21,260,749	-	45,201,655	143,435	6,735,444	2,721,153	-	9,600,032	35,601,623	4,323,521
9	Office Equipment	10,155,509	58,142,628	34,464,046	627,610 (477,499)	101,657,074	1,394,427	22,502,774	2,875,855	239,646	26,533,410	75,123,664	8,761,082
	Total Tangible Assets	319,570,730	34,222,166,566	8,949,108,193	1,735,470	43,489,110,019	28,280,156	1,115,276,768	1,526,212,268	239,646	2,669,529,547	40,819,580,472	291,290,574
	Previous Year	259,458,881		60,111,849		319,570,730	20,377,057		7,903,099		28,280,156	291,290,574	239,081,824
B	Intangible Assets (Goodwill)	-	10,094,867,061	-		10,094,867,061	-	-	1,009,486,706	-	1,009,486,706	9,085,380,355	-
	GRAND TOTAL	319,570,730	44,317,033,627	8,949,108,193	1,735,470	53,583,977,080	28,280,156	1,115,276,768	2,535,698,974	239,646	3,679,016,253	49,904,960,827	291,290,574
	Capital Work In Progress (Inclusive of Expenditure during Construction Period)											28,067,000,036	78,393,262

NOTE 12 A

Expenditure during Construction Period		**March 31, 2012**	**March 31, 2011**
		₹	₹
Opening Balance		43,874,533	-
Add: Transferred from Transferor Company		5,463,422,589	-
		5,507,297,122	
Electricity, Power & Fuel		218,897,150	-
Salary, Wages & Staff Welfare		1,033,163,882	-
Site/ Quarry Development & Survey Expenses		14,142,436	11,025,000
Repair & Maintenance		97,691,951	-
Legal & Professional		51,048,645	230,000
Consultancy 222,939,309			11,032,856
Insurance		19,178,225	-
Travelling & Conveyance		55,816,781	94,962
LC Commission, Bank Charges and Bank Guarantee Commission		133,289,865	-
Finance Costs		2,409,694,588	20,665,729
Foreign Exchange Fluctuations		54,105,046	-
Safety & Security		19,631,386	-
Freight & Material Handling		28,312,406	-
Vehicle/Machinery Hire Charges/Lease Rent		130,098,016	260,448
Light Vehicle Running & Maintenance		154,096,076	-
Depreciation		28,219,605	-
Advertisement / Business Promotion Expenses		83,568,396	-
Miscellaneous		130,908,533	565,538
		10,392,099,418	**43,874,533**
Less:			
Miscellaneous Receipt	34,516,285		
Interest Received	5,404,663	**39,920,948**	**-**
		10,352,178,469	**43,874,533**
Less: Capitalised During the Year		2,499,680,317	-
Carried Over To Balance Sheet (Included in Capital Work-In-Progres		**7,852,498,152**	**43,874,533**

		March 31, 2012 ₹		March 31, 2011 ₹
NOTE '13'				
Long-Term Loans and Advances				
(Unsecured, considered good)				
Capital Advances		2,371,213,624		453,783,494
Deposits with Government Departments, Public Bodies & Others				-
(i) Government Departments & Public Bodies	188,875,718			
(ii) Others	35,372,240	224,247,958		-
Other Loans and Advances		494,511		-
Claims and Refund Receivables		80,992,719		-
Prepaid Expenses		114,725,879		-
Income Tax deducted at Source		9,476,174		596,500
		2,801,150,866		454,379,994

NOTE '14'				
Inventories				
(As per inventories taken, valued & certified by the Management)				
a) Stores & Spare Parts at Weighted Average Cost		977,298,096		12,613,704
b) Raw Materials & Other Materials at Weighted Average Cost		377,470,937		15,800,111
c) i) Finished Goods - Cement at estimated cost		456,780,568		8,045,463
ii) Finished Goods - Asbestos Sheets at estimated cost		69,966,776		-
d) Goods-in-Transit at Cost		21,379,619		-
e) Stock-in-Process at estimated cost		711,199,689		25,318,431
		2,614,095,686		61,777,709

NOTE '15'				
Trade Receivables				
(Unsecured, considered good)				
a) Debts outstanding for a period exceeding six months		8,239,982		44,134,285
b) Other Debts		361,070,552		-
		369,310,534		44,134,285

NOTE '16'				
Cash And Cash Equivalents				
a) Cash in Hand		4,082,543		4,669,398
b) Cheques / Draft in hand		7,110,897		-
c) Balances With Scheduled Bank				
i) In Current Accounts	465,948,733		208,396,224	
ii) In Fixed Deposits Account with Banks & Others				
Non Current	60,547		-	
Current	95,806,143	561,815,423	180,106,841	388,503,064
		573,008,863		393,172,462

Fixed Deposits with Banks include ₹2,00,60,547/- with maturity of more than 12 month

NOTE '17'				
Short-term Loans and Advances				
Unsecured, Considered good				
a) Advances to Suppliers, Contractors & Others		481,012,813		796,828
b) Staff Imprest & Advances		5,666,788		216,653
c) Claims and Refunds Receivable		1,619,387,888		10,398,411
d) Prepaid Expenses		75,134,129		520,985
e) Deposits with Government Departments, Public Bodies & Others				
(i) Government Departments & Public Bodies	33,437,100		25,765,846	
(ii) Others	2,677,372	36,114,472	-	25,765,846
		2,217,316,090		37,698,723

NOTE '18'				
Others Current Assets				
Unsecured, Considered good				
Interest accrued on Fixed Deposits & others		5,714,776		366,830
		5,714,776		366,830

NOTE '19'		March 31, 2012 ₹		March 31, 2011 ₹
Revenue from Operations				
Sale of Products (Refer Note 19.1)		12,241,093,833		1,413,112
Sale of Services (Refer Note 19.2)		54,740,733		-
Other Operating Revenues (Refer Note 19.3)		75,576,308		3,316,896
		12,371,410,873		4,730,008

NOTE 19.1
Sale of Products

Cement Sales (Gross) (Including Clinker Sales)	11,925,649,386		1,589,959	
Less: Excise Duty on Sales	1,355,845,648	10,569,803,737	176,847	1,413,112
Asbestos Sheets Sales (Gross)	1,095,236,459		-	
Less: Excise Duty on Sales	100,145,704	995,090,755	-	-
Bags Sale (Gross)	390,807,191		-	
Less: Excise Duty on Sales	38,613,035	352,194,157	-	-
Sale (HEW) (Gross)	393,041,547		-	
Less: Excise Duty on Sales	69,036,363	324,005,184	-	-
		12,241,093,833		**1,413,112**

NOTE 19.2		
Sale of Services (Job Work)	54,740,733	-
	54,740,733	**-**

NOTE 19.3
Other Operating Revenue

Rent	167,713	-
Foreign Currency Rate Difference (Net) - Other than Finance Costs	28,326,728	-
Miscellaneous	47,081,866	3,316,896
	75,576,308	**3,316,896**

NOTE '20'
Other Income

Interest	27,967,682	-
	27,967,682	**-**

NOTE '21'
Cost of Materials Consumed

Raw Materials Consumed	1,833,119,696	-
Stores & Spares Consumed	453,212,063	-
Coal Consumed	2,778,631,596	-
Packing Materials Consumed	392,885,925	-
	5,457,849,280	**-**
Less: Attributable to Self Consumption	77,595,845	-
	5,380,253,435	**-**

NOTE '22'
Changes In Inventories Of Finished Goods And Work In Progress

Opening Stocks				
Finished Goods	8,045,463		10,790,317	
Add: Finished Goods - Transferred from Transferor Company	329,060,661			
Stock-In-Process	25,318,431		25,318,431	
Add: Stock-In-Process - Transferred from Transferor Compan	331,890,157	694,314,712		36,108,748
Less:Closing Stocks				
Finished Goods	527,938,094		8,045,463	
Stock-In-Process	711,199,689	1,239,137,783	25,318,431	33,363,894
Excise Duty Difference on Changes in Closing Stocks		40,797,800		-
		(504,025,272)		2,744,854

NOTE '23'
Manufacturing Expenses

	March 31, 2012 ₹	March 31, 2011 ₹
Hire Charges and Lease Rental of Machineries	1,359,071	-
Power, Electricity & Water Charges	1,640,421,769	-
Repairs & Maintenance of Machinery	50,209,506	-
Repairs to Buildings & Camps	66,651,011	-
Fabrication Expenses	46,304,908	-
Freight, Octroi & Transportation Charges	1,051,288,748	-
	2,856,235,012	-
Less: Attributable to Self Consumption	24,379,721	-
	2,831,855,291	-

NOTE '24'
Employee Benefits Expenses

Salaries, Wages & Bonus	598,435,945	57,423,132
Gratuity	29,826,230	12,829,727
Contribution to Provident & Other Funds	23,047,132	7,669,707
Staff Welfare	35,961,674	5,764,094
	687,270,980	83,686,661

NOTE '25'
Finance Costs

Interest on Term Loans	2,632,772,267	-
Interest on Banks Borrowings & Others	135,874,023	3,450,094
Financing Charges	51,404,189	-
Foreign Currency Rate Difference (Net- on Financing)	11,323,062	-
	2,831,373,542	3,450,094

NOTE '26'
Other Expenses

Loading , Transportation & Other Charges		2,875,622,952		-
Commission & Discount on Sales		404,435,451		-
Sales Promotion		129,493,146		-
Rent		38,626,646		-
Rates & Taxes		50,331,418		114,537,487
Insurance		32,628,441		-
Travelling & Conveyance		41,634,382		784,348
Bank Charges & Guarantee Commission		132,068,703		63,315
Loss on Sale / Disposal / Discard / Write - off of Assets (Net)		387,964		-
Postage, Telephone & Telex		7,537,783		-
Light Vehicle Running & Maintenance		32,267,837		1,270,160
Legal & Professional		18,155,269		1,134,959
Charity & Donation		6,106,948		16,000
Security & Medical Services		47,184,248		3,138,554
Miscellaneous Expenses		86,622,568		27,092,450
Auditors' Remuneration				
Audit Fee	168,540		165,450	
Reimbursement of Expenses	15,166	183,706	-	165,450
		3,903,287,462		148,202,723

Note 27 A

Pursuant to the Scheme of Arrangement sanctioned byHon'ble High Court of Judicature at Allahabad u/s Sections 391/394 of the Companies Act,1956 on 9th April, 2012, (i) South Cement Undertaking, (ii) West Cement Undertaking , (iii) Asbestos Undertaking, (iv) Heavy Engineering Works undertaking & (v) Foundry Undertaking stand demerged from the transferor company i.e. Jaiprakash Associates Limited and transferred to and vested in the Company. Accordingly, all Assets and Liabilities of the above said Undertakings have been transferred w.e.f the Appointed date i.e. 1st April, 2011 and the Scheme has come into effect from 18th April 2012 on filing of the Scheme with the Registrar of Companies.

With effect from the Appointed date, all the business undertakings, assets, liabilities, rights and obligations of each of the Demerged Undertakings stood transferred to and vested in the Company for a net consideration of Rs. 4030.98 crores.

Witheffect from the Appointeddate allthe businesses andactivities werecarried onbytheabovesaid Demergedundertakings of the Transferor Company in trust for and for the benefit of the Company. Thus, the Profit or Income accruing or arising in respect of DemergedUndertakings or expenditure orlosses arisingor incurredbythemfrom theAppointeddateare treatedas profit or incomeor expenditure or loss as the case maybe of the Company. TheScheme has accordinglybeengiven effect to in these Accounts.

The Accounting has been done in accordance with the accounting treatment as given in the Scheme. Fair valueof Assets and Liabilities of the Demerged Undertakings transferred,as made by the valuers are as per the following:

	₹ As at 01.04.2011
Assets	
Fixed Assets [including Capital Work-in-Progress]	60,229,690,388
Current Assets	5,021,465,376
Total (i)	65,251,155,763
Liabilities	
Current Liabilities	3,804,266,908
Secured & Unsecured Loans	31,231,955,917
Total (ii)	35,036,222,824
Net Assets over Liabilities (i) - (ii)	30,214,932,939
Consideration	40,309,800,000
Balance debited to Goodwill Account	10,094,867,061

Note 27 B

Goodwill created on amalgamation will be written off over a period of ten years as per Scheme of Arrangement.

NOTE '28'

Contingent Liabilities not provided for :

		March 31, 2012 ₹	March 31, 2011 ₹
(a)	Outstanding amount of Bank Guarantees (Inclusive of Bank Guarantees amounting to Rs. 23,25,77,812/- issued by Bankers of Transferor company)	244,343,996	13,800,000
	Margin Money deposited against the above	6,492,282	-
(b)	Outstanding Letters of Credit (Inclusive of Letters of Credit amounting to Rs. 8,05,26,343/- issued by Bankers of Transferor company)	1,827,951,368	-
(c)	Excise matters under appeal	111,892,283	-
	Amount deposited under protest	55,283,589	-
(d)	VAT/Sales/Commercial Tax matters under appeal	42,927,889	-
	Amount deposited under protest	37,365,171	-
(e)	Cess Assessment Officer & Joint Commissioner of Labour, Eluru, Andhra Pradesh had served a notice under the Building and Other Construction Workers Welfare Cess Act Rules, 1998 to pay cess @ 1% on the cost of construction upto 31.3.2011, being undertaken at company's cement plant in Andhra Pradesh.The Company had appealed against the same in Hon'ble High Court, Hyderabad and got interim Stay vide Order dated 31st Aug' 2010	29,617,000	-

NOTE '29'

Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances)	7,801,153,723	1,767,595,687

NOTE '30'

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

NOTE '31'

Capital Work-in-Progress of ₹ 2806,70,00,036/- (Previous Year ₹ 78,393,262/-) includes Civil Works, Machinery under Erection and in Transit, Construction & Erection Materials and Pre-Operative Expenses.

NOTE '32'

In compliance of Accounting Standard-2 (Revised), the Company has provided liability of Excise Duty amounting to ₹ 6,29,74,472/- (previous year ₹ 7,45,965/-) on the stocks of Finished Goods lying at Works. However, there is no impact on the profit / (Loss) for the current period.

NOTE '33'

The Excise Duty ₹4,07,97,800/- related to difference between Closing and Opening Stock has been debited in the Profit & Loss Account separately.

NOTE '34'

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

S.No	Particulars	March 31, 2012 ₹	March 31, 2011 ₹
a)	The principal amount and interest due thereon remaining unpaid to any		
	-Principal	Nil	Nil
	Interest	Nil	Nil
b)	The amount of Interest paid by the buyer in terms of section 16, of the Micro, Small, and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day.		
c)	The amount of Interest due & payable for the year of delay in making payment(which have been paid beyond the appointed date during year)but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

d)	The amount of Interest accrued & 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 Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

NOTE '35'

BalancesofsomeoftheDebtors,Creditors,Loans&Advancesaresubjecttoreconciliation/confirmationfromtherespective parties. The Management does not expect any material difference affecting Financial Statements of the year.

NOTE '36'

Foreign Exchange Transactions:

		March 31, 2012	**March 31, 2011**
(i)	Value of Imports (on CIF basis)	₹	₹
	Capital Equipment	598,480,384	-
	Advance against Import of Equipments	34,510,781	51,221,469
	Stores & Spares	72,520,921	-
	Coal	1,299,325,669	-
	Raw Materials	58,895,540	-
		2,063,733,295	51,221,469
(ii)	Expenditure in foreign curreny (including expenditure during construction period)		
	Technical/Engineering Fees	77,889,636	-
	Travelling	4,505,963	-
	Interest	37,654,020	-
	Financial and Bank Charges	177,677	-
		120,227,297	-
	Exchange fluctuaton	39,019,838	-
(iii)	Earnings in Foreign Currency		
	Exports (FOB) Value	230,854,338	-
	Interest Income	-	-

Note '37'

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

(I) Relationships:

(a) Holding Company: Jaiprakash Associates Limited.

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

(i) Jaiprakash Power Ventures Limited.
(ii) Jaypee Infratech Limited.
(iii) Jaypee Fertilizers & Industries Limited.
(iv) Jaypee Sports International Limited.
(v) Bhilai Jaypee Cement Limited.
(vi) Bokaro Jaypee Cement Limited.
(vii) Gujarat Jaypee Cement & Infrastructure Limited.
(viii) Himalayan Expressway Limited.
(ix) Jaypee Arunachal Power Limited (subsidiary of Jaiprakash Power Ventures Limited).
(x) Sangam Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited).
(xi) Prayagraj Power Generation Company Limited (subsidiary of Jaiprakash Power Ventures Limited).
(xii) Jaypee Meghalaya Power Limited (subsidiary of Jaiprakash Power Ventures Limited).
(xiii) Jaypee Powergrid Limited (subsidiary of Jaiprakash Power Ventures Limited).
(xiv) Jaypee Ganga Infrastructure Corporation Limited.
(xv) Jaypee Agra Vikas Limited.
(xvi) Jaypee Assam Cement Limited (w.e.f. 30.08.2011)
(xvii) Himalayaputra Aviation Limited (w.e.f. 23.07.2011)

(c) Associate Companies:

(i) Jaypee Infra Ventures (A private company with unlimited liability)
(ii) Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Infra Ventures).
(iii) JIL Information Technology Limited (subsidiary of Jaypee Infra Ventures).
(iv) Jaypee Development Corporation Limited (subsidiary of Jaypee Infra Ventures).
(v) Indesign Enterprises Pvt. Limited (subsidiary of Jaypee Infra Ventures)
(vi) Anvi Hotels Private Limited(subsidiary of Jaypee Infra Ventures)
(vii) Jaypee International Logistics Company Private Limited (subsidiary of Jaypee Infra Ventures).
(viii) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited).
(ix) Tiger Hills Holiday Resort Private Limited (subsidiary of Jaypee Development Corporation Limited
(x) GM Global Mineral Mining Private Limited (Subsidiary of Indesign Enterprises Pvt. Limited)
(xi) RPJ Minerals Private Limited
(xii) Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals Private Limited).
(xiii) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited).
(xiv) Jaypee Uttar Bharat Vikas Private Limited.
(xv) Kanpur Fertilizers & Cement Limited (subsidiary of Jaypee Uttar Bharat Vikas Private Limited).
(xvi) Sonebhadra Minerals Private Limited.
(xvii) Madhya Pradesh Jaypee Minerals Limited.
(xviii) Jaypee Mining Ventures Private Limited.
(xix) MP Jaypee Coal Limited.
(xx) MP Jaypee Coal Fields Limited.
(xxi) Jaiprakash Kashmir Energy Limited.
(xxii) Jaypee Hotels Limited.
(xxiii) Jaypee Technical Consultants Private Limited.
(xxiv) Ceekay Estate Private Limited
(xxv) Jaiprakash Exports Private Limited
(xxvi) Bhumi Estate Developers Private Limited
(xxvii) PAC Pharma Drugs and Chemicals Private Limited
(xxviii) Andhra Cements Limited. (subsidiary of Jaypee Development Corporation Limited) (w.e.f. 10.02.2

(d) Key Management Personnel:

(i) Shri Manoj Gaur, Chairman
(ii) Shri R Ramaraju, MD
(iii) Shri Pankaj Gaur, Director

(II) Transactions carried out with related parties referred to above:

(In ₹)

Nature of Transactions	Referred in (a) above	Referred in (b) above	Referred in (c) above	Referred in (d) above
Receipts				
Equity Share Capital	1,600,000,000	-		-
Sales	514,555,354	341,701,956	14,512,066	
Interest	-	1,037,671	-	
Advances	600,000,000			
Expenditure				
Managerial Remuneration				67,08,000
Contract Expenses		- -		
Purchases	207,413,893	-	834,800	
Expenses	-	40,448,400 -	77,480,146 -	-
Other Transactions	150,000,000		- -	
Outstanding				
Receivable Advances	661,176	105,204,143	137,449,312	-
Payable	46,198,322,734	-	480,504,486	-

-

Note '38'

(a) Provident Fund - Defined Contribution Plan:

All employees are entitled to Provident Fund benefits ₹ 2,30,47,132/- (Previous year ₹ 76,69,707/-) has been debited to Profit / Loss A/c during the year.

(b) Gratuity and Leave Encashment-Defined Benefit Plans – Provision has been made as per actuarial valuation. Jaiprakash Associates Limited (JAL) (the holding company) has constituted a Gratuity Fund Trust under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March, 2009 for JAL and its subsidiaries. SBI Life Insurance Company Limited has been appointed for management of the Trust Fund for the benefits of the employees. As a subsidiary of JAL, the company is participating in the Trust Fund by contributing its liability accrued upto the close of each financial year to the Trust Fund:

₹

		FY 2011-12		FY 2010-11	
		Gratuity (Funded)	**Leave Encashment (Non Funded)**	**Gratuity (Funded)**	**Leave Encashment (Non**
I	Expenses recognised in the Statement of Profit and Loss for the year ended 31st March 2012.				
	1. Current Service Cost.	11,283,736	14,137,123		
	2. Interest Cost	4,869,520	2,016,457		
	3. Employee Contribution	-	-		
	4. Actuarial (Gains)/Losses	33,513,495	12,902,709		
	5. Past Service Cost	-	-		
	6. Settlement Cost	-	-		
	7. Expected return on plan assets	(2,555,900)	-		
	8. Total Expenses	**47,110,851**	**29,056,289**		
II	Net Asset / (Liability) recognised in the Balance Sheet as at 31st March 2012.				
	1. Present Value of Defined Benefit Obligation.	101,059,179	43,157,557	28,889,594	1,834,822
	2. Fair Value of Plan Assets	26,824,003	-	-	-
	3. Funded Status (Surplus/Deficit)	(74,235,176)	(43,157,557)	-	-
	4. Net Asset/(Liability) as at March 31, 2012.	(74,235,176)	(43,157,557)	(28,889,594)	(1,834,822)
III	Change in Obligation during the year ended 31st March, 2012.				
	1. Present value of Defined Benefit Obligation at the beginning of the year.	57,288,483	23,723,024		
	2. Current Service Cost.	11,283,736	14,137,123		
	3. Interest Cost	4,869,520	2,016,457		
	4. Settlement Cost	-	-		
	5. Past Service Cost.	-	-		
	6. Employee Contributions	-	-		
	7. Actuarial (Gains)/Losses	33,492,600	12,902,709		
	8. Benefit Payments	(5,875,160)	(9,621,756)		
	9. Present Value of Defined Benefit Obligation at the end of the year.	101,059,179	43,157,557		
IV	Change in Assets during the year ended 31st March, 2012.				
	1. Plan Assets at the beginning of the year.	-	-		
	2. Assets acquired on amalgamation in previous year.	-	-		
	3. Settlements	-	-		
	4. Expected return on Plan Assets	-	-		
	5. Contribution by Employer	-	-		
	6. Actual Benefit Paid	-	-		
	7. Actuarial Gains/ (Losses)	-	-		
	8. Plan Assets at the end of the year.	-	-		
	9. Actual Return on Plan Assets	-	-		

(c) Actuarial Assumptions

(i) Discount Rate	8.50%
(ii) Mortality	LIC (1994-96) duly modified mortality tables
(iii) Turnover Rate	Upto 30 years -4%, 31-44years -4%, Above 44 -4%
(iv) Future Salary Increase	8.50%

Note '39'

Figures for the previous year have been regrouped/recast/rearranged wherever considered necessary to conform to this year's classification in accordance with revised Schedule VI.

Note '40'

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

As per our report of even date annexed | **For and on behalf of the Board**

For Awatar & Co.
Chartered Accountants

Brijendra Agrawal
Partner
M.No. 087787
Firm Regn. No. 000726N

Place: Noida
Dated: 28th May, 2012

Manoj Gaur
Chairman

R Rama Raju
Managing Director

R S Kuchhal
Company Secretary

A W A T A R & C O.
CHARTERED ACCOUNTANTS
New Delhi – Alwar- Bhilai

Head Office:
1203, Rohit House
3, Tolstoy Marg
New Delhi - 110 001
Ph.: 23315870
23320537
Fax: 23358544

AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
JAYPEE CEMENT CORPORATION LIMITED

1. We have audited the attached Balance Sheet of **JAYPEE CEMENT CORPORATION LIMITED** ("the Company") as at 31st March, 2011 and Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimate made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

   (i) 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;

   (ii) 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;

   (iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   (iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

   (v) on the basis of written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956, and;

   (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view:

      a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;

      b) in the case of the Profit and Loss Account, of the LOSS of the Company 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.

For **A W A T A R & C O.**
Chartered Accountants
Registration No. 000726N

BRIJENDRA AGRAWAL
Partner
Membership No. : 087787

Place : New Delhi
Date : June 27, 2011

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. Additions and deductions made during the year as per Company's Policy will be entered in the said records during the current year (i.e. 2011-12).

(b) In our opinion and according to the information and explanations given to us, the Company has not disposed off any substantial part of its fixed assets during the year and as such has not affected the going concern status of the Company.

(ii) (a) As explained to us, the inventories have been physically verified at reasonable intervals by the management.

(b) In our opinion and according to the information and explanations given to us, the procedures for physical of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company has maintained proper records of inventories and no discrepancies were noticed on physical verification as compared with the book records.

(iii) (a) The Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (b), (c) and (d) of clause 4(iii) of the Order are not applicable to the Company.

(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (f)) and (g) of clause 4(iii) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventories, fixed assets and services and supplies. During the course of our audit, we have not observed any continuing major weakness in such internal controls.

(v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts and arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.

(b) Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public during the year. Therefore, the provisions of clause 4(vi) of the Order are not applicable to the Company.

(vii) *The Company does not have a formal internal audit system*. However, in our opinion, there are adequate internal control procedures commensurate with the size of the Company and nature of its business.

(viii) According to the information and explanations given to us, the Company is in the process of setting up of a new cement plant, hence there are no manufacturing activities and resultantly no cost records under section 209(1)(d) of the Companies Act, 1956, have been prepared by the Company.

(ix) (a) According to the information and explanations given to us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income-tax, wealth tax, sales-tax, service tax, custom duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, cess or any other statutory dues were in arrears as on 31st March 2011 for a period more than six months from the date they became payable.

(x) The Company's accumulated losses were not less than 50% of the net worth in the immediately preceding financial year (prior to acquisition) as well as at the end of the current financial year due to cash losses.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not borrowed any amounts by issue of debentures.

(xii) In our opinion and according to the information and explanations given to us, 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, provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Order are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from the banks or financial institutions. Therefore, provisions of clause 4(xv) of the Order are not applicable to the Company.

(xvi) The Company has raised short term loans for the project under implementation. The term loans outstanding on the date of acquisition have been repaid by the Company.

(xvii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report 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 fresh allotment of shares during the year.

(xix) According to the information and explanations given to us, the Company has not issued any debentures during the year under audit report.

(xx) During the year covered by our audit report, the Company has not raised any money by way of public issue.

(xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **A W A T A R & C O.**
Chartered Accountants
Registration No. 000726N

BRIJENDRA AGRAWAL
Partner
Membership No. : 087787

Place : New Delhi
Date : June 27, 2011

JAYPEE CEMENT CORPORATION LIMITED
(Formerly Zawar Cement Private Limited)

BALANCE SHEET AS AT 31ST MARCH, 2011

(in Rupees)

	SCHEDULE		March 31, 2011		March 31, 2010
SOURCES OF FUNDS					
Shareholders Funds					
Share Capital	A		130,000,000		130,000,000
Share Application Money			750,000,000		8,725,000
Loan Funds					
Secured Loans	B		-		107,943,811
Unsecured Loans	C		700,071,233		147,319,757
Deferred Tax Liability			-		2,910,092
TOTAL FUNDS EMPLOYED			1,580,071,233		396,898,660
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	D	319,570,730		259,458,881	
Less: Depreciation		28,280,156		20,377,057	
Net Block		291,290,574		239,081,824	
Capital Work-in-Progress		488,302,223		41,557,058	
Incidental Expenditure during Construction, Pending Allocation	E	43,874,533	823,467,330	-	280,638,882
Deferred Tax Asset			5,047,713		-
Current Assets, Loans & Advances	F				
Inventories		61,777,709		55,728,123	
Sundry Debtors		44,134,285		44,118,628	
Cash and Bank Balances		393,172,461		5,390,028	
Other Current Assets		366,830		-	
Loans and Advances		38,295,223		27,362,109	
		537,746,508		132,598,888	
Less: Current Liabilities & Provisions	G				
Current Liabilities		97,931,389		107,954,862	
Provisions		33,436,093		21,445,163	
		131,367,482		129,400,025	
NET CURRENT ASSETS			406,379,026		3,198,862
Profit and Loss Account			345,177,164		111,877,545
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	H		-		1,183,371
TOTAL APPLICATION OF FUNDS			1,580,071,233		396,898,660
Accounting Policies and Notes to the Accounts	N				

As per our report of even date annexed

and on behalf of the Board

For Awatar & Co.
Chartered Accountants

Manoj Gaur
Chairman

Brijendra Agrawal
Partner
M.No. 087787
Firm Regn. No. 000726N

R Rama Raju
Managing Director

Place: Noida
Dated: 27th June, 2011

R S Kuchhal
Company Secretary

JAYPEE CEMENT CORPORATION LIMITED

(Formerly Zawar Cement Private Limited)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(In Rupees)

	SCHEDULE		2010-11		2009-10
INCOME					
Gross Sales		155,360		41,870,470	
Less : Excise Duty		11,950	143,410	3,190,897	38,679,573
Sale of Goods on Trade			-		37,105,035
Self consumption of Cement		1,434,599		-	
Less : Excise Duty		164,897	1,269,702	-	-
Other Income	I		3,316,896		522,777
			4,730,008		76,307,385
EXPENDITURE					
(Increase) / Decrease in Stocks	J		2,744,854		(7,567,027)
Purchase of Trade Cement			-		29,412,021
Materials Consumed	K		536,392		27,487,461
Manufacturing Expenses			-		11,688,678
Personnel & Other Expenses	L		230,169,622		107,680,669
Preliminary Expenses Written Off -Prior Period			1,183,371		-
Interest	M		3,450,094		19,923,430
Depreciation			7,903,099		7,202,143
PROFIT/(LOSS) BEFORE TAX			(241,257,424)		(119,519,990)
Deferred Taxes (Net)			(7,957,805)		(3,194,082)
PROFIT/(LOSS) AFTER TAX			(233,299,619)		(116,325,908)
Add : Prior Period Expenses written back			-		411,720
			(233,299,619)		(115,914,188)
Profit / (Loss) Brought Forward			(111,877,545)		4,036,643
Balance carried to Balance Sheet			(345,177,164)		(111,877,545)
EARNINGS PER SHARE			(17.95)		(8.92)
Basic and Diluted Earnings Per Share					
Accounting Policies and Notes to the Accounts	N				

As per our report of even date annexed

For and on behalf of the Board

For Awatar & Co.
Chartered Accountants

Manoj Gaur
Chairman

Brijendra Agrawal
Partner
M.No. 087787
Firm Regn. No. 000726N

R Rama Raju
Managing Director

Place: Noida
Dated: 27th June, 2011

R S Kuchhal
Company Secretary

(in Rupees)

	March 31, 2011	March 31, 2010
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised		
1,30,00,000 Equity Shares of Rs.10/- each	130,000,000	130,000,000
(Previous Year : 1,30,00,000 Equity Shares of Rs.10/- each)		
Issued, Subscribed & Paid up		
1,30,00,000 Equity Shares of Rs.10/- each fully paid - up	130,000,000	130,000,000
(Previous Year : 1,30,00,000 Equity Shares of Rs.10/- each)		
	130,000,000	130,000,000

The above 1,30,00,000 Equity Shares are held by Jaiprakash Associates Limited, the holding company

SCHEDULE 'B'		
SECURED LOANS		
Term Loan from Bank	-	107,943,811
	-	107,943,811
SCHEDULE 'C'		
UNSECURED LOANS		
Short Term Loans from Banks	700,071,233	-
(Repayable within one Year Rs. 700,071,233)		
Others	-	147,319,757
	700,071,233	147,319,757

SCHEDULE 'D'
FIXED ASSETS

(In Rupees)

		GROSS BLOCK				DEPRECIATION			NET BLOCK	
Sl.No.	PARTICULARS	As On 01.04.2010	Additions during the year	Sale / Adjustment / Transfer	As On 31.03.2011	Upto 31.03.2010	For the year	Upto 31.03.2011	As On 31.03.2011	As On 31.03.2010
1	**FREEHOLD LAND**	72,634,412	-	-	**72,634,412**	-	-	**-**	**72,634,412**	72,634,412
2	**BUILDINGS**	95,911,058	6,864,000	-	**102,775,058**	7,150,147	2,569,489	**9,719,636**	**93,055,422**	88,760,911
3	**PLANT & MACHINERY**	74,751,248	43,879,773	-	**118,631,021**	10,951,137	3,977,028	**14,928,165**	**103,702,856**	63,800,111
4	**RAILWAY SIDINGS**	10,723,535	-	-	**10,723,535**	1,515,544	509,368	**2,024,912**	**8,698,623**	9,207,991
5	**MOTOR VEHICLES**	184,239	-	-	**184,239**	52,077	17,503	**69,580**	**114,659**	132,162
6	**FURNITURE & FIXTURES**	733,414	3,733,542	-	**4,466,956**	76,572	66,863	**143,435**	**4,323,521**	656,842
7	**COMPUTERS**	830,514	1,922,042	-	**2,752,556**	272,971	223,642	**496,613**	**2,255,943**	557,543
8	**OFFICE EQUIPMENT**	3,690,461	3,712,492	-	**7,402,953**	358,609	539,206	**897,815**	**6,505,138**	3,331,852
	TOTAL	259,458,881	60,111,849	-	**319,570,730**	20,377,057	7,903,099	**28,280,156**	**291,290,574**	239,081,824
	PREVIOUS YEAR	258,998,428	460,453		259,458,881	13,174,914	7,202,143	20,377,057	239,081,824	
	Capital work- in- Progress								**488,302,223**	41,557,058

SCHEDULE `E'
INCIDENTAL EXPENDITURE DURING CONSTRUCTION, PENDING ALLOCATION

(In Rupees)

	March 31, 2011	March 31, 2010
Mining Area Development Expenses	11,025,000	-
Survey Expenses	565,538	-
Tractor Hire Charges	260,448	-
Application fee for coal linkage	230,000	-
Interest (Net of Interest received Rs. 8,60,658)	5,614,684	-
Financing Charges	15,051,045	-
Consultancy & Professional Fee	11,032,856	-
Travelling	94,962	-
Total	43,874,533	-

(In Rupees)

SCHEDULE `F'
CURRENT ASSETS,LOANS & ADVANCES

		March 31, 2011	March 31, 2010
A	CURRENT ASSETS		
	INVENTORIES (As per inventories taken, valued and certified by the Management)		
	Stores & Spares	11,686,674	2,824,936
	Raw Materials	15,800,111	15,800,111
	Finished Goods	8,045,463	10,790,317
	Packing Material	927,030	994,328
	Stock -in- Process	25,318,431	25,318,431
		61,777,709	55,728,123
	SUNDRY DEBTORS		
	(Unsecured - Considered good)		
	Debts outstanding for a period exceeding six months	44,134,285	44,118,628
		44,134,285	44,118,628
	CASH AND BANK BALANCES		
	Cash in hand	4,669,398	3,499,369
	Balances with Scheduled Banks		
	In Current Accounts	208,396,223	286,311
	In Fixed Deposits	180,106,840	1,604,348
		393,172,461	5,390,028
	OTHER CURRENT ASSETS		
	Interest accrued on Fixed Deposits	366,830	-
		366,830	-
	Total (A)	499,451,285	105,236,779
B	LOAN AND ADVANCES		
	(Unsecured - considered good)		
	Staff Imprest / Advances	216,653	-
	Prepaid Expenses	520,985	227,025
	Other Loans & Advances	796,828	1,315,870
	Advances recoverable in cash or in kind or for value to be received:		
	Deposits with Govt. Deptts., public bodies & others	25,765,846	24,264,850
	Central Excise / Service Tax /Vat	10,398,411	46,895
	Advance Tax and Income Tax Deducted at Source	596,500	1,507,469
	Total (B)	38,295,223	27,362,109
	Total (A+B)	537,746,508	132,598,888

(In Rupees)

SCHEDULE 'G'
CURRENT LIABILITIES AND PROVISIONS

		March 31, 2011	March 31, 2010
A	CURRENT LIABILITIES		
	Sundry Creditors		
	- Due to Micro, Small and Medium Enterprises	-	-
	- Others	33,447,519	83,889,170
	Other Liabilities	64,483,870	24,065,692
	Total (A)	97,931,389	107,954,862
B	Provisions		
	Provision for Gratuity	31,601,271	21,445,163
	Provision for Leave Encashment	1,834,822	-
	Total (B)	33,436,093	21,445,163
	Total (A+B)	131,367,482	129,400,025

SCHEDULE `H'

	March 31, 2011	March 31, 2010
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	-	1,183,371
Total	-	1,183,371

(In Rupees)

		2010-11		2009-10
SCHEDULE 'I'				
OTHER INCOME				
Interest		-		151,128
Miscellaneous Income		3,316,896		371,649
Total		3,316,896		522,777

		2010-11		2009-10
SCHEDULE 'J'				
(INCREASE) / DECREASE IN STOCKS				
Opening Stocks :				
Stock -in- Process	25,318,431		23,545,125	
Finished Goods	10,790,317	36,108,748	4,996,596	28,541,721
Less:Closing Stocks				
Stock -in- Process	25,318,431		25,318,431	
Finished Goods	8,045,463	33,363,894	10,790,317	36,108,748
Total		2,744,854		(7,567,027)

		2010-11		2009-10
SCHEDULE 'K'				
MATERIALS CONSUMED				
Opening Stocks :				
Raw Materials	15,800,111		14,299,939	
Stores & Spares	2,824,936		3,289,204	
Packing Material	994,328	19,619,375	1,469,063	19,058,206
Add:Purchases				
Raw Materials	-		25,598,287	
Stores & Spares	-		1,411,328	
Packing Material	-	-	1,039,015	28,048,630
Less:Closing Stocks				
Raw Materials	15,800,111		15,800,111	
Stores & Spares	2,355,842		2,824,936	
Packing Materials	927,030	19,082,983	994,328	19,619,375
Total		536,392		27,487,461

SCHEDULE 'L' (In Rupees)

Personnel & Other Expenses

		2010-11	2009-10
Salaries, wages & Bonus		57,423,133	75,627,559
Gratuity		12,829,727	-
Contribution to Provident Fund & ESI		7,669,707	-
Staff Welfare		5,764,095	-
Travelling		784,348	533,367
Bank Charges & Commission		63,315	-
Rates & Taxes		114,537,487	972,568
Vehicle Running & Maintenance		1,270,160	-
Repairs to Buildings		922,379	141,679
Power & Fuel		18,821,932	29,014,723
Legal & Professional		1,134,959	-
Charity & Donation		16,000	-
Security Services		3,138,554	-
Auditors' Remuneration			
' - Audit Fee		165,450	165,450
- Taxation Matters		-	167,950
Miscellaneous Expenses		5,628,376	1,057,373
	Total	230,169,622	107,680,669

SCHEDULE 'M'

INTEREST

Banks		2,708,194	14,486,600
Others		741,900	5,436,830
	Total	3,450,094	19,923,430

SCHEDULE `N’

ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES

General:

(a) The accounts are prepared on historical cost basis and on the principles of a going concern.

(b) Accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles and Accounting Standards issued by the Institute of Chartered Accountants of India.

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 reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/ materialize.

Fixed Assets

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

Depreciation

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

Inventories

(i) Stock of cement is valued at estimated cost or net realisable value, whichever is less.

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

Expenditure during Construction Period

Expenditure incurred on the Project / Assets during Construction / Implementation is capitalized and apportioned to Project / Assets on commissioning of the Project.

Impairment of Assets

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

Investments

Investments are stated at cost and where there is permanent diminution in the value of Investments a provision is made, wherever applicable. Dividend is accounted for as and when received.

Employee Benefits

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

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

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

Lease Rentals

(i) Operating leases: Rentals are expensed with reference to lease terms.

(ii) Financial Leases: The lower of the fair value of the assets or present value of the minimum lease rentals is capitalised as Fixed Assets and corresponding amount shown as Lease Liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the Profit and Loss Account.

Miscellaneous Expenditure

Preliminary expenses are charged off to the Profit and Loss Account in the year in which the same are incurred and share issue expenses are amortised over a period of ten years.

Borrowing Costs

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

Foreign Currency Transactions

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

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

Taxes on Income

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

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

Earnings per Share

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

Provisions, Contingent Liabilities and Contingent Assets

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

(B) NOTES TO THE ACCOUNTS

1. Jaypee Development Corporation Limited, a Jaypee Group company, acquired a 100% stake in the erstwhile Zawar Cement Private Limited from Zawar Group, Pune. The aforesaid acquisition includes immovable properties of 519.933 hectares at Bankur village, District. Gulbarga in the State of Karnataka, known as Shahabad Cement Works, comprising of the freehold land measuring 191.593 hectares together with buildings and structures thereon & area covered in Railway siding and the mining freehold land measuring 328.34 hectares, besides the mining leases / rights.

   The entire share capital of the company has since been acquired by Jaiprakash Associates Limited from Jaypee Development Corporation Limited, resultantly the company has become a wholly owned subsidiary of Jaiprakash Associates Limited w.e.f. 22nd February, 2011.

2. Name of the company has been changed to “Jaypee Cement Corporation Private Limited” w.e.f 23rd December, 2010 and consequent upon conversion of the Company to Public Limited Company, the name of the company has been changed to “Jaypee Cement Corporation Limited” w.e.f 18th January, 2011.

3. Registered office of the company has been shifted from the state of Maharashtra to the state of Uttar Pradesh in terms of the order dated 19th May, 2011 of the Hon’ble Company Law Board, Mumbai Bench, Mumbai and is located at Sector 128, Noida – 201304 (U.P.).

4. A new cement plant with 3.0 million tons per annum cement grinding capacity alongwith a 26 MW captive power plant is being set up by the company by scraping the existing plant with capacity of 5.40 lacs tons per annum.

5. Pursuant to the said acquisition, the said plant is not in operation w.e.f. 20th April, 2010, hence no production made and sales effected thereafter.

6. Pursuant to the said acquisition, the company has repaid Demand Loan & Cash Credit outstanding alongwith uptodate interest thereon (Rs. 1106.08 lacs) to Bank of Baroda, Pune, paid all the outstanding statutory overdues to the Department of Mines & Geology (including environment protection fee), Department of Commercial Taxes, Stamp duty & Registration Fee to Sub-Registrar, Chittapur, arrears of property tax, central excise & PF, arrears of employees wages & gratuity and also repayment of unsecured loans, refund of security deposits and Share Application Money and payment of outstanding amount to Karnataka State Industrial Investment & Development Corporation Limited totalling to Rs. 4745.01 lacs resulting into additional charge of Rs. 1147.44 lacs to profit and loss account in respect of the liabilities not provided for earlier.

7. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) Rs. 176,75,95,687/-.

8. Short term loans of Rs. 70,00,71,233/- are repayable / adjustable against project term loans being sanctioned / to be sanctioned during the year.

9. Entries in respect of the transactions for the period from 1st April, 2010 to 17th April, 2010 have been effected in books of account, based on the financial statements provided by the then pre-acquisition management of the erstwhile Zawar Cement Private Limited.

10. Certain Fixed Assets received at the time of acquisition are subject to locational verification.

11. Agreements for purchase of land admeasuring 1001.3750 acres have been entered into against which advance payment aggregating to Rs.29,47,72,500/- have been made.

12. Depreciation on the Power Plant acquired from Karnataka State Industrial Investment & Development Corporation has not been provided for as the same has not been commissioned and not in use.

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

14. Capital work-in-progress includes advances to suppliers & others, Civil work and Construction material: Rs. 48,83,02,223 /- (previous year Rs.4,15,57,058/-).

15. Incidental expenditure during construction period, pending allocation includes Mining area development expenses, borrowing costs, consultancy fee & travelling expenses etc. in respect of project under implementation : Rs. 4,38,74,533/- (Previous year: Nil).

16. Miscellaneous Income includes discount of Rs. 32,56,498/- received from various creditors.

17. Interest received Rs. 8,60,658/- (TDS Rs. 1,09,638/-) on temporary placement of funds in Fixed Deposit with Banks has been adjusted against interest paid as per AS-16 (previous year : Rs. 1,51,128/-).

18. 'Other Liabilities' under the head "Current Liabilities & Provisions" include Book Overdraft of Rs. 4,48,09,993/- against Fixed Deposit of Rs. 13,00,00,000/-.

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

S.No.	Particulars	As on 31.03.2011	As on 31.03.2010
a)	The principal amount and interest due thereon remaining unpaid to any supplier		
	-Principal Amount	Nil	Nil
	-Interest Amount	Nil	Nil
b)	The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day.	Nil	Nil

c)	The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed date during the year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006.	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding 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

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

21. Managerial remuneration paid / payable to Managing Director (w.e.f. 1st June, 2010), exclusive of provisions for gratuity and leave encashment on retirement).

	2010-11	2009-10
		Rupees
Salaries	30,00,000	18,00,000
House Rent Allowance	18,00,000	-
Contribution to Provident Fund	3,60,000	9,360
	51,60,000	18,09,360
	=========	=======

22. Additional information pursuant to the provisions of paragraphs 3 and 4 of Part –II of Schedule –VI to the Companies Act, 1956

(a) Statistical Data

A - Capacity & Production				
Item	Installed Capacity* (MT)		Production (MT)	
	2010-11	2009-10	2010-11	2009-10
CLINKER	-	520,000	-	11,630
CEMENT	-	540,000	-	12,514

Existing Plant capacity scrapped
As certified by the management and relied on by the Auditors, being a technical matter.

B- Sales

Item	2010-11		2009-10	
	Quantity (MT)	Value (In Rupees)	Quantity (MT)	Value (In Rupees)
PPC Bond	40	1,55,360	8,234	29,062,980
43 Grade Rock	-	-	3,370	12,807,490
Total	40	1,55,360	11,604	4,18,70,470

I No Sales made w.e.f. 20th April, 2010.

ii Above Sales are inclusive of excise duty but exclusive of sales tax.

C –Opening & Closing Stocks:

Particulars	Opening Stock (MT)	Production	Sale	Closing Stock (MT)
Clinker	6,410	-	-	6,410
Cement	2,044	-	-	*1,586

* Net of 458 MT for Self Consumption.

D- Raw Materials Consumed

Item	Unit	2010-11		2009-10	
		Quantity	Value (In Rupees)	Quantity	Value (In Rupees)
Coal	MT	-	-	5,813	21,501,134
Lime Stone	MT	-	-	17,879	1,658,078
PP Bags	NO.	10,624	67,298	232,601	1,513,750

O t h e r s	-	-	4 6 9 0 9 4	-	2,814,499
Total	-	-	5,36,392	-	27,487,461

Plant is not in operation w.e.f. 20th April, 2010, hence no Production, no consumption of Raw Material and no Sales.

b) Value of imports (on CIF basis)

(In Rupees)

	2010-11	2009-10
Advances against Capital Equipment	5,12,21,469	-

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

(I) Relationships:

(a) Holding Company: Jaiprakash Associates Limited (w.e.f. 22.02.2011).

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

i) Jaiprakash Power Ventures Limited.

ii) Jaypee Karcham Hydro Corporation Limited (subsidiary of Jaiprakash Power Ventures Limited).

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

iv) Bina Power Supply Company Limited (subsidiary of Jaiprakash Power Ventures Limited).

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

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

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

viii) Jaypee Meghalaya Power Limited (subsidiary of Jaiprakash Power Ventures Limited) (w.e.f. 26.08.2010).

ix) Himalayan Expressway Limited.

x) Jaypee Infratech Limited.

xi) Jaypee Sports International Limited.

xii) Jaypee Ganga Infrastructure Corporation Limited.

xiii) Bhilai Jaypee Cement Limited.

xiv) Bokaro Jaypee Cement Limited.

xv) Gujarat Jaypee Cement & Infrastructure Limited.

xvi) Jaypee Agra Vikas Limited.

xvii) Jaypee Fertilizers & Industries Limited (w.e.f. 03.06.2010).

(c) Associate Companies:

i) Jaypee Ventures Private Limited.

ii) Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Ventures Private Limited).

iii) Anvi Hotels Private Limited(subsidiary of Jaypee Ventures Private Limited)

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

v) Indesign Enterprises Pvt. Limited (subsidiary of Jaypee Ventures Private Limited).

vi) Indus Hotels UK Limited (Subsidiary of Indesign Enterprises Pvt. Limited)

vii) GM Global Mineral Mining Private Limited (Subsidiary of Indesign Enterprises Pvt. Limited) (w.e.f 16.07.2010)

viii) Ibonshourne Limited (Subsidiary of Indesign Enterprises Pvt. Limited) (w.e.f 13.10.2010)

ix) Jaypee Development Corporation Limited (subsidiary of Jaypee Ventures Private Limited).

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

xi) JIL Information Technology Limited (subsidiary of Jaypee Ventures Private Limited).

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

xiii) RPJ Minerals Private Limited

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

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

xvi) Jaypee Uttar Bharat Vikas Private Limited. (w.e.f. 21.06.2010).

xvii) Kanpur Fertilizers & Cement Limited (subsidiary of Jaypee Uttar Bharat Vikas Private Limited) (w.e.f. 26.09.2010).

xviii) Sonebhadra Minerals Private Limited.

xix) Madhya Pradesh Jaypee Minerals Limited.

xx) Jaypee Mining Ventures Private Limited.

xxi) MP Jaypee Coal Limited.

xxii) MP Jaypee Coal Fields Limited.

xxiii) Jaiprakash Kashmir Energy Limited.

xxiv) Jaypee Hotels Limited.

xxv) Jaypee Infra Ventures (A private company with unlimited liability) (w.e.f 30.03.2011)

xxvi) Jaypee Technical Consultants Private Limited.

xxvii) Ceekay Estate Private Limited

xxviii) Jaiprakash Exports Private Limited

xxix) Bhumi Estate Developers Private Limited

xxx) PAC Pharma Drugs and Chemicals Private Limited

(d) Key Management Personnel:

Shri Manoj Gaur, Chairman

Shri Pankaj Gaur, Director

Whole time Director:

Shri R Ramaraju, Managing Director (w.e.f. 1st June, 2010)

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

(In Rupees)

Nature of Transactions	Referred in (a) above	Referred in (b) above	Referred in (c) above	Referred in (d) above
Receipts				
Share Application Money			75,00,00,000	
Expenditure				
Managerial Remuneration				51,60,000
Interest		24,65,753		
Expenses	2,11,20,125			
Other Transactions	1,05,800	14,50,00,000		
Outstanding				
Payable	2,05,54,157			

24. (a) Provident Fund - Defined Contribution Plan:

All employees are entitled to Provident Fund benefits. Rs. 34,84,445 /- debited to Profit & Loss accounts during the year.

(b) Gratuity and Leave Encashment-Defined Benefit Plans – Provision has been made as per actuarial valuation.

(In Rupees)

	2010-11		2009-10	
	Gratuity (Funded)	Leave Encashment (Non Funded)	Gratuity (Funded)	Leave Encashment (Non Funded)
Net Asset / (Liability) recognised in the Balance Sheet as at 31st March 2011. 1. Present Value of Defined Benefit Obligation.	2,88,89,594	18,34,822	1,88,02,942	
2. Fair Value of Plan Assets 3. Funded Status (Surplus/Deficit)				
4. Net Asset/(Liability) as at March 31, 2011.	(2,88,89,594)	(18,34,822)	(1,88,02,942)	

(c) Actuarial Assumptions

(i)	Discount Rate	-	8%
(ii)	Mortality	-	LIC (1994-96) duly modified mortality tables
(iii)	Turnover Rate	-	Upto 30 years -4%, 31-44years -4%, Above 44 -4%
(iv)	Future Salary Increase	-	8%

25 All the figures have been rounded off to the nearest rupee. (Except in the Notes to the Accounts).

26. Figures for the previous year have been regrouped / recast / rearranged wherever considered necessary to conform to current year's classification.

As per our report of even date annexed

For Awatar & Co.
Chartered Accountants

Brijendra Agrawal
Partner
M.No. 087787
Firm Regn. No. 000726N

Place: Noida
Dated: 27 th June, 2011

For and on behalf of the Board

Manoj Gaur
Chairman

R Rama Raju
Managing Director

R S Kuchhal
Company Secretary

JAYPEE CEMENT CORPORATION LIMITED.

(Formerly Zawar Cement Private Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(in Rupees)

		2010-11		2009-10
A) CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit /(loss) Before Tax:		(241,257,424)		(119,519,990)
Add back :				
a) Depreciation	7,903,099		7,202,143	
b) Preliminary Expenses	-		473,900	
c) Interest	3,450,094		19,923,430	
d) Preoperative Expenses	-		117,785	
e) Prior Period Expense written back	-	11,353,193	411,720	28,128,978
Operating Profit Before working Capital Changes :		(229,904,231)		(91,391,012)
Deduct:				
a) Increase in Inventories	(6,049,586)		(8,128,196)	
b) Increase in Loans & Advances	(10,933,114)		6,754,644	
c) Increase in Debtors	(15,657)		30,995,353	
d) Increase in Other Assets	(366,830)		505,989	-
e) Decrease in Miscellaneous Expenditure	1,183,371	(16,181,816)	-	30,127,790
		(246,086,047)		(61,263,222)
Add:				
Increase in Current Liablities & Provisions		1,967,456		65,148,690
Net Cash from operating Activities:		(244,118,591)		3,885,469
B) CASH FLOW FROM INVESTING ACTIVITIES :				
Outflow :				
a) Increase in Fixed Assets	(60,111,849)		(460,453)	
b) Increase in Capital Work in Progress	(446,745,165)		(40,808,910)	
c) Increase in Incidental Expenditure during Construction	(43,874,533)	(550,731,547)	-	(41,269,363)
Net Cash Used in Investing Activities		(550,731,547)		(41,269,363)
C) CASH FLOW FROM FINANCING ACTIVITIES :				
Inflow				
a) Increase in Share Application Money	741,275,000			
b) Increase in Unsecured Loans	552,751,476	1,294,026,476	60,506,602	60,506,602
Outflow :				
Decrease in Secured Loans	(107,943,811)		(3,530,470)	
Interest	(3,450,094)	(111,393,905)	(19,923,430)	(23,453,900)
Net Cash From Financing Activities		1,182,632,571		37,052,702
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		387,782,433		(331,191)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE YEAR		5,390,028		5,721,219
CASH & CASH EQUIVALENTS AT CLOSE OF THE YEAR		393,172,461		5,390,028

As per our report of even date annexed

For and on behalf of the Board

For Awatar & Co.
Chartered Accountants

Manoj Gaur
Chairman

Brijendra Agrawal
Partner
M.No. 087787
Firm Regn. No. 000726N

R Rama Raju
Managing Director

Place: Noida
Dated: 27th June, 2011

R S Kuchhal
Company Secretary

JAYPEE CEMENT CORPORATION LIMITED

(Formerly Zawar Cement Private Limited)

BALANCE SHEET ABSTRACT AND COMPANY'S BUSINESS PROFILE PURSUANT TO PART-IV OF SCHEDULE- VI TO THE COMPANIES ACT, 1956

I.	Registration Details:				
	Registration No.	:	11-101030	State Code No.	20
	Balance Sheet Date	:	31.03.2011		
II.	Capital Raised During the Year: (Amount in Rs. Lakhs)				
	Public Issue	:	NIL	Right Issue	NIL
	Bonus Issue	:	NIL	Private Placement	NIL
				Preferential Allotment	NIL

III. Position of Mobilisation and Deployment of Funds: (Amount in Rs. Lakhs)

		As at 31.03.2011
Total Liabilities	:	15,801
Total Assets	:	15,801
Sources of Funds		
Paid-up Capital	:	1,300
Share Application Money	:	7,500
Loan Fund	:	7,001
		15,801
Application of Funds		
Net Fixed Assets	:	8,235
Net Current Assets	:	4,064
Miscellaneous Expenditure	:	-
Deferred Tax Asset	:	50
Profit & Loss Account (Debit Balance)	:	3,452
		15,801

IV. Performance Of Company: (Amount in Rs. Lakhs)

Other Income	:	47
Total Expenditure	:	2,460
Profit / (Loss) Before Tax	:	(2,413)
Profit / (Loss) After Tax	:	(2,333)
Basic Earning Per Share in Rs.	:	(17.95)
Diluted Earning Per Share in Rs.	:	(17.95)

V. Generic Names Of three Principal Products / Services of the Company(as per monetary terms)

Item Code No. (ITC Code)	:	252329.01
Product Description	:	Portland Cement

As per our report of even date annexed

For and on behalf of the Board

For Awatar & Co.
Chartered Accountants

Manoj Gaur
Chairman

Brijendra Agrawal
Partner
M.No. 087787
Firm Regn. No. 000726N

R Rama Raju
Managing Director

Place: Noida
Dated: 27th June, 2011

R S Kuchhal
Company Secretary

DECLARATION

The Company certifies that all relevant provisions of Chapter VIII of the SEBI Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VIII of the SEBI Regulations and that all approvals and permissions required to carry on its business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Placement Document are true and correct.

Signed by:

Mr. Sunil Kumar Sharma
Whole-time Director
(Executive vice-chairman)

Date: February 4, 2013
Place: Noida

REGISTERED OFFICE OF THE COMPANY

Jaiprakash Associates Limited

Sector 128
Noida – 201 304
Uttar Pradesh
India

GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGER

Standard Chartered Securities (India) Limited

1st Floor, Standard Chartered Tower
201B/1, Western Express Highway
Goregaon (East)
Mumbai – 400 063
Tel : + 91 22 4205 6117
Fax : + 91 22 4205 5999

INTERNATIONAL LEGAL ADVISOR TO THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGER

Linklaters Singapore Pte. Ltd.

One George Street #17-01
Singapore 049145

LEGAL COUNSEL FOR THE ISSUE AS TO INDIAN LAW

Luthra & Luthra Law Offices

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Elphinstone Mills Compound, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
India

AUDITORS TO THE COMPANY

M/s. M.P. Singh Associates

B-8/14 Vasant Vihar
New Delhi 110 057
India

AUDITORS TO THE JPVL, JCCL AND JAYPEE INFRATECH

M/s. R. Nagpal Associates, Chartered Accountants

B-8/14 Vasant Vihar
New Delhi 110 057
India