



JAIPRAKASH
ASSOCIATES LIMITED

ANNUAL REPORT 2008-09



450 MW Baglihar HEP, J&K



Construction
Power
Cement
Hospitality
Real Estate

— NO DREAM TOO BIG —

“Entrepreneur of the Year Award”



*“Entrepreneur of the Year Award” was conferred on
Shri Jaiprakash Gaur, Founder Chairman, Jaypee Group
for his exceptional contribution in Infrastructure & Construction sector
by Ernst & Young*

Other Accolades

- 300 MW Baspa – II Hydro-power project was awarded “Gold Shield” by Hon'ble President of India Smt. Pratibha Devisingh Patil in the prestigious National Awards for Meritorious Performance in Power Sector by the Ministry of Power for 2007-08
- 400 MW Vishnuprayag Hydro-power project of Jaiprakash Power Ventures Ltd (JPVL) was awarded 1st Prize in the category "Excellence in Fast Track Power Project Execution - Hydro" by the Indian Electrical and Electronics Manufacturers Association (IEEMA) Power Awards 2008
- National Safety Award for the year 2006 to Jaypee Rewa Plant for longest Accident Free Period
- Jaypee Greens awarded Best Golf Development and Best Apartment by CNBC Asia-Pacific Property Awards 2008
- FLS (F.L. Smidth) Energy Award 2007 for Maximum percentage reduction in Thermal Energy (Kcal) consumption per kg. of Clinker production over year 2005-06 (Jaypee Rewa Plant) & Minimum percentage of Auxiliary power consumption with respect to Thermal Power Generation in M.P., Chattisgarh States in the year 2006-07 (Jaypee Bela Unit, Captive Power Plant, 2006-07)
- Award presented for Overall Performance, 'Use of Explosives & Dust Suppression and Safety Education during Metalliferous Mines Safety Week Celebration (Jabalpur Region) to Naubasta Limestone Mine of Jaiprakash Associates Limited

2009

2008

Financial Highlights

	2007-08 (Rs. Crore)	2008-09 (Rs. Crore)	% Change
Gross Revenue	4261	6148	44%
Profit Before Tax	843	1251	48%
Net Profit	610	897	47%
Total Assets	17130	25557	49%
Dividend	50%	50%	–



2007



2 MnTPA Dalla Cement Plant, U.P.

2009



2007



2.5 MnTPA Chunar Cement Plant, U.P.

2009

Company Secretary

Harish K. Vaid
Sr. President (Corporate Affairs) &
Company Secretary

Auditors

M/s. M.P. Singh & Associates
New Delhi-110057

Bankers

Allahabad Bank
Andhra Bank
AKA Export Finance Bank
Axis Bank Limited
Bank of Baroda
Bank of Bhutan
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Citi Bank N.A.
Corporation Bank
Export Import Bank of India
HDFC Bank
HSBC Ltd.
ICICI Bank Limited
Indian Bank
Indian Overseas Bank
Industrial Bank Ltd.
Karur Vysya Bank
Karnataka Bank
Kotak Mahindra Bank
Oriental Bank of Commerce
Punjab National Bank
Punjab & Sind Bank
Refidian Bank, Iraq
Royal Bank of Scotland
Standard Chartered Bank
State Bank of India
State Bank of Hyderabad
State Bank of Indore
State Bank of Mysore
State Bank of Patiala
State Bank of Sikkim
State Bank of Travancore
State Bank of Bikaner & Jaipur
Syndicate Bank
The Jammu & Kashmir Bank Limited
UCO Bank
Union Bank of India
United Bank of India
Yes Bank Limited

Board of Directors

Jaiprakash Gaur, Founder Chairman
Manoj Gaur, Executive Chairman & CEO
Sunil Kumar Sharma, Executive Vice Chairman
Sarat Kumar Jain, Vice Chairman
A.K. Sahoo (LIC Nominee)
K.P. Rau (IDBI Nominee)
Gopi K. Arora
R.N. Bhardwaj
S.C. Bhargava
B.K. Goswami
B.K. Taparua
S.C. Gupta
M.S. Srivastava
Sunny Gaur, Managing Director (Cement)
Pankaj Gaur, Joint Managing Director (Construction)
R.K. Singh, Whole-time Director
Ranvijay Singh, Whole-time Director
S.D. Nailwal, Director (Finance)

Rahul Kumar, CFO

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**Registered &
Corporate Office**
Sector-128, NOIDA-201 304
Uttar Pradesh

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

Website
www.jalindia.com

E-mail ID for Investors
jal.investor@jalindia.co.in

NOTICE

NOTICE is hereby given that the **12th Annual General Meeting** of the Members of **Jaiprakash Associates Limited** will be held on **Tuesday, September 29, 2009** at **11.00 A.M.** at the Auditorium of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201 307, U.P. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited **Balance Sheet** as at **March 31, 2009**, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To confirm interim dividends and declare final **dividend** for the financial year 2008-09.
3. To appoint a Director in place of **Shri Sunny Gaur** who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of **Shri S.C. Gupta** who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of **Shri Gopi K. Arora** who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint a Director in place of **Shri Sarat Kumar Jain** who retires by rotation and, being eligible, offers himself for re-appointment.
7. To appoint a Director in place of **Shri Ranvijay Singh** who retires by rotation and, being eligible, offers himself for re-appointment.
8. To appoint **M/s M.P. Singh & Associates**, Chartered Accountants, as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

Special Business

To consider and, if thought fit, to pass, with or without modification(s), the following resolutions:

As Special Resolutions:**9. EMPLOYEES STOCK PURCHASE SCHEME**

"RESOLVED THAT approval of the shareholders be and is hereby accorded to Employee Stock Purchase Scheme of the Company, to be known as "Jaypee Employee Stock Purchase Scheme, 2009" (hereinafter referred to as the 'Scheme') for offering and allotting upto 1,25,00,000 (ONE CRORE TWENTY FIVE LACS) Equity Shares of Rs. 2/- each of the Company at a price of Rs. 60/- per share, comprising of Rs.2/- towards share capital and balance Rs. 58/- towards Securities premium, to the Trust to be created for administering the Scheme and for the benefit of the employees (including Directors) of the Company, excluding employees who are promoters or belong to the promoter group and Directors, who individually either by themselves or through their relatives or through any body corporate, directly or indirectly hold more than 10% of the equity shares of the Company, on the terms and conditions contained in the Scheme, as set out in the Explanatory Statement annexed hereto, subject to such amendment(s)/ modification(s)/revision(s) as may be considered necessary and approved by the Board of Directors, in terms of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999."

"RESOLVED FURTHER THAT in terms of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the equity shares under the "Jaypee Employee Stock Purchase Scheme, 2009" be also

offered through the said Trust to the employees (including Directors) of the subsidiaries of the Company excluding the employees of the subsidiaries who form part of the promoter group of the respective subsidiaries and Directors of subsidiaries who individually either by themselves or through their relatives or through any body corporate, directly or indirectly hold more than 10% of the equity shares of the respective subsidiaries, on the terms and conditions contained in the Scheme and the authorities and the powers given by the underlying resolutions shall apply mutatis mutandis to the equity shares being offered to the employees of the Company's subsidiaries as set out herein."

"RESOLVED FURTHER THAT in accordance with the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and the enabling provisions of the Memorandum and Articles of Association of the Company, and the prevailing statutory guidelines in that behalf and subject to requisite consents, permissions and approvals and/or sanctions as may be required (hereinafter singly or collectively referred to as "the requisite approvals") and subject to such conditions as may be prescribed or imposed by any one/all authorities while granting the requisite approvals and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of Directors, for the time being, duly authorised by the Board to exercise the powers conferred on the Board by this resolution), consent of the Company be and is hereby accorded to the Board, to issue upto ONE CRORE TWENTY FIVE LACS Equity Shares of the Company at a price as mentioned above, to the said Trust for administering the Scheme including for ultimate transfer to such eligible employees of the Company and its subsidiaries under the Scheme, whether shareholders of the Company or not, on terms and conditions as the Board may in their absolute discretion think fit, in compliance with the guidelines issued by Securities and Exchange Board of India.

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies specified in clause 19.2 of the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of the shares so issued under the Scheme."

"RESOLVED FURTHER THAT such shares as are issued by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing fully paid-up shares of the Company including to the dividend.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing the shares allotted under the Scheme, on the Stock Exchanges where the Company's shares are listed, as per the terms and conditions of the listing agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred including the power to sub-delegate to any Committee of Directors of the Company to give effect to the aforesaid resolution."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to do all things necessary and to take all such action as may be necessary or expedient to settle all questions, difficulties or doubts that may arise while implementing the Scheme including formulating or amending or altering or adopting any modifications or redefining the proposal or Scheme of Employees Stock Purchase based on the guidelines issued

by the Securities and Exchange Board of India or any other statutory authority from time to time, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

10. INVESTMENT OF SURPLUS FUNDS OF THE COMPANY IN DEBT INSTRUMENTS/SECURITIES

"RESOLVED THAT pursuant to **Section 372A** and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approvals of Financial Institutions/Banks and such other approvals as may be required, the Board of Directors of the Company be and is hereby authorized to make investment of Surplus Funds of the Company from time to time in any Mutual Fund Scheme(s), debt instrument(s) or debt based securities of any government, semi-government or listed company(ies) upto an amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only) at any one time, in one or more tranches, notwithstanding the fact that the aggregate of the investments so far made, securities so far provided, loans/ guarantees so far given by the Company alongwith the proposed investments/loans, shall exceed 60% of the paid-up capital and free reserves of the Company or 100% of its free reserves, whichever is more."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be expedient and necessary to give effect to this Resolution."

11. ADDITIONAL INVESTMENT OF UPTO RS.200 CRORES THROUGH EQUITY/DEBT/PROVIDING OF SECURITY/GUARANTEE IN BHILAI JAYPEE CEMENT LIMITED & BOKARO JAYPEE CEMENT LIMITED

"RESOLVED THAT pursuant to Section 372A and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of financial institutions and such other approvals as may be required, the Board of Directors of the Company be and is hereby authorised to make additional investment of upto Rs. 200 Crores (Rupees Two Hundred Crores only) in aggregate in two subsidiaries of the Company viz. Bhilai Jaypee Cement Limited & Bokaro Jaypee Cement Limited by way of acquiring upto 20 crores fully paid equity shares of Rs.10/- each at par of the said subsidiaries and/or giving loans or giving guarantees or providing security (including giving Sponsor Support/Shortfall Undertakings) in connection with a loan given by any other person to the said subsidiaries , notwithstanding the fact that the aggregate of the investments so far made, securities so far provided, loans/guarantees so far given by the Company alongwith the proposed investment(s), may exceed 60% of the paid-up capital and free reserves of the Company or 100% of its free reserves, whichever is more."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be expedient and necessary to give effect to this resolution."

As Ordinary Resolution:

12. CREATION OF SECURITY IN FAVOUR OF LENDERS

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of **Section 293(1)(a)** and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company to **mortgage and/or charge**, subject to the existing charges, immovable and movable properties of the Company, wheresoever situate, present and future, in such manner as may be decided in consultation with the term lending Institutions/Banks/ Debenture Trustees to or in favour of (i) Punjab National Bank (PNB) as term loan provider and (ii) IDBI Trusteeship Services Limited (as Trustees for NCDs) to secure:-

- a) Rupee Term Loan of Rs. 500 Crores from PNB;
- b) 5000 – 11.75% Non-convertible Debentures (NCDs) of the Company of Rs. 10 lacs each, aggregating Rs.500 Crores privately placed with ICICI Bank Limited, IDBI Trusteeship Services Ltd. acting as Trustees for NCDs; and
- c) 9000 – 11.75% Non-convertible debentures (NCDs) of the Company of Rs.10 lacs each, aggregating Rs.900 Crores privately placed with various parties through Sole Book Runner & Lead Arranger Standard Chartered Bank, IDBI Trusteeship Services Ltd. acting as Trustees for NCDs

together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment, costs, charges, expenses, Trustees' remuneration and other monies payable by the Company to PNB and ICICI Bank Limited under respective loan agreements / debenture subscription agreement entered into by the Company in respect of the aforesaid loans/ NCDs."

By Order of the Board
For **JAIPRAKASH ASSOCIATES LIMITED**

HARISH K. VAID

Place : New Delhi.

Sr. President (Corporate Affairs) &

Date : July 25 , 2009

Company Secretary

NOTES

- (i) Relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of resolutions set out under **item Nos. 9 to 12** is annexed hereto.
- (ii) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
- (iii) Corporate Members intending to send their respective authorized representatives are requested to send a duly certified copy of the Board/Governing Body resolution authorizing such representatives to attend and vote at the Annual General Meeting.
- (iv) All documents referred to in the Notice and accompanying Explanatory Statement, as well as the Annual Report and Annual Accounts of the subsidiary companies whose Annual Accounts have been consolidated with that of the Company, are open for inspection at the Registered Office of the Company on all working days, except Sunday and other holidays, between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting.
- (v) The Register of Members and Share Transfer Books will remain closed from September 24, 2009 to September 29, 2009 (both days inclusive) for payment of final dividend. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on or after October 19, 2009 to the Members, or their mandatee, subject to the provisions of Section 206A of the Companies Act, 1956, whose names appear on the Company's Register of Members as at the close of business hours on September 23, 2009. In respect of dematerialized shares, the dividend will be payable to the "Beneficial Owners" of the shares, whose names appear in the Statement of Beneficial Ownership, as at the close of business hours on September 23, 2009, furnished by the National Securities Depository Limited and Central Depository Services (India) Limited.

- (vi) Members holding shares in electronic form may please note that: (a) the dividend, when declared, will be credited to their respective Bank Accounts as furnished to the respective Depository Participants, through Electronic Clearing Service (ECS), where this facility is available; (b) in other cases, Bank details as furnished to the respective Depository Participants will be printed on the Dividend Warrants as per the applicable regulations. The Company shall not entertain any direct request from such Members for deletion of / change of such Bank details. Further, it may be noted that instructions, if any, already given by the Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on their holdings in electronic form.
- (vii) Members who are holding shares in physical form are requested to notify the change in their respective addresses or Bank details to the Company and always quote their Folio Numbers in all correspondence with the Company. In respect of holding in electronic form, Members are requested to notify any change in addresses or Bank details to their respective Depository Participants.
- (viii) Members can avail of the nomination facility in terms of Section 109A of the Companies Act, 1956 by nominating in Form 2B, as prescribed under Companies (Central Government's) General Rules and Forms, 1956, any person to whom their shares shall vest on occurrence of events stated in the said Form. Blank Forms can be supplied on request. The same can also be downloaded from the Company's website www.jalindia.com. Form 2B is to be submitted in duplicate: (a) in case of shares held in physical form, to the Company and (b) in case of shares held in dematerialized form, to the respective Depository Participants.
- (ix) Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail of the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.
- (x) Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, the dividend amounts which remain unpaid/ unclaimed for a period of seven years, are required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. After such transfer no claim of the members whatsoever shall subsist on the said amount. Therefore, members are requested to encash their dividend warrants on priority within the validity period.
- The Board of Directors in its meetings held on **October 21, 2008** and **April 27, 2009** had declared **two interim dividends @ 15% each** on the paid-up equity share capital of the Company. Members who have not yet encashed the Dividend Warrants may please write to the Company, for revalidating the Warrants.
- (xi) The Members may please note that the Ordinary and Special Resolutions sent through notice dated **March 28, 2008 & September 5, 2008** to all Members for voting through Postal Ballot have been passed on **May 26, 2008 & October 18, 2008 respectively** by requisite majority. Relevant details in this regard are covered in the Corporate Governance Report annexed to the Report of the Board of Directors.
- (xii) **Members or their respective proxies are requested to:**
- bring copies of Annual Report sent to the Members as copies of Annual Report shall not be distributed at the Annual General Meeting;**
 - note that no gifts/coupons shall be distributed at the Annual General Meeting; and**

(c) quote their Folio/Client ID & DP ID No. in all correspondence.

- (xiii) Any query relating to Accounts or any other items of business set out in the Agenda of the Meeting must be sent to the Company's Registered Office at Sector 128, Noida – 201 304 **at least seven days before the date of the Meeting**. The envelope may please be superscribed **"Attention: Shri Harish K. Vaid, Sr. President (Corporate Affairs) & Company Secretary"**.
- (xiv) Relevant details, in terms of Clause 49 of the Listing Agreement, in respect of the **Directors retiring by rotation and proposed to be re-appointed** are as under:

Shri Sunny Gaur

Shri Sunny Gaur, 40, a graduate from Delhi University, is presently the Managing Director (Cement) of the Company and has rich experience of over 19 years in various aspects of the cement business, including setting up of cement plants, operation and maintenance of cement plants, finance, accounts and general administration.

He has been part of the senior leadership, which successfully faced challenges of recession and brings with him an entrepreneur approach to various complex situations.

He is also Managing Director of Madhya Pradesh Jaypee Minerals Ltd. and a Director of Bhilai Jaypee Cement Limited, Jaypee Ganga Infrastructure Corporation Ltd., Bokaro Jaypee Cement Ltd., Bina Power Supply Company Ltd., Jaypee Ventures Private Limited, Sunvin Estates Pvt. Ltd., Indesign Enterprises Pvt. Ltd. and Avni Infra Developers Pvt. Ltd.

Shri Sunny Gaur holds 1,63,250 equity shares in his own name in the Company and no share in the Company is held by him for any other person on a beneficial basis.

Shri Sunny Gaur is son Shri Jaiprakash Gaur, Founder Chairman and brother of Shri Manoj Gaur, Executive Chairman of the Company.

Shri S.C. Gupta

Shri S.C. Gupta, 72, is B.Sc., B.Arch., PG.DIP. T & CP and a fellow of Institute of Town Planning of India (FITPI). He is an accomplished Planner with over 36 years of experience in the filed of Urban Development Planning.

He retired as Additional Commissioner (Planning) from the Delhi Development Authority (DDA) in 1994. He is also a Professor of Planning at the School of Planning and Architecture, New Delhi. He is a senior advisor to the Association of Metropolitan Development Authorities and the Delhi Urban Arts Commission. As a consultant to the Asian Development Bank (ADB), he gave advice to Government of Uttarakhand on projecting Disaster management needs for Urban Development in the State.

As an independent professional, he has undertaken a number of consultancy projects, most prominently as Urban Planner for the Special Economic Zone (SEZ) in Mundra, Gujarat. He is also director on the board of Preferred Card Marketing Pvt. Ltd., Goodtimes Marketing Pvt. Ltd. and TLC Relationship Management Pvt. Ltd.

Shri S.C. Gupta does not hold any share (either in his name or in the name of any other person on a beneficial basis) in the Company.

Shri Gopi K Arora

Shri Gopi K Arora 75, is a Post Graduate from Allahabad University and holds a Masters Diploma in Public Administration from Harvard University, Boston, USA. Shri Gopi K. Arora is a retired civil servant and has held prestigious positions in Government of India.

Shri Arora had been the Economic Minister with the Embassy of India, Moscow, Russia (1975-78), Joint Secretary (1983), Additional

Secretary (1984-1987) and Special Secretary (1987) in the Office of the Prime Minister, Government of India. Secretary in the Ministry of Information and Broadcasting, Government of India (1988), Finance Secretary with Ministry of Finance, Government of India (1989-1990) and Executive Director representing India/Bangladesh/Bhutan and Sri Lanka Monetary Fund, Washington (1990-1993).

Shri Arora is Chairman of Roto Pumps Limited, HGS India Ltd, NOIDA Toll Bridge Company Ltd., Television Eighteen India Ltd., IL & FS Transportation Net Works Ltd. and Network 18 Media & Investments Ltd.

He is also a Director on the Boards of Jaiprakash Power Ventures Ltd., Jaiprakash Hydro-Power Ltd., Jaypee Karcham Hydro Corporation Ltd., Bengal Ambuja Housing Development Ltd., Infrastructure Leasing and Financial Services Ltd., Capital18 Acquisition Corp (foreign Co.), ibn18 Broadcast Ltd (Formerly-Global Broadcast News Ltd.), Krishviudhr Services Private Ltd., SARA Fund Trustee Company Private Ltd and SOWAR Private Ltd.

Shri Gopi K. Arora does not hold any share (either in his name or in the name of any other person on a beneficial basis) in the Company.

Shri Sarat Kumar Jain

Shri Sarat Kumar Jain, 71, is a graduate in Science. He has been responsible for the successful execution of various Hydro-Power projects over last 49 years.

He is Director on the Board of Jaiprakash Hydro-Power Limited, Jaypee Ganga Infrastructure Corporation Ltd., Jaypee Ventures Private Limited and Essjay Enterprises Pvt. Ltd.

Shri Sarat Kumar Jain holds 36,56,880 equity shares in his own name in the Company and no share in the Company is held by him for any other person on a beneficial basis.

Shri Ranvijay Singh

Shri Ranvijay Singh, 42, is B.E. (Civil) by qualification and has acquired rich experience of 17 years in the fields of civil engineering and management of construction projects. Presently he is also on the Board of Gujarat Jaypee Cement & Infrastructure Ltd.

Shri Ranvijay Singh holds 19,83,810 equity shares in his own name in the Company and no share in the Company is held by him for any other person on a beneficial basis.

EXPLANATORY STATEMENT

Following Explanatory Statement, pursuant to the provisions of Section 173 (2) of the Companies Act, 1956 sets out the material facts relating to the Special Business mentioned in the accompanying **Notice dated July 25, 2009:**

Item No. 9

The Schemes to offer company's stock to the employees have been widely acknowledged as an important tool to motivate, retain and reward the employees, who are amongst the most valuable resources. Such schemes directly contribute to the growth and profitability of the Company besides rewarding its employees. With a view to provide an opportunity to the employees of the Company and its subsidiaries to participate in the ownership of the Company so as to appropriately compensate employees who contributed to the all around growth of the Company, the Board of Directors had at their meeting held on April 27, 2009, set up a Compensation Committee comprising of Shri Gopi K. Arora (Independent Director) as Chairman of the Committee, Shri BK Goswami, (Independent Director), Shri K.P. Rau (IDBI Nominee and Independent Director), Shri SD Nailwal (Whole-time Director) and Shri Pankaj Gaur, Jt. Mg. Director (Construction), as members of the Committee.

As authorised by the Board, the Committee had identified the Employee Stock Purchase Scheme as an appropriate scheme for the employees. The Committee had suggested implementation of the Scheme through a Trust to be created for administering the Scheme including for ultimate transfer of shares to the eligible employees (including Directors) of the Company and its subsidiaries. The Committee had also suggested the quantum of equity shares to be offered under the scheme per employee and in the aggregate, pricing of the shares to be so offered, categorisation of the employees and the number of shares to be offered to the eligible employees under each category etc. Based on the recommendations of the Compensation Committee, the Board of Directors of the Company had at their meeting held on June 6, 2009 decided to implement "Jaypee Employee Stock Purchase Scheme, 2009" (hereinafter referred to as the Scheme) through a Trust in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

The shareholders' consent is therefore, sought to authorise the Board of Directors to issue the shares in the manner set out in the resolution. The terms and conditions governing the Scheme are set out below:

1. Quantum and Pricing

The total number of Equity shares proposed to be issued under the Scheme is ONE CRORE TWENTY FIVE LACS. The shares shall be issued at a price of Rs. 60/- per share which is higher than the lowest price of the shares of the Company at The Stock Exchange, Mumbai, during the preceeding 26 weeks from the date of approval of the Scheme by the Board of Directors.

2. Eligibility

Permanent Employees (including Directors) as on 1st April 2008 of the Company and its subsidiaries, who have completed two years of service as on that date and are continuing in the employment of the Company or its subsidiary, as the case may be, on the date of allotment of shares, shall be eligible for shares under the Scheme.

However, employees of the Company and its subsidiaries who belong to the Promoters' group of the respective company in which the employee is employed and Directors of the Company and its subsidiaries who individually either by themselves or through their relatives or through any body corporate, directly or indirectly hold more than 10% of the equity shares of the Company or its subsidiary in which they are a Director, shall not be eligible for shares under the Scheme.

The minimum and maximum number of shares an employee/Director would be entitled to is 500 and 30,000 Equity shares respectively, depending upon the cadre the individual belongs to.

3. Lock-in

The shares issued to the employees under the Scheme shall be under lock-in period of 1 (one) year. Such shares cannot be pledged/hypothecated by the employees during the lock-in period.

4. Payment

Full payment @ Rs. 60/- per share comprising of Rs. 2/- towards share capital & Rs. 58/- towards securities premium would have to be made at the time of applying for Equity Shares.

In terms of the provisions contained in Section 77 of the Companies Act, 1956, the Trust will be entitled to loan from the Company for initial subscription of shares.

5. Government Regulations:

The Scheme will be subject to all applicable laws & guidelines of Securities and Exchange Board of India, as amended from time to time.

The Company will conform to accounting policies as specified in clause 19.2 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

None of the Directors is concerned or interested in the resolution apart from the Directors of the Company who may be deemed to be interested in this resolution to the extent of their entitlement of shares under the Scheme.

The Board of Directors commend the resolution for your approval as a Special Resolution.

Item No. 10

As the members are aware, the Company has set up/is setting up various Projects directly or through its subsidiaries in terms of the approvals of the shareholders obtained from time to time.

During the course of implementation of various Projects, as aforesaid, the Company receives equity funds or borrowed funds which are then invested in the said projects on a need based time schedule. In such process of receiving funds and deploying funds, sometimes there is a time gap when the funds remain idle/surplus. Similarly the funds generated through operations/ internal accruals also have a time gap before they are reinvested into business. Such surplus funds at present are invested in fixed deposits with the scheduled banks, which offer lower rate of return compared to debt based instruments/ securities of bodies corporate/Schemes of Mutual Funds.

The Company proposes to invest such surplus funds from time to time into Mutual Fund Schemes, debt based instruments/securities of any government, semi-government or listed company(ies) upto an amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only) at any one time, in one or more tranches, to maximize the return thereon.

In terms of the provisions of the Section 372A of the Companies Act, 1956, investing such surplus funds in any other body corporate or acquiring by way of subscription, purchase or otherwise, the securities of or providing loans to any other body corporate, requires prior approval of shareholders by way of Special Resolution, in case the aggregate loans, guarantees, securities or investments by the Company exceed 60% of its paid-up share capital and free reserves or 100% of its free reserves, whichever is more.

None of the Directors is in any way concerned or interested in the proposed Resolution.

Your Directors commend the resolution for your approval as a Special Resolution.

Item No. 11

As the members are aware, the Company (JAL) is setting up two slag-based Cement Plants in Joint Venture with Steel Authority of India Limited (SAIL), with Equity participation from JAL and SAIL in the ratio of 74:26, as under:

(i) 2.2 MTPA Plant, split-located at Bhilai in the State of Chattisgarh and Babupur, Satna in the State of Madhya Pradesh, being implemented through Bhilai Jaypee Cement Limited (BJCL), a Joint Venture Subsidiary.

(ii) 2.1 MTPA Grinding Plant at Bokaro Steel City, being implemented through Bokaro Jaypee Cement Limited (BoJCL), another Joint Venture Subsidiary.

The Shareholders had accorded their approval through Postal Ballot on February 25, 2006 to make an aggregate investment of upto Rs. 200 crores in the said companies to be incorporated as Joint Venture Companies with SAIL as Special Purpose Vehicles for setting up the slag based Cement Plants.

The Plant under construction by BJCL is in advance stage of completion. Both the units are expected to be commissioned ahead of schedule.

The Company might be required to provide security/ guarantee/ loan/ investment in shares of the said subsidiaries to the tune of additional Rs. 200 Crores in aggregate, for which approval of the shareholders is sought. The Company will meet the proposed obligations through its own resources.

In terms of the provisions of the Section 372A of the Companies Act, 1956, investing in share capital of or giving loan to any other body corporate, giving any guarantee or providing security in connection with a loan made by any other person, by any body corporate requires prior approval of shareholders by way of Special Resolution, in case such investment, loan, guarantee, security exceeds 60% of its paid up share capital and free reserves or 100% of its free reserves, whichever is more. Hence the resolution.

None of the Directors is in any way concerned or interested in the proposed Resolution except (i) Shri Manoj Gaur & Shri Sunny Gaur, being the common Directors of JAL & BJCL and (ii) Shri Sunny Gaur & Shri R K Singh, being the common Directors of JAL & BoJCL.

Your Directors commend the resolution for your approval as a Special Resolution.

Item No. 12

To meet its requirement of funds, the Company had raised Rupee Term Loan of Rs. 500 Crores from Punjab National Bank (PNB), and Privately Placed 11.75% NCDs of Rs. 500 Crores with ICICI Bank Limited & Rs.900 Crores with various parties through Sole Book Runner & Lead Arranger Standard Chartered Bank, IDBI Trusteeship Services Limited acting as Debenture Trustee in both cases of NCDs.

The said facilities are to be secured by creation of mortgage and/ or charge in favour of the lenders on such immovable and movable properties of the Company, present & future, as may be decided in consultation with the lenders/trustees.

Section 293(1)(a) of the Companies Act, 1956, inter-alia, provides that the Board of Directors of a Public Company shall not, without the consent of such public company in general meeting, sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole, or substantially the whole of any such undertakings.

Since the mortgaging and/or charging by the Company of its immovable and movable properties, as aforesaid, in favour of the aforesaid Bank/Trustee may be regarded as disposal of the Company's properties/undertaking, it is necessary for the Members to pass a resolution under Section 293(1)(a) of the Companies Act, 1956 before creation of the said mortgage/ charge.

None of the Directors of the Company is in any way concerned or interested in the resolution.

The Board commends the resolution for your approval.

By Order of the Board
For JAIPRAKASH ASSOCIATES LIMITED

HARISH K. VAID

Place : New Delhi
Date : July 25, 2009

Sr. President (Corporate Affairs) &
Company Secretary

DIRECTORS' REPORT

To

The Members,

The Directors of your Company are pleased to present the **12th Annual Report** together with the Audited Accounts of the Company for the year ended **March 31, 2009**.

WORKING RESULTS

The working results of the Company for the year under report, which include the effect of amalgamation of erstwhile Jaypee Hotels Limited, Jaypee Cement Limited, Jaiprakash Enterprises Limited and Gujarat Anjan Cement Limited with your Company w.e.f. the Appointed Date i.e. April 1, 2008, are as under:

(Rs. in Crores)

Financial year ended	31.03.2009	31.03.2008		
Gross Revenue	6147.93	4261.20		
Profit before Depreciation & Tax	1559.95	1046.65		
Less : Depreciation	308.97	203.30		
Profit before Tax	1250.98	843.35		
Less : Provision for Tax				
• Current Tax	256.96	157.76		
• Deferred Tax	89.44	69.55		
• Fringe Benefit Tax	7.57	6.37	233.68	
Profit after Tax	897.01	609.67		
Add :				
• Profit brought forward	1512.93	1110.06		
• Loss transferred from Transferor Companies	70.71	-		
• DRR no longer required	55.00	60.00	1170.06	
Profit available for appropriation	2535.65	1779.73		
Less : Transferred to :				
• Provision for Dividend Pertaining to Previous Year (including Dividend Tax)	0.09	0.06		
• Reserve for Premium on FCCB	165.12	36.82		
• Debenture Redemption Reserve	278.90	34.85		
• General Reserve	90.00	61.00	132.73	
Add :				
• Tax on proposed Final Dividend (2007-08) Reversed	7.96	-		
• Final Dividend received from Jaypee Hotels Ltd.(Transferor Company)	7.22	-		
• Final Dividend received by Jaiprakash Enterprises Ltd.	3.21	18.39	-	
Dividend :				
Less :				
• Interim Dividend	71.02	67.74		
• Interim Dividend recd. by Jaiprakash Enterprises Ltd.	-2.41			
• Proposed Final Dividend	56.07	46.86		
• Tax on Dividends	15.57	19.47	134.07	
Balance carried to Balance Sheet	1879.68	1512.93		
Basic Earning Per Share [Face value Rs. 2 per share]	6.46	5.42		
Diluted Earnings Per Share [Face value Rs. 2 per Share]	6.02	5.32		

The results of the current year reflect an impressive growth over that of previous year as under: -

Sl. No.	Results	Unit	Year ended 31.03.2009	Year ended 31.03.2008	Increase
1.	Profit before tax	Rs. Crore	1250.98	843.35	48.3%
2.	Profit after tax	Rs. Crore	897.01	609.67	47.1%
3.	Earning per share (Face Value Rs.2)	Rs.	6.46	5.42	19.2%

DIVIDEND

For the financial year 2008-09, your Directors had declared two interim Dividends of 15% each (aggregating 30%) on October 21, 2008 & April 27, 2009. The Board has recommended a final dividend (proposed) of Re. 0.40 per share of Rs. 2 each i.e. 20% which will be paid after your approval at the ensuing Annual General Meeting. The final dividend will absorb an amount of Rs. 56.07 Crores (excluding dividend tax of Rs. 9.53 Crores).

The total dividend payout for the year aggregating Rs. 127.09 Crores (excluding tax on dividend of Rs. 15.57 Crores), represents 50% of the Company's paid-up equity capital.

AMALGAMATION OF GROUP COMPANIES

The Scheme of Amalgamation of four erstwhile group companies namely Jaypee Hotels Ltd.(JHL), Jaypee Cement Ltd.(JCL), Jaiprakash Enterprises Ltd.(JEL) and Gujarat Anjan Cement Ltd. (GACL) (Transferor Companies) with your Company, Jaiprakash Associates Limited (Transferee Company) w.e.f. the Appointed Date viz. **April 1, 2008**, was sanctioned by Hon'ble High Court of Judicature at Allahabad on **May 15, 2009**.

The Amalgamation would result in synergy of business including consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger Balance Sheet of the merged entity, etc.

Consequent upon the sanction of the Scheme, the copy of the Order dated May 15, 2009 of the Hon'ble High Court was filed by the respective companies with the Registrar of Companies on **May 27, 2009** and from the said date, being the Effective Date all the Transferor Companies stood merged with your Company. As per the exchange ratio provided in the sanctioned Scheme, the Shareholders of the Transferor Companies (JHL, JCL, JEL and GACL), as on **June 12, 2009**, being the Record Date fixed by your Company, would be allotted shares by the Transferee Company (JAL).

CONVERSION OF WARRANTS INTO EQUITY SHARES

In accordance with the approval of shareholders received through Postal Ballot on January 18, 2008 the Company had issued 5,00,00,000 (five crore) Warrants on preferential basis to a Promoter Group Company, entitling the holder to apply for allotment of one Equity share of Rs.2 at a premium of Rs.395 on full payment, per Warrant, in one or more tranches. Out of the 5,00,00,000 (five crore) Warrants, 1,00,00,000 (one crore) Warrants were converted into 1,00,00,000 (one crore) Equity Shares of Rs.2 each at a premium of Rs.395 per share on October 10, 2008. The conversion option for the balance Warrants can be exercised by July 21, 2009 whereafter, if not exercised, the same shall elapse.

Considering the growth opportunities in different fields of business interest of the Company and with a view to further augment the long term resources for growth and diversification plans,

approval of shareholders was received through Postal Ballots on October 18, 2008 for further issue and allotment of 12 Crores Warrants on preferential basis to a Promoter Group Company at premium on full payment. However, the allotment of the said 12 Crores Warrants was not made as the Board of Directors in their meeting held on October 21, 2008 instead decided to raise funds through the Rights Issue to meet the Company's requirements. Accordingly, the said allotment of Warrants to Promoters on Preferential basis, as approved by the shareholders, was not made and, thus, the same elapsed. However, keeping in view the capital market conditions during the relevant period, the Company has not so far launched the said Rights Issue.

FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBs)

The particulars about conversion, outstanding amount, coupon, listing etc. are detailed at para 26 of the Corporate Governance Report forming part of this Report.

CHANGES IN SHARE CAPITAL

The paid-up capital of the Company on March 31, 2008 stood at Rs. 2,34,30,44,834. During the year ended March 31, 2009, 2,278,162 Equity Shares of Rs. 2 each were allotted on conversion of FCCBs & 1,00,00,000 (one crore) Equity shares of Rs. 2 each were allotted on conversion of 1,00,00,000 (one crore) outstanding Warrants, thereby raising the paid-up capital of the Company to Rs.2,36,76,01,158.

In terms of the Scheme of Amalgamation as stated herein above, the Authorised Capital of the Transferor Companies stood merged / clubbed with the Authorised capital of your Company and increased to Rs. 2,500 Crores and on allotment of shares to the shareholders of the Transferor companies, the Paid up capital of your Company would increase from Rs. 236,76,01,158 to Rs. 280,36,23,128.

OPERATIONS

1.0 ENGINEERING DIVISION

1.1 New Contracts

1.1.1 During the year under report, your Company was awarded the following contracts :

- (i) Execution of Ganga Expressway (Eight lane access controlled & 1,047 km long) connecting Greater Noida with Ballia and related activities on EPC basis, the contract value of the work awarded to your Company is Rs. 30,000 crore;
- (ii) Civil and Structural works, residential complex and mechanical and electrical works of Grinding unit of Bokaro Jaypee Cement Limited, awarded to JAL at a contract price of Rs. 101 crore;
- (iii) Following Power Projects have been awarded to your Company on the basis of lowest quoted tariff :
 - (a) Setting up of 1,320 MW (2 X 660 MW) Sangam Thermal Power Project on supercritical technology and with domestic coal linkage at Karchana, Distt. Allahabad, Uttar Pradesh, with provision of one additional unit of 660 MW (with 80% Merchant Power);
 - (b) Setting up of 1,980 MW (3 X 660 MW) Prayagraj Thermal Power Project on supercritical technology and with domestic coal linkage at Bara, Distt. Allahabad, Uttar Pradesh, with provision of two additional units of 660 MW each (with 80% Merchant Power)

The aforesaid Projects are proposed to be implemented through Jaiprakash Power Ventures Ltd., the subsidiary of your Company, and will be built, operated and maintained by the Special Purpose Vehicles (SPVs) formed for the purpose, for a concession period of 25 years reckoned from the COD.

1.1.2 Your company on its own has been prequalified to participate in

the tenders, invited on turnkey basis, for the following projects :

- (i) 1,500 MW Tipaimukh Hydroelectric Project in Manipur State;
- (ii) 1,000 MW Pakal Dul Hydroelectric Project in J & K State; and
- (iii) 690 MW Ratle Hydroelectric Project in J & K State.

1.1.3 Your Company has also submitted Application for Prequalification for Civil & Hydro-mechanical works including Penstock liners of Vishnugad Pipalkoti Hydro Electric Project (4 x 111 MW) in the State of Uttarakhand on EPC contract basis and is expected to be qualified soon.

1.2 Works in Progress

The status of the Projects being presently executed by the Company is given below :

Sl. No.	Name of the Project under Execution	Location of the Project	Contract Price (Base Value) (Rs. in Crores)	Nature of Project	Value of work completed as on 31.03.2009 (Rs. in Crores)
Works pertaining to :					
1.	Sardar Sarovar (Narmada) Project	Gujarat	526	Power Generation (1200 MW)	462
2.	Baglihar –I & II, HEP	Jammu & Kashmir	2,320 (Revised)	Power Generation (900 MW)	1,820
3.	Karcham Wangtoo HEP	Himachal Pradesh	4,150	Power Generation (1000 MW)	1,773
4.	Turnkey construction of Srisailem Left Bank Canal Tunnel Scheme including Head Regulator etc. of Alimineti Madhava Reddy Project	Andhra Pradesh	1,925	Irrigation Tunnels	369
5.	Yamuna Expressway [earlier known as Taj Expressway] (six lane 165 km) connecting Noida & Agra and related activities	Uttar Pradesh (NCR)	6,000	Expressway Project	445
6.	Zirakpur-Parwanoo Highway from Km 39.860 to Km 67.000 of NH – 22 on BOT basis	Punjab, Haryana & Himachal Pradesh	414	Highway Project	66
7.	Ganga Expressway (Eight lane & 1,047 km long) connecting Greater Noida & Ballia and related activities	Uttar Pradesh	30,000	Expressway Project	–
8.	Civil and Structural works of Clinkerisation Unit at Satna and Grinding Unit at Bhilai of Bhilai Jaypee Cement Limited.	Madhya Pradesh & Chhattigarh	128	Cement Project	53
9.	Civil and Structural work, Residential Complex, Mechanical fabrication and erection and electrical fabrication, erection and installation for Grinding Plant at Bokaro of Bokaro Jaypee Cement Limited.	Jharkhand	101	Cement Project	– (Work commenced)
10.	Widening and facelifting of Varindavan Parikarma Marg and construction of Kesi Ghat Bridge on Varindavan Parikarma Marg	Uttar Pradesh	32	Road and Bridge works	–
Total			45,596	3,100 MW	4,988

Projects being Executed in Joint Venture

1.	Sri Rama Sagar Project Flood Flow Canal Package – 2	Andhra Pradesh	187	Irrigation Canal	180
2.	Polavaram Project Right Main Canal Package – 4	Andhra Pradesh	301	Irrigation Canal	63
3.	Veligonda Feeder and Teegaleru Canal Project-2	Andhra Pradesh	343 (Revised)	Irrigation Canal	199
4.	Rajiv Sagar Lift Irrigation Project (Dummugudem)	Andhra Pradesh	282	Lift Irrigation Project	57
5.	GNSS Main Canal from km. 119.000 to km 141.350 including construction of CM & CD works	Andhra Pradesh	112	Irrigation Canal	–
	Total		46,821	3,100 MW	5,487

The progress of work on all the projects is generally satisfactory.

WORKS COMPLETED

During the year under report, the Company has substantially completed the work of 450 MW Baglihar-I Hydroelectric Project in J & K State, all the three units of the Project having already been commissioned.

2.0 CEMENT DIVISION
Operations

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

	2008-09	2007-08	Growth %age
Cement Production (MT)	76,34,169	67,76,663	12.65
Clinker Production (MT)	55,49,050	51,35,109	08.06
Cement Sale (MT) (including Self-Consumption)	76,05,849	67,63,237	12.46

Zone-wise Capacity Chart of Cement Division is as under :

CAPACITY (MTPA)	CAPACITY OPERATIVE*	CAPACITY UNDER IMPLEMENTATION	TOTAL	CAPTIVE POWER (MW)
CENTRAL ZONE	12.00	4.95	16.95	188.00
WEST ZONE	1.20	3.60	4.80	90.00
NORTH ZONE	1.50	4.70	6.20	30.00
EASTERN ZONE	–	2.10	2.10	–
SOUTH ZONE	–	3.50	3.50	35.00
TOTAL	14.70	18.85	33.55	343.00

*The operative capacity shown above was commissioned in stages during the year, full benefit of which will be available from the next year.

During the financial year 2008-09, Productivity Indices of the operating units were as under:

INDICES	LIMESTONE CRUSHING (MT)	RAW MEAL GRINDING (MT)	CLINKER PRODUCTION (MT)	CEMENT GRINDING (MT)	CEMENT DESPATCH (MT)
Jaypee Rewa Plant, Rewa (MP)	4,552,608	4,626,001	3,087,735	3,042,887	3,049,558
Jaypee Bela Plant, Bela (MP)	3,016,128	3,077,013	2,054,670	2,256,732	2,250,752
Jaypee Ayodhya Grinding Operations, Tanda(UP)	-	-	-	861,670	861,543
Jaypee Cement Blending Unit, Sadva Khurd (UP)	-	-	-	191,675	194,105
Jaypee Cement Grinding Unit, Panipat(Haryana)	-	-	-	666,035	673,001
Chunar Grinding Unit, Chunar (UP)	-	-	-	612,812	616,717
Dalla Cement Factory, Dalla (UP)	488,380	505,739	330,505	-	-
Jaypee Sidhi Cement Plant, Baghwar(MP)	101,494	111,800	76,140	-	-
Jaypee Gujarat Cement Plant, Sevagram, (Gujarat)	-	-	-	2,358	1,392
TOTAL	8,158,610	8,320,553	5,549,050	7,634,169	7,647,068

2.1 Operational Performance

During the year the Company has successfully commissioned its Cement Plant at Dalla and Sidhi and Grinding Facilities at Sevagram.

Cement Production has increased to 7.63 Million Tonnes in 2008-09 from 6.78 Million Tonnes in 2007-08. Cement despatch has also increased to 7.64 Million Tonnes in 2008-09 from 6.76 Million Tonnes in 2007-08.

2.2 Expansion Plans

The Company is expanding its Cement Production Capacity to 29.25 MTPA. An additional capacity of 4.3 MTPA is being added through Joint Ventures with SAIL (Steel Authority of India Limited) taking the Group's total capacity to 33.55 MTPA by 2011 which will make Jaypee Group the 3rd largest Cement producing group in India.

The implementation of the on-going Projects is progressing satisfactorily.

3.0 HOTELS DIVISION

Post amalgamation, the Hotels Division comprises of four Five Star Deluxe Hotels in Northern India, namely, Jaypee Siddharth Hotel with 94 rooms located at Rajendra Place, New Delhi, Jaypee Vasant Continental with 119 rooms located at Vasant Vihar, New Delhi, Jaypee Palace Hotel with 341 rooms and a convention centre with a capacity of 1,200 persons in a complex of about 25 acres at Fatehabad Road, Agra, Uttar Pradesh and Jaypee Residency Manor with 90 rooms at Barlow Gunj, Mussoorie, Uttarakhand.

All the four properties have been awarded URS Certificate of Registration by UKAS Quality Management. This is a special Recognition of the quality system, which complies with ISO 9001: 2000 and HACCP (Hazard Analysis & Critical Control Points). URS Certificate of Registration covers the scope of activity like food preparation and serving quality to the guests. The HACCP certification is for food safety.

The boutique Spa cum Resort presently under construction at Jaypee Greens, Greater Noida, UP, is expected to be completed by mid-2010. The Company's Golf Course in Greater Noida, the largest in India and the third largest in Asia, has created a unique niche for itself among connoisseurs.

The Hotels Division has been able to sustain its performance despite the tough market conditions resulting from the economic downturn and the 26/11 incident in Mumbai. Average room rate and Rev PAR (revenue per available room) improved by 15% and 3% respectively.

4.0 REAL ESTATE DIVISION

Jaypee Greens with its inception in the Real Estate industry in the year 2003 brought about a revolution in the concept of integrated townships in India. With this concept already very popular abroad, Jaypee Greens were the pioneers in conceptualizing the idea of golf centric lifestyle living in India. In this short span of time not only has your Company been successful in terms of generating sales but also to showcase that its projects are not only among the best in the country but can compete in the world market with universal acceptability. The Company has also received one of the highest accolades - "Best Golf Development-India" and "Best Apartment-India" by the CNBC Asia Pacific Property Awards 2008.

Jaypee Greens at Greater Noida is the maiden residential project of Jaypee Group that integrates luxury villas and apartments with an 18 hole Greg Norman Championship Golf Course, 9 hole Chip and Putt Golf Course, Landscaped parks and lakes along with an Integrated Sports Club of international caliber, an upcoming Resort and Spa Boutique Hotel, 60 acres Nature Reserve, Town centre

and other hospitality related facilities.

The Group's second real estate project – Jaypee Greens 'Wish town' at Noida being developed by your Company is spread over 1162 acres, and is an epitome of extraordinary living. Offering a wide range of residential property, with recreational, commercial and institutional facilities, it also provides numerous Golf Facilities designed by Graham Cooke and Associates.

DIVERSIFICATION

A. WIND POWER PROJECT

The Company has been operating Wind Power Project of 49 MW (40.25 MW in Maharashtra and 8.75 MW in Gujarat), which was fully commissioned on March 31, 2008. Out of the aggregate capacity of 49 MW, 16.25 MW (13 generators each of 1.25 MW) was commissioned during December 2006 to March 2007 at Dhule in Maharashtra. The remaining 32.75 MW was commissioned at Sangli, Maharashtra (24 MW - 16 generators each of 1.5 MW) during September 2007 to March 2008 and at Kutchh, Gujarat (8.75 MW- 7 Generators each of 1.25 MW) in March 2008. The electricity generated from the project is being sold to Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) in Maharashtra and Gujarat Urja Vikas Nigam Limited (GUVNL) in Gujarat. The energy generated through the said Plants aggregated 80 million units during the Financial Year 2008-09 against 28 million units generated in the Financial Year 2007-08.

B. DEVELOPMENT OF DONGRI TAL II COAL BLOCKS IN MADHYA PRADESH

MP Jaypee Coal Limited (MPJCL) has been incorporated on May 14, 2009, as a joint venture with Madhya Pradesh State Mining Corporation Ltd. (MPSMCL) for mining and sale of Coal from Dongri Tal-II Coal Block at Singrauli in Madhya Pradesh. MPSMCL is to hold 51% of the issued equity shares of MPJCL in consideration for the mining rights granted to the Joint Venture Company and your Company would hold 49% equity in the Joint Venture Company.

C. ENERGY FROM MUNICIPAL SOLID WASTE (MSW) AT CHANDIGARH

The Plant at Chandigarh for producing alternate source of energy from Municipal Solid Waste has since been commissioned. The Plant has started processing more than 350 tonnes per day of garbage of the city w.e.f. March 30, 2009. The MSW Plant is the only plant in the Country which is converting entire garbage of the city to Refused Derived Fuel in fluff form in all weather conditions. The Plant is operating satisfactorily.

D. EXPLORATION AND DEVELOPMENT OF OIL AND NATURAL GAS

The seismic exploration activities commenced as scheduled in the largest onshore oil-gas block in the 'South Rewa Basin' in Madhya Pradesh, awarded to your Company under NELP-VI Round. Your Company has 90% interests in the block and the consortium partner Prize Petroleum Company Limited who is the 'Operator' has 10% interests. The 1st phase of exploration is scheduled to be completed in the year 2012. The completion of 1st phase shall prima-facie establish the presence of hydrocarbons for pursuing the next phase.

Your Company had taken necessary steps to acquire 45% of shareholding in the Prize Petroleum Company Limited which was held by ICICI Bank Limited and ICICI Venture Funds Limited and which they had proposed to divest, as reported in the last Annual Report. However, based on the re-evaluation of the assets left with Prize Petroleum Company Limited and the overall economic scenario, your Company did not consider it prudent to pursue the acquisition further.

The Company is on the constant look out for opportunities in the up-stream oil & gas sector and also considering to participate in

the bidding for oil and natural gas blocks under New Exploration Licensing Policy Round Eight (NELP-VIII) and for Coal Bed Methane (CBM) blocks under NELP-IV Round for which the Government of India has invited the bids on global basis.

E. OTHER DIVERSIFICATION INITIATIVES

Company's other diversification initiatives include development and mining of Coal, setting-up of pit-head based Thermal Power Station, construction of Expressways and development of Sports Complex. These are being implemented through different subsidiaries of the Company. Details of these initiatives are furnished under the heading Subsidiaries.

SUBSIDIARIES

As on March 31, 2009, the Company had seventeen subsidiaries out of which the following three have since been amalgamated with the Company w.e.f. May 27, 2009, being the Effective Date, in terms of the Order dated May 15, 2009 of Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme :

- (i) Jaypee Hotels Limited
- (ii) Jaypee Cement Limited
- (iii) Gujarat Anjan Cement Limited

The remaining fourteen subsidiaries engaged in different business activities are as under:

1. Jaiprakash Hydro-Power Limited
2. Jaiprakash Power Ventures Limited
3. Jaypee Arunachal Power Limited
4. Bina Power Supply Company Limited
5. Jaypee Karcham Hydro Corporation Limited
6. Jaypee Powergrid Limited
7. Bhilai Jaypee Cement Limited
8. Bokaro Jaypee Cement Limited
9. Gujarat Jaypee Cement & Infrastructure Limited
10. Madhya Pradesh Jaypee Minerals Limited
11. Jaypee Infratech Limited
12. Jaypee Ganga Infrastructure Corporation Limited
13. Himalyan Expressway Limited
14. JPSK Sports Private Limited

The status of the aforesaid subsidiaries is as under:

POWER AND RELATED BUSINESS

1. Jaiprakash Hydro-Power Limited (JHPL)

300 MW Baspa II Hydro-Electric Power Station

The 300 MW Baspa II Power Station of JHPL has been operating satisfactorily and the Generation and Plant Availability have exceeded, the normative availability and design energy. The Plant Availability and energy generated during the year under report were as under :

Plant Availability	Generation (million units)		
	Actual Energy delivered	12% Free Energy delivered to Government of Himachal Pradesh	Saleable Energy
99.65% (against normative (availability of 90%))	1285.75	154.29	*1131.46 (against design Saleable energy of 1050.06)

* Inclusive of Saleable Secondary Energy 81.40 Million Units

The Power Station is expected to generate at full design energy

during the current year. Profit after tax during the year 2008-09 was Rs. 142.86 Crores.

The Board of JHPL has paid an interim dividend of 7.5% in November 2008 and has recommended a dividend of 7.5% for the year ended March 31, 2009.

2. Jaiprakash Power Ventures Limited (JPVL)

(i) 400 MW Vishnuprayag Hydro-Electric Power Station

The Vishnuprayag Power Station of JPVL has been operating satisfactorily with generation and plant availability exceeding the normative availability and design energy. The Plant availability and Energy generated during the year under report was as under:-

Plant Availability %	Generation (million units)		
	Actual Energy generated	12% Free Energy to Government of Uttarakhand	Saleable Energy to U.P. Power Corporation Ltd.
98.63 % (against normative availability of 90%)	2033.38 (against design saleable energy of 1774.42)	240.99	1767.27 (against design saleable energy of 1545.88)

The Board of JPVL had declared and paid in November 2008 & March 2009 two interim dividends @ 10% each for the Financial Year ended on March 31, 2009. Thus the total dividend for the year 2008-09 aggregates to 20% of the Company's Paid-up Share Capital leading to an aggregate pay out of Rs. 125.16 Crore (including Dividend Distribution Tax of 18.18 crore) for the year.

The company has also received an amount of Rs. 56.70 crores towards sale of Verified Emission Reduction (VERs).

JPVL has taken major initiatives to further pursue the power business in a big way either directly or through its subsidiaries, by participating/investing in other companies and/or forming Joint Venture companies, as under:

(ii) Meghalaya H.E. Projects

The Government of Meghalaya (GoM) has assigned the development of 450 MW Kynshi – II Hydro-electric Project and 270 MW Umngot Hydro-electric Project on Build, Own, Operate and Transfer (BOOT) basis to JPVL in the State of Meghalaya. The estimated cost of 450 MW Kynshi – II Hydro-electric project is Rs. 3600 crore and the Company had incurred total expenditure of Rs. 2.25 crore till March, 2009.

The estimated cost of 270 MW Umngot Hydro-electric project is Rs. 2160 Crore and the Company had incurred total expenditure of Rs. 1.35 Crore till March, 2009.

The Company has taken necessary steps securing various statutory approvals and land acquisitions etc. from various authorities to start the works on the above Projects.

(iii) 1320 Jaypee Nigrie Super Thermal Power Project

JPVL is implementing 1320 MW (2 X 660 MW) Jaypee Nigrie Super Thermal Power Project in Nigrie, Distt. Singrauli in Madhya Pradesh. Scheduled commissioning of Unit-I is March, 2012 and Unit II is likely to be commissioned by August, 2012.

Various Statutory/Regulatory approvals have been / are being obtained. The Project involves an investment of approx. Rs. 6000 Crore and the same shall be funded through Debt of Rs. 4200 Crore and Equity Component of Rs.1800 Crores

with debt/equity ratio of 70:30. Financial closure has been achieved in March, 2009.

The Nigrie Thermal Power Project shall utilize the coal from two coal blocks which are exclusively meant for the Project in Madhya Pradesh. An amount of Rs.104 crores has already been incurred on the Project till March, 2009.

3. Jaypee Arunachal Power Limited (JAPL)

Jaypee Arunachal Power Ltd., presently the wholly owned subsidiary of JPVL, was incorporated on April 23, 2008 to set up and implement 2700 MW Lower Siang Hydro-electric Project and 500 MW Hirong Hydro-electric Project in the State of Arunachal Pradesh. In due course JPVL alongwith its associates will hold 89% of the equity of JAPL and the balance 11% will be held by Government of Arunachal Pradesh.

All approvals/consents presently required have been obtained. Lower Siang Project is scheduled to be commissioned its first phase of 1200 MW in 2015 and second phase of 1500 MW in 2018. 500 MW Hirong H.E. project is expected to be commissioned in 2016.

4. Bina Power Supply Company Limited (BPSCL)

Jaiprakash Power Ventures Ltd. had acquired the entire shareholding of Bina Power Supply Co. Ltd. (BPSCL) on 15th May 2008. BPSCL is setting up Thermal Power Plant of 500 MW (2 x 250) in the first phase against the total capacity of 1250 MW (5 x 250).

BPSCL entered into Implementation Agreement with Govt. of Madhya Pradesh in January, 2009. Various Statutory / Regulatory approvals have been / are being obtained. Draft Power Purchase Agreement is under preparation, land had been acquired, equipment purchase orders had been placed.

Scheduled COD for Unit-I is September 2011 & Unit II is December 2011.

5. Jaypee Karcham Hydro Corporation Limited (JKHCL)

1000 MW Karcham Wangtoo Hydro-Electric Power Project

Jaypee Karcham Hydro Corporation Limited, a wholly owned subsidiary of your Company, is implementing 1000 MW Karcham Wangtoo Hydro-electric Project in District Kinnaur, Himachal Pradesh on Build, Own & Operate basis.

The project is scheduled to be commissioned by November 2011. JKHCL has obtained all statutory approvals required for setting up of the Project. The Project is progressing satisfactorily.

6. Jaypee Powergrid Limited (JPL)

Jaypee Powergrid Ltd., a Joint Venture of Jaiprakash Hydro-Power Ltd. and Powergrid Corporation of India Limited. is setting up the Transmission Line for evacuation of Power from the Karcham Wangtoo Project of the Jaypee Group. Central Electricity Regulatory Commission has granted Transmission License to this subsidiary.

The works at Site are progressing quite satisfactorily and are in line with the scheduled completion by June, 2010.

CEMENT BUSINESS

7. Bhilai Jaypee Cement Limited (BJCL)

BJCL, a Joint Venture between the Company and Steel Authority of India Limited (SAIL), is implementing a 2.2 Million tones per annum split-located Cement Plant at Bhilai in the State of Chattisgarh and at Babupur, Satna in the State of Madhya Pradesh.

The Project activities at both the sites are progressing on a fast-track basis for completion. More than 95% supply of main plant

and machinery at Satna has been completed. Based on the progress achieved so far it is expected that both the Units shall be commissioned during 2009-10, ahead of schedule.

8. Bokaro Jaypee Cement Limited (BOJCL)

BOJCL was incorporated as a second Joint Venture with SAIL for implementing and operating a 2.1 Million tonnes per annum Cement Plant located at Bokaro Steel City in the State of Jharkhand.

The JV company has mobilised necessary resources for implementation of the Project. Orders for major items of Plant and Machinery, Civil and Structural Fabrication & Erection work, Mechanical and Electrical Fabrication & Erection work have also been placed and work at the site has commenced. The Plant is scheduled to be commissioned in 2011-12.

9. Gujarat Jaypee Cement & Infrastructure Limited (GJCIL)

GJCIL, a Joint Venture between the Company and Gujarat Mineral Development Corporation Limited (GMDC), had been incorporated to implement 2.4 Million tones per annum capacity Cement Plant in District Kutch in Gujarat, setting-up an SEZ for mineral-based industries, construction of a captive jetty in Distt. Kutch for export of cement and other products manufactured in the SEZ, setting-up a power station to provide for energy needs of the SEZ and setting-up such other mineral-based and value-adding industries in the SEZ.

Necessary action has been initiated for acquisition of land for the Cement Plant and for obtaining various statutory clearances.

The JV company has entered into an MOU with GMDC expressing its intention to establish another 2.6 MTPA Cement Plant in Kutch at Gujarat.

COAL MINING

10. Madhya Pradesh Jaypee Minerals Limited (MPJML)

MPJML is a Joint Venture of your Company with Madhya Pradesh State Mining Corporation Ltd. (MPSMCL) for developing and mining of Coal from Coal Block at Amelia (North) in Madhya Pradesh. As already reported to the shareholders, this Company shall feed coal to the pit-head based 1320 MW Thermal Power Plant being set up by JPVL at Nigrie, MP.

The Project is progressing satisfactorily.

EXPRESSWAYS AND RELATED BUSINES

11. Jaypee Infratech Limited (JIL)

JIL was incorporated as a Special Purpose Vehicle for implementation of 165 km long 6-lane Access-Controlled Yamuna Expressway Project which was awarded to your Company by Yamuna Expressway Industrial Development Authority (YEA) on Build, Own, Operate and Transfer basis. After obtaining necessary approvals, implementation of the Project has been assigned to JIL. JIL shall also develop Real Estate in five different locations along the Expressway.

JIL has already been transferred land admeasuring 1151 acres in Noida, development whereof is in progress.

Construction work for the Expressway is in full swing and is progressing satisfactorily.

12. Jaypee Ganga Infrastructure Corporation Limited (JGICL)

JGICL was incorporated as a Special Purpose Vehicle for implementation of the prestigious 1047 km long 8-lane

Access-Controlled Expressway connecting Greater Noida with Ghazipur – Ballia, namely Ganga Expressway Project. The Project includes development of land parcels, adjacent to the Expressway, in eight different locations.

The Ganga Expressway Project was awarded by Uttar Pradesh Expressway Industrial Development Authority (UPEIDA) on Design, Build, Finance and Operate basis. After obtaining necessary approvals, the Concession Agreement was executed between Uttar Pradesh Expressway Industrial Development Authority (UPEIDA) and JGICL. Preparatory work for the Project has started and necessary steps have been taken to obtain other requisite approvals including Environment Clearance.

13. Himalyan Expressway Limited (HEL)

HEL was incorporated as a Special Purpose Vehicle for implementation of Zirakpur-Parwanoo Expressway Project of NH-22 from Km. 39.860 to Km. 67.000 in the State of Punjab, Haryana and Himachal Pradesh on BOT basis under NHDP Phase-IIIA, as awarded by the National Highways Authority of India (NHAI).

The work on the Project is progressing satisfactorily.

SPORTS AND RELATED BUSINESS

14. JPSK Sports Private Limited (JPSKSPL)

JPSK Sports Private Limited was incorporated for developing a Greenfield state-of-the-art Sports Complex including Car Race track suitable for Formula One race with related integrated support infrastructure including Township(s) and auxiliary facilities.

Your Company alongwith its affiliates has acquired 74% equity shares in JPSKSPL. The remaining 26% Equity Capital is held by two Strategic Partners and their affiliates.

JPSKSPL has successfully concluded Race Promotion Contract (F1 Contract) with reputed parties based in UK and Ireland for conducting the Grand Prix of India to be a round of the FIA Formula One World Championship.

Necessary steps have been taken for implementation of the Project including acquisition of land, so that the first Grand Prix of India can be organized in the year 2011.

CONSOLIDATED FINANCIAL STATEMENTS

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

In terms of the approval of the Central Government accorded under Section 212 (8) of the Companies Act, 1956 the Audited Balance Sheets as at March 31, 2009 in respect of the subsidiaries of the Company have not been attached to the Balance Sheet of the Company. However, the requisite information for each subsidiary has been disclosed. The annual accounts of the subsidiary companies and the related detailed information will be made available to the investors of the Company/subsidiary companies seeking such information.

The Directors are of the opinion that the subsidiaries of your Company have bright future.

OUTLOOK

Keeping in view the performance and future prospects of the Company's business, the expansions and diversifications being undertaken and the business of its subsidiaries, your Company is poised for sustained growth and the outlook is bright.

DIRECTORATE

During the year under report, the following Directors ceased to be on the Board of the Company consequent upon their resignation/withdrawal of nomination by their nominating Institutions :

Dr. B. Samal, a nominee of IDBI Bank Limited, w.e.f. from August 6, 2008, Shri ERC Shekar w.e.f. January 16, 2009 and Shri M. J. Subbaiah, a nominee of ICICI Bank Ltd. w.e.f. March 26, 2009.

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

During the year, Shri K.P. Rau was appointed as Nominee of IDBI Bank Limited with effect from August 27, 2008 in place of Dr. B. Samal.

S/Shri Sunil Kumar Sharma, Executive Vice Chairman, Pankaj Gaur, Jt. Managing Director (Construction) and S.D.Nailwal, Whole-time Director were re-appointed for five years w.e.f. March 18, 2009, July 1, 2009 and July 1, 2009 respectively.

S/Shri Sunny Gaur, S.C. Gupta, Gopi K. Arora, Sarat Kumar Jain and Ranvijay Singh, Directors would retire by rotation at the forthcoming Annual General Meeting of the Company. Proposal for their re-appointment have been included in the Notice of the Annual General Meeting for your approval.

DEPOSITS

Fixed deposits received from the shareholders and the public as on March 31, 2009 stood at Rs.240.04 Crores. Deposits of Rs.2.19 Crores due for repayment on maturity remained unclaimed by the depositors as on March 31, 2009.

PARTICULARS OF EMPLOYEES

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

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

Particulars with respect to conservation of energy, technology absorption, foreign exchange earnings & outgo, pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 for the year ended March 31, 2009 are annexed and form an integral part of this Report.

NOTES ON ACCOUNTS

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

AUDITORS

M/s. M.P. Singh & Associates, Chartered Accountants, Auditors of the Company shall retire at the conclusion of the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE

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

EMPLOYEE RELATIONS

Employee relations continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the excellent spirit with which the entire team of the Company worked at all sites/Plants and other offices and achieved commendable progress.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the operating management, certifications by the CEO and CFO to the Board of Directors and after due enquiry, confirm in respect of the audited annual accounts for the year ended March 31, 2009:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;
- ii) that the Directors had, in consultation with the Statutory Auditors, selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended March 31, 2009 and the profit of the Company for that period;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

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

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

On behalf of the Board

MANOJ GAUR

Executive Chairman

June 6, 2009

ANNEXURE TO THE DIRECTORS' REPORT

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

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

A. Employed throughout the year and in receipt of remuneration aggregating Rs.24,00,000/- or more per annum

1. Shri Manoj Gaur, Executive Chairman, Rs.18,584,140, B.E. (Civil Hons.), 45, 24, November 1, 1985, Jaiprakash Industries Limited.
2. Shri Sunil Kumar Sharma, Executive Vice-Chairman, Rs.17,604,891, B.Sc., 49, 31, January 1, 1986, Jaiprakash Industries Limited.

3. Shri Sunny Gaur, Managing Director (Cement), Rs.7,150,006, Graduate, 40,16, February 1, 1992, Jaiprakash Industries Limited.
 4. Shri Pankaj Gaur, Joint Managing Director (Construction), Rs.6,434,726, B.E (Instrumentation), 38, 16, March 12, 2004, Jaiprakash Industries Limited.
 5. Shri S. D. Nailwal, Whole-time Director, Rs.4,523,060, B.A. (Com.), F.C.S, 61, 43, July 1, 1986, Jaypee Hotels Limited.
 6. Shri R. K. Singh, Whole-time Director, Rs.3,477,211, B.Sc., B.E (Hons.) (Civil Engineering), 64, 41, September 1, 2007, Railway Board, Indian Railways.
 7. Shri Ranvijay Singh, Whole-time Director, Rs.4,826,929, B.E (Civil), 43, 21, December, 14, 2007, Gujarat Anjan Cement Limited.
 8. Shri G. P. Gaur, Executive Director, Rs.3,779,864, Intermediate, 61, 41, January 1, 1986, Jaiprakash Industries Limited.
 9. Shri Naveen Kumar Singh, Executive General Manager, Rs.2,691,323, B.Com, 34, 11, September 1, 1997, First Employment.
 10. Shri Rahul Kumar, C.F.O., Rs.5,222,990, F.C.A., 41, 16, November 1, 2006, Jaiprakash Enterprises Limited.
 11. Shri B. M Subbanna, President, Rs.2,402,557, LME, A.M.I.E., 69, 46, August 1, 1991, ECC.
 12. Brig. Yogendra Parimu, President, Rs.3,037,996, B.E.(Civil), 68, 46, July 1, 1995, Corps of Engineers, Indian Army.
 13. Shri Atal Behari Kaushal, Sr. Joint President, Rs.2,769,596, B.Sc. Engg. (Mech.), 69, 43, December 3, 1997, CCI.
 14. Shri Virendra Singh Bajaj, President, Rs.2,775,174, B.Sc. Engg. (Chem), 58, 37, October 31, 1998, Union Beverages.
 15. Shri B.P.S. Kwatra, President, Rs.2,946,709, M.Sc.(AG), 66, 41, January 1, 2003, Prism Cement Limited.
 16. Shri Bhanwar Lal Saini, President, Rs.2,435,589, A.M.I.E, 61, 42, October 25, 2005, ACC Ltd.
 17. Shri Sharad C. Agarwal, Joint President, Rs. 2,423,209, M.B.A., 52, 28, November 4, 2006, Surya Roshni Limited.
 18. Shri Ram Bahadur Singh, Sr. President & CFO (Cement), Rs.3,699,625, F.C.A., 59, 36, July 15, 1993, THDC Limited.
 19. Shri Vijai Kumar Jain, Sr. President (Cement), Rs.4,861,015, B.E.(Mechanical), 58, 38, June 2, 1999, Prism Cement Limited.
 20. Shri D. G. Kadekade, Chief Advisor (Engineering Services), Rs.2,950,506, B.E (Civil), FIE(I), Ph.D.(Philosophy), 78, 55, September 1, 2007, Jaypee Ventures Pvt. Ltd.
 21. Shri Yajulu Medury, Sr. President (HR & Education), Rs.4,076,362, Ph.D (Engineering Mechanics), 51, 24, December 15, 2001, Educational Consultants India Limited.
 22. Shri Harish K. Vaid, Sr. President (Corporate Affairs) & Co. Secretary, Rs.3,637,015, B.Com., D.C.P, LL.B, F.C.S., 55, 36, January 1, 1986, Jaiprakash Industries Limited.
 23. Shri S. K. Bansal, President, Rs.2,831,938, B.Sc., B.Arch (Roorkee), 72, 47, October 22, 1981, Govind Ballabh Pant University.
 24. Shri Dilbagh Singh, Sr. G.M. (Aviation), Rs.3,103,837, B.Sc. Commercial Helicopter Pilot license, 54, 33, April 18, 2000, Indian Air Force.
 25. Shri Ranbir Singh Kanwar, Chief Pilot, Rs.2,833,240, B.Sc. Commercial Helicopter Pilot license, 50, 28, June 15, 2001, Army.
 26. Shri Chandra Kant Vyas, Pilot, Rs. 2,429,280, B.Sc., RHSCPMI, Type Examiner MI-26, 51, 29, October 3, 2006, Indian Air Force.
 27. Shri Sudhir Bagga, Pilot, Rs.2,669,692, B.Sc, CPL, 49, 27, July 2, 2007 Indian Air Force.
 28. Shri Vijay Kumar, Pilot, Rs.2,767,578, BA, CHPL, FRTOL, IR Current, 51, 29, July 2, 2007, Sahara Airlines.
 29. Shri Paramjeet Singh, Pilot, Rs.2,785,749, M.Sc., B.ED, QFI, IRIE, 48, 25, August 25, 2007, Indian Air Force.
 30. Shri Richard Brydon, Project Manager Tunnel, Rs.8,979,642, B.E.(Mining Engineering) and Master Degree in Geotechnical Engineering, 45, 20, February 16, 2008, Daweoo Engineering, South Korea.
- Particulars of the employees of the Transferor Companies who were in receipt of remuneration aggregating Rs.24,00,000 or more per annum, prior to the Effective Date of amalgamation :
Erstwhile Jaiprakash Enterprises Limited (JEL)**
31. Shri P. K. Jain, Whole-time Director (JEL), Rs.4,186,862, M.A., 60, 38, February 1, 2001, Jaiprakash Associates Limited
- Erstwhile Jaypee Hotels Limited (JHL)**
32. Shri Ravi Sreen, Managing Director (JHL), Rs.3,363,688, F.C.A., 55, 30, November 1, 2007, Millennium & Copthorne International Ltd. Singapore.
 33. Smt. Manju Sharma, Whole-time Director (JHL), Rs.3,839,990, B.A. Hons. (Maths), 45, 20, April 1, 1998, Jaypee Hotels Limited.
 34. Shri Le Peng, Chef, Rs.2,882,368, Hotel Management, 34, 18, April 24, 2007, ITC Grand Central Sheraton Hotel
- Erstwhile Jaypee Cement Limited (JCL)**
35. Shri Naveen Kumar Singh, Whole-time Director (JCL), Rs.2,680,565, B.Com. 34, 11, July 1, 2008, Jaiprakash Associates Limited.
- Erstwhile Gujarat Anjan Cement Limited (GACL)**
36. Shri Alok Gaur, Whole-time Director (GACL), Rs.2,569,733, B.E. (Electrical), 46, 26, October 1, 2007, JIL Information Technology Ltd.
- B. Employed for part of the year and in receipt of remuneration aggregating Rs. 2,00,000/- or more per month.**
1. Shri Sachendra Pratab Singh Sisodiya, Pilot, Rs.1,951,143, M.Sc., CHPL, FRTOL, RTR(A), 48, 25, June 12, 2008, Indian Air Force.
 2. Shri Pawan Bhargav, Vice President, Rs. 2,019,840, B.Sc., M.B.A., 50, 28, June 2, 2008, Feddars Lloyd.
 3. Shri Tiziano Fabbro, TBM Consultant, Rs.3,438,564, Newzealand Grade B Tunnel Manager certificate, 54, 33, June 23, 2008, Luzon Hydro Corporation, Phillipines

Notes:

1. Gross remuneration includes Salary, Accomodation/House Rent and other perks like Medical Reimbursement, Leave Travel Assistance, Furnishing Allowance, Books and periodicals Allowance, Company's contribution towards Provident Fund etc. but excludes provision for Gratuity & Leave Encashment.
2. Shri Manoj Gaur, Executive Chairman, is son of Shri Jaiprakash Gaur, Founder Chairman and brother of Shri Sunny Gaur, Managing Director (Cement).
3. Ms. Manju Sharma is sister of Shri Sunil Kumar Sharma, Executive Vice Chairman.
4. Shri G. P. Gaur, Executive Director, is brother of Shri Jaiprakash Gaur, Founder Chairman and father of Shri Pankaj Gaur, Joint Managing Director (Construction).
5. Shri Naveen Kumar Singh is brother of Shri Ranvijay Singh, Whole-time Director. Salary of Shri Naveen Kumar Singh includes Rs.8,72,596 paid as Gratuity and Rs.4,62,917 paid as Leave Encashment by the Company. Shri Naveen Kumar Singh worked with Jaiprakash Associates Limited till 30.06.2008 and joined erstwhile Jaypee Cement Limited as Whole-time Director w.e.f. 01.07.2008.
6. Salary of Shri Vijai Kumar Jain includes Rs.5,50,000 paid as Gratuity and Rs.3,50,000 paid as Leave Encashment by the Company.
7. Salary paid to Shri R. K. Singh includes Rs.8,96,000 paid for rent towards the accommodation provided to him.
8. The Executive Chairman, Executive Vice-Chairman and Whole-time Directors hold their respective offices for a period of five years from the date of their appointment/ re-appointment.

Information pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Report of the Directors for the year ended March 31, 2009
A. Conservation of Energy

The Company is engaged in the business of Integrated Engineering Construction and operates at the locations of its clients and uses electric energy for implementation of various projects undertaken by it. Besides, the Company is also engaged in the business of manufacture and marketing of Cement and owns five star hotels at New Delhi, Mussoorie and Agra and a Golf Course with associated recreational and residential facilities at Greater Noida as part of its Real Estate Business.

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

The energy conservation measures undertaken by the Company ensure savings in energy costs and thereby improving operational efficiency. In particular, the Company has taken following measures for conservation of energy.

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

At Jaypee Rewa Plant

- i) Cement Mill - 2 WF bag filter fan (532FN1) & motor of 18 kW replaced new high efficiency fan & motor of 15 kW along with new bag filter.
- ii) Cement Mill - 1 WF bag filter fan (531FN1) & motor of 55 kW replaced new high efficiency fan & motor of 15 kW.
- iii) Cement Mill - 1 reject airstide single blower & motor of 30 kW replaced with high efficiency 02 nos. small blowers & motor of 9.3 kW each.
- iv) Cement Mill - 3 Osepa Fan impeller detipping done by 250 mm in three steps (i.e. by 40 mm as 1st step on 21.05.08 & by 110 mm in 2nd step on 11.06.08 & 50 mm in 3rd step on 22.06.08 & by 50 mm as 4th step on 03.07.08).
- v) Cement Mill - 3 HBFA feeding screw conveyor motor of 15.0 kW replaced with 3.7 kW motor.
- vi) New water spray system of M/s Spraying Systems (I) Pvt. Ltd. with V/F installed in Cement Mill - 1 for controlling mill outlet temperature.
- vii) A new 782 KVAR capacitor installed in Cement Mill - 1 LC-41 HT panel to improve the power factor. Power factor improved from 0.96 to 0.99, which results in reduction of line / transmission losses.
- viii) A new Ramco Optima Adaptive-Predictive controller installed & commissioned for all 04 nos. cement mills, as per CII recommendation. (Long term CII Encon proposal).
- ix) A new 300 KVAR capacitor installed in Cement Mill - 2 LC-42/2 PCC LT panel to improve the power factor. Power factor improved from 0.91 to 0.94, which results in reduction of line / transmission losses.
- x) Cement Mills & Packing Plant Cooling Tower new high efficiency water pump installed along with small motor of 110 kW instead of old 160 kW motor, as per CII recommendation. (Long term CII Encon proposal).
- xi) Cement Mill - 2 HBFA hopper bottom rotary air lock & motor of 3.7 kW replaced with new one of 1.5 kW.
- xii) A new clinker extraction belt (513BC-5) with 11 kW motor from Unit - 1 clinker silo was installed in place of earlier feeding arrangement with 03 nos. feeding belts (513BC-1, BC-3 & BC-4) with 37 kW & 02 nos. of 9.3 kW motors.
- xiii) A new Lighting transformer was installed for Cement Mill - 3 & New Packing Plant area.

At Jaypee Bela Plant

- i) Installed 2 Nos. SPRS (Clip Power Recovery System) - One in Bag House Fan and other in Pre-Calculator Fan (1800 KW & 2600 KW respectively)
- ii) Installed 1 No. 120 KVA lighting Transformer in lighting circuit to save the electrical energy reducing the voltage of Transformer.
- iii) Installed one high efficiency water pump of 22 KW to replace an inefficient pump of 37.5 KW, in water pump house filter pump.
- iv) In Cement Mill Cooling Tower, a 55 KW pump was replaced by 45 KW high efficiency pump for supplying cooling water to Cement Mill and Packing Plant.

B) Research and Development

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

C) Technology absorption, adaptation and innovation

For efficient execution of contracts awarded to the Company, it imports various items of equipment in order to ensure use of contemporary technology. The Company has, inter-alia, taken the following steps towards technology absorption, adoption and innovation:

At Jaypee Rewa Plant**Technology Already Absorbed****• CRUSHER**

- i) Star-delta-star converter installed in 231BC-4 Stacker feed belt conveyor, as per CII recommendation (Long term CII Encon proposal).

• UNIT -I

- i) Raw Mill segmented type rollers changed with bigger size single tyre type rollers, new hubs along with new bearings and external circulation lub oil system were also replaced (2nd phase of modification).
- ii) Raw Mill reject BE height reduced by 12 meters.
- iii) Raw Mill feed belt BC10 tail drum lifted from ground floor to a height of 2 meters.
- iv) Coal Mill main motor & gear box (Take GB MV 630B to MAAG GB WPU-27EK) replaced with higher capacity i.e. from 470 kW to 700 kW.
- v) Coal Mill classifier rotor MS plates replaced with wear resistant hard faced new rotor plates.
- vi) Coal Mill classifier outlet duct, ceramic tiles installed in wear prone area.
- vii) Star-delta-star converter installed in 431BL-3-U-1-KF (KS) Bin Aeration Blower (35019), as per CII recommendation (long term CII Encon Proposal)
- viii) Ceremite castable (i.e. ceramic lining) applied in Cooler ESP inlet duct top bend portion in 80 sq. meter area, on high wear prone area.
- ix) 250 kVA lighting transformer installed.
- x) Star-delta-star convertor installed in 511BC-1 Unit-1 clinker yard belt conveyor (BC 15A), as per CII recommendation (long term CII Encon proposal).

• UNIT -II

- i) Raw Mill feed belt 332BC1 length reduced, as one hopper no.-4 in not in use.
- ii) Coal Mill nozzle ring direction changed from anticlock wise to clock wise and angle also changed from 38 degree to 55 degree.
- iii) Raw Mill feed belt 332BC2 tail drum lifted from ground floor i.e. its inclination angle reduced.
- iv) Kiln Feed (KS & CS) bin aeration blower location changed (shifted from outside to inside) and pipe line also modified to reduce the pressure drop.

- v) GRR (spared from CID Fan) installed in Coal Mill booster fan (450kW) motor.
- vi) Raw Mill Rollers & Table Liners of normal High Chrome material replaced with wear resistant special Sintered Cast liners.

At Jaypee Bela Plant**Technology Already Absorbed**

- i) High efficiency pressurising and ventilation system in LS Crusher Load Centre-1 (LC-1).
- ii) Hot Kiln auto checking and grinding of Tyres and Roller surface by specialist.
- iii) Cement Mill-1 internal modification with internal diaphragm, so that Mill-1 could be run without Roller Press in case of emergency.
- iv) Installed 3 Nos. isolating gates (shut of gate) in Cooler Fans.
- v) Upgradation of Unix Base DCS system by user friendly window based system with latest hardware and software system of ABB; improving the response time and reliability.
- vi) Installation of permanent magnet for 331BC-2 Lime Stone transport belt for Raw Mill safety.

Technology under absorption.

- i) Upgradation of Cooler Water-spray system for better cooling of Clinker.
- ii) Installation of gas isolater / slide gate, duct etc. for Cement Mill No.1 close circuit (similar to Cement Mill - 2).
- iii) High efficiency bag filter fans for Packers (1 - 5) for energy saving.
- iv) Replacement of normal bags by pleated bags for dust collectors of Packer No.1 to 5 for efficient dust collection.
- v) Installation of high cooling efficiency P&V system for Cement Mill and Packing Plant compressor house.
- vi) Modification of bulk loading system with weighing arrangement for faster and correct loading of Bulkers.
- vii) Installation of DCL make collapsible chute for Clinker Loading for cleaner environment.
- viii) Installation of One AMCL blower for coal firing for energy saving. One blower will run in place of two at present.
- ix) Replacement of 2 Nos. 60 KW DC motor and their thyristor panels by 2 x 90 KW AC motors and and variable frequency drives for 471FNA & 471FNB cooler fans. This will upgrade the air requirements and save the energy also.
- x) Installation of standby air slide Blowers (7Nos.) in Kiln feed and Pre-heater circuit to reduce the Kiln down time.
- xi) Installation of Kiln shell scanner and its software for upgradation and better operational efficiency, and auto control of shell cooling fans.

D. Foreign Exchange earnings and outgo

Particulars of Foreign Exchange earnings and outgo are given in Schedule 'T' Notes to the Accounts under Note No. 31(G&H).

FORM A

A: POWER & FUEL CONSUMPTION	CURRENT YEAR 31.03.2009	PREVIOUS YEAR 31.03.2008
I. ELECTRICITY		
(a) PURCHASED		
UNITS (KWH)	96,084,240	39,651,662
TOTAL AMOUNT (Rs.)	432,157,731	194,952,949
RATE PER UNIT (RS.)	4.50	4.92
(b) OWN GENERATION		
(i) THROUGH DIESEL GENERATION		
UNITS (KWH)	16,809,014	23,467,717
UNITS PER LITRE OF-		
- DIESEL & FURNANCE OIL (KWH)	3.36	3.47
COST PER UNIT (RS.)	12.99	8.49
(ii) THROUGH THERMAL GENERATION		
UNITS (KWH)	561,866,396	520,720,957
UNITS PER TON OF COAL (KWH)	970.84	991.39
COST PER UNIT (RS.)	2.72	2.31
(iii) THROUGH TRIAL RUN		
UNITS (KWH)	-	-
UNITS PER TON OF COAL (KWH)	-	-
COST PER UNIT (RS.)	-	-
II. (a) COAL FOR KILN		
QUALITY	GRADE SLACK/STEAM/ PET COKE	GRADE SLACK/STEAM/ PET COKE
A,B,C & D	A,B,C & D	
WHERE USED	CALCINISING OF	CALCINISING OF
RAW MEAL	RAW MEAL	
QUANTITY USED (M.T.)	825,659	725,356
TOTAL COST (Rs.)	2,876,051,112	2,113,375,639
AVERAGE RATE PER M.T./RS.	3,483.34	2,913.57
II. (b) COAL FOR CTPP		
QUALITY	GRADE SLACK/STEAM	GRADE SLACK/STEAM
ROM ,C D & F	ROM ,C D & F	
WHERE USED		
	BOILER	BOILER
QUANTITY USED (M.T.)	608,898	573,881
TOTAL COST	1,375,483,045	1,057,348,197
AVERAGE RATE PER M.T./RS.	2,258.97	1,842.45
III. FURNACE OIL	N/A	N/A
IV. OTHERS/INTERNAL GENERATION	N/A	N/A
B: CONSUMPTION PER UNIT OF PRODUCTION		
PRODUCT	CEMENT	CEMENT
UNIT	M.T.	M.T.
ELECTRICITY (KWH)	87.88	83.81
FURNACE OIL	N/A	N/A
COAL PER M.T. OF CLINKER	0.147	0.141
COAL QUALITY		
- AVERAGE ASH CONTENTS (%)	30.12	30.12
- AVERAGE CALORIFIC VALUE (Kcal/Kg)	4,523	4,548
OTHERS	-	-

REPORT ON CORPORATE GOVERNANCE

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

core sector, thus paving the way for sustained growth and through it enhance the stakeholders' value continually.

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

2. BOARD OF DIRECTORS

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

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

The Board of Directors comprised 18 Directors as on March 31, 2009 out of which 8 are Independent Directors. As per Clause 49 of the Listing Agreement, in case of an Executive Chairman, at least half of the Board should comprise Independent Directors. Our Board, which is headed by Executive Chairman, earlier had 10 Independent Directors, out of which nomination of Shri M J Subbaiah has been withdrawn by ICICI Bank Ltd. and Shri ERC Shekar has since resigned due to personal reasons. The Company will reconstitute the Board within the prescribed period.

Details regarding the category of Directors, attendance of Directors at Board Meetings and the last Annual General Meeting (AGM), number of other Directorships and Committee positions held by them in other Companies as on March 31, 2009, are given below:

Name & Designation of the Directors	Category	Position	Last Annual General Meeting Attended	No. of Board Meetings Attended against 6 meetings held during the year	No. of other Directorships*	Committee Positions Held	
						Chairman	Member
Shri Jaiprakash Gaur, Founder Chairman	Non-executive	Promoter	Yes	6	2	-	-
Shri Manoj Gaur, Executive Chairman	Executive	Promoter	Yes	6	15	-	-
Shri Sunil K. Sharma, Executive Vice - Chairman	Executive	Promoter	Yes	6	13	2	2
Shri Sarat Kumar Jain, Vice Chairman	Non-executive	Promoter	Yes	4	2	1	-
Shri Sunny Gaur, MD - Cement	Executive	Promoter	Yes	2	5	1	1
Shri Pankaj Gaur, Jt. MD - Construction	Executive	Promoter	Yes	3	2	-	-
Shri K. P. Rau (IDBI Nominee) (w.e.f. 27.08.2008)	Non-executive	Independent	No	2	1	-	1
Shri Gopi K. Arora,	Non-executive	Independent	No	4	13	2	8
Shri R.N. Bhardwaj	Non-executive	Independent	Yes	6	9	5	2
Shri B. K. Taparua	Non-executive	Independent	Yes	6	4	3	1
Shri B. K. Goswami	Non-Executive	Independent	Yes	6	14	3	4
Shri A. K. Sahoo (LIC Nominee)	Non-Executive	Independent	Yes	5	-	-	-
Shri S.C.Gupta	Non-executive	Independent	Yes	6	-	-	-
Shri S. C. Bhargava	Non-executive	Independent	Yes	4	14	1	5
Shri M.S. Srivastava	Non-Executive	Professional	Yes	4	1	-	-
Shri R.K. Singh	Executive	Professional	Yes	5	1	-	-
Shri Ranvijay Singh	Executive	Promoter	No	-	2	-	-
Shri S. D. Nailwal	Executive	Professional	Yes	6	1	-	4

Notes:

1. The following Directors have resigned during 2008-09 :

S. No.	Name of the Director	Date of Resignation	No. of Board Meetings attended by the Director
1	Dr. B. Samal (IDBI Nominee)	06.08.2008	2
2	Shri E. R. C. Shekar	16.01.2009	5
3	Shri M.J. Subbaiah (Nominee - ICICI Bank Ltd.)	26.03.2009	6

2. S/Shri Sunil Kumar Sharma, Executive Vice Chairman, Pankaj Gaur, Jt. Managing Director (Construction) and S.D.Nailwal, Whole-time Director were re-appointed for five years w.e.f. 18th March, 2009, 1st July, 2009 and 1st July, 2009 respectively.

3. *Other Directorships of only Indian Public Limited Companies have been considered pursuant to Clause 49 of Listing agreement.

4. Committee positions of only 2 Committees namely Audit Committee and Investors'/Shareholders' Grievance Committee have been considered pursuant to Clause 49.

5. Number of shares and convertible instruments held by non-executive Directors as on March 31, 2009 are tabulated below:

S. No.	Name of Non-Executive Directors	No. of Shares held	No. of convertible instruments held
1	Shri K. P. Rau (IDBI Nominee)	-	-
2	Shri Gopi K. Arora,	-	-
3	Shri R.N.Bhardwaj	-	-
4	Shri B. K. Taparia	-	-
5	Shri M.S. Srivastava	50,955	-
6	Shri S. C. Bhargava	2,000	-
7	Shri S.C.Gupta	-	-
8	Shri B. K. Goswami	-	-
9	Shri A. K. Sahoo (LIC Nominee)	-	-
10	Shri Jaiprakash Gaur	250	-
11	Shri Sarat Kumar Jain	36,56,880	-

Number of Board Meetings held and dates thereof:

During the financial year 2008-09, Six Meetings of the Board of Directors were held as against the requirement of four meetings. The meetings were held on (i) **April 30, 2008**, (ii) **July 18, 2008**, (iii) **August 27, 2008**, (iv) **October 21, 2008**, (v) **December 22, 2008**, and (vi) **January 17, 2009**. The maximum time gap between two meetings was not more than four calendar months.

INFORMATION PLACED BEFORE THE BOARD

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

3. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board members and senior management personnel of the Company.

All Board members and senior management personnel have, on March 31, 2009, affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the CEO is annexed and forms part of this report.

4. AUDIT COMMITTEE

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted by the Board comprising **four** Directors, all being Non-Executive with majority of them being independent. The Chairman of the Audit Committee is an Independent Director. The Company Secretary acts as the Secretary to the Audit Committee.

The constitution of the Audit Committee also meets the requirements under Section 292A of the Companies Act, 1956 (The Act). The terms of reference and powers of the Audit Committee are in keeping with those contained under Clause 49 of the Listing Agreement and the Act.

The Audit Committee inter-alia reviews:

- Management Discussion and Analysis of financial conditions and results of operations.
- Quarterly and Annual Financial Results.
- Annual Budget and Variance Reports.
- Significant related party transactions.
- Internal Audit Reports/ Cost Audit Reports including letters on internal control weaknesses, if any, issued by Statutory/Internal Auditors.
- Recommendation for appointment of Statutory and Cost Auditors.
- Appointment and remuneration of Internal Auditors.

4 meetings of the Audit Committee were held during the year on **April 30, 2008, July 18, 2008, October 18, 2008, and January 17, 2009**.

The constitution of the Committee and attendance at its meetings held during the year under report are as under:

Name of members	Total Meetings held during the tenure of the member	Meetings attended
Shri R.N. Bhardwaj, Chairman	4	4
Shri M.J. Subbaiah, Member (Upto 26.03.2009)	4	4
Shri B.K. Taparia, Member	4	4
Shri B.K. Goswami, Member	4	4

The Chairman of the Audit Committee attends the Annual General Meeting to answer shareholders queries, if any. Shri A.K. Sahoo was appointed as a Member of the Audit Committee w.e.f April 27, 2009 in place of Shri M.J. Subbaiah.

5. REMUNERATION COMMITTEE

The Remuneration Committee, constitution of which is a non-mandatory requirement, was constituted by the Board to recommend/ review the Remuneration package of the Whole-time Directors. The Remuneration Committee comprises three independent Directors.

Two meetings of Remuneration Committee were held during the year on October 18, 2008 and January 17, 2009. The constitution of the Committee and attendance at its meetings held during the year under report are as under:

Name of members	Total Meetings held during the tenure of the member	Meetings attended
Shri M. J. Subbaiah, Chairman (upto 26.03.2009)	2	2
Shri B. K. Goswami, Member	2	2
Shri B. K. Taparia, Member	2	2

Notes:

1. Remuneration was paid to Whole-time Directors in the form of Salary and Perquisites.

2. The Remuneration Committee has been reconstituted w.e.f. April 27, 2009 as under:

1. Shri B. K. Taparia, Chairman
2. Shri B. K. Goswami, Member
3. Shri S. C. Bhargava, Member

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

a) Executive Directors/Whole-time Directors

Details of remuneration paid for the year ended March 31, 2009 to Whole-time Directors are as follows:

(Rs.)					
Sl. No.	Name	Designation	Salary	Benefits	Total
1	Shri Manoj Gaur	Executive Chairman	10,725,000	7,859,140	18,584,140
2	Shri S. K. Sharma	Executive Vice-Chairman	9,900,000	7,704,891	17,604,891
3	Shri Sunny Gaur	Managing Director- Cement	4,050,000	3,100,006	7,150,006
4	Shri Pankaj Gaur	Jt. Managing Director- Construction	3,480,000	2,954,726	6,434,726
5	Shri Ranvijay Singh	Whole-time Director	2,520,000	2,306,929	4,826,929
6	Shri R.K. Singh	Whole-time Director	2,100,000	1,377,211	3,477,211
7	Shri S. D. Nailwal	Whole-time Director	2,430,000	2,093,060	4,523,060
	Total				62,600,963

b) Non-Executive Directors

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

The criteria for payment of sitting fees to non-executive directors is based on the provisions of the Act.

Details of sitting fees paid to non-executive Directors during the financial year 2008-09 are as under:

Name of the Directors	Designation	Total sitting fee paid (Rs.)
Shri Jaiprakash Gaur	Founder Chairman, Director	1,20,000
Shri S.K. Jain	Vice Chairman	3,40,000
Shri M. J. Subbaiah (upto 26.03.2009)	Nominee Director (ICICI bank)	2,40,000
Shri Gopi K. Arora	Director	3,00,000
Shri S. C. Bhargava	Director	80,000
Shri B.K. Taparia	Director	2,80,000
Shri M. S. Srivastava	Director	80,000
Dr. B. Samal (upto 6.08.2008)	Nominee Director (IDBI)	40,000
Shri K.P. Rau (w.e.f. 27.08.2008)	Nominee Director (IDBI)	40,000
Shri E. R. C. Shekar (upto 16.01.2009)	Director	1,00,000
Shri S. C. Gupta	Director	1,20,000
Shri B. K. Goswami	Director	2,80,000
Shri A. K. Sahoo*	Nominee Director (LIC)	1,40,000
Shri R.N. Bhardwaj	Director	2,00,000
	Total	23,60,000

*The sitting fee for LIC Nominee was paid directly to LIC.

6. INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE

The Investors' Grievance and Share Transfer Committee comprises of Shri S.K. Jain as Chairman and Shri Sunil Kumar Sharma and Shri S. D. Nailwal as Members. This Committee approves transfer of shares and monitors redressal of shareholders' grievances like

non-transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. During the year, 14 meetings of the Committee were held.

16 Investor complaints were pending at the beginning of the year and 1704 complaints were received during the year. Out of these, 1720 complaints were addressed/resolved leaving a Nil balance of complaints pending at the end of the year.

7. SUBSIDIARY COMPANIES

The Company has two material non-listed subsidiary companies viz. Jaiprakash Power Ventures Limited and Jaypee Karcham Hydro Corporation Limited. Names of the independent directors of the Company who are represented as directors on the Board of these subsidiary companies are as under:

Subsidiary Companies (material non-listed)	Names of Independent Directors
Jaiprakash Power Ventures Limited	Shri B.K. Goswami
Jaypee Karcham Hydro Corporation Limited	Shri Gopi K. Arora

The Audit Committee of the Company reviews the Financial Statements and investments made by the above subsidiary companies.

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

8. RISK MANAGEMENT

The Company manages risks as an integral part of its decision making process. The Audit Committee and the Board of Directors are regularly apprised regarding key risk assessment and risk mitigation mechanisms.

9. CEO/CFO CERTIFICATION

In terms of the requirements of clause 49 (v) of the Listing Agreement, the Executive Chairman & CEO and Whole-time Director (Finance) & CFO have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause. This certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors at the respective meetings held on June 6, 2009.

10. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time
2006	Jaypee Greens Golf Resort, Surajpur Kasna Road, Greater Noida, Uttar Pradesh	27.10.2006	11.00 A.M.
2007	Sector-128, Noida-201304, (U.P.)	30.08.2007	11.00 A.M.
2008	Sector-128, Noida-201304, (U.P.)	27.08.2008	11.30 A.M.

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

(A) Year 2006

1. Resolution under Section 314(1B) of the Companies Act, 1956 according consent subject to the approval of Central Government to Shri G. P. Gaur, Mrs Rekha Dixit, Shri Sachin Gaur, Mrs Rita Dixit and Shri Rahul Kumar relative of the Directors of the Company,

for holding/continuing to hold Office or Place of Profit under the Company at a monthly remuneration.

The Resolution was passed with requisite majority.

(B) Year 2007

1. Resolution under Section 149(2A) of the Companies Act, 1956 authorizing the Board of Directors for commencing all or any of the Business set out in the Clauses 4, 27, and 29 of the "Other Objects" Clause of the Memorandum of Association of the Company.
2. Resolution under section 81(1A) of the Companies Act, 1956 authorizing the Board of Directors to Issue GDRs/ ADRs/ FCCBs or any other instrument/ Securities, up to an aggregate amount of USD One Billion or equivalent thereof.

Both the Resolutions were passed with requisite majority.

(C) Year 2008

No Special Resolution was passed in the Annual General Meeting held in 2008.

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

During the year ended March 31, 2009, the Company sought approval from its shareholders on two occasions for passing Special / Ordinary resolutions through the process of Postal Ballot in accordance with the provisions of Section 192A of the Act read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001. The Board of Directors of the Company, at its meetings had appointed Scrutinizers and Alternate Scrutinizers for conducting Postal Ballot in fair and transparent manner. The Postal Ballot forms received were kept in boxes sealed by the Scrutinizers. The declared results of the Postal Ballot were announced through newspaper and were also displayed on the website of the Company, www.jalindia.com. Details of the same are given below:

(A) Resolutions passed on May 26, 2008

S. No.	Particulars	Details/Dates
1	Date of Board meeting	February 21, 2008
2	Scrutinizer appointed by the Board of Directors at its meeting	Shri V. P. Kapoor, FCS, AICWA, LL.B., Practising Company Secretary
3	Alternate Scrutinizer appointed by the Board of Directors at its meeting	Shri Shiv Kumar Gupta, M.Com., LL.B., FCS, Practising Company Secretary
4	Date of Notice seeking Shareholder approval	March 28, 2008
5	Date of completion of Dispatch of Notice	April 23, 2008
6	Last Date of receipt of duly filed Postal Ballot Form	May 24, 2008
7	Date of submission of Scrutinizer's report to the Chairman	May 26, 2008
8	Date of declaration of Result	May 26, 2008 at 4.00 P.M.

Particulars of Resolutions Passed

Resolution No. & Particulars	Whether Ordinary/ Special
1 Acquisition of Equity Shares of Prize Petroleum Company Limited from ICICI Bank Limited and ICICI Venture Funds Management Company Limited	Special
2 Creation of Security in favour of State Bank of India, The Bank of Rajasthan, State Bank of Hyderabad, Punjab National Bank and Oriental Bank of Commerce.	Ordinary

Voting Pattern

S. No.	Particulars	Resolution 1	Resolution 2
1	Total Votes	1,171,522,417	1,171,522,417
2	Total Valid Votes Cast	571,845,404	571,540,409
3	Total valid votes cast in favour of the Resolution	571,785,781 (99.99%)	547,494,443 (95.79%)
4	Total valid votes cast against the resolution	59,623 (0.01%)	24,045,966 (4.21%)

(B) Resolutions passed on October 18, 2008

Sl. No.	Particulars	Details/Dates
1	Date of Board Meeting	July 18, 2008 & August 27, 2008
2	Scrutinizer appointed by the Board of Directors at its meeting	Shri V. P. Kapoor, FCS, AICWA, LL.B., Practising Company Secretary
3	Alternate Scrutinizer appointed by the Board of Directors at its meeting	Ms. Manisha Gupta, B.Com.(Hons.), LL.B., ACS, Practising Company Secretary
4	Date of Notice seeking Shareholder's approval	September 5, 2008
5	Date of completion of Dispatch of Notice	September 17, 2008
6	Last Date of receipt of duly filed Postal Ballot Form	October 17, 2008
7	Date of submission of scrutinizer's report to the Chairman	October 18, 2008
8	Date of declaration of Result	October 18, 2008 at 4.00 p.m.

Particulars of Resolution Passed

Resolution No. & Particulars	Whether Ordinary/ Special
1. Issue of Warrants to Promoter/Promoter Group Company on Preferential Basis	Special
2. Pledge of Shares of Jaiprakash Hydro-Power Limited (JHPL) held by the Company in favour of lenders of JHPL	Special
3. Pledge of Shares of Jaiprakash Power Ventures Limited (JPVL) held by the company in favour of lenders of JPVL	Special
4. Pledge of shares of Jaypee Infratech Limited (JIL) held by the Company in favour of lenders of JIL	Special
5. Creation of security in favour of lenders of the Company	Ordinary
6. Creation of charge to secure additional working capital facilities of the Company	Ordinary

Voting Pattern

S. No.	Particulars	Resolution 1	Resolution 2	Resolution 3
1	Total Votes	1,173,752,618	1,173,752,618	1,173,752,618
2	Total Valid Votes Cast	608,259,983	608,208,537	608,219,697
3	Total Valid votes cast in favour of the Resolution	608,005,680 (99.96%)	608,078,459 (99.98%)	608,081,133 (99.98%)
4	Total Valid votes cast against the resolution	254,303 (0.04%)	130,078 (0.02%)	138,564 (0.02%)
S. No.	Particulars	Resolution 4	Resolution 5	Resolution 6
1	Total Votes	1,173,752,618	1,173,752,618	1,173,752,618
2	Total Valid Votes Cast	608,217,220	608,225,650	608,228,774
3	Total Valid votes cast in favour of the Resolution	608,081,959 (99.98%)	587,635,607 (96.61%)	587,646,342 (96.62%)
4	Total Valid votes cast against the resolution	135,261 (0.02%)	20,590,043 (3.39%)	20,582,432 (3.38%)

11. DISCLOSURES

- There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are duly disclosed in the Notes to the Accounts.
- There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
- No treatment different from the Accounting Standards, prescribed by the Institute of Chartered Accountant of India, has been followed in the preparation of Financial Statements.
- The Company has not adopted any Whistle Blower Policy. However, the Company has not denied access to any personnel to approach the Management or the Audit Committee on any issue.
- The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement.
- The Company at present has adopted the non-mandatory requirement with regard to constitution of Remuneration Committee, which has been constituted to determine the remuneration package of the Whole-time Directors (including Executive Chairman/Executive Vice-Chairman). Other details about non-mandatory requirements are contained at paragraph 30 of this Report.

12. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL

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

13. MEANS OF COMMUNICATION

The quarterly, half yearly and annual results were published in leading Newspapers which included Economic Times, Business Standard, Financial Express, Hindustan Times, Dainik Jagran

and Swatantra Bharat. The same were sent to Stock Exchanges and were also displayed on the website of the Company, www.jalindia.com and simultaneously posted on the Electronic Data Information Filing and Retrieval website namely www.sebidfar.nic.in. The website is also accessible through a hyperlink 'EDIFAR' from SEBI's official website, www.sebi.gov.in. The data is also posted on Corporate Filing and Dissemination System (CFDS) website www.corpfilings.co.in.

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

14. Management Discussion & Analysis Report

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

15. Compliance Officer:

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

Address : Sector – 128, Noida – 201304, U.P.
e-mail : harish.vaid@jalindia.co.in
Phone : 91-120-4609000
Fax : 91-120-4609363

16. GENERAL SHAREHOLDER INFORMATION
12th Annual General Meeting

The meeting shall be held as under : -

Day : Tuesday
Date : September 29, 2009
Time : 11.00 A.M.
Venue : Auditorium of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201 307, U.P.

17. FINANCIAL CALENDAR

Details of announcement of Financial Results for different periods during the year 2008-2009 are as under:

Results	Announced on
For 1st Quarter ended on 30-06-2008.	July 18, 2008
For 2nd Quarter ended on 30-09-2008.	October 21, 2008
For 3rd Quarter ended on 31-12-2008.	January 17, 2009
For 4th Quarter ended on 31-03-2009.	April 27, 2009

The Financial Results were reviewed by the Audit Committee and thereafter approved by the Board.

18. DIVIDEND PAYMENT DATE

For the year 2008-09, two Interim Dividends were declared and paid as under:

Dividend	%age of Dividend	Date of Declaration	Record Date	Date of Payment	Total Dividend excluding Tax (Rs. Crore)	Tax on Dividend (Rs. Crore)
1st Interim Dividend	15%	21.10.08	31.10.08	12.11.08	35.51	Nil
2nd Interim Dividend	15%	27.04.09	8.05.09	18.05.09	35.51	6.04
Total	30%	-	-	-	71.02	6.04

For Final Dividend recommended at Re. 0.40 per share of Rs. 2 each, the Company has fixed September 24, 2009 to September 29, 2009 (both days inclusive) as the Book Closure dates and the Dividend shall be paid after Shareholders' approval at the ensuing Annual General Meeting.

19. LISTING ON STOCK EXCHANGES AND STOCK CODES

The Equity shares of the Company are currently listed on the National Stock Exchange of India Limited (Code: JPASSOCIAT) and The Bombay Stock Exchange Limited (Code: 532532). The Company has paid annual listing fees due to NSE and BSE for the year 2008-2009.

The FCCBs issued by the Company during the financial years 2004-05, 2005-06 and 2007-08 are listed on Singapore Stock Exchange.

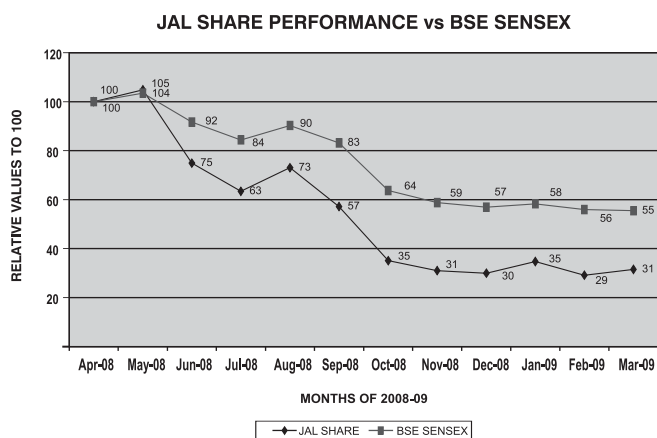
20. MARKET PRICE DATA AND PERFORMANCE IN COMPARISON TO INDEX

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

(Face Value of each Share: Rs.2)

Month	Share Prices at BSE		Share Prices at NSE	
	High	Low	High	Low
April 2008	275.00	210.00	274.90	210.00
May 2008	297.00	211.55	297.35	211.50
June 2008	222.00	141.10	222.00	141.10
July 2008	178.80	128.55	178.80	128.65
August 2008	201.20	153.00	200.90	152.15
September 2008	178.05	99.05	178.30	98.20
October 2008	122.80	47.05	122.65	47.05
November 2008	97.80	52.80	97.85	52.45
December 2008	92.90	52.60	93.00	52.60
January 2009	108.55	60.05	105.65	58.15
February 2009	77.95	63.30	77.90	63.25
March 2009	90.90	61.70	91.00	61.10

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



Note : Average of high & low of BSE Sensex and average of High and Low of Company's Shares at BSE has been considered.

21. REGISTRAR AND TRANSFER AGENTS

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

M/s Alankit Assignments Limited,
 2E/21, Jhandewalan Extn, New Delhi 110 055.
 Tel: 011-42541234/23541234 Fax: 011-42541967
 e-mail: alankit@alankit.com

22. SHARE TRANSFER SYSTEM

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

23. DISTRIBUTION OF SHAREHOLDING

The Distribution of shareholding and shareholding pattern as on March 31, 2009, were as follows:

SHAREHOLDING BY SIZE

No. of shares held	Shareholders		Shares	
	Number	As a percentage of Total	Number	As a percentage of total
Upto 2500	4,66,743	98.34%	9,67,28,612	8.17%
2501 – 5,000	4,418	0.93%	1,62,84,088	1.38%
5,001 – 10,000	1,714	0.36%	1,21,58,361	1.03%
10,001 – 15,000	480	0.10%	59,66,568	0.50%
15,001 – 20,000	254	0.05%	44,54,876	0.38%
20,001 – 25,000	171	0.04%	39,29,344	0.33%
25,001 - 50,000	287	0.06%	1,03,36,926	0.87%
50,001 and above	544	0.12%	103,39,41,804	87.34%
TOTAL	4,74,611	100.00%	118,38,00,579	100.00%

SHAREHOLDING BY CATEGORY

Category of Shareholder	Percentage of Holding
Promoters	45.24%
Banks / Mutual Funds/FI/FIIs	35.63%
Private Corporate Bodies	5.57%
NRIs / OCBs	1.16%
Indian Public	12.41%
Total	100.00%

24. DEMATERIALISATION OF SHARES AND LIQUIDITY

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both NSDL and CDSL. As on March 31, 2009, 96.82% of the Share Capital of the Company had been dematerialized. The shares of the Company have been included as a part of BSE Sensex w.e.f. March 14, 2008 and continue to be part of NSE Junior Nifty. The same are actively traded on both BSE and NSE.

25. UNCLAIMED DIVIDENDS
Dividend History & transfer of Unclaimed Dividend :

Sl No.	Financial Year	Interim/Final	Date of Declaration	Rate of Dividend	Dividend Amount Excluding Tax (Rs.Cr.)	Dividend Distribution Tax (Rs. Cr.)	Due Date of Transfer to Investor Education and Protection Fund	
1	2001-02	Interim	30.01.2002	7%	11.07	N.A.	02.03.2009 (transferred)	
	-do-	Final	27.09.2002	5%	7.30	0.63	28.10.2009	
2	2002-03	Final	06.10.2003	15%	26.43	3.38	06.11.2010	
3	2003-04	Final	29.09.2004	15%	26.43	3.45	31.10.2011	
4	2004-05	Interim	30.04.2005	18%	31.71	4.44	31.05.2012	
		-do-	Final	27.09.2005	6%	10.71	1.50	28.10.2012
5	2005-06	Interim	03.03.2006	18%	34.06	4.77	03.04.2013	
		-do-	Final	27.10.2006	9%	23.97	3.36	27.11.2013
6	2006-07	Interim	11.01.2007	20%	43.73	6.13	11.02.2014	
		-do-	Final	30.08.2007	16%	35.13	5.97	30.09.2014
7	2007-08	1st Interim	14.07.2007	15%	32.88	5.58	14.08.2014	
		-do-	2nd Interim	12.01.2008	15%	34.85	5.92	12.02.2015
		-do-	Final	27.08.2008	20%	46.95	Nil	27.09.2015
8	2008-09	1st Interim	21.10.2008	15%	35.51	Nil	21.11.2015	
		-do-	2nd Interim	27.04.2009	15%	35.51	6.03	27.05.2016
		-do-	Final	*	20%	*	*	*

* Dividend shall be paid after shareholders' approval at the ensuing Annual General Meeting.

Pursuant to Section 205C of the Companies Act, 1956, the Company transferred unclaimed dividends relating to the Financial Year 2001-02 amounting to Rs. 3,437,630 to the Investor Education and Protection Fund of the Central Government during the year.

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

The Company has so far issued three series of Foreign Currency Convertible Bonds – one each during the Financial Years 2004-05, 2005-06 and 2007-08.

The details of three FCCBs issued by the Company are as under :

S.No.	PARTICULARS	FCCB-I	FCCB-II	FCCB-III
1	Aggregate Value	USD 100 Million	Euro 165 Million	USD 400 Million
2	Date of Issue	16.02.2005	01.02.2006	11.09.2007
3	Due on	17.02.2010	09.03.2013	12.09.2012
4	Applicable Interest Rate	0.50%	0.50%	Nil
5	Pre-agreed Conversion price per share :			
	(i) After sub-division of Equity Shares to Rs.2 each w.e.f. Record Date i.e. Dec. 26, 2007	Rs.47.2620	Rs.111.7546	Rs.247.7560
6	(ii) Before sub-division of Equity Shares of Rs.10 each	Rs.236.3100	Rs.558.7730	Rs.1,238.7800
	Pre-agreed Conversion rate	Rs. 43.785 per USD	Rs.53.599 per Euro	Rs. 40.350 per USD
7	FCCBs Converted till Mar.31, 2009	USD 97.94 Million	Euro 160.27 Million	USD 4.50 Million
	Percentage Converted	97.94%	97.14%	1.125%
8	FCCBs Bought Back	-	-	40.025 Million
	Percentage Bought Back			10.006%
9	FCCBs Outstanding as on March 31, 2009	USD 2.06 Million	Euro 4.73 Million	USD 355.475 Million
	Percentage Outstanding	2.06%	2.86%	88.869%
10	No. of Shares (of Rs.2 each) issued upon conversion till March 31, 2009	90,734,540	76,869,433	732,876
11	No. of Shares (of Rs.2 each) to be issued upon conversion of outstanding FCCBs, if opted by holders thereof	1,908,448	2,266,652	57,893,315

SHARE WARRANTS

During the year under report, out of the 5,00,00,000 (Five Crore) Warrants issued on preferential basis to a Promoter Group Company entitling the holder to apply for allotment of one Equity share of Rs.2 at a premium of Rs.395 on full payment, per Warrant, in one or more tranches, 1,00,00,000 (One Crore) Warrants were converted into 1,00,00,000 (One Crore) Equity Shares of Rs.2/- each at a premium of Rs.395 per share on October 10, 2008. The Conversion Option for the balance Warrants can be exercised by July 21, 2009 whereafter, if not exercised, the same shall elapse.

Further during the year, considering the growth opportunities in different fields of business interest of the Company and with a view to further augment the long term resources for growth and diversification plans, approval of shareholders was received through Postal Ballot on October 18, 2008 for further issue and allotment of 12 Crore (Twelve Crore) Warrants on preferential basis to a Promoter Group Company at premium on full payment. However, the allotment of the said 12,00,00,000 (Twelve Crore) Warrants was not made as the Board of Directors in their meeting held on 21st October, 2008 decided to raise a sum of approx. Rs. 1800 Crores through the Rights Issue to meet the Company's requirements of funds instead of issuing further Warrants to the Promoters on Preferential basis. Accordingly, the said allotment as approved by the shareholders, was not made and, thus, the same elapsed. However, keeping in view the capital market conditions during the relevant period, the Company has not so far launched the said Rights Issue.

27. PROJECT / PLANT LOCATIONS

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

(A) Construction & Expressway

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

SECTOR	PROJECT NAME	STATE
Hydro Power	Karcham Wangtoo Hydro Electric Project of JKHCL	Himachal Pradesh
Hydro Power	2700 MW Lower Siang & 500 MW Hirong of JAPL	Arunachal Pradesh
Hydro Power	450 MW Kynshi-II & 270 MW Umngot of JPVL	Meghalaya
Expressway	Yamuna Expressway Project (6-lane 165Km) connecting Noida and Agra	Uttar Pradesh
Expressway	Zirakpur - Parwanoo Highway of NH-22	Punjab, Haryana & Himachal Pradesh
Expressway	Ganga Expressway Project of 1047 Kms connecting Noida to Ballia	Uttar Pradesh
Construction	Srisailem Left Bank Canal Tunnel Works	Andhra Pradesh
Construction	Civil works of Clinkerisation Unit at Satna and Grinding Unit at Bhilai	Madhya Pradesh and Chattisgarh
Construction	Sri Rama Sagar flood flow canal Package-2 Project	Andhra Pradesh
Construction	Polavaram Project right main canal Package-4	Andhra Pradesh
Construction	Veligonda Feeder & Teegaleru Canal Project	Andhra Pradesh
Construction	Rajiv Sagar Left Irrigation Project (Dummuguden)	Andhra Pradesh
Construction	GNSS Main Canal Project	Andhra Pradesh

(B) Cement

The Cement Plants and Cement Grinding Plants of the Company are located at various locations viz. Rewa, Bela, Sidhi, Babupur and Satna in Madhya Pradesh; Tanda, Sadwa Khurd, Dala, Chunar and Sikanderabad in Uttar Pradesh; Roorkee in Uttarakhand; Panipat in Haryana; Baga and Bagheri in Himachal Pradesh; Sewagram and Wanakbori in Gujarat; Bhilai in Chattisgarh, Bokaro in Jharkhand; and Jaggayyapeta in Andhra Pradesh.

(C) Hospitality

The Company's Five Star Hotels are located in Vasant Vihar, New Delhi, Rajendra Place, New Delhi, Agra (Uttar Pradesh) and Mussoorie (Uttarakhand). A 18 holes Golf Course and the upcoming Boutique Spa-Resort are located at Greater Noida (Uttar Pradesh).

(D) Real Estate

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

(E) Power

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

HYDRO POWER:

S.No.	Plants/ Projects	Capacity (in MW)	Location
Existing Plants		700	
(a)	Baspa-II of JHPL	300	Himachal Pradesh
(b)	Vishnuprayag of JPVL	400	Uttarakhand
Projects in pipeline		4,920	
(a)	Karcham Wangtoo of KHCL	1000	Himachal Pradesh
(b)	Lower Siang of JAPL	2700	Arunachal Pradesh
(c)	Hirong of JAPL	500	Arunachal Pradesh
(d)	Kynshi-II of JPVL	450	Meghalaya
(e)	Umngot of JPVL	270	Meghalaya
Total of Hydro power		5,620	
THERMAL POWER:			
Projects in pipeline		6,370	
(a)	Nigrie, Distt Singrauli of JPVL	1,320	Madhya Pradesh
(b)	Churk	500	Uttar Pradesh
(c)	Bina of BPSCL	1,250	Madhya Pradesh
(d)	Karchhana of Sangam Power Generation Company Limited	1,320	Uttar Pradesh
(e)	Bara of Prayagraj Power Generation Company Limited	1,980	Uttar Pradesh
WIND POWER:			
Existing		49	
(a)	Plant of JAL	40.25	Maharashtra
(b)	Plant of JAL	8.75	Gujarat
Total Power (Hydro + Thermal + Wind) existing as well as in pipeline		12,039	

28. ADDRESS FOR CORRESPONDENCE

Registered & Corporate Office : Sector – 128, Noida – 201304 U. P.
 Delhi Office : 'JA House', 63, Basant Lok, Vasant Vihar, New Delhi 110057
 Designated exclusive e-mail : jal.investor@jalindia.co.in
 for investors

29. ELECTRONIC CLEARING SERVICE (ECS)

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

30. NON-MANDATORY REQUIREMENTS

The Company has constituted a Remuneration Committee. Relevant details of the Remuneration Committee are provided in paragraph 5 of this Report.

As regards training of Board members, the Directors on the Board are seasoned professionals having wide range of expertise in diverse fields. They keep themselves abreast with the latest developments in the field of Management, Technology and Business Environment through various symposiums, seminars, etc.

The Company uploads its Quarterly, Half – Yearly and Annual Results on its web site – www.jalindia.com which is accessible to all. Besides, the Results are also available on www.sebidifor.nic.in & www.corpfilng.co.in. The Results are also reported to Stock Exchanges and published in National Newspapers in English and in Hindi newspapers having wide circulation.

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

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

I hereby confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management, as approved by the Board, for the financial year ended March 31, 2009.

MANOJ GAUR

Place : New Delhi
 Date : June 6, 2009

Executive Chairman
 Jaiprakash Associates Limited

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Jaiprakash Associates Limited

We have examined the compliance of conditions of Corporate Governance by Jaiprakash Associates Limited for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

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

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

For **M. P. SINGH & ASSOCIATES**
 Chartered Accountants

M.P. SINGH
 Partner

Place : New Delhi
 Date : June 6, 2009

Membership No. 1454

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Forming part of the Report of Directors for the year ended March 31, 2009

Macro-economic Environment

Indian economy has been witnessing a phenomenal growth since the last decade. After seeing a growth rate in excess of 9 per cent for the last 3 years, it is still holding its ground in the midst of the current global financial crisis.

Despite the global slowdown, the Indian economy is estimated to have grown at close to 6.7 per cent in 2008-09. The Confederation of Indian Industry (CII) pegs the GDP growth at 6.1 per cent in 2009-10. This scenario factors in sectoral growth rates of 2.8-3 per cent, 5-5.5 per cent and 7.5-8 per cent, respectively, for agriculture, industry and services.

A number of leading indicators, such as increase in hiring, freight movement at major ports and encouraging data from a number of key manufacturing segments, such as steel and cement, indicate that the downturn has bottomed out and highlight the Indian economy's resilience. Recent indicators from leading indices, such as Nomura's Composite Leading Index (CLI), UBS' Lead Economic Indicator (LEI) and ABN Amro' Purchasing Managers' Index (PMI), too bear out this optimism in the Indian economy.

According to the Asian Development Bank's (ADB) 'Asia Capital Markets Monitor' report, the Indian equity market has emerged as the third biggest after China and Hong Kong in the emerging Asian region, with a market capitalization of nearly US\$ 600 billion. As per the report, the combined market capitalization of all the equity markets in the emerging Asia region stood at US\$ 5,770 billion at end of March 2009.

As per SEBI data, foreign institutional investors (FIIs) continued to flow into India with 120 new FIIs registering themselves during September and November 2008, since the global meltdown started in September. The foreign direct investment (FDI) inflows during 2008-09 (from April 2008 to March 2009) stood at approx. US\$ 27.3 billion, according to the latest data released by Department of Policy and Promotion. FDI inflows for the last quarter alone of 2008-09 stood at approx. US\$ 6.2 billion.

In this scenario, your Company has strived for excellence in every activity it has undertaken to contribute in nation building through participation in infrastructure sector of the country utilizing resources optimally, while growing with a human face.

The company's business can be broadly classified in the following sectors:

1. Engineering & Construction
2. Cement
3. Energy (Power, Transmission, Oil & Gas)
4. Real Estate and Expressways
5. Hospitality

Overall Review

A leader in Engineering and Construction of Hydropower projects in India, the Group has the largest market share in the Indian Hydropower, E&C and EPC sector having participated in 54% of Hydropower projects developed in 10th 5-Year Plan in different capacities.

JAL is the only integrated solution provider for Hydropower projects

in the country with a track record of strong project implementation in different capacities and has participated in projects that have added over 8840 MW of Hydroelectricity to the National grid between 2002 to 2008. (AN UNPARALLEL FEATURE IN INDIAN POWER SECTOR)

During the year, your Company successfully completed 450 MW Baglihar (Stage-I) HEP in Jammu & Kashmir which has been set up in the challenging environment of the State with 22 million cubic meters of concrete. This has been the largest EPC project executed in the country in Hydropower sector, so far.

The Company (by itself/through its subsidiaries) with operational projects of 300 MW Baspa-II (Himachal Pradesh) and 400 MW Vishnuprayag (Uttarakhand), is India's largest private sector Hydropower producer. Besides this, 1000 MW Karcham-Wangtoo project (Himachal Pradesh), is under advanced stage of implementation. In addition, with 3200 MW projects (2700 MW Lower Siang & 500 MW Hirong) coming up in Arunachal Pradesh and 720 MW (270 MW Umngot and 450 MW Kynshi Stage -II) in Meghalaya, the Company will have total Hydropower generation capacity of over 5600 MW by 2018.

After having established a strong presence in the Hydropower sector, your Company has initiated its entry into Thermal Power, Wind Power Projects, Transmission, Oil & Gas Exploration and Coal Mining, by itself/through its subsidiaries, as under :

The 1320 MW Nigrie Thermal project in the Singrauli district in the State of Madhya Pradesh is expected to comprise two 660 MW units, each deploying supercritical technology and is expected to be commissioned in 2013. The Nigrie Thermal Project is expected to utilize coal from two captive coal blocks, the Amelia (North) and Dongri Tal - II coal block.

Your company has recently acquired Bina Power Supply Company Limited (BPSCCL). BPSCCL was incorporated to set up a 1250 MW (two phases of 625 MW each) coal fired Thermal Power Plant at Bina in the State of Madhya Pradesh.

JAL has been awarded LOIs for 1980 MW (3 x 660 MW) Karchana Thermal Power Project and 3300 MW (5 x 660 MW) Bara Thermal Power Project to be put up in UP through the Special Purpose Vehicles.

You will be glad to note that your Company is amongst the largest cement producers in the country and it produces special blend of Portland Pozzolana Cement under the brand name 'Jaypee Cement' (PPC). The cement business of the Group, till recently concentrated in the Central Region of the country is now poised for a Pan India presence. Your company in the process of implementing new Greenfield projects in Northern, Central, Western & Southern parts of the country and is targeting a capacity of 33.55 MTPA by 2011, along with 345 MW of Captive Thermal Power Plants (CPPs).

The total combined installed cement capacity which includes Jaypee Rewa Plant, Rewa; Jaypee Bela Plant, Rewa; Jaypee Cement Blending Unit, Sadwakhurd; Jaypee Ayodhya Grinding Operation, Tanda; Dalla and Chunar, UP; Jaypee Sidhi Cement Plant, Sidhi; Jaypee Cement Grinding Unit, Panipat and Gujarat Anjan Cement Ltd., Sewagram as on 31st March, 09 is 14.70 MTPA.

The total installed captive power plants capacity (includes Jaypee

Rewa Plant, Jaypee Bela Plant, Dalla Cement Factory and Jaypee Sidhi Plant) as on March 31, 2009 is 150 MW.

During the year, Chunar and Dalla cement plants owned by Uttar Pradesh State Cement Corporation Ltd. (In Liquidation) (UPSCCL) which were purchased by your Company through High Court, have commenced production. The comprehensive, repair, rehabilitation and modernization programme carried on by the Group has been successfully completed. 2 MTPA cement capacity with new kiln at Dalla, UP has been successfully commissioned along with captive power plant of 27 MW.

Besides this, 2 MTPA cement capacity plant at Sidhi (M.P.) and 1.20 MTPA cement plant at Sewagram (Gujarat) has also been successfully commissioned.

Another grinding unit is being setup by your company in the name of Jaypee Cement Grinding Unit at Sikandrabad (UP) with an installed capacity of 1.20 MTPA. A new Greenfield cement project is being proposed in Andhra Pradesh in the name of Jaypee Balaji Cement project with an installed capacity of 3.50 MTPA.

Your Company in a joint venture with Steel Authority of India Limited (SAIL) is setting up, through two separate Special Purpose Vehicles, a split location cement project with the clinker production facility (1.09 MTPA) located at Satna, M.P. and the cement grinding facility (2.2 MTPA) located at Bhilai, Chhattisgarh to manufacture Portland Slag Cement using the blast furnace granulated slag of Bhilai Steel Plant. Work is in progress both at Satna and Bhilai project sites and is scheduled for commissioning by December, 2009.

Besides this, JAL in a joint venture with SAIL is also setting up a 2.1 million tonnes per annum capacity cement plant at Bokaro. The joint venture company Bokaro Jaypee Cement Ltd (BOJCL) shall set up a cement grinding unit at Bokaro in Jharkhand to manufacture Portland Slag Cement using the blast furnace granulated slag of Bokaro Steel Plant. Clinker for this cement plant shall be supplied by JAL from its Jaypee Sidhi Cement plant or from any of its existing units and the plant is scheduled to be commissioned by October, 2010.

Your Company has set up North India's first Municipal Solid Waste (MSW) processing plant in Chandigarh in association with the Municipal Corporation Chandigarh. This Greenfield fuel processing plant has an installed capacity to process 500 tonne per day of municipal solid waste, which will be converted into refuse derived fuel to be used in thermal power plant and cement plants in Himachal Pradesh.

Your Company has created a premium lifestyle destination in real estate with its innovative project Jaypee Greens at Greater Noida. A premium 452 acre lifestyle real estate destination, Jaypee Greens, Greater Noida offers individual homes and apartments amidst an 18-hole Greg Norman championship golf course, member exclusive club house, well equipped pro-shop, golf academy, and a 350 yard driving range. Also, the facilities under construction are boutique spa hotel & resort in collaboration with 'Six Senses Resort & Spa', town centre, social clubs, conference and banquet facilities, tempting eateries and 60 acre nature reserve.

After pioneering the concept of Golf-centric homes in India, Jaypee Greens has launched 'Wish Town' in Noida, a historic residential township. Slated to be the India's largest township development with over 1162 acres, Wish Town is being created/developed by your Company to offer a lifestyle at par with world-class residential spaces in the world.

India has the world's second largest road network, aggregating over 3.34 million kilometers (km). According to the Planning Commission, the road freight industry will be growing at a compound annual growth rate (CAGR) of 9.9 per cent from 2007-08 to 2011-12. A target of 1,231 billion tonne km (BTK) has been put on road freight volumes for 2011-12.

According to Crisil Research estimates, Indian roadways is among the eight infrastructure sectors expected to draw more than US\$ 337.49 billion investment in India between 2007-12. The report further forecasts that during the specified period, Indian roadways is likely to grow at an amazing 100 per cent.

For the roads and bridges sector, the Eleventh Five Year Plan envisages a total investment of approximately US\$ 78.5 billion over the five-year period starting from 2007-08.

As part of a larger plan to improve the country's infrastructure, the Government has given the nod to 10 road projects which will be built in public-private partnership at an estimated cost of US\$ 2.48 billion. The projects are aimed at four-laning of national highways in eight states.

According to a consultation paper by the Planning Commission, investment in the roads sector during the Eleventh Plan is projected at US\$ 93.11 billion. According to a KPMG report, investments of the order of US\$ 500 billion are expected to take place in the coming years for developing roads and infrastructure in India.

During the year, Taj Expressway Project, the 165 km, 6 lane expressway between Noida and Agra along the left bank of the Holy River Yamuna has been renamed as the "**Yamuna Expressway Project**". Ribbon development of 25 Million Sq Mtrs of land for commercial, industrial, institutional, residential and amusement purposes will also be undertaken as an integral part of the project. The construction work is in progress and the land has been acquired for Right of Way (ROW) along the entire stretch of 165 km long, 6 Lane Access Controlled Expressway connecting Noida to Agra. The construction work is in full swing and expected to be completed by 2010 to catch Commonwealth Games being hosted by India. Work is in progress for other structural works as well.

In addition to this, 1047 km long, 8 lanes Ganga Expressway from Greater Noida to Ballia (Eastern Uttar Pradesh) will also be developed by the Group which will be the largest private sector infrastructure project in India. Detailed Project Report for Alignment has been submitted to Uttar Pradesh Expressway Industrial Development Authority (UPEIDA). Besides, there is going to be ribbon development of 8 land parcels totaling to 30,000 acres of land along the Expressway. School of Planning & Architecture has been appointed for finalization of Building Regulations for Land Parcel development. Topographic survey (expressway including link roads) has been done till 650 kms and land proposals along expressway for around 333.76 kms has been submitted to UPEIDA.

Apart from this, the construction of Zirakpur-Parwanoo Highway connecting Punjab, Haryana & Himachal Pradesh is on BOT basis. The total length of the highway is 28.690 kms. Project consists of 17.44 Km of widening of existing 2-lane carriageway to 4-lane and 10.14 Km of new 4 lane bypass. The existing carriageway consist of 12 structures, 24 km of service road and 24 km of drain, while bypass consist of 11 no. of viaducts, 5 nos. of vehicular underpass, 3 km of service road and 3 km of drain. Existing Carriageway – 6.38 Km main carriageway, 7.88 Km Service Road and 13.2 Km of Drain is

completed. 11 Nos structures out of 12 are in progress. 0.97 km of main carriageway on the Bypass is completed. GSB and WMM work from Km 61.000 to 62.000 has also been completed. 3 no. structures out of 16 are in progress.

Your company through its subsidiary JPSK Sports Private Limited (JPSK) targets to host the very first F1 Race in India in the year 2011. In order to achieve this goal, the Circuit is being designed by World renowned architect 'Herman Tilke'. Detailed Topographical Survey of the Sports SDZ has been completed. Soil and water testing in progress. Besides this, clearing and grubbing of land is in progress.

The Scheme of Amalgamation of four Group Companies, namely, Jaypee Cement Limited (setting up a Cement Plant in Andhra Pradesh), Gujarat Anjan Cement Limited (setting up a Cement Plant in Gujarat), Jaypee Hotels Limited (which is into Civil Engineering Construction, Hospitality & Real Estate) and Jaiprakash Enterprises Limited (Civil Engineering Construction, Limestone mines & Real Estate) with your Company was sanctioned by Hon'ble High Court of Judicature at Allahabad (UP). The Companies merged have synergy of business with flagship company i.e. Jaiprakash Associates Limited.

The salient points of this restructured plan are :-

- The amalgamation would enable realisation of substantial benefits of greater synergies between the businesses of the companies.
- It has resulted in consolidation of cement business under one roof.
- It has resulted in pan India presence in cement business reducing the impact of regional demand-supply factors.
- The amalgamation will achieve economies of scale, management efficiency and reduction in administrative cost.
- It will lead to optimisation of resources and enhanced flexibility in funding of expansion plans.

The amalgamation has resulted in expanded asset base, improved profitability, tax efficiency and stronger Balance Sheet of the merged company.

The Highlights of Performance of the Company for the year 2008-09

- Gross Revenue at Rs. 6148 crores (up 44 %)
- EBITDA at Rs. 2064 crores (up 49 %)
- Profit after Tax at Rs. 897 crores (up 47 %)
- Net Block including capital work in progress increased from Rs. 3344 crores in FY-06, Rs. 5150 crores in FY-07 and Rs. 7931 crores in FY-08 to Rs. 11,900 crores in FY-09.

I. Engineering & Construction

Industry Overview

The key to sustaining India's growth rate during a global meltdown lies in developing India's infrastructure. Keeping this in mind, the government is targeting an investment of US\$ 20.38 billion over the next two years in the infrastructure sector. The scheme aims to take up infrastructure projects under public-private partnership (PPP) with minimal private investment. According to the Planning Commission consultation paper, US\$ 494 billion of investment is proposed for the Eleventh Plan period (2007-12), which would increase the share of infrastructure investment to 9 per cent of GDP from 5 per cent in 2006-07.

During the Eleventh Plan, the government aims to add power generation capacity of about 70,000 MW and provide electricity to all un-electrified hamlets and all rural households through the Rajiv Gandhi Grameen Vidyutikaran Yojna (RGVY).

Operational Performance

Your company, a leader in Construction of River Valley and Hydropower Projects on turnkey basis for more than 4 decades has once again proved its proficiency with the successful completion of 450 MW Baglihar Hydroelectric Power Project on 10th October, 2008.

Work done during the period:

- Erection of Chute Spillway Radial Gates of size 12m(W) x 19m(H) was completed in all the three bays.
- Tail race Tunnel of 130m length was completed
- Spinning of Unit-I was done on 04.09.2008 and Power Generation started on 16.09.2008.

Apart from this, for early completion of 520 MW Omkareshwar project to Narmada Hydro Development Corporation where Jaiprakash Associates Limited was the EPC contractor and leader of consortium with Voith Siemens and Alstom was also conferred with "Gold Shield" in the prestigious National Awards.

The major achievements were :

- All excavation work i.e. 55 lacs cum completed in two working seasons.
- 1,30,000 cum concrete placed during one month.
- 23 Radial Gates erected and commissioned in one year.
- All turbines commissioned in 4 months.
- Project commissioned 3 ½ months ahead of schedule

Srisaillam Left Bank Canal Tunnel Scheme of 'Alimineti Madhava Reddy Project' has been entrusted to your company under an EPC contract. The work involves diversion of 113.28 Cumecs (4000 Cusecs) of water from mighty Krishna River for supply of drinking water to Fluoride affected areas of Nalgonda district and water for irrigation to draught affected region of Telangana, Andhra Pradesh. Detail of physical progress achieved during the period is given below :

A Tunnel T-1 – 43.50 KM long (by Tunnel Boring Machines)

- Underground Excavation
 - From Inlet End - Erection of TBM is in progress & excavation will start by 1st week of Sep-09.
 - From Outlet End - 2940 Metres
- Pre-Cast Segment Casting - 22,406 Nos. i.e. 3,201 Rings (each ring has 7 segments)
- Reinforcement Steel - 5,434 T
- Structural Steel - 535 T

B Tunnel T-2 – 7.25 KM long (by Drill & Blast Method)

- Underground Excavation
 - From Inlet End - 2279 Metres (Heading Excavation)
 - From Outlet End - 1635 Metres (Heading Excavation)

2. Cement Division

Industry Overview

India is the world's second largest producer of cement after China, with cement companies adding nearly eight million tonnes (MT) capacity in April 2009, taking the total installed capacity to 219 MT and despatch of 16.65 million tonnes during April 2009. The cement industry may add 40-45 MT of capacity this fiscal, a 21 per cent increase over the installed capacity at 212 MT in 2008-09.

With the boost given by the government to various infrastructure projects, road networks and housing facilities, growth in the cement consumption is anticipated in the coming years. Another 50 MT capacity is likely to be added this year, according to industry sources.

With almost total capacity utilization levels in the industry, cement despatches have maintained a 10 per cent growth rate. Total despatches grew to 170 MT during 2007-08 as against 155 MT in 2006-07.

Moreover, cement despatches were 18.12 MT in March 2009, showing a growth of 10.35 per cent as compared to 16.42 MT in March 2008. During March 2009, cement production was 18.10 MT, registering a growth of 10.43 per cent as compared to 16.39 MT in March 2008.

Despite concerns of slowdown, led by a change in economic scenario along with excess supply pressure, the cement industry has ended FY 2008-09 on a strong note.

According to experts, the fourth quarter of the current financial year 2009 will report a 2-3 per cent growth in margins due to rise in prices and 10-12 per cent year-on-year growth in sales due to sudden increase in demand this quarter.

Continuous technological upgrading and assimilation of latest technology has been going on in the cement industry. Presently, 93 per cent of the total capacity in the industry is based on modern and environment-friendly dry process technology and only 7 per cent of the capacity is based on old wet and semi-dry process technology. There is tremendous scope for waste heat recovery in cement plants and thereby reduction in emission level.

Government initiatives in the infrastructure sector, coupled with the housing sector boom and urban development, continue being the main drivers of growth for the Indian cement industry.

- Increased infrastructure spending has been a key focus area over the last five years indicating good times ahead for cement manufacturers.
- The government has increased budgetary allocation for roads under National Highways Development Project (NHDP).
- Appointing a coal regulator is looked upon as a positive move as it will facilitate timely and proper allocation of coal (a key raw material) blocks to the core sectors, cement being one of them.

Keeping in mind the global meltdown which is impacting the cement companies in India, the government reimposed the counter-veiling duty (CVD) and special CVD on imported cement in January. This is likely to provide a level playing field to domestic companies.

According to a report by the ICRA Industry Monitor, the installed capacity is expected to increase to 241 MTPA by FY 2010-end. India's cement industry is likely to record an annual growth of 10 per cent in the coming years with higher domestic demand resulting in increased capacity utilization.

Moreover, according to the Centre for Monitoring Indian Economy (CMIE), cement production is expected to grow by 8.1 per cent and

demand for the same is likely to rise by a healthy 7-7.5 per cent in FY 2009-10.

Your Company has taken different measures to enhance productivity gains through focus on principal components of cement cost. Some of the key measures are:

- Installation of modern pyro processing system in all the new installations having lower coal consumption.
- MSW plant at Chandigarh to produce pallets for kiln firing at Baga.
- Existing split location grinding/blending plants near the market & flyash source have resulted in reduced freight cost.
- New split location grinding/blending units at Panipat, Bagheri, Roorkee, & Wanakbori which are close to consumption centres as well as near source of fly ash.
- Existing Captive Thermal Power Plants have reduced the power cost from Rs 406 PMT in 2001-02 to Rs 293 PMT 2008-09.

To improve the efficiency of the overall cement division, your company is implementing SAP as an ERP solution. ERP solution is the backbone of our operations now and after expansion of cement business it will become more critical for our working and planning. SAP has got verticals for all the industries and it has got almost all common practices of cement incorporated. Jaiprakash Associates Limited – Cement Division has gone live on SAP from 01st October, 2008. This was biggest Go-Live among the cement companies in India, in which 7 Manufacturing Plants, 6 Regional Marketing Offices, 3 Railway Sidings, 2 Stock Points, 140 Cement Dumps and Head Office with all core modules have gone live from one date. In this implementation, Production Planning, Plant Maintenance, Quality Management, Sales & Distribution, Materials Management, Finance, Costing & Human Capital Management has been covered. Also to integrate PLC-DCS system with SAP, integration tool "xMII" has also been implemented at all the locations.

The new capacities being added by your company are as under:-

Year	Installed Capacity (Mn. Tonnes)	CAPTIVE POWER PLANT (MW)
FY - 07	7	88
FY-08	9	88
FY-09	14.7	150
FY-10*	25	340

*Projections

Operational Performance

During the year, the cement production increased from 6.78 million tonnes in 2007-08 to 7.63 million tonnes. The cement dispatch grew from 6.77 million tonnes to 7.64 million tonnes while clinker production increased from 5.14 million tonnes to 5.55 million tonnes. Your cement plants at Rewa and Bela in M.P. have achieved their best ever productivity levels on account of limestone crushing, clinker production, cement grinding etc.

3. Energy

Industry Overview

As the Indian economy continues to surge ahead, its power sector has been expanding concurrently to support the growth rate. The demand for power is growing exponentially and the scope of growth of this sector is immense.

India's total installed capacity of electricity generation has expanded from 1,05,045.96 MW at the end of 2001-02 to 1,50,323.41 MW at present. In fact, India ranks sixth globally in terms of total electricity

generation. Source-wise, thermal power plants account for an overwhelming 64.6 per cent of the total installed capacity, producing 96,044.74 MW. Hydel power plants come next with an installed capacity of 36,916.76 MW, accounting for 24.7 per cent of the total installed electricity generation capacity. (source: Ministry of Power)

According to a report by KPMG and CII, India's energy sector will require an investment of around US\$ 120 billion-US\$ 150 billion over the next five years.

The government has revised its target of power capacity addition to 90,000 MW in the 11th Five-Year-Plan (2007-12), up by 11,423 MW from the earlier estimate of 78,577 MW to sustain the growth momentum of the economy.

A recent study by consultancy major McKinsey estimates India's power demand to increase from the present 120 gigawatt (GW) to 315 GW-335 GW by 2017, if India continues to grow at an average of 8 per cent over the next 10 years. This would require a five- to ten-fold rise in power production, entailing investments worth US\$ 600 billion over the next ten years.

To feed its rapidly growing economy, India is planning to get an additional 60,000 MW of electricity from various hydro-power projects by the end of 2025.

Operational Performance

Your Company through its subsidiaries is operating 700 MW of Hydro Power plants namely 300 MW in Baspa II at Himachal Pradesh and the 400 MW Vishnuprayag Power Station in Uttarakhand is India's largest private sector Hydropower producer. The two projects have jointly delivered 3319.13 million units (for FY -09) of clean & green energy to the national grid.

You will be glad to know that Baspa-II HEP was awarded "Gold Shield" by the Ministry of Power for outstanding performance in 2007-08 and Vishnuprayag HEP was awarded 1st Prize in "Excellence in Fast Track Power Project Execution – Hydro" in the Indian Electrical and Electronics Manufacturers Association (IEEMA) Power Awards 2008.

Apart from this, Baspa-II HEP sold 3,15,000 VERs in the International Market for Rs.7.79 crores.

PROJECT	ACTUAL ENERGY DELIVERED (in million units)
BASPA II	1285.75
VISHNUPRAYAG	2033.38

Besides this, 1000 MW Karcham Wangtoo project (Himachal Pradesh) is under advanced stage of implementation. The Progress of work on all Major component are in full swing.

The new capacities being added by your Company, by itself/through its subsidiaries, are as under :

YEAR	Fuel	Capacity (MW)	Hydro: Thermal mix
FY-07	Hydro	700	
FY-12*	Hydro/ Thermal	2200 *	77.23
FY-14*	Hydro/ Thermal	7520	23.77
FY-16*	Hydro/ Thermal	13470	42.58

* Projections

*Note - 2200 MW includes 1000 MW of Karcham Wangtoo & Phase -I of Bina Thermal project i.e. 500MW

4. Real Estate

Industry Overview

The Indian real estate sector plays a significant role in the country's economy. The real estate sector is second only to agriculture in terms of employment generation and contributes heavily towards the gross domestic product (GDP). Almost five per cent of the country's GDP is contributed to by the housing sector. In the next five years, this contribution to the GDP is expected to rise to 6 per cent. According to industry players, housing accounts for 4.5 per cent of gross domestic product (GDP) with urban housing accounting for 3.13 per cent.

Almost 80 per cent of real estate developed in India is residential space, the rest comprising of offices, shopping malls, hotels and hospitals. According to the Tenth Five-Year-Plan, there is a shortage of 22.4 million dwelling units. Thus, over the next 10 to 15 years, 80 to 90 million housing dwelling units will have to be constructed with a majority of them catering to middle- and lower-income groups.

Apart from the huge demand, India also scores on the construction front. A McKinsey report reveals that the average profit from construction in India is 18 per cent, which is double the profitability for a construction project undertaken in the US.

Foreign direct investment (FDI) into India in the real estate sector for the fiscal year 2008-09 has been US\$ 12.62 billion approximately, according to the latest data given by the Department of Policy and Promotion (DIPP).

The government has introduced many progressive reform measures to unlock the potential of the sector and also meet increasing demand levels. The stimulus package announced by the government, coupled with the Reserve Bank of India's (RBI) move allowing banks to provide special treatment to the real estate sector, is likely to impact the Indian real estate sector in a positive way.

Operational Performance

Jaypee Greens are the pioneers in conceptualizing the idea of golf centric lifestyle living in India. In this short span of time not only your company has been successful in terms of generating sales but also to showcase that our projects are not only among the best in the country but can compete in the world market with universal acceptability. Jaypee Greens received one of the highest accolades - "Best Golf Development - India" and "Best Apartment - India" by the CNBC Asia-Pacific Property Awards 2008. Besides this, we also bagged the "Best Project of the Year" award in the Real Estate Excellence Award 2008.

Jaypee Greens, Greater Noida is the maiden residential project of Jaypee Group that integrates luxury villas and apartments with an 18 hole Greg Norman championship Golf Course, 9 hole Chip and Putt Golf Course, Landscaped parks and lakes along with an Integrated Sports Club of international caliber, an upcoming Resort and Spa Boutique Hotel, 60 acre Nature Reserve, Town centre and other hospitality related facilities.

The Group's second real estate project – Jaypee Greens 'Wish town' at Noida is spread over 1162 acres, and is an epitome of extraordinary living. Offering a wide range of residential property, with recreational, commercial and institutional facilities, it also boasts of numerous Golf Facilities designed by Graham Cooke and Associates. For the first time your Company has ventured into the medical and health care sector with a 750 bed Super-Specialty Hospital and Medical Centre to be developed within 'Wish Town'.

The FY 2008-09 saw a total bookings of 3.33 million square feet as compared to that of FY 2007-08 which was 3.32 million square feet consolidated for the Group's Real Estate Segment. It is expected that the cumulative area booked for sale will be more than 20 million square feet for this segment by end of 2010-11 with a sale value of over Rs.8,000 crores.

5. Hospitality

Industry Overview

India offers myriad exciting experiences to tourists. Tourism industry in India is being utilized as a powerful tool to facilitate international understanding and enable building of broader cultural horizons.

The World Travel and Tourism Report for 2009 for 180 countries worldwide also ranks the Indian Travel and Tourism economy 14th in absolute size worldwide, 144th in relative contribution to national economies and 5th in long-term (10-year) growth. The contribution of travel and tourism to gross domestic product (GDP) is expected to be at 6.0 per cent (US\$ 67.3 billion) in 2009 rising to US\$ 187.3 billion by 2019. The report also states that real GDP growth for travel and tourism economy is expected to be 0.2 per cent in 2009 and to an average 7.7 per cent per annum over the coming 10 years. Export earnings from international visitors and tourism goods are expected to generate 6.0 per cent of total exports (almost US\$ 16.9 billion) in 2009, growing (nominal terms) to US\$ 51.4 billion in 2019.

According to the Ministry of Tourism, Foreign Tourist Arrivals (FTAs) during the month of March 2009 were 472,000 and the decline in FTAs may be mainly due to ongoing global financial meltdown. FTAs during January to March 2009 were at 1.461 million. Foreign Exchange Earning (FEE) during the month of March 2009 was US\$ 867 million while FEE during January to March 2009 was US\$ 2731 million. The lower growth rate in March 2009 as compared to March 2008 is mainly due to exchange rate variation and lower growth rate of FTAs.

The hospitality sector is expected to rise to US\$ 275 billion in the next 10 years. The domestic hospitality sector is expected to see investments of over US\$ 11 billion in the next two years within 40 international hotel brands making their presence in the country in the next few years.

Operational Performance

The Hotels Division comprises of four Five Star Deluxe hotels in northern India, namely Jaypee Siddharth Hotel with 94 rooms located at Rajendra Place in New Delhi, Jaypee Vasant Continental with 119 rooms located at Vasant Vihar, New Delhi, Jaypee Palace Hotel with 341 rooms and a convention centre with a capacity of 1,200 persons in a complex of about 25 acres at Fatehabad Road, Agra in Uttar Pradesh and Jaypee Residency Manor with 90 rooms at Barlow Gunj, Mussoorie in Uttarakhand.

All the four properties have been awarded URS Certificate of Registration by UKAS Quality Management. This is a special Recognition of the quality system, which complies with ISO 9001: 2000 and HACCP (Hazard Analysis & Critical Control Points). URS Certificate of Registration covers the scope of activity like food preparation and serving quality to the guests. The HACCP certification is for food safety.

The boutique Spa cum Resort presently under construction at Jaypee Greens, Greater Noida, is expected to be completed by mid-2010.

The Hotels Division has been able to sustain its performance despite the tough market conditions resulting from the economic downturn

and the 26/11 incident in Mumbai. Average room rate and Rev PAR (revenue per available room) improved by 15% and 3% respectively.

OUTLOOK

Keeping in view the performance and future prospects of the Company's business, the expansions and diversifications being undertaken and the business of its subsidiaries, your Company is poised for sustained growth and the outlook is bright.

OPPORTUNITIES & THREATS

1. Engineering & Construction Industry: With the renewed thrust by the Government of India to add hydropower generation in India to meet growing power demand, it is expected that large number of new hydropower projects will be taken up by various Government undertakings. This will result in more opportunities for the Company which specializes in development of Hydro power and River Valley Projects. Similar Governmental continued thrust on other infrastructure projects, especially as covered by Finance Minister in his Budget of June 2009, including highways/ expressways, will bring lot of opportunities for India and your Company. Keeping in view the expertise of the Company, no threat is perceived in this area of operation.
2. Power Generation : The necessity for addition of power generation capacity of the country and the various incentives provided by the Govt. of India for private sector participation in development of power will be key to the development of Power projects on BOO basis by the Company.
3. Hospitality & Real Estate : Growth in India's tourism, with higher tourist carnivals and the increases economic activity in the country is believed to facilitate growth in the Hospitality business, inspite of the happening of 26/11. The Government has introduced many progressive reforms to unlock the potential of the real estate sector and also meet increasing demand levels. The quality real estate development undertaken by the Company is selling well inspite of other players being in the market. This business as a whole is looking up.
4. Cement: Cement consumption and demand in India has been growing at a high rate during the last few years. The market has looked up and selling prices have firmed up. The Company has taken steps to improve economy in operations. With the completion of recent amalgamation and ongoing expansion plans, the Company has ensured pan India presence for manufacturing and marketing of Cement. This will give the Company inherent locational advantages and economies of scale.
5. Mining: The Company has procured Captive Coal Blocks to meet the requirements of its business as per Government of India's latest guidelines. Captive Coal Block to meet the requirement of Cement business would not only meet its long term energy needs, but would also bring down the cost of production substantially.
6. General: The Indian Economy is expected to grow at over 7% p.a. in the medium term despite recession (though receding) in US Economy. The growth is envisaged to be driven by investments in infrastructure including Roads, Ports, Power Sector etc. Besides, housing sector in the urban and semi-urban areas is poised for growth.

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

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

RISKS & CONCERNS

1. Cement industry is highly energy intensive.

The setting up of the captive power units for its cement plants in addition to steps taken by it to reduce the power consumption of the units will improve its competitiveness by lowering its power cost, which is one of the key inputs. It has since commissioned captive thermal power plants. The Company is in the process of enlarging its Cement capacities in different locations across the country with an endeavor to have captive power units at each such location to make its cement price competitive.

2. The Engineering & Construction Division of the Company provides performance guarantees in relation to certain of its projects and other activities.

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

3. Cyclical and Political Condition affecting businesses :

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

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

4. A significant proportion of the Company's revenues (Engineering & Construction Division) comes from a limited number of customers. It relies heavily on Central and State Governments and public sector undertakings (subject to political influence).

5. Contract Payment Risk

In view of the fact that JAL typically takes up large size construction contracts of sizes over Rs.500 crores which requires large scale mobilization of man power, machinery and material, the timely receipt of payments from the client is critical.

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

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has an internal control system commensurate with its

size and nature of business, which covers the following areas :-

1. Optimum utilization of resources
2. Accurate & prompt recording of transactions
3. Efficient communication system between the Projects and Head Office
4. Safeguarding of assets
5. Compliance with prevalent statutes, listing agreement provisions, management policies & procedures
6. Efficient management information system
7. Adherence to applicable accounting standards and policies
8. Review of IT and other systems

The internal control system provides for adherence to approved procedures, policies, guidelines and authorization.

In order to ensure that all checks and balances are in place and all the internal control systems and procedures are in order, regular and exhaustive internal audit is conducted by the qualified Chartered Accountants.

Internal audit reports are reviewed by the Audit Committee on a quarterly basis.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Excellence in business operations is achieved through a committed, talented and focussed work force. Led by the Founder Chairman of Jaypee Group, the Company is fortunate to have created a pool of dedicated personnel to share a common passion and vision which has resulted in phenomenal growth of the Group. The Company adopts latest techniques in evaluating the potential of Personnel and training needs of the employees at all cadres. Designing of tailor made training programmes /courses that could fill the knowledge/ skill gap and imparting in-house training and imparting external programmes are significant functions of Human Resource Department of the Company , which also has in place a monitoring mechanism which continuously evaluate the training needs.

The Company's Safety Policy comprises a statement of the Organization's objectives regarding safety of Man and Equipment in Operation at work sites. The Management's endeavor is to establish Risk-Free and zero accident work environment. For this, a Safety Committee headed by a Senior Executive of the Safety of Establishment, as per the 'Internal Safety Organization' guidelines, overseas and safety aspects.

As at 31st March, 2009, the Company had a total workforce of approx 19,875 persons, including Managers, staff and workers.

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 programmes have been implemented for all its staff and employees, and the Company carries out regular safety audits in relation to its operations.

The cement division of the Company has been awarded a number of national and state safety awards in India.

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

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 water or the air. In addition, there are various regulations in relation to factories using hazardous processes. Whilst environmental laws in India are not as extensive or stringent as in more developed countries, the Indian government has over the last decade progressively imposed stricter requirements.

The principal pollution problem faced by cement manufacturers is stack emission. The Company's cement plants comply with current stack emission limits 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 including the following:

1. mitigation measures towards risk management in cement complexes. A risk assessment study had been carried out by M/s TATA AIG Management Services Limited and the recommendations made have been followed by the Company;
2. a comprehensive fire fighting scheme has been established in all cement plants aimed at preventing coal pile fire;
3. static electricity hazards have been reduced by permanent bonding and grounding of equipment including ducts, conveyor drive belts and related components of the system;
4. electric installations such as cable cellars have been equipped with heat sensors and an automatic water spray system;
5. a captive inert gas generating plant has been installed to douse fires in the Coal Mill ESP and Fine Coal Bins; and
6. 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. In the areas adjacent to the limestone mines, the Company has created reservoirs with huge surface area and storage capacity. In Jaypeepuram, the Company has created three reservoirs.

A garland canal system laid along the mines periphery area has also been created to collect run-off rainwater in these reservoirs and lakes. These reservoirs and lakes serve the water requirements of the Company's cement plants and thermal power plants.

Utilisation 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 which often occur in March/July each year.

The Company utilises fly ash, which is a waste product, for the generation of thermal power. The Company is now able to utilise substantial amounts of fly ash in its production process including 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.

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 reclaimed areas within the vicinity of the Company's limestone mines. Over the reclaimed areas within our mining leases and in the plants, townships, along the roads, we have planted large number of trees, including teak trees.

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. There are currently no proceedings pending or, to the knowledge of the Company, threatened against the Company or any of its Directors, officers or employees in relation to such statutes or regulations.

Air Pollution

The Company expects the environmental rules and regulations to become more stringent so as to reduce emission. The Company has already taken steps in this direction and most of these parameters have been achieved by the cement business. The cement business has undertaken a major initiatives to reduce dust emissions including adoption of new technologies.

Corporate Social Responsibility

During the year 2008-09, the Company continued with its initiatives for providing occupational health care for the employees and their families on site and for the community around Jaypee Cement Plants at Rewa and Bela. Covering the entire spectrum of the Company's CRDP philosophy, villagers from a large number of villages had access to Jaypee Nagar and Jaypee Puram Hospitals, drinking water facilities were extended to more people, training on hygiene was imparted to a large number of villagers and one mobile van with medical facilities was provided for the purpose of community health for distant village. Public roads in the vicinity of the plants were improved through maintenance. Various schools and Industrial Training Institutes are run at various sites of the Company to impart education to the children of surrounding villages.

Cautionary Statement

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

AUDITORS' REPORT

TO THE MEMBERS OF

JAIPRAKASH ASSOCIATES LIMITED

1. We have audited the attached Balance Sheet of Jaiprakash Associates Limited as at 31st March 2009 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. We have not audited the financial statements of the transferor amalgamating companies viz. Jaypee Hotels Limited, Jaypee Cement Limited, Jaiprakash Enterprises Limited and Gujarat Anjan Cement Limited for the year then ended as these financial statements and other financial information have been audited by the erstwhile auditors of the said companies and whose separate reports have been furnished to us, and our report is based solely on the reports of those auditors. These financial statements are the responsibility of the Jaiprakash Associates Limited management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the Financial Statements are prepared 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 presentation of financial statement. We believe that our audit provides a reasonable basis for our opinion.
3. 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 Sub-section (4A) of Section 227 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.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) on the basis of written representations received from the directors, as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March 2009 from being appointed as a director, in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956;
 - (f) 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 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 2009;
 - (ii) in the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement of the cash flows of the Company for the year ended on that date.

For M.P. SINGH & ASSOCIATES
Chartered Accountants**(M.P. Singh)**

Partner

M.No.1454

Place : New Delhi

Dated : 6th June, 2009

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date on the accounts for the year ended 31st March 2009, of Jaiprakash Associates Limited.

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. The situation of the moveable assets used in the construction activity keeps on changing from works sites depending upon requirements for a particular contract.
- (b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company & nature of its assets. According to the information given to us and to the best of our knowledge, no material discrepancies were noticed on such physical verification.
- (c) Fixed assets disposed off by the Company during the year were not substantial; hence it does not affect the Company as a going concern.
- (ii) (a) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification were not material and these have been properly dealt with in the books of account.
- (iii) The Company has not granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods /real estate, electrical energy, services & supplies under EPC contracts. During the course of our audit we have not observed any continuing failure to correct major weakness in internal control system.
- (v) Based on the audit procedures applied by us and according to the information and explanations given to us we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into the register required to be maintained under that section. The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us the Company has complied with the provisions of Section 58A, 58AA and any other provisions of the Companies Act, 1956, and the rules framed thereunder with regard to the deposits accepted from the public. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vii) In our opinion the Company has an internal audit system commensurate with the size & nature of its business.
- (viii) We have broadly reviewed the accounts and cost records maintained by the Company in respect of Cement and Power pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, and are of the opinion that prima-facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records.
- (ix) (a) As per records produced before us, the Company is generally regular in depositing undisputed statutory dues

like Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to it, with the appropriate authorities and there were no arrears of such dues at the year end which have remained outstanding for a period of more than six months from the date they became payable, except in the case of Jaypee Hotels Limited, one of the transferor amalgamating companies, wherein their

erstwhile auditors have stated in their separate report thereon that a demand towards penalty & fine raised by the Directorate General of Foreign Trade (DGFT) on import of cars under EPCG licence has not been provided for.

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

(Rs. lacs)

Name of Statute (Nature of dues)	Period to which amount relates	Forum where dispute is pending				Total
		Commissionerate	Appellate authorities Tribunal	High Court	Supreme Court-	
Income Tax	AY 2002-03			12.32		12.32
Central Excise	AY 2006-07	485.38	211.09			696.47
	1988-91	13.65				13.65
	2000-02			2.16		2.16
	2000-04			88.22		88.22
	2004-05			100.51		100.51
	2005-07			2.06		2.06
	2004-05			39.63		39.63
Rajasthan Sales Tax	2005-09				374.70	374.70
	1997-98		0.27			0.27
Electricity Cess	2003-04				92.49	92.49
U.P. Trade Tax	1998-99			241.71		241.71
	1999-00				480.15	480.15
U.P. Entry Tax	2000-01				810.29	810.29
	2001-02				711.14	711.14
	2002-03				584.78	584.78
	2003-04				289.77	289.77
	2004-05				612.94	612.94
	2003-04				213.66	213.66
	2004-05				133.00	133.00
	2005-06				449.43	449.43
M.P. Entry Tax	2006-07				375.61	375.61
	2007-08				2,293.71	2,293.71
	2008-09			123.06	3,462.52	3,585.58
	2000-01	0.90				0.90
	2001-02			148.76		148.76
MPCT/CST	2007-09			791.27		791.27
	1999-00	9.83				9.83
Royalty on limestone	2001-02	20.38				20.38
	Upto Dec 2003			2401.05		2401.05

- (x) The company does not have any accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause (xiii) of Para 4 of the Order is not applicable.
- (xiv) In our opinion the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, clause (xiv) of Para 4 of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, where the Company has given guarantee for loans taken by its subsidiaries from banks or financial institutions, the terms and conditions thereof are not prejudicial to the interest of the company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (xvii) According to the information and explanations given to us

and on the overall examination of the Balance Sheet of the Company for the year under report, we are of the opinion that no funds raised on short term basis have been used for long term investment.

- (xviii) In our opinion and according to the information and explanations given to us, where the Company has created Share Capital Suspense Account for allotment of shares as per Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Allahabad on 15th May 2009 and filed with the Registrar of Companies on 27th May 2009, consideration paid to the shareholders of the amalgamating transferor companies is, in our opinion, not prejudicial to the interest of the company.
- (xix) According to the information and explanations given to us, the Company has created security/charge in respect of secured non-convertible debentures issued and outstanding at the year end.
- (xx) As the Company has not raised any money by way of public issues during the year, Clause (xx) of Para 4 of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no material fraud by or on the Company has been noticed or reported during the year.

For M.P. SINGH & ASSOCIATES
Chartered Accountants

(M.P. Singh)
Partner
M.No.1454

Place : New Delhi
Dated : 6th June, 2009

BALANCE SHEET

	SCHEDULE	As At 31.03.09 Rs. IN LAKHS		As At 31.03.08 Rs. IN LAKHS	
SOURCES OF FUNDS					
SHAREHOLDERS FUNDS					
Share Capital	A [I]	23,676		23,430	
Share Capital Suspense	A [II]	4,360		–	
Reserves and Surplus	B	625,885		396,520	
Equity Warrants	C	15,880	669,801	39,850	459,800
LOAN FUNDS					
Secured Loans	D	733,828		464,355	
Unsecured Loans	E	576,789	1,310,617	366,203	830,558
DEFERRED TAX LIABILITY			72,004		57,115
TOTAL FUNDS EMPLOYED			2,052,422		1,347,473
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	F	861,922		516,624	
Less: Depreciation		180,131		145,473	
Net Block		681,791		371,151	
Capital Work-in-Progress [Including Incidental Expenditure Pending Allocation]		508,194	1,189,985	421,901	793,052
INVESTMENTS	G		446,520		322,483
DEFERRED TAX ASSET			3,041		1,149
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	H	122,862		98,130	
Projects Under Development		68,143		32,617	
Sundry Debtors		102,204		58,618	
Cash and Bank Balances		290,859		181,544	
Other Current Assets		1,282		3,190	
Loans & Advances		330,810		222,194	
		916,160		596,293	
LESS: CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	I	455,439		334,909	
Provisions		48,231		30,605	
		503,670		365,514	
NET CURRENT ASSETS			412,490		230,779
MISCELLANEOUS EXPENDITURE	J		386		10
TOTAL APPLICATION OF FUNDS			2,052,422		1,347,473
Accounting Policies and Notes to the 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

 Place : New Delhi
 Dated: 6th June, 2009

GOPAL DAS BANSAL
 Sr. Vice-President
 [Accounts]

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

RAHUL KUMAR
 C.F.O.

HARISH K. VAID
 Sr. President [Corporate Affairs]
 & Company Secretary

MANOJ GAUR
 Executive Chairman & CEO

SUNIL KUMAR SHARMA
 Executive Vice Chairman

S.D. NAILWAL
 Director [Finance]

**PROFIT & LOSS ACCOUNT
 FOR THE YEAR ENDED**

	SCHEDULE		2008-2009 Rs. IN LAKHS	2007-2008 Rs. IN LAKHS
INCOME				
Cement Sales [Gross]		249,955		224,051
Less:Excise Duty on Sales		33,204	216,751	(33,812)
Construction Revenue			289,055	173,019
Real Estate Revenue			43,943	25,583
Hotel/Hospitality Revenue			15,317	3,058
Power Revenue			4,503	1,811
Asbestos Sheets Sales [Gross]		7,309		5,165
Less:Excise Duty on Sales		460	6,849	(398)
Other Revenue	K		38,375	27,643
			614,793	426,120
EXPENDITURE				
(Increase)/Decrease in Stocks & Work-in-Progress	L		(6,616)	(6,198)
Manufacturing, Construction, Real Estate, Hotel/Hospitality & Power Expenses	M		306,640	201,056
Excise Duty on Stocks			(458)	640
Refer Schedule "T" - Note No.27(b)]				
Personnel	N		33,079	25,527
Selling & Distribution Expenses	O		41,641	36,886
Other Expenses	P		34,516	30,874
Interest	Q		50,432	33,914
Depreciation			30,897	20,330
			490,131	343,029
			124,662	83,091
Prior Period Adjustments [Net Credit]			436	1,244
Profit before Tax			125,098	84,335
Provision for Tax				
Current Tax			25,696	15,776
Deferred Tax			8,944	6,955
Fringe Benefit Tax			757	637
Profit after Tax			89,701	60,967
Profit brought forward from Previous Year			151,293	111,006
Profit/(Loss) Transferred from Transferor Companies			7,071	-
Debenture Redemption Reserve no longer required			5,500	6,000
Profit Available for Appropriation			253,565	177,973
Less : Transferred to Reserve for Redemption				
Premium on Foreign Currency Convertible Bonds			16,512	3,682
Less : Transferred to Debenture Redemption Reserve			27,890	3,485
Less : Transferred to General Reserve			9,000	6,100
Less : Dividend Paid pertaining to Previous Year			9	6
Add : Tax on Proposed Final Dividend [2007-08] Reversed			796	-
Add : Final Dividend Received from Jaypee Hotels Limited [Transferor Company]			722	-
Add : Final Dividend received by Jaiprakash Enterprises Limited [Transferor Company]			321	-
Less : Interim Dividend		7,102		6,774
Less : Interim Dividend received by Jaiprakash Enterprises Limited [Transferor Company]		(241)		-
Tax on Interim Dividend		604		1,151
Proposed Final Dividend		5,607		4,686
Tax on Proposed Final Dividend		953	14,025	796
Balance carried to Balance Sheet			187,968	151,293
Accounting Policies and Notes to the Accounts	T			
Basic Earnings Per Share [Face Value Rs.2/- per share]			Rs. 6.46	5.42
Diluted Earnings Per Share [Face Value Rs.2/- per share]			Rs. 6.02	5.32

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

 Place : New Delhi
 Dated: 6th June, 2009

GOPAL DAS BANSAL
 Sr. Vice-President
 [Accounts]

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

RAHUL KUMAR
 C.F.O.

HARISH K. VAID
 Sr. President [Corporate Affairs]
 & Company Secretary

MANOJ GAUR
 Executive Chairman & CEO

SUNIL KUMAR SHARMA
 Executive Vice Chairman

S.D. NAILWAL
 Director [Finance]

SCHEDULE "A"		As At 31.03.09	As At 31.03.08
SHARE CAPITAL		Rs. IN LAKHS	Rs. IN LAKHS
Authorised			
12,34,40,00,000	Equity Shares of Rs.2/- each [Previous Year 5,15,00,00,000 Equity Shares of Rs.2/- each]	246,880	103,000
31,20,000	Preference Shares of Rs.100/- each [Previous Year 30,00,000 Equity Shares of Rs.100/- each]	3,120	3,000
		250,000	106,000
[I] Issued, Subscribed and Paid-up			
118,38,00,579	Equity Shares of Rs.2/- each fully paid up [Previous Year 117,15,22,417] comprising of - 86,08,65,055 Equity Shares [Previous Year 86,08,65,055] allotted as fully paid-up for consideration other than cash in terms of the Scheme of Amalgamation effective from 11.03.2004; - 2,02,19,850 Equity Shares [Previous Year 2,02,19,850] allotted for cash under "Jaypee Employees Stock Purchase Scheme 2002"; - 16,83,36,849 Equity Shares [Previous Year 16,60,58,687] allotted for cash on conversion of Foreign Currency Convertible Bonds; - 12,43,78,825 Equity Shares [Previous Year 12,43,78,825] allotted as fully paid in terms of Scheme of Amalgamation effective from 22.08.2006 and - 1,00,00,000 Equity Shares allotted for cash to Promoters on Preferential Basis	23,676	23,430
[II] Share Capital Suspense			
21,80,10,985	Equity Shares of Rs.2/- each fully paid up to be allotted pursuant to Scheme of Amalgamation, for consideration other than cash, effective from 27.05.2009 [Refer Schedule "T" - Note No. 1]	4,360	-
		28,036	23,430
SCHEDULE "B"			
RESERVES AND SURPLUS			
General Reserve			
	As per last Balance Sheet	34,167	28,067
	Add: Transfer from Profit & Loss Account	9,000	6,100
	Add : Arising on Amalgamation	89,461	-
	Add : Transfer from Transferor Companies	585	-
	Less: Adjustment on account of Foreign Currency fluctuation on long term monetary items [Refer Schedule "T" - Note No.6]	820	-
		132,393	34,167
Debenture Redemption Reserve			
	As per last Balance Sheet	19,726	22,241
	Add: Provided for the year	27,890	3,485
		47,616	25,726
	Less: Transfer to Profit & Loss Account on Redemption	5,500	6,000
		42,116	19,726
Revaluation Reserve			
	As per last Balance Sheet	30,813	30,886
	Add : Transfer from Transferor Companies	84	-
		30,897	30,886
	Less: Depreciation adjusted on Revalued Assets	166	73
		30,731	30,813
Securities Premium Account			
	As per last Balance Sheet	150,217	66,549
	Add : Transfer from Transferor Company	4,862	-
	Add : On conversion of Warrants into Shares	39,500	-
	Add : On conversion of Foreign Currency Convertible Bonds into Shares	2,500	83,668
		197,079	150,217
Reserve for Premium on Foreign Currency Convertible Bonds			
	As per last Balance Sheet	7,816	4,134
	Add : Provided for the year	16,512	3,682
		24,328	7,816
Capital Reserve			
	As per last Balance Sheet	2,488	2,488
	Add : Transfer from Transferor Companies	4	-
	Add : Gain on buy back of Foreign Currency Convertible Bonds	8,664	-
		11,156	2,488
Capital Redemption Reserve			
	Transfer from Transferor Companies	113	-
Share Forfeited Account			
	Transfer from Transferor Company	1	-
Surplus			
	As per Profit & Loss Account	187,968	151,293
		625,885	396,520

SCHEDULE "C"	As At 31.03.09		As At 31.03.08	
EQUITY WARRANTS	Rs. IN LAKHS		Rs. IN LAKHS	
Equity Warrants Upfront Payment [Refer Schedule "T" - Note No.36]	15,880		39,850	
	<u>15,880</u>		<u>39,850</u>	
SCHEDULE "D"				
SECURED LOANS				
A. Debentures				
(i) 1,00,00,000 12% Non-convertible Secured Debentures of Rs.100/- each fully paid-up in cash [Fully Redeemed] [Previous Year Rs.80/- per Debenture Redeemed]	-		2,000	
(ii) 1,000 12% Non-convertible Secured Debentures of Rs.1,00,000/- each fully paid-up in cash [Fully Redeemed] [Previous Year Rs.75,000/- per Debenture Redeemed]	-		250	
(iii) 1,800 7.5% Non-convertible Secured Debentures of Rs.10,00,000/- each fully paid-up in cash [Rs.83,333/- per Debenture Redeemed]	16,500		18,000	
(iv) 1,500 9.5% Non-convertible Secured Debentures of Rs.10,00,000/- each fully paid-up in cash	15,000		15,000	
(v) 5,000 9 % Non-convertible Secured Debentures of Rs.1,00,000/- fully paid-up in cash [Rs.25,000/- per Debenture Redeemed]	3,750		5,000	
(vi) 3,000 11.8 % Non-convertible Secured Debentures of Rs.10,00,000/- each fully paid-up in cash	30,000		-	
(vii) 1,500 12.4 % Non-convertible Secured Debentures of Rs.10,00,000/- each fully paid-up in cash	15,000		-	
	<u>80,250</u>		<u>40,250</u>	
B. Term Loans				
(i) From Financial Institutions	37,971		35,976	
(ii) From Banks				
(a) In Rupees	547,311		334,348	
(b) In Foreign Currency	<u>35,816</u>	583,127	28,872	
(iii) From Others	<u>8,000</u>	629,098	<u>10,000</u>	409,196
C. Working Capital Loans				
From Banks:				
(i) For Working Capital				
In Rupees	15,150		11,635	
(ii) For Overseas Works	<u>780</u>	15,930	<u>2,296</u>	13,931
D. Loan from State Government [Interest Free]				
		7,944		325
E. Advances from Clients:				
From Government Departments, Public Sector Undertakings & Others - Secured against hypothecation of Construction Material and Plant & Machinery				
(i) Interest Bearing	606		606	
(ii) Non Interest Bearing [Rs.12,516/-]	<u>-</u>	606	<u>47</u>	653
		<u>733,828</u>		<u>464,355</u>

SCHEDULE "E"
UNSECURED LOANS

	As At 31.03.09		As At 31.03.08	
	Rs. IN LAKHS		Rs. IN LAKHS	
A. Foreign Currency Convertible Bonds [Refer Schedule "T"- Note No 5]				
(i) FCCB-I [USD]	1,060		826	
(ii) FCCB-II [EURO]	3,234		6,014	
(iii) FCCB-III [USD]	182,892	187,186	158,635	165,475
B. Foreign Currency Loans from Banks [ECB]				
(i) ECB [USD]	142,215		115,564	
(ii) ECB [GBP]	24,705		-	
(iii) ECB [CAD]	25,316	192,236	-	115,564
C. Debentures:				
[i] 8,63,083 8% Non-convertible Debentures of Rs.100/- each fully paid-up in cash [Rs.50/- per Debenture Redeemed] [Previous Year Rs.25/- per Debenture Redeemed]	432		647	
[ii] 20,000 10.10% Non-convertible Debentures of Rs.1,00,000/- each fully paid-up in cash [Rs.60,000/- per Debenture Redeemed]	8,000		-	
[iii] 20,000 10.20% Non-convertible Debentures of Rs.1,00,000/- each fully paid-up in cash [Repayable within one year - Rs.28,216 Lakhs (Previous Year Rs.216 Lakhs)]	20,000	28,432	-	647
D. Short Term Loans from Banks				
[i] From Financial Institutions	-		5,000	
[ii] From Banks	125,834	125,834	49,000	54,000
[Repayable within one year - Rs.65834 Lakhs (Previous Year Rs.28,000 Lakhs)]				
E. Sales Tax Deferment Loan		600		1,257
[Repayable within one year - Rs.600 Lakhs (Previous Year Rs.657 Lakhs)]				
F. Bills Discounting		9,261		3,121
[Repayable within one year - Rs.9261 Lakhs (Previous Year Rs.3,121 Lakhs)]				
G. Fixed Deposit Scheme		24,004		19,009
[Repayable within one year - Rs.11072 Lakhs (Previous Year Rs.9,164 Lakhs)]				
H. Deposits [from Stockists & Sales Promoters]		9,236		7,130
		576,789		366,203

SCHEDULE "F" : FIXED ASSETS

PARTICULARS	RS. IN LAKHS											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As On 1.4.2008	Transfer from Transferor Companies	Addition During The Year	Sale/Transfer/ Disposal/ Discard During The Year	As On 31.03.2009	Upto 31.3.2008	Transfer from Transferor	For The Year	Sale/ Adjustment Companies	Upto 31.03.2009	As On 31.03.2009	As On 31.3.2008
01 Land												
(a) Leasehold Land	44,199	364	2,263	1,406	45,420	-	-	-	-	-	45,420	44,199
(b) Freehold Land	9,765	1,247	12,326	-	23,338	-	-	-	-	-	23,338	9,765
02 Building												
(a) Office	28,269	733	20,959	401	49,560	4,215	115	1,574	35	5,869	43,691	24,054
(b) Hotel	2,895	10,685	397	-	13,977	532	1,601	256	-	2,389	11,588	2,363
03 Purely Temporary Erections	7,342	247	394	5,675	2,308	7,342	247	394	5,675	2,308	-	-
04 Railway siding	7,124	-	1,881	-	9,005	993	-	335	-	1,328	7,677	6,131
05 Plant & Machinery												
(a) Cement Division	174,764	133	210,788	410	385,275	73,762	7	10,990	178	84,581	300,694	101,002
(b) Construction Division	143,387	1,003	27,711	1,826	170,275	43,310	605	11,266	1,460	53,721	116,554	100,077
(c) Golf Course	463	-	584	-	1,047	103	-	27	-	130	917	360
(d) Hotel	69	6,278	215	2	6,560	20	2,589	323	1	2,931	3,629	49
06 Captive Thermal Power Plant	40,602	-	33,705	-	74,307	6,266	-	2,472	-	8,738	65,569	34,336
07 Wind Turbine Generators	26,853	-	221	-	27,074	667	-	1,430	-	2,097	24,977	26,186
08 Golf Course	3,710	-	-	-	3,710	1,025	-	176	-	1,201	2,509	2,685
09 Miscellaneous Fixed Assets (Hotel)	209	3,119	375	20	3,683	58	1,193	178	9	1,420	2,263	151
10 Motor Vehicles	5,504	1,815	1,133	173	8,279	2,362	757	739	140	3,718	4,561	3,142
11 Furniture & Office Equipment	10,407	3,238	4,090	499	17,236	4,274	2,155	1,166	471	7,124	10,112	6,133
12 Ships:Boat	9	-	-	-	9	1	-	1	-	2	7	8
13 Aeroplane/Helicopter	11,050	-	-	-	11,050	540	-	619	-	1,159	9,891	10,510
14 Technical Books	-	-	4,913	-	4,913	-	-	8	-	8	4,905	-
15 Technical Books	3	-	-	-	3	3	-	-	-	3	-	-
16 Intangible Assets												
- Deferred Revenue Expenditure	-	4,800	-	-	4,800	-	1,051	270	-	1,321	3,479	-
- Fees Paid to Franchiser	-	93	-	-	93	-	64	19	-	83	10	-
	516,624	33,755	321,955	10,412	861,922	145,473	10,384	32,243	7,969	180,131	681,791	371,151
PREVIOUS YEAR	420,193	-	104,392	7,961	516,624	127,997	-	20,990	3,514	145,473	371,151	-
CAPITAL WORK-IN-PROGRESS [Including Incidental Expenditure Pending Allocation]											508,194	421,901

Note: (i) Depreciation for the year, includes Rs.1344 Lakhs [Previous Year Rs.660 Lakhs] on assets used for Projects under implementation and shown in Schedule "S" Expenditure During Construction Period.
(ii) Depreciation for the year includes Rs.74 Lakhs pertaining to previous year

SCHEDULE "G"	As At 31.03.09		As At 31.03.08	
INVESTMENTS (AT COST)	Rs. IN LAKHS		Rs. IN LAKHS	
(A) Investments in Subsidiaries				
(a) QUOTED				
(i) Nil Equity Shares of Jaypee Hotels Limited of Rs.10/- each fully paid-up [Previous Year 4,00,49,943]	-		6,542	
(ii) 31,10,00,600 Equity Shares of Jaiprakash Hydro Power Limited of Rs.10/- each fully paid-up	41,376	41,376	41,376	47,918
(b) UNQUOTED				
(i) 42,90,00,000 Equity Shares of Jaiprakash Power Ventures Limited of Rs.10/- each fully paid-up	42,900		42,900	
(ii) 92,50,00,000 Equity Shares of Jaypee Karcham Hydro Corporation Limited of Rs.10/- each fully paid-up [Previous Year 75,00,00,000]	92,500		75,000	
(iii) Nil Equity Shares of Jaypee Cement Limited of Rs.10/- each fully paid-up [Previous Year 35,59,50,700]	-		35,595	
(iv) 95,50,00,000 Equity Shares of Jaypee Infratech Limited of Rs.10/- each fully paid-up	95,500		95,500	
(v) 9,50,50,000 Equity Shares of Himalayan Expressway Limited of Rs.10/- each fully paid-up [Previous Year 50,000]	9,505		5	
(vi) 27,13,50,000 Equity Shares of Jaypee Ganga Infrastructure Corporation Limited of Rs.10/- each fully paid-up [Previous Year 5,00,000]	27,135		50	
		267,540		249,050
(B) Investment in Joint Venture Subsidiaries				
UNQUOTED				
(i) 1,05,00,000 Equity Shares of Madhya Pradesh Jaypee Minerals Limited of Rs.10/- each fully paid-up	1,050		1,050	
(ii) 13,20,88,150 Equity Shares of Bhilai Jaypee Cement Limited of Rs.10/- each fully paid-up [Previous Year 6,94,67,500]	15,909		9,647	
(iii) 5,43,160 Equity Shares of Gujarat Jaypee Cement & Infrastructure Limited of Rs.10/- each fully paid-up [Previous Year 63,000]	54		6	
(iv) 6,17,000 Equity Shares of JPSK Sports Private Limited of Rs.10/- each fully paid-up	62		62	
(v) 1,86,99,230 Equity Shares of Bokaro Jaypee Cement Limited of Rs.10/- each fully paid-up [Previous Year Nil]	4,870	21,945	-	10,765
(C) Investment in Associate Companies				
UNQUOTED				
(i) 10,000 Equity Shares of Jaiprakash Kashmir Energy Limited of Rs.10/- each fully paid-up	1		1	
(ii) 7,36,620 Equity Shares of RPJ Minerals Private Limited of Rs.10/- each fully paid-up [Transfer from Transferor Company]	1,212		-	
(iii) 23,575 Equity Shares of Sonebhadra Minerals Private Limited of Rs.10/- each fully paid-up [Transfer from Transferor Company]	633		-	
(iv) 50,000 Equity Shares of Indesign Enterprises Private Limited, Cyprus Cyprus Pound 1/- each fully paid-up [Transfer from Transferor Company]	72		-	
(v) 8,40,000 14% Non-cumulative, Non-convertible Redeemable Preference Shares of Jaypee Ventures Private Limited of Rs.100/- each fully paidup [Transfer from Transferor Company]	127	2,045	-	1
(D) Other Investments				
(a) QUOTED				
(i) 15,350 Equity shares of Capital Trust Limited of Rs.10/- each fully paid-up	2		2	
(ii) 100 Equity Shares of IFCI Limited of Rs.10/- each fully paid-up (Rs.3,500/-)	-		-	
(iii) 7,21,600 Equity Shares of Indian Overseas Bank of Rs.10/- each fully paid-up	72		72	
(iv) 8,68,000 Equity Shares of Sumeru Industries Limited of Rs.1/- each of fully paid-up [Transfer from Transferor Company]	5		-	
(v) 20,000 Equity Shares of Saket Projects Limited of Rs.10/- each of fully paid-up [Transfer from Transferor Company]	2		-	
(vi) 1,65,900 Equity Shares of PNB Gilts Limited of Rs.10/- each fully paid-up	50		50	
		131		124
	c/o	333,037		307,858

	As At 31.03.09 Rs. IN LAKHS	As At 31.03.08 Rs. IN LAKHS
	b/f 333,037	307,858
(b) UNQUOTED		
(i) 5 Equity Shares of Makers Chamber VI Premises Co-operative Society Limited, Bombay of Rs.50/- each fully paid-up (Rs.250/-)	-	-
(ii) 5,000 Equity Shares of Tourism Advisory Financial Service Corpn. of India Limited of Rs.100/- each fully paid-up	5	5
(iii) 5 Equity Shares of Sanukt Members' Association of Rs.100/- each fully paid-up [Transferor from Transfer Company]	-	-
(iv) 20,35,000 Equity Shares of Jaypee DSC Ventures Limited of Rs.10/- each fully paid-up	204	204
(v) 8,40,000 Equity Shares of UP Asbestos Limited of Rs.10/- each fully paid-up [Rs.1/-]	-	-
	209	209
(E) BULLION		
Gold [27 Kgs]	260	260
(F) INTEREST IN BENEFICIARY TRUSTS [Refer Note 2 below]		
(i) JHL Trust	6,542	-
(ii) JCL Trust	50,605	-
(iii) GACL Trust	34,207	-
(iv) JEL Trust	5,489	-
	96,843	-
(G) GOVERNMENT SECURITIES		
[Pledged with various Government Departments as Security]		
National Savings Certificates [Face Value Rs.4,000/-]	-	-
(H) SHARE APPLICATION MONEY		
(i) Jaypee Cement Limited [Subsidiary Company]	-	2,110
(ii) Jaiprakash Kashmir Energy Limited [Associate Company]	101	101
(iii) Madhya Pradesh Jaypee Minerals Limited [Joint Venture Subsidiary]	3,067	2,034
(iv) Gujarat Jaypee Cement & Infrastructure Limited [Joint Subsidiary]	1,112	160
(v) Himalayan Expressway Limited [Subsidiary Company]	-	500
(vi) JPSK Sports Private Limited [Joint Venture Subsidiary]	1,150	101
(vii) Jaypee Ganga Infrastructure Corporation Limited [Subsidiary Company]	200	9,150
(viii) RPJ Minerals Private Limited [Associate Company]	50	-
(ix) Advance to LIC Mutual Fund	10,000	-
(x) Bokaro Jaypee Cement Limited [Joint Venture Subsidiary]	491	14,156
	16,171	-
	446,520	322,483

- Note:** 1. Aggregate cost of:
 Quoted Investments (Market Value Rs. 910,24,24,540/-
 Previous Year Rs.2283,76,44,440/-) Rs. 4,150,706,000 Rs. 4,804,160,148
 Unquoted Rs. 38,884,128,005 Rs. 26,028,450,163
2. Four Trusts have been created on 09.05.2009 for transfer of
 (i) shares of Jaypee Hotels Limited & Jaypee Cement Limited held by the Company;
 (ii) shares of Jaypee Hotels Limited & Jaiprakash Associates Limited held by Jaiprakash Enterprises Limited [Transferor Company];
 (iii) shares of Gujarat Anjan Cement Limited held by Jaypee Cement Limited [Transferor Company] in term of Scheme of Amalgamation sanctioned by Hon'ble High Court of Judicature, Allahabad.
3. All investments are Non Trade, Long Term Investments.
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.

SCHEDULE "H"
As At 31.03.09
Rs. IN LAKHS
As At 31.03.08
Rs. IN LAKHS
CURRENT ASSETS, LOANS & ADVANCES
A. CURRENT ASSETS

1. INVENTORIES (As per inventories taken, valued and certified by the Management)				
(a) Stores and Spare Parts (at cost)	44,150		34,748	
(b) Construction Materials (at cost)	18,686		10,226	
(c) Raw Materials - Cement Division (at cost)	707		905	
(d) Raw Materials - Asbestos Sheets (at cost)	357		281	
(e) Finished Goods - Cement Division (at estimated cost or net realisable value whichever is lower)	3,169		2,653	
(f) Finished Goods - Asbestos Sheets (at estimated cost or net realisable value whichever is lower)	561		562	
(g) Finished Goods- Hollow Blocks (at estimated cost or net realisable value whichever is lower)	3		-	
(h) Stock in Process-Cement Division (at estimated cost)	2,324		3,006	
(i) Work-in-Progress-Construction Division (at estimated cost)	50,238		43,418	
(k) Food and Beverages [at cost]	125		13	
(l) Goods in Transit	2,542	122,862	2,318	98,130
2. PROJECTS UNDER DEVELOPMENT [at cost] [Refer Schedule "R"]		68,143		32,617
3. SUNDRY DEBTORS (Unsecured, considered good)				
(a) Debts outstanding for a period exceeding six months:				
(i) From Overseas Works	10,163		10,163	
(ii) From Others	20,760		17,295	
(iii) Considered Doubtful	155		139	
Less:Provision for Bad and Doubtful Debts	(155)	-	(139)	
(b) Other Debts	71,281	102,204	31,160	58,618
4. CASH AND BANK BALANCES				
(a) Cash,Cheques in hand and in transit	30,818		5,858	
(b) Balances with Scheduled Banks				
(i) In Current & Cash Credit Account	69,944		34,852	
(ii) In Fixed Deposits Account [Fixed Deposits of Rs.101,94,19,978 /- pledged as Margin Money (including Rs.22,66,93,535/- pledged as Margin [Previous Year Rs.16,87,83,413/-] against performance guarantee) with Banks & Others] [Previous Year Rs.91,02,89,211/-]	171,782		95,202	
(iii) Balance in Dividend Account	651		641	
(iv) Balance in Trust & Retention Account Current Account	175	242,552	537	
(c) Balance with Non-Scheduled (Foreign) Banks				
(i) In Current Account	499		59	
(ii) In Fixed Deposit Account	16,990	290,859	44,395	181,544
5. OTHER CURRENT ASSETS				
Interest accrued on Fixed Deposits & Others (From Banks Rs.12,52,43,732 /- Previous Year Rs.31,78,87,262/-)		1,282		3,190
		585,350		374,099
B. LOANS AND ADVANCES (Unsecured, considered good)				
Advances to Suppliers,Contractors,Sub-Contractors & Others	99,930		74,690	
Staff Imprest and Advances	592		525	
Claims and Refunds Receivable	42,383		20,363	
Prepaid Expenses	12,901		3,550	
Deposits with Govt. Deptts., Public Bodies and Others				
(a) Govt. Deptts. & Public Bodies	21,119		17,519	
(b) Others				
(i) Real Estate	107,000		81,200	
(ii) Others	5,779	133,898	1,396	100,115
Works Contract Tax/Sales Tax Recoverable	4,358		1,458	
Advance Tax and Income Tax Deducted at Source	36,748		21,493	
		330,810		222,194
GRAND TOTAL		916,160		596,293

	As At 31.03.09		As At 31.03.08	
	Rs. IN LAKHS		Rs. IN LAKHS	
SCHEDULE "I"				
CURRENT LIABILITIES AND PROVISIONS				
A. CURRENT LIABILITIES				
Sundry Creditors				
(a) Due to Micro, Small and Medium Enterprise		-		-
(b) Others	88,063	88,063	68,717	68,717
Advances from Customers				
(a) Real Estate		130,393		63,325
(b) Others		7,912		6,042
Due to Staff		5,320		2,588
Due to Directors		37		28
Adjustable receipts against Contracts (against Guarantees)				
(a) Interest Bearing	21,283		22,347	
(b) Non Interest Bearing				
(i) From Subsidiaries/Joint Venture Subsidiaries	159,559		140,620	
(ii) From Others	5,182	164,741	5,160	168,127
Other Liabilities		25,147		16,872
Interest accrued but not due on loans		11,892		8,567
Investors Education & Protection Fund: [Appropriate amounts shall be transferred to Investor Education & Protection Fund, if and when due]				
(a) Unclaimed Dividend	599		641	
(b) Unclaimed Dividend of Transferor Company	52		-	
(c) Share Application Money Refundable A/c (Rights Issue)	-	651	2	643
		455,439		334,909
B. PROVISIONS				
For Taxation		30,758		20,647
For Gratuity		4,055		2,915
For Provident Fund		517		339
For Leave Encashment		2,186		1,222
For 2nd Interim Dividend		3,551		-
For Tax on 2nd Interim Dividend		604		-
For Proposed Final Dividend		5,607		4,686
For Tax on Proposed Final Dividend		953		796
		48,231		30,605
GRAND TOTAL		503,670		365,514
SCHEDULE "J"				
MISCELLANEOUS EXPENDITURE				
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)				
Preliminary Expenses		6		10
Add : Transfer from Transferor Company		380		-
		386		10
SCHEDULE "K"				
		2008-2009		2007-2008
		Rs. IN LAKHS		Rs. IN LAKHS
OTHER REVENUE				
Dividends [from Non Trade Investments]		16,823		11,226
[from Subsidiaries Rs.166,77,00,900/- (Previous Year 112,04,40,347/-)]				
Rent		94		333
Machinery Rentals		2,164		3,733
Profit on Sale of Liquid Fund Units		24		-
Foreign Currency Exchange Rate Difference		82		2,046
Interest (including Rs.96,98,43,235 /- from Banks & TDS Rs.25,31,67,802 /-)		10,013		5,261
Miscellaneous		9,175		5,044
		38,375		27,643

	2008-2009		2007-2008	
	Rs. IN LAKHS		Rs. IN LAKHS	
SCHEDULE "L"				
(INCREASE) / DECREASE IN STOCKS & WORK-IN-PROGRESS				
OPENING STOCKS				
Finished Goods	3,215		3,087	
Finished Goods - Transfer from Transferor Company	4		-	
Stock-in-process	3,006	6,225	756	3,843
LESS:CLOSING STOCKS				
Finished Goods	3,733		3,215	
Stock-in-process	2,324	6,057	3,006	6,221
WORK-IN-PROGRESS - Construction Division				
Opening Work-in-Progress		43,418	39,598	
Transfer from Transferor Company		36	-	
Less:Closing Work-in-Progress		50,238	43,418	(3,820)
			(6,616)	(6,198)

SCHEDULE "M"
**MANUFACTURING, CONSTRUCTION, REAL ESTATE, HOTEL/
HOSPITALITY & POWER EXPENSES**

Raw Materials Consumed - Cement Division	21,738	17,867
Raw Materials Consumed - Asbestos Sheets	2,849	2,282
Construction Expenses	118,446	63,227
Real Estate Expenses	19,904	15,482
Consumption of Food and Beverages etc.	1,353	216
Hotel & Golf Course Operating Expenses	5,067	866
Hire Charges and Lease Rentals of Machinery	242	278
Power, Electricity and Water Charges	26,469	20,119
Repairs and Maintenance of Machinery	39,149	25,680
Repairs to Building and Camps	1,909	1,745
Stores and Spares Consumed	27,020	22,297
Coal and Packing Materials Consumed	38,651	29,482
Freight, Octroi & Transport Charges	16,578	9,629
	319,375	209,170
Less:Attributable to Self Consumption	12,735	8,114
	306,640	201,056

SCHEDULE "N"
PERSONNEL

Salaries, Wages & Bonus	29,300	21,833
Gratuity	540	1,108
Contribution to Provident & Other Funds	1,840	1,329
Staff Welfare	1,399	1,257
	33,079	25,527

SCHEDULE "O"
SELLING & DISTRIBUTION EXPENSES

Loading, Transportation & Other Charges	28,930	27,910
Commission on Sales	6,602	4,245
Sales Promotion	6,109	4,731
	41,641	36,886

	2008-2009		2007-2008	
	Rs. IN LAKHS		Rs. IN LAKHS	
SCHEDULE "P"				
OTHER EXPENSES				
Rent		1,330		608
Rates & Taxes		2,985		5,625
Insurance		4,416		3,910
Travelling & Conveyance		3,047		2,404
Bank Charges & Guarantee Commission		2,708		2,826
Loss on Sale / Disposal / Discard / Write-off of Assets (Net)		747		1,718
Financing Charges		5,093		1,352
Postage, Telephone & Telex		708		565
Light Vehicles Running & Maintenance		818		962
Legal & Professional		3,362		1,977
Charity & Donation		3,324		3,123
Security & Medical Service		2,397		2,073
Provision for Bad and Doubtful Debts		14		-
Directors' Fees		24		23
Amortisation of Land Premium	193		100	
Less: Transferred from Revaluation Reserve	164	29	73	27
Miscellaneous Expenses		3,448		3,643
Auditors' Remuneration:				
Audit Fees	33		28	
Tax Audit Fees	3		2	
To Partners in other capacity:				
For Taxation Matters [Rs.12,000/-]	-		-	
For Management Services	1		1	
Reimbursement of Expenses	6	43	3	34
Audit Fees of Transferor Companies				
Audit Fees	13		-	
Other Services	1		-	
Reimbursement of Expenses	5	19	-	-
Preliminary, Share & Debenture Issue & Other carry forward expenses written off		4		4
		34,516		30,874
SCHEDULE "Q"				
INTEREST				
Interest on Non-Convertible Debentures		8,392		3,799
Interest on Term Loans		34,692		23,530
Interest on Bank Borrowing and Others		7,348		6,585
		50,432		33,914
SCHEDULE "R"				
PROJECTS UNDER DEVELOPMENT				
Opening Balance as on 01.04.2008		32,617		50,040
Expenses On Development during the year				
Purchase of Land		19,393		-
Construction Expenses		27,315		13,863
Technical Consultancy		1,889		975
Power, Electricity and Water Charges		181		144
Personnel Expenses		1,574		808
Sales and Promotional Expenses		3,767		855
Other Expenses		1,327		1,155
		88,063		67,840
Less: Transferred to Jaypee Infratech Limited		-		19,666
Less: Cost of Infrastructure & Construction of Properties Developed and under Development		19,920		15,557
Balance carried to SCHEDULE H - A-2		68,143		32,617

	2008-2009 Rs. IN LAKHS	2007-2008 Rs. IN LAKHS
SCHEDULE "S"		
EXPENDITURE DURING CONSTRUCTION PERIOD		
Opening Balance as on 1st April	52,139	34,764
Opening Balance as on 01.04.2008 - Transfer from Transferor Company	6,350	-
Electricity, Power and Fuel	3,764	1,368
Salary, Wages and Staff Welfare	9,359	5,966
Site / Quarry Development Expenses	926	296
Repair and Maintenance	3,184	444
Legal and Professional	1,320	1,677
Technical Fee	23	360
Insurance	723	581
Travelling and Conveyance	537	256
LC Commission, Bank Charges and Bank Guarantee Commission	984	484
Interest / Financing Charges	57,042	17,485
Foreign Exchange Fluctuations	49,509	3,805
Safety and Security	995	725
Freight and Material Handling	2,146	1,538
Vehicle / Machinery Hire Charges / Lease Rent	591	856
Light Vehicles Running and Maintenance	311	162
Depreciation	1,344	660
Advertisement / Business Promotion Expenses	1,323	960
Audit Fees - Transfer from Transferor Companies	5	-
Miscellaneous	1,167	8,136
	<u>193,742</u>	<u>80,523</u>
Less:		
(i) Miscellaneous Receipt	719	239
(ii) Interest Received [from Banks Rs.17,71,89,294/-] [TDS Rs.33,64,862/-]	1,774	6,530
Less:Provision for Taxation	<u>602</u>	<u>2,195</u>
	<u>191,851</u>	<u>75,949</u>
Less:Capitalised / Transferred During the year	<u>88,877</u>	<u>23,810</u>
Carried over to Balance Sheet [included in Capital Work-in-Progress]	<u>102,974</u>	<u>52,139</u>

SCHEDULE " T "
ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS
[A] SIGNIFICANT ACCOUNTING POLICIES
General:

- [i] The accounts are prepared on the historical cost basis and on the principles of a going concern.
- [ii] Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

Revenue Recognition:

- [i] Revenue/Incomes and Costs/Expenditures are accounted for on accrual basis.
- [ii] Cement Sales/Asbestos Sheets Sales are net of Excise Duty/Valued Added Tax and exclusive of Self Consumption.
- [iii] Construction Revenue/Incomes from/in respect of Contracts entered on or after 01.04.2003 are accounted as per AS-7 [Revised]. Construction Revenue/Incomes from/in respect of Contracts entered before 01.04.2003 are accounted as per erstwhile AS-7.
- [iv] Entrance Fee for Golf Membership is recognised in the year of receipt, irrespective of the period of membership.
- [v] Advances received for Time Share Weeks are reckoned as income in equal

amounts spread over the Time Share period commencing from the year in which full payment is received.

- [vi] Escalations/Claims are taken in the accounts on the basis of receipts or as acknowledged by the clients depending upon the certainty of receipt.
- [vii] Revenue from real estate development is recognised as per AS-9 based on the "percentage of completion method". Total sale consideration as per the legally enforceable agreements to sell entered into is recognised as revenue based on the percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being 30 percent or more of the total estimated project cost. Project cost includes cost of land, estimated cost of construction and development of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates recognised in the period such changes are determined. Where aggregate of the payment received from customers provide insufficient evidence of their commitment to make the complete payment, revenue is recognised only to the extent of payment received.
- [viii] Revenue from sale / sub-lease of undeveloped land is recognized when full consideration is received against agreement to sell / sub-lease; all significant risks and rewards are transferred to the customer and possession is handed over."

Revenue from Sale / sub-lease of developed land / plot is recognised when a firm agreement has been entered into and more than thirty (30) percent

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.

- [ix] [a] The costs that are incurred before a construction contract is secured are treated as expenses for the year in which these are incurred and charged to revenue.
- [b] The costs attributable to contracts are normally identified to respective contracts. However, the costs which cannot be identified/identifiable to a specified contract are charged to the general revenue in the year in which such costs are incurred.

Use of Estimates:

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

Fixed Assets:

Fixed Assets are stated at Cost of acquisition or construction inclusive of freight, erection & commissioning charges, duties and taxes, expenditure during construction period, interest on borrowing and financial costs upto the date of acquisition/installation. Major Expenditure in Hotel properties involving relocation and redesigning of various outlets, guest floors and additions thereto, enhancement in the value of assets and revenue generating capacity is capitalised.

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.

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.

Inventories :

- [i] 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].
- [ii] The closing stocks are valued on the basis of Weighted Average Cost Method.
- [iii] Work-in-Progress/Material-in-Process are valued at estimated cost.
- [iv] Hotel Business - Stock of Food, Beverages, operating Stores and Supplies are valued at cost. Consumption of material is valued at Cost.

Project Under Development :

Project Under Development includes cost of Land purchased and other costs incurred including internal development and external development charges, construction cost, material cost, cost of services etc.

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.

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.

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.

Miscellaneous Expenditure:

- [i] Preliminary and Share Issue Expenses are amortised over a period of ten years.
- [ii] Miscellaneous Expenditure incurred on or after 1st April, 2003 is written-off in the year in which it is incurred in terms of Accounting Standard [AS-26].
- [iii] Hotel Business - Miscellaneous Expenditure is stated at cost less accumulated amortisation. Fees paid to the Franchiser is amortised over a period of five years.

Expenditure During Construction Period:

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

Earnings Per Share:

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

Current Tax is determined as per the provisions of the Income Tax Act in respect of Taxable Income for the year. Deferred Tax Liability is computed as per Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are computed by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet Date.

Impairment of Assets:

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

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. The Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

[B] NOTES TO THE ACCOUNTS

01 Pursuant to the Scheme of Amalgamation ["the Scheme"] U/s 391/394 of the Companies Act, 1956, (i) Jaypee Hotels Limited (Transferor Company) engaged in business of Hospitality, Real Estate and Civil Engineering; (ii) Jaypee Cement Limited (Transferor Company) engaged in the business of setting up of Cement Plant; (iii) Jaiprakash Enterprises Limited (Transferor Company) engaged in business of Civil Engineering Construction, Limestone mines and Real Estate and (iv) Gujarat Anjan Cement Limited (Transferor Company) engaged in business of setting up of Cement Plant stand merged with Jaiprakash Associates Limited (Transferee Company) w.e.f April 01, 2008 ["the Appointed date"] in terms of the Order dated 15.05.2009 of Hon'ble High Court of Judicature at Allahabad, sanctioning the Scheme and is effective from 27.05.2009.

With effect from the Appointed date, all the business undertakings, assets, liabilities, rights and obligations of each of the Transferor Company stood transferred to and vested in the Transferee Company in consideration for

issue of, (i) one equity shares of Rs 2/- each in the Transferee Company for every one equity share of Rs 10/- each held in Jaypee Hotels Limited; (ii) one equity shares of Rs 2/- each in the Transferee Company for every ten equity share of Rs 10/- each held in Jaypee Cement Limited; (iii) three equity shares of Rs 2/- each in the Transferee Company for every one equity share of Rs 10/- each held in Jaiprakash Enterprises Limited and (iv) one equity shares of Rs 2/- each in the Transferee Company for every eleven equity share of Rs 10/- each held in Gujarat Anjan Cement Limited.

All the Transferor Companies carried on all the businesses and activities for the benefit of and in trust for the Transferee Company from the Appointed date. Thus, the profit or income accruing or arising to the Transferor Companies or expenditure or losses arising or incurred by them from the Appointed date are treated as profit or income or expenditure or loss as the case may be of the Transferee 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 by 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 Transferor Companies have been taken over at their book values on the Appointed date as detailed hereunder:

	Jaypee Hotels Limited Rupees	Jaypee Cement Limited Rupees	Jaiprakash Enterprises Limited Rupees	Gujarat Anjan Cement Limited Rupees
Assets				
Fixed Assets [including Capital Work-in-Progress]	2,029,261,269	22,059,858	133,468,797	7,653,905,916
Current Assets	1,603,073,097	9,160,829	744,006,960	516,157,606
Investments	7,158,291	3,739,010,379	561,824,714	190,077,100
Miscellaneous Expenditure	-	20,014,000	-	17,955,529
Total	3,639,492,657	3,790,245,066	1,439,300,471	8,378,096,151
Liabilities				
Reserves and Surplus:				
Revaluation Reserve	7,484,761	-	936,404	-
Capital Reserve	320,500	-	90,000	-
Capital Redemption Reserve	10,000,000	-	1,300,000	-
Shares forfeited Account	-	-	122,750	-
Security Premium	486,164,000	-	-	-
General Reserve	57,946,846	-	-	575,860
Profit and Loss Account	316,674,230	-	390,431,381	-
Current Liabilities	1,590,580,967	19,738,066	772,358,809	724,506,666
Secured & Unsecured Loans	217,149,651	-	-	3,994,915,735
Deferred Tax (Net)	398,271,702	-	7,061,127	-
Share Application Money	-	211,000,000	-	318,347,190
Total	3,084,592,657	230,738,066	1,172,300,471	5,038,345,451
Net Assets over Liabilities	554,900,000	3,559,507,000	267,000,000	3,339,750,700
Represented by Number of Equity Shares of Rs.10/- each	55,490,000	355,950,700	26,700,000	333,975,070

Consideration

Number of Equity Shares of Rs.2/- each [to be allotted] by the Transferee Company

Addition to Equity Share Capital	Rs.	55,490,000	35,595,070	80,100,000	30,361,370
Balance credited to Reserve on Amalgamation	Rs.	110,980,000	71,190,140	160,200,000	60,722,740
		443,920,000	3,488,316,860	106,800,000	3,279,027,960

Pursuant to sanction of the Scheme of Amalgamation:

(a) Authorised Share Capital of the Company stands increased as under:

Equity Share Capital	12,344,000,000	Equity Shares of Rs 2/- each
Preference Share Capital	3,120,000	Preference Shares of Rs 100/- each

(b) Company to issue further Share Capital against the shares allotted by the following Transferor Companies during FY 2008-09 till the Valuation date i.e. 31.10.2008 as under:

	Jaypee Cement Limited	Gujarat Anjan Cement Limited
Share Capital issued by Transferor Companies till Valuation Date	Rs. 1,501,000,000	160,000,000
Number of Shares of Rs.10/- each allotted by Transferor Companies till Valuation Date	150,100,000	16,000,000
Number of Equity Shares of Rs.2/- each [to be allotted by the Transferee Company]	15,010,000	1,454,545
Addition to Equity Share Capital	Rs. 30,020,000	2,909,090
Balance credited to Reserve on Amalgamation	Rs. 1,470,980,000	157,090,910

In view of the aforesaid amalgamations with effective from 01.04.2008, the figures for the current year are not comparable with those of the previous year.

	As At 31.03.2009 Rupees	As At 31.03.2008 Rupees
02 Contingent Liability not provided for in respect of:		
[a] Outstanding amount of Bank Guarantees	10,151,734,003	11,428,107,957
Margin Money deposited against the above	508,729,004	614,273,303
[b] Corporate Guarantees:		
[i] for Term Loans, NCDs and Deferred Payment Guarantees granted by Financial Institutions & Banks to Jaiprakash Hydro-Power Limited [Subsidiary Company]	2,484,111,445	5,256,657,330
[ii] for Rupee Term Loans and Foreign Currency Loans granted by Financial Institutions & Banks to Jaiprakash Power Ventures Limited [Subsidiary Company]	3,149,197,013	3,219,462,500
[iii] For Performance Guarantee issued by the ICICI Bank on behalf of Jaypee Ganga Infrastructure Corporation Limited, [100% Subsidiary]	8,947,500,000	14,912,500,000
[c] Claims against the Company not acknowledged as debts	4,087,541,800	4,049,524,549
Amount deposited under Protest	56,046,777	56,046,777
Bank Guarantee deposited under Protest [included in 2(a) above]	85,378,000	578,689,000
[d] Outstanding Letters of Credit	11,282,615,413	3,600,932,063
Margin Money deposited against the above	13,018,467	-
[e] 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 Rs.814.37 Crores [Previous Year Rs.805.41 Crores] till F.Y.2013-14 & 2014-15. The Liability on account of custom duty aggregating to Rs.101.79 Crores [Previous Year Rs.100.67 Crores] may arise alongwith interest @15% p.a., in the event of non-fulfillment of export obligation.		
[f] The Madhya Pradesh Government through the Collector, Rewa issued a notice raising a demand on account of change in the conversion factor for calculation of Royalty on Limestone raised upto December, 2003 in respect of Jaypee Rewa Plant. The Company has contested the demand and the Hon'ble Madhya Pradesh High Court has stayed the demand.	263,450,569	263,450,569
Amount deposited under Protest	23,345,768	23,345,768
The above contingent liability does not include demand for the period January 2004 to March 2009 which has not been raised by the Madhya Pradesh Government till 31.03.09		
[g] [i] Trade Tax rebate of 25% on sale of Cement manufactured with fly ash purchased within the state of U.P. has been disputed by the U.P. Trade Tax Department. The Hon'ble High Court at Allahabad disposed-off the Writ Petition on 29.01.2004 in favour of the Company. The Department has thereafter filed SLP in the Hon'ble Supreme Court of India, which has been admitted and an interim order has been passed that pending disposal of the SLP, [a] the Department shall not take any step to encash the Bank Guarantees amounting to Rs.16,69,36,481/- [included in 2(a) above] [Previous Year Rs.16,69,36,481/-] and [b] granted interim stay for refund of amount of Rs.16,73,31,838/- [Previous Year Rs.16,73,31,838/-] deposited under protest with the Department.	516,237,283	516,237,283
[ii] The Government of U.P. vide Notification dated 14.10.2004 withdrew Notification dated 27.02.1998 granting rebate on tax on sale of fly-ash based cement manufactured within the State of U.P., out of fly-ash procured within U.P. The above Notification dated 14.10.2004 has been challenged by the Company before the Lucknow Bench of Hon'ble Allahabad High Court on the grounds of promissory estoppel in respect of Jaypee Ayodhya Grinding Operations Unit of the Company established in the State of U.P. The disputed tax for the period from 15.10.2004 to 31.12.2007 in respect of Jaypee Ayodhya Grinding Operations at Tanda and Jaypee Cement Blending Unit at Sadva Khurd, Allahabad established within U.P. amounting to Rs.53,76,73,870/- [Previous Year Rs.53,76,73,870/-] has been deposited under protest with U.P. Trade Tax Department.	537,673,870	537,673,870
[h] The Government of U.P. has imposed Entry Tax @2% on the value of the Cement w.e.f. 16.05.2003. This was challenged by the Company before the Hon'ble High Court at Allahabad and was decided in favour of the Company. However, the Order of the Hon'ble High Court has been challenged by the Department before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court has directed Hon'ble Allahabad High Court on 14.07.06 to examine the constitutional validity of U.P. Entry Tax Act. The High Court on 08.01.07 has held the above Act ultra vires. The Hon'ble Supreme Court on 17.04.07 passed an interim order sustaining the High Court Order and restricting further deposit. The final decision of Hon'ble Supreme Court is awaited. The Company has deposited Rs.34,09,36,649/- [Previous Year Rs.34,09,36,649/-] and Indemnity Bond/Bank Guarantee of Rs.13,73,58,510 [included in 2(a) above] [Previous Year 9,97,97,086/-] under protest, against the amount worked out for the period upto 23.09.2007.	557,904,792	557,904,792
[i] Govt. of U.P. has issued an ordinance viz. "Uttar Pradesh Tax on entry of goods into local areas Ordinance 2007", imposing entry tax on certain notified items, including and clinker, on value of the goods. This was challenged by the Company in the Hon'ble High Court at Allahabad. The Hon'ble Court on 01.11.07 has passed an interim order that Entry Tax will not be realised from the Company in respect of transactions before the date of promulgation of Ordinance dated 24.09.07 provided the Company furnished security other than Cash or Bank Guarantee for the amount of Entry Tax due for that period and entry tax in respect of the transactions for the subsequent period will also not be realised from the Company provided the Company furnishes Bank Guarantee for the amount due in respect of the transactions for that period. The final decision of the Hon'ble High Court is still awaited. As desired by the Hon'ble High Court the Company has submitted Bank Guarantee for Rs 43,15,13,000/- [included in 2(a) above] [Previous Year Rs.10,01,59,104/-] upto 31.03.09.	475,826,467	130,573,860

<p>[j] The Govt. of M.P. vide notification No. F-III-25/06/01/V (10) dated 14.03.06 & subsequent Notification No. F-A/III-195/05/01/V (14) dated 01.04.07 and also amending Section 4 and 4 A of the Entry Tax Act had enhanced the rate of Entry Tax from 1% to 5% on raw materials used for manufacture of Cement to the extent such Cement was transferred out of the state of M.P. as stock transfer. In response to the Special Leave Petition filed by the Company, the Hon'ble Supreme Court vide its order dated 15.09.2008 has passed an order to deposit, fifty percent of the tax by way of cash and balance fifty percent by way of Bank Guarantee till the hearing and final disposal of Special Leave Petition. The company has deposited Rs. 33,13,39,392/- [Previous Year 7,90,83,626/-] and furnished Bank Guarantee of Rs.7,86,59,685/- [included in 2(a) above] [Previous Year Nil] upto 31.03.2009 as per the order of Hon'ble Supreme Court.</p>	410,556,911	79,083,626
<p>[k] Bihar Sales Tax under appeal Amount deposited under Protest</p>	17,120,206 17,120,206	17,120,206 15,176,265
<p>[l] Excise matters under appeal Amount deposited under Protest</p>	111,109,983 49,017,169	74,029,479 33,868,965
<p>[m] Trade Tax under appeal (other matters)</p>	24,198,041	-
<p>[n] M.P. Entry Tax under Appeal Amount deposited under Protest</p>	30,553,964 15,678,000	59,767,370 15,949,625
<p>[o] U.P. Entry Tax under Appeal Bank Guarantee under Protest [included in 2(a) above]</p>	12,305,657 10,848,231	-
<p>[p] Nikay Kar under appeal</p>	-	672,924
<p>[q] MPCT/CST under appeal Amount deposited under Protest</p>	3,661,933 640,763	8,756,502 1,122,763
<p>[r] Electricity Cess under appeal Amount deposited under Protest</p>	18,497,870 9,248,936	18,497,870 9,248,936
<p>[s] Income Tax matters under appeal</p>	70,878,692	227,101,888
<p>03 Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances)</p>	18,225,925,048	11,288,925,137
<p>04 Revaluation Reserve</p>		
<p>[a] Reserves acquired on amalgamation of erstwhile Jaypee Greens Limited, include Revaluation Reserve of Rs.529,00,06,945/- created on revaluation of Fixed Asset [Land] and "Projects Under Development [Land]" (since adjusted as per [b] below). The said revaluations were done on 14.06.2003 and 28.02.2005 by Rs.250,54,89,147/- and Rs.278,45,17,798/- respectively.</p>		<p>(Previous Year 1,55,74,288/-) upto 31.03.2009 has been created for the redemption premium .</p>
<p>[b] The aforesaid Revaluation Reserve included Rs.226,88,29,528/- (Previous Year Rs.226,88,29,528/-) in respect of "Projects Under Development [Land]" forming part of the Inventory under the Current Assets. During the Financial Year 2006-07 the value of "Projects Under Development [Land]" under the Current Assets has been stated at cost and the related Revaluation Reserve amounting to Rs 226,88,29,528/- has been reversed.</p>		<p>[b] The Company has issued 1,65,000 Nos 0.50% Foreign Currency Convertible Bonds [FCCB-II] of Euro 1000 each aggregating to Euro 165 Million at par on 09.03.2006. These Bonds are convertible at the option of bond-holders into equity shares of Rs.10/- each fully paid at the conversion price of Rs. 558.773 per share, subject to the terms of issue, with a fixed rate of exchange of Rs. 53.599 equal to Euro 1.00 at any time on or after 19.04.2006 and prior to the close of business on 02.03.2013.</p>
<p>[c] During the F.Y. 2008-09 an amount of Rs. 1,64,46,560/- [Previous Year Rs.73,42,993/-] has been amortised by way of debit to the Revaluation Reserve account and credited to the Profit & Loss Account.</p>		<p>Post split of the Equity Shares of Rs 10/- each into 5 Equity Shares of Rs 2/- each on 26.12.2007, the Bonds are/will be converted into Equity shares of Rs 2/- each at the conversion price of Rs 111.7546 per share.</p>
<p>05 [a] The Company had issued 1,00,000 Nos 0.50% Foreign Currency Convertible Bonds [FCCB - I] of USD 1,000 each aggregating to USD 100 Million, at par, on 16.02.2005. These Bonds are convertible at the option of bond-holders into equity shares of Rs.10/- each fully paid, at the conversion price of Rs.236.31 per share, subject to the terms of issue, with a fixed rate of exchange of Rs.43.785 equal to USD 1.00 at any time on or after 29.03.2005 and prior to the close of business on 10.02.2010.</p>		<p>4,750 FCCBs of Euro 1,000 each were converted into 22,78,162 Equity Shares of Rs.2/- each during 2008-09 (Previous Year 1,31,810 FCCBs of Euro 1,000 each were converted into 1,26,43,545 Equity Shares of Rs.10/- each and 23,714 FCCBs of Euro 1,000 each were converted into 1,13,73,546 Equity Shares of Rs.2/- each).</p>
<p>Post split of the Equity Shares of Rs 10/- each into 5 Equity Shares of Rs 2/- each on 26.12.2007, the Bonds are/will be converted into Equity shares of Rs 2/- each at the conversion price of Rs 47.262 per share.</p>		<p>4,726 FCCBs of Euro 1,000 each [Previous Year 9,476] were outstanding as on 31.03.2009. Upon conversion of the outstanding Bonds into Equity Shares, the share Capital of the Company will increase by 22,66,653 Equity Shares of Rs.2/- each (Previous Year 45,44,816).</p>
<p>2,060 FCCBs of USD 1,000 each [Previous Year 2,060] were outstanding as on 31.03.2009. No conversion has taken place during the year [Previous Year Nil]. Upon conversion of the outstanding Bonds into Equity Shares, the Share Capital of the Company will increase by 19,08,450 Equity Shares of Rs.2/- each.</p>		<p>Unless previously converted, the bonds are redeemable at maturity on 09.03.2013 at a premium of 32.071% ; representing a YTM of 4.50% p.a. [value as on 31.03.2009 is Euro 1,128.406 (Previous Year Euro 1,084.67) per Bond]. A reserve aggregating to Rs. 4,15,26,524/- (Previous Year 5,09,24,070/-) upto 31.03.2009 has been created for the redemption premium.</p>
<p>Unless previously converted, the bonds are redeemable at maturity on 17.02.2010 at a premium of 31.959% ; representing a YTM of 6.15% p.a. [value as on 31.03.2009 is USD 1,256.41 (Previous Year USD 1,188.49) per Bond]. A reserve aggregating to Rs.2,71,76,127/-</p>		<p>[c] The Company has issued 4,00,000 Zero Coupon Foreign Currency Convertible Bonds [FCCB-III] of USD 1,000 each aggregating to USD 400 Million at par on 11.09.2007. These Bonds are convertible at the option of bond-holders into equity shares of Rs 10/- each fully paid at the conversion price of Rs. 1,238.78 per share, subject to the terms of issue, with a fixed rate of exchange of Rs. 40.35 equal to USD 1.00 at any time on or after 22.10.2007 and prior to the close of business on 05.09.2012.</p>

Post split of the Equity Shares of Rs 10/- each into 5 Equity Shares of Rs 2/- each on 26.12.2007, the Bonds are/will be converted into Equity shares of Rs 2/- each at the conversion price of Rs 247.756 per share.

No conversion has taken place during F.Y. 2008-09 (Previous Year 4,500 FCCBs of USD 1,000 each were converted into 7,32,876 Equity Shares of Rs.2/- each) .

During the year the Company has bought back FCCB's aggregating USD 40.025 million at an average discount of 47% and the gain amounting to Rs 86,64,19,134 has been credited to Capital Reserve.

FCCBs for USD 355.475 Million (Previous Year USD 395.50 Million) were outstanding as on 31.03.2009. Upon conversion of the Bonds into Equity Shares, the Share capital of the Company will increase by 5,78,93,315 Equity shares of Rs. 2/- each (Previous Year 6,44,11,860).

Unless previously converted, the bonds are redeemable at maturity on 12.09.2012 at a premium of 47.701% ; representing a YTM of 7.95% p.a. [value as on 31.03.2009 is USD 1,12,926.204 (Previous Year USD 1,04,456.842) for a principle amount of USD 1,00,000]. A reserve aggregating to Rs. 2,36,40,97,848/- (Previous Year 71,50,55,730) upto 31.03.2009 has been created for the redemption premium.

- 06 Pursuant to the notification dated March 31,2009 issued by the Ministry of Corporate Affairs, the Company has exercised the option available under the newly inserted Paragraph 46 to the Accounting Standard AS - 11"The effect of changes in Foreign Exchange Rates" to add or deduct the FE fluctuation to capital cost of the Assets. Accordingly the foreign exchange fluctuation of Rs 10,40,83,687 for the financial year 2008-09 on long term loans for projects already commissioned has been added to cost of Capital Assets. In terms of the said notification, the gain of Rs 8,19,80,000 credited to Profit & Loss Account during F.Y. 2007-08 has also been adjusted to the Capital Assets by debiting General Reserve. The net addition in the assets will be amortized during the remaining life of the assets.
- 07 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.
- 08 [a] Non-Convertible Debentures [NCDs], mentioned here-under, together with interest, liquidated damages, remuneration payable to Trustees, and other monies due in respect thereof are secured as under :

NCDs at Sl. No.	Nature of Mortgage	Properties at	Trustee	Security Charge
[i]	Legal Mortgage in English form	Mouje Budasan, Taluka Kadi, Dist. Mehsana, Gujarat	Axis Bank Limited	First Mortgage
[ii] & [iii]	Legal Mortgage in English form	Mouje Dhanot, Taluka Kalol, Dist. Mehsana, Gujarat	Axis Bank Limited	First Mortgage
[iv] & [v]	Legal Mortgage in English form	Mouje Dhanot, Taluka Kalol, Dist. Mehsana, Gujarat	IDBI Trusteeship Services Limited	First Mortgage

and equitable mortgage of Immovable Properties and Hypothecation of Movables [present and future], ranking pari passu, save and except book debts and exclusive charge on assets including under Hire Purchase, subject to prior charge on specified movables created in favour of the Company's Bankers for working capital facilities in respect of NCDs at Sl.No.[ii],[iii], [iv] & [v] and to the extent of 40% in respect of NCDs outstanding to Rs.165 crores at Sl.No.[i] ; the balance 60% being secured by way of Bank Guarantee of Rs.103.13 crores included under [b] below and NCDs at Sl no [iii] is secured by pari passu charge on the assets of Himachal Cement Plant.

- [i] 1,800 7.5% NCDs of Rs.10,00,000/- each redeemable in 12 equal quarterly installments from 15.01.2009 to 15.10.2011 [Rs 83,333.33 per Debenture redeemed]
- [ii] 1,500 9.5% NCDs of Rs.10,00,000/- each redeemable in 12 equal quarterly installments from 01.04.2010 to 01.01.2013
- [iii] 5,000 9% NCDs of Rs.1,00,000/- each redeemable in 20 equal quarterly installments from 01.04.2008 to 01.01.2013 [Rs 25,000/- per Debenture redeemed]
- [iv] 3,000 11.80% NCDs of Rs.10,00,000/- each redeemable in 5 equal annual installments from 11.08.2012 to 11.08.2016

- [v] 1,500 12.40% NCDs of Rs.10,00,000/- each redeemable in 5 equal annual installments from 04.11.2012 to 04.11.2016
- [b] Term Loans including External Commercial Borrowings from Financial Institutions, Banks and Bank Guarantees to the extent of Rs.103.13 Crores [Previous Year Rs.112.50 Crores] [for partially securing Non Convertible Debentures] together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements are secured by equitable mortgage of Immovable Properties and Hypothecation of movables [present and future], save and except book debts and exclusive charge on assets including under Hire Purchase, ranking pari passu, subject to prior charge on specified movables created/to be created in favour of the Company's Bankers for working capital facilities.
- [c] Term Loans obtained from Banks for setting up of 6.2 Million TPA Cement Plant in H.P. at Baga & Bagheri , Grinding Units in Haryana at Panipat and in Uttaranchal at Roorkee, 3.0 Million TPA Cement Plant in U.Pat Dalla, Churk and Chunar and 2.0 Million TPA Cement Plant in M.P. at Sidhi 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 respective Cement Plants [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 the Company's Bankers.
- [d] Term Loans including External Commercial Borrowings amounting to Rs 10,45,26,60,529 (balance as on 01.04.2008 Rs 3,95,05,15,735) obtained from Banks and Others for setting up 2.4 millions TPA Cement Plant at Bhuj with Grinding Unit at Wanakbori in Gujarat 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 the Plant, save and except book debts, ranking pari passu, subject to prior charge on specified movables created/ to be created in favour of the Bankers for Working Capital facilities. The Secured Liability of Rs 4,44,00,000 from Gujarat Industrial Investment Corporation Ltd. is secured by collateral security belonging to M/s Shikhar Enterprise - Prop. Anjan H. Raja and the Office premises (Book value of Rs 57,32,834 and W.D.V. Rs 53,59,054). This liability is under settlement with Gujarat Industrial Investment Corporation Ltd.
- [e] Term Loans amounting to Rs 50,00,00,000/- (Previous Year Rs.Nil) obtained from Banks for setting up 3.5 million TPA Cement Plant at Jaggayyapet, Distt. Krishna, Andhra Pradesh together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements to be secured by equitable mortgage of immovable properties and Hypothecation of movables of the Plant, save and except book debts, ranking pari passu, subject to prior charge on specified movables created/ to be created in favour of the Bankers for Working Capital facilities.
- [f] Term Loan from Oriental Bank of Commerce [OBC] and disbursements of Rs.50 Crores each from IFCI Limited and OBC against their respective sanction of Rs.100 Crores each for setting up of Resort Cum Spa at Greater Noida in Uttar Pradesh and Rs.20 Crores sanctioned by OBC for construction of additional rooms in Hotel Jaypee Siddharth, Rajendra Place, New Delhi, together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies stipulated in the loan agreements, are secured by way of first charge ranking pari passu on the fixed assets of the Resort Cum Spa and collateral security of existing immovable properties, ranking pari passu, subject to prior charge on specified assets created/ to be created in favour of the Bankers and to the extent charged by way of primary security against cash credit facility from Indian Overseas Bank against first charge over the Inventories and Book Debts.
- [g] Term Loan of Rs 200 crores sanctioned by Punjab National Bank for Yamuna Expressway Project, outstanding Rs.192,54,15,777/- as on 31.03.2009 [Previous Year Rs 199,99,33,998/-] is secured by way of Ist charge on 370.49 acres of Lease Hold Land at Jaypee Greens, Greater Noida. The said loan has been transferred to Jaypee Infratech Limited, a Subsidiary of Jaiprakash Associates Limited. The charge is yet to be vacated.

- [h] The Working Capital facilities availed from the Consortium member Banks with Canara Bank, as lead, are secured by way of first charge on Current Assets i.e. Hypothecation of Stocks of Raw Materials, Work-in-Progress, Stock-in-Process, Finished Goods, Stores & Spares and Book Debts [except pertaining to Overseas Works and Projects under development] ranking pari-passu and 2nd charge on the Fixed Assets of the Company, both present and future except assets exclusively charged.
- [i] Interest Free Loan granted by U.P. Financial Corporation (UPFC) under Audyogik Nivesh Protshahan Yojna Scheme is secured by way of First Charge on the Fixed Assets of the respective Units of the Company.
- 09 Conveyance Deed in respect of Ahmedabad office purchased by Transferor Company is yet to be executed. However the Company has already taken possession from the Society viz. Sanukt Members Association, as per rules of the Society of which the Company is a member.
- 10 Sub- Lease in respect of Real Estate Land purchased by Transferor Companies from Jaypee Infratech Limited is yet to be executed.
- 11 [a] The Provision for Taxation made in the Profit & Loss Account includes Rs.40,00,000/- [Previous Year Rs.25,15,064/-] towards Provision for Wealth Tax Expenses of the year.

As At 31.03.2009 As At 31.03.2008
Rupees Rupees

[b] Deferred Tax		
[i] Deferred Tax Liability on account of:		
Depreciation	5,798,773,574	4,234,148,429
Others	<u>1,401,614,867</u>	<u>1,477,329,906</u>
	<u>7,200,388,441</u>	<u>5,711,478,335</u>
Deferred Tax Assets on account of:		
Employees' Benefits	16,026,641	114,936,541
Others	<u>288,090,081</u>	<u>114,936,541</u>
	<u>304,116,722</u>	<u>114,936,541</u>
Net Deferred Tax Liability	<u><u>6,896,271,719</u></u>	<u><u>5,596,541,794</u></u>

- [ii] Deferred Tax [Net] amounting to Rs.89,43,97,096/- [Previous Year Rs.69,54,73,825/-] has been recognised in the Profit & Loss Account for the year ended 31st March, 2009.

2008-2009 2007-2008
Rupees Rupees

12 Disclosure as per Accounting Standard - 7 [Revised]		
[a] Contract Revenue during the period	22,443,832,812	8,138,435,973
[b] Direct Expenses during the period	14,894,695,484	6,588,043,179
[c] Profits recognised during the period before depreciation	7,549,137,328	1,550,392,794
[d] Advances received [Outstanding]	17,731,974,955	16,166,468,182
[e] Retentions [Outstanding] *	574,220,083	885,389,202

* Retentions are after adjusting amounts released against furnishing of Bank Guarantees

The above information is in respect of Contracts entered into on or after 01.04.2003.

As at 31.03.2009 As at 31.03.2008
Rupees Rupees

- 13 [a] Capital Work-in-Progress includes Civil Works, Machinery Under Erection and in transit, Advances to Suppliers, Construction and Erection Materials, Pre-operative Expenses and also Expenditure related to Cement Projects in Himachal Pradesh, Uttar Pradesh & Madhya Pradesh. **50,819,408,530** 42,190,198,909
- [b] Rs.459 crores (Previous Year Rs.459 Crores) was deposited with the Hon'ble High Court of Judicature at Allahabad for purchase of assets located at Dalla, Churk and Chunar [U.P.] of U.P. State Cement Corporation Limited [in liquidation]. Out of this an amount of Rs.441.31 crores (Previous Year 54.34 Crores) has been capitalised till 31.03.2009 and balance Rs.17.69 crores (Previous Year Rs.404.66 Crores) is included in Capital Work in Progress.

- 14 The Free-hold Land [Agricultural] purchased by the Company for Rs.2,96,407/- measuring 7 Bighas at Rangpuri, New Delhi has been notified for acquisition U/s 4 & 6 of the Land Acquisition Act. The Company's claim for compensation is pending settlement.
- 15 29,49,99,900 Equity Shares of Rs.10/- each fully paid up [Previous Year 29,49,99,900 Equity Shares] of Jaiprakash Hydro-Power Limited [JHPL] [subsidiary company] are pledged with IFCI Limited as collateral security for the financial assistance granted by Lenders to JHPL. As on 31.03.2009 loan outstanding was Rs 741.17 Crores [Previous Year Rs.829.58 crores]. The Company has furnished Bank Guarantee to Satluj Jal Vidyut Nigam Limited [SJVNL] for Rs.7 crores [included in 2(a) above] for Inter Connection Facility established by SJVNL at Jhakri for evacuation of Power from JHPL's Baspa-II HEP.
- 16 42,90,00,000 Equity Shares of Rs.10/- each fully paid up [Previous Year 42,90,00,000 Equity Shares] of Jaiprakash Power Ventures Limited [JPVL] [subsidiary company] are pledged with IDBI Trusteeship Services Limited [ITSL] as collateral security for the financial assistance granted by PFC, PNB, ICICI, IDBI, REC and LIC to JPVL. As on 31.03.2009 loan outstanding was Rs 900.37 crores [Previous Year Rs.1,008.95 crores] and 25.4265 Million USD equivalent to Rs.129.48 crores [Previous Year 28.5085 Million USD equivalent to Rs. 114.03 crores].
- 17 27,75,00,000 Equity Shares [including 5,25,00,000 Equity Shares pledged on 2nd April 2009] of Rs.10/- each fully paid-up [Previous Year 22,50,00,000 Equity Shares] of Jaypee Karcham Hydro Corporation Limited [JKHCL] [Subsidiary Company] are pledged with ITSL as collateral security for financial assistance granted by Lenders to JKHCL. As on 31.03.2009 loan outstanding was Rs 1909.74 Crores [Previous Year Rs.582.82 crores].
- 18 The Company has pledged 28,95,00,000 Equity Shares of Rs 10/- each fully paid up of Jaypee Infratech Limited (JIL) (Subsidiary Company) with IDBI Trusteeship Services Limited (ITSL) (Trustee) and executed non disposal undertaking for further 20,26,50,000 Equity Shares of JIL held by the Company in favour of ITSL as collateral security for the financial assistance of Rs 3,000 crore Rupee Term Loan granted by ICICI Bank Limited to JIL.As on 31.03.2009 loan outstanding was Rs 1675 crore.
- 19 6,01,80,000 Equity Shares of Rs.10/- each fully paid-up of Himalayan Expressway Limited [HEL] are pledged with Axis Bank Limited as collateral security for financial assistance granted to HEL. As on 31.03.2009 loan outstanding was Rs.114 Crores.
- 20 The Company has pledged 20,35,000 Equity Shares held in Jaypee DSC Ventures Limited to HUDCO as Security for Loans granted to Jaypee DSC Ventures Limited.
- 21 Jaypee Infratech Limited has mortgaged 50 acres of Land against term Loan for Rs 600 crore granted by Standard Chartered Bank to the Company.
- 22 Other Liabilities shown under the head "Current Liabilities & Provisions" include Book Overdraft of Rs.13,03,11,728/- [Previous Year Rs.20,63,79,931/-].
- 23 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	2008-2009	2007-2008
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 year of delay in making payment (which have been paid beyond the appointed date during year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act,2006.	Nil	Nil

d) The amount of interest accrued and remaining unpaid	Nil	Nil	[n] Share Application Money paid to Gujarat Jaypee Cement & Infrastructure Limited - [pending for allotment Rs.11,11,98,400]	100,000,000	16,000,000	
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	[o] Share Application Money paid to Himalayan Expressway Limited - pending for allotment	-	50,000,000	
The above information is based on information available with the Management			[p] Share Application Money paid to JPSK Sports Private Limited - [pending for allotment Rs.11,50,00,000]	104,838,840	10,161,160	
24 Balances of some of the Debtors, Creditors, Loans & Advances are subject to reconciliation /confirmation from the respective parties. The Management does not expect any material difference affecting the Financial Statements for the year.			[q] Share Application Money paid to Jaypee Ganga Infrastructure Corporation Limited - [pending for allotment Rs.2,00,00,000]	1,813,500,000	915,000,000	
25 Particulars of investments [non trade] made subsequent to the date of previous Balance Sheet:			[r] Share Application Money paid to Bokaro Jaypee Cement Limited - [pending for allotment Rs.4,90,95,360]	49,095,360	-	
Name of Company	2008-2009 Rupees	2007-2008 Rupees	[s] Advance to LIC Mutual Fund	1,000,000,000	-	
<u>In Subsidiaries</u>			26 Cost of Limestone raised included in raw materials consumed:			
[a] Jaypee Karcham Hydro Corporation Limited 17,50,00,000 Equity Shares of Rs.10/- each	1,750,000,000	-	Royalty and Cess	330,489,634	319,112,498	
[b] Jaypee Cement Limited Nil [Previous Year 31,09,00,000] Equity Shares of Rs.10/- each	-	3,109,000,000	Salaries and Wages	132,249,042	92,595,693	
[c] Jaypee Infratech Limited Nil [Previous Year 95,50,00,000] Equity Shares of Rs 10/- each]	-	9,550,000,000	Power and Fuel	7,749,694	6,676,709	
[d] Himalayan Expressway Limited 9,50,00,000 [Previous Year 50,000] Equity Shares of Rs 10/- each	950,000,000	500,000	Stores and Spares Consumed	426,269,614	364,159,971	
[e] Jaypee Ganga Infrastructure Limited 27,08,50,000 [Previous Year 5,00,000] Equity Shares of Rs 10/- each	2,708,500,000	5,000,000	Factory and Administrative Overheads	79,786,675	81,777,221	
<u>In Joint Venture Subsidiaries</u>			Payment to Mining Contractor	36,254,794	-	
[f] JPSK Sports Private Limited Nil [Previous Year 6,17,000] Equity Shares of Rs 10/- each]	-	6,170,000	1,012,799,453	864,322,092		
[g] Gujarat Jaypee Cement & Infrastructure Limited 4,80,160 Equity Shares of Rs 10/- each [Previous Year 63,000] Equity Shares of Rs 10/- each and Rs 1,60,00,000 Share Application Money]	4,801,600	630,000	27 [a] In compliance of Accounting Standard-2 [Revised], the Company has provided liability of Excise Duty amounting to Rs.4,73,02,710/- [Previous Year Rs.9,81,14,645/-] on the stocks of Finished Goods lying at Works. However, there is no impact on the profit for the current year.			
[h] Bhilai Jaypee Cement Limited 6,26,20,650 [Previous Year 6,94,67,500] Equity Shares of Rs 10/- each	626,206,500	964,675,000	[b] The Excise Duty Rs.4,57,79,150/- [Previous Year Rs.6,40,07,517/- debit] related to difference between Closing and Opening Stock has been credited in the Profit & Loss Account separately.			
[i] Bokaro Jaypee Cement Limited 1,86,99,230 Equity Shares of Rs.10/- each	486,992,300	-	28 Sundry Debtors includes the following debts due from the Companies under the same Management as defined U/s 370(1-B) of the Companies Act, 1956:			
[j] Short Term Investment in Liquid Fund [redeemed during the year]	1,000,000,000	-		As at 31.03.2009 Rupees	As at 31.03.2008 Rupees	
<u>Share Application Money</u>			[a] Jaiprakash Hydro Power Limited	4,269,486	15,885,482	
[k] Share Application Money paid to Jaypee Cement Limited - pending for allotment	-	211,000,000	[b] Jaiprakash Power Ventures Limited	30,264,840	25,506,920	
[l] Share Application Money paid to Jaiprakash Kashmir Energy Limited - [pending for allotment Rs.1,01,00,000]	-	-	[c] Jaypee Karcham Hydro Corporation Limited	2,670,837,148	420,905,517	
[m] Share Application Money paid to Madhya Pradesh Jaypee Minerals Limited - [pending for allotment Rs.30,67,95,000]	103,400,000	203,395,000	[d] Jaypee Infratech Limited	1,528,020,099	141,239,330	
			[e] Himalayan Expressway Limited	66,310,057	-	
			[f] Bina Power Supply Company Limited	1,889,025	-	
			[g] Bhilai Jaypee Cement Limited	31,279,376	-	
			[h] Bokaro Jaypee Cement Limited	1,245,826	-	
			[i] Gujarat Anjan Cement Limited	-	334,650,110	
			29 [a] Details of balances with Foreign Banks in Current Account:			
			Name of the Bank	Balance as at 31.03.2009	Amount of Maximum balance during the year	Balance as at 31.03.2008
			01 Rafidian Bank, Subkusoor, Baghdad [I.D.]	27,380,207	27,380,207	27,380,207
			02 Bank of Bhutan, Phuentsholing, Bhutan [Nu] [A/c No.7340]	-	22,014	22,014
			03 Bank of Bhutan, Phuentsholing, Bhutan [Nu] [A/c No.7311]	3,437,319	12,594,578	15,435
			04 Bank of Bhutan, Phuentsholing, Bhutan [Nu] [A/c No.268]	2,767,597	4,591,387	34,844

05	Royal Bank of Scotland [GBP] [A/c No.21872175]	4,887	1,042,219	29,280
06	Royal Bank of Scotland [USD]	39,828	50,180	50,180
07	Royal Bank of Scotland [EURO]	8,008	8,008	8,008
08	Royal Bank of Bhutan [Nu] [A/c No.960]	-	9,381	9,381
09	ICICI Bank U.K. Plc London [EURO]	575,413	575,413	-
10	ICICI Bank U.K. Plc London [USD]	7,967	8,007	-

[b] Details of Fixed Deposits & Balances in Current Account with Indian Banks in Foreign Countries [including Foreign Currency Convertible Bonds proceeds pending for utilisation]:

	As at 31.03.2009 Values	As at 31.03.2008 Values
[i] Fixed Deposits with:		
01 State Bank of India, London [USD]	20,000,000	1,747,393
02 State Bank of India, London [CAD]	61,625,000	-
03 Canara Bank, London [USD]	-	19,402,941
04 ICICI Bank, London [EURO]	-	52,886,318
05 Axis Bank Limited, Hongkong [USD]	-	26,569,198
06 Bank of Baroda, London [USD]	-	50,581,461
07 Bank of India, London [USD]	-	25,000,000
08 ICICI Bank, London [USD]	-	25,000,000

[ii] Current Account with:		
01 Canara Bank, London [USD]	2,604	2,402
02 State Bank of India, London [EURO]	7,592	-
03 Canara Bank, London [EURO]	68,456	68,456
04 State Bank of India, London [USD]	9,608,320	1,645,040
05 Bank of Baroda, London [EURO]	105,849	130,464
06 Bank of India, Jersey [USD]	10,466	690,739
07 State Bank of India, London [EURO]	-	7,593
08 Bank of India, London [USD]	5,655	1,425,875
09 Bank of India, Tokyo [USD]	1,350	41,400
10 Syndicate Bank, London [USD]	22,457	132,194
11 Bank of Baroda, London [USD]	585	-

[c] Details of Fixed Deposits Account with Foreign Banks in Foreign Countries		
01 Royal Bank of Scotland, London [GBP]	1,069,458	1,000,000
02 ICICI Bank U.K. Plc London [EURO]	20,728,616	-
03 Barclays Bank Plc, London [USD]	3,918,042	-

30 Managerial remuneration paid/payable to Whole-time Directors [excluding Provisions for Gratuity & Leave Encashment on retirement]	2008-2009 Rupees	2007-2008 Rupees
Salaries	35,205,000	29,553,387
Provident Fund Contribution	4,224,600	3,546,406
Perquisites	23,171,363	18,256,475
	<u>62,600,963</u>	<u>51,356,268</u>

Managerial remuneration paid/payable to Whole-time Directors of Transfer Companies [excluding Provisions for Gratuity & Leave Encashment on retirement]		
Salaries	10,080,000	-
Provident Fund Contribution	1,129,800	-
Perquisites	5,431,038	-
	<u>16,640,838</u>	<u>-</u>

31 Additional information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule VI to the Companies Act, 1956.

Statistical Data:

[A] Cement	2008-2009 Qty. (MT)	2007-2008 Qty. (MT)
[a] Capacity & Production:		
Installed Capacity - Per annum	14,700,000 *	7,000,000 *
Production - Portland Cement	7,634,169 **	6,776,663 **
- Clinker (Production for Sale)	- **	- **

* as on 31.03.2009

** as certified by the Management.

[b] Sales :	2008-2009 Qty. MT	2008-2009 Value (Rs.)	2007-2008 Qty. MT	2007-2008 Value (Rs.)
Cement	6,955,362	24,995,532,069	6,220,361	22,405,097,724
[exclusive of self-consumption]				
Clinker	-	-	-	-
		24,995,532,069		22,405,097,724
Less: Excise Duty		3,320,438,379		3,381,177,402
		<u>21,675,093,690</u>		<u>19,023,920,322</u>

[c] Particulars in respect of Opening Stock and Closing Stock:				
Opening Stock - Cement *	113,204	265,292,138	106,450	237,685,929
Closing Stock - Cement *	136,459	316,863,358	113,204	265,292,138
* after adjusting 6,50,487 MT Self Consumption (Previous Year 5,42,876 MT) and 5,065 MT screening and transit loss [Previous Year 6,672 MT]				

[B] Cement Product - Asbestos Sheets

[a] Capacity & Production:				
Installed Capacity - Per annum		100,000 *		100,000 *
Production - Asbestos Sheet		95,568 **		89,293 **
* as on 31.03.2009				
** as certified by the Management.				
[b] Sales :				
Asbestos Sheet	93,171	730,878,337	86,664	516,502,440
[exclusive of self-consumption]				
Less: Excise Duty		46,048,532		39,798,523
		<u>684,829,805</u>		<u>476,703,917</u>

[c] Particulars in respect of Opening Stock and Closing Stock:				
Opening Stock - Asbestos Sheet *	11,974	56,178,562	14,332	71,036,434
Closing Stock - Asbestos Sheet *	12,539	56,101,848	11,974	56,178,562
* after adjusting 770 MT [Previous Year 1,829 MT] Self Consumption and 1,062 MT [Previous Year 3,158 MT] Dry waste loss and rejected sheets loss				

[C] Wind Power

[a] Capacity & Production:	2008-2009	2007-2008
Licensed Capacity	49 MW	49 MW
Installed Capacity	49 MW	49 MW
[i] Net Saleable Design Energy [annual basis]	429 Million Unit	429 Million Unit
[ii] Production details and Parameters		
Net Saleable Energy [20%]	80 Million Unit	28 Million Unit
Plant Availability	94%	96%
[b] Sales :		
Sale of Wind Power	Rs. 282,724,891	Rs. 99,248,979

[D] Details of Raw Materials, Stores and Spares Consumed:

	2008-2009 Qty. MT	2008-2009 Value (Rs.)	2007-2008 Qty. MT	2007-2008 Value (Rs.)
[a] Raw Materials: *				
Cement Division				
Indigenous : (100%)				
Limestone Raised	8,232,216	1,012,799,453	7,481,018	869,870,839
Clinker	30,341	74,979,460	3,495	11,074,416
Gypsum	234,560	466,685,458	192,379	376,201,394
Laterite/Iron Ore	211,111	90,428,884	195,843	66,551,830
Fly Ash	1,774,366	528,854,051	1,571,077	462,987,815
		<u>2,173,747,306</u>		<u>1,786,686,294</u>
Cement Product - Asbestos Sheets				
[i] Indigenous : [31.27% (Previous Year 36.36%)]				
Cement OPC	36,755	71,710,769	34,944	64,040,983
Pulp	558	8,827,862	547	8,092,666
Fly Ash	25,861	8,228,197	24,035	8,068,113
[ii] Imported: [68.73% (Previous Year 64.64%)]				
Fibre	6,585	195,088,517	6,164	146,624,874
		<u>283,855,345</u>		<u>226,826,636</u>
[b] Stores and Spares:	2008-2009 Rupees		2007-2008 Rupees	
[i] Indigenous	2,571,137,493	95.16%	2,050,486,079	91.96%
[ii] Imported	130,808,208	4.84%	179,231,609	8.04%
	<u>2,701,945,701</u>	<u>100%</u>	<u>2,229,717,688</u>	<u>100%</u>

[E] The Central Government in exercise of the powers conferred under section 211(4) of the Companies Act, 1956 has granted exemption vide Ministry of Corporate Affairs letter No.46/90/2007-CL-III dated

01.05.2007 to the effect that the disclosure of quantitative details in compliance of paras 3(i)(a) and 3(ii) (d) of Part-II of Schedule-VI to the Companies Act, 1956 as amended vide Notification No.GSR 494(E) dated 30th October, 1973 in respect of goods which are less than 10% of the total value of Company's turnover, purchases, goods traded, sales, consumption of raw material etc., shall not be necessary for the Company in respect of its Hotel/ Hospitality Business for the financial year ended on 31.03.2009.

No class of goods is in excess of 10% of the total value of Company's turnover, purchases, goods traded, sales, consumption of raw material etc., in respect of which quantitative details are required to be disclosed.

	2008-2009 Rupees	2007-2008 Rupees
[F] Value of Imports [On CIF Basis]:		
Stores and Spares	1,227,169,723	653,978,242
Capital Equipment [including Capital Work-in-Progress]	3,183,327,938	5,912,062,928
Steel Plates	450,337,423	8,110,321
Raw Materials	142,244,651	122,568,960
Foreign Currency Rate Difference [capitalised]	5,032,915,912	460,012,631
[G] Expenditure in Foreign Currency [including Expenditure During Construction Period]:		
Travelling	14,517,495	25,331,056
Technical Fees	183,155,930	105,021,264
Contract Work Expenses	8,069,341	55,477,218
Financial and Bank Charges	29,769,370	68,893,333
Interest	671,653,485	1,178,659,950
Others	44,088,006	23,610,168
[H] Earnings in Foreign Exchange [including Income during Construction Period]:		
Contract Receipts [Deemed Export]	5,760,259	36,491,061
Cement Exports [FOB Value]	43,781,829	120,094,815
Hospitality	282,312,811	938,881
Interest	162,177,124	616,305,722
Others	34,793,446	718,398
Advance received from Real Estate Customers	161,062,023	85,617,357
Conveyance Deed executed during the year out of advance	4,026,689	24,296,000
[I] Dividend Paid to Non-Resident Share Holders in Foreign Currency		

	During FY 2008-2009		During FY 2007-2008		
	Interim Div. Ist	Final Div. for FY 2007-2008	Interim Div. Ist	Interim Div. IInd	Final Div. for FY 2006-2007
Number of Share Holders	86	88	98	103	97
Number of Shares	686,115	700,050	150,465	680,399	149,465
	[Face Value Rs 2/-]	[Face Value Rs 2/-]	[Face Value Rs 10/-]	[Face Value Rs 2/-]	[Face Value Rs 10/-]
Dividend Paid [Rs.]	205,835	280,020	225,698	204,120	239,144
By Jaypee Hotels Limited [Transferor Company]					
Number of Share Holders		56			
Number of Shares		17,200			
		[Face Value Rs 10/-]			
Dividend Paid [Rs.]		30,960			

32 The External Commercial Borrowings [ECBs] outstanding as on 31.03.2009 of JPY 25447.50 million, USD 32.50 million, USD 24 million and USD 15 million, JPY 1030.27 million, GBP 34.84 million and CAD 61.625 million are hedged in respect of coupon as well as repayment. Hedging of JPY to USD in respect of JPY 1030.27 million will be done as soon as FE rates stabilise.

As on 31.03.2009, the Company has outstanding exposure of USD 20,60,000 against Foreign Currency Convertible Bonds [FCCB-I] [Previous Year USD 20,60,000] and Euro 47,26,000 against Foreign Currency Convertible Bonds [FCCB-II] [Previous Year Euro 94,76,000] and USD 35,54,75,000 against Foreign Currency Convertible Bonds [FCCB-III] (Previous Year USD 39,55,00,000) unhedged pending conversion into Equity Share Capital (owing to Current Market Share Price being higher/near Conversion Price).

USD 3,36,17,275 [Previous Year USD 14,99,15,854], Euro 2,14,93,935/- [Previous Year Euro 5,31,00,837] and CAD 6,16,25,000 [Previous Year Nil] are parked overseas pending utilization.

33 Related Parties disclosures, as required in terms of "Accounting Standard [AS] 18" are given below:

Relationships

[a] Subsidiary Companies [including their subsidiaries]:

- [i] Jaiprakash Hydro Power Limited
- [ii] Jaiprakash Power Ventures Limited
- [iii] Jaypee Karcham Hydro Corporation Limited
- [iv] Jaypee Infratech Limited
- [v] Himalayan Expressway Limited
- [vi] Jaypee Ganga Infrastructure Corporation Limited
- [vii] Bina Power Supply Company Limited [subsidiary of Jaiprakash Power Ventures Limited w.e.f 15.05.08]
- [viii] Jaypee Hotels Limited [till 31.03.2008]*
- [ix] Jaypee Cement Limited [till 31.03.2008]*
- [x] Gujarat Anjan Cement Limited [subsidiary of Jaypee Cement Limited till 31.03.2008]*

* Merged with the Company w.e.f 01.04.2008

[b] Joint Venture Subsidiaries :

- [i] Madhya Pradesh Jaypee Minerals Limited
- [ii] Bhilai Jaypee Cement Limited
- [iii] Bokaro Jaypee Cement Limited
- [iv] Jaypee Powergrid Limited [Joint Venture Subsidiary Company of Jaiprakash Hydro Power Limited]
- [v] JPSK Sports Private Limited
- [vi] Gujarat Jaypee Cement and Infrastructure Limited
- [vii] Jaypee Arunachal Power Limited [Joint Venture Subsidiary Company of Jaiprakash Power Ventures Limited] [w.e.f. 23.04.2008]

[c] 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] Jaypee Petroleum Private Limited [w.e.f. 17.04.2008]
- [x] Jaypee Hydro Carbons Private Limited [w.e.f. 17.04.2008]
- [xi] Jaypee Spa Infocom Limited [w.e.f. 16.05.2008]

[d] Key Management Personnel:

- [i] Shri Manoj Gaur, Executive Chairman
- [ii] Shri Sunil Kumar Sharma, Executive Vice Chairman

Whole-time Directors:

- [i] Shri Sunny Gaur, Managing Director [Cement]
- [ii] Shri Pankaj Gaur, Joint Managing Director [Construction]
- [iii] Shri S.D. Nailwal, Whole time Director
- [iv] Shri Ranvijay Singh, Whole time Director
- [v] Shri R.K. Singh, Whole time Director

[e] Relatives of Key Management Personnel, where transactions have taken place

- [i] Shri Gyan Prakash Gaur
- [ii] Shri PK.Jain
- [iii] Shri Sachin Gaur
- [iv] Smt.Rekha Dixit
- [v] Smt.Rita Dixit
- [vi] Shri Naveen Kumar Singh
- [vii] Smt Manju Sharma
- [viii] Smt Neha Sharma

Note: Related party relationships are as identified by the Company and relied upon by the Auditors.

Transactions carried out with related parties referred to above in ordinary course of business

Nature of Transactions	Referred in 1(a) above Rupees	Referred in 1(b) above Rupees	Referred in 1(c) above Rupees	Referred in 1(d) above Rupees	Referred in 1(e) above Rupees
Income					
Contract Receipts	20,117,014,097	528,138,982	-	-	-
	(5,682,867,538)	-	-	-	-
Sale of Cement/ Other Material	13,260,715	146,152,016	-	-	-
	(96,611,188)	(19,850,827)	-	-	-
Dividend Received	1,667,700,900	-	11,760,000	-	-
	(1,120,440,347)	-	-	-	-
Machinery Hire Charges	195,517,194	-	-	-	-
	(346,805,890)	-	-	-	-
Rent	6,432,000	-	-	-	-
	(31,459,185)	-	-	-	-
Interest	-	-	-	-	-
	-	-	(46,353,670)	-	-
Hotel Revenue	2,045,068	96,648	175,841	-	-
	-	-	-	-	-
Others	46,279,000	57,748,953	-	-	-
	-	-	-	-	-
Dividend Received from Jaypee Hotels Limited [Transferor Company]	72,089,897	-	-	-	-
Expenditure					
Contract Expenses	-	-	-	-	-
	(385,096,781)	-	-	-	-
Lease Rent	-	-	-	-	-
	(5,160,000)	-	-	-	-
Technical Consultancy	-	-	418,676,621	-	-
	-	-	(377,813,499)	-	-
Service Charges	-	-	-	-	-
	(40,964,288)	-	-	-	-
Interest Paid	2,953,425	-	-	-	-
	-	-	-	-	-
Salaries & Other Amenities etc.	-	-	-	62,600,963	18,260,422
	-	-	-	(51,356,268)	(9,813,328)
Security & Medical Services	-	-	410,061,371	-	-
	-	-	(328,401,252)	-	-
Gratuity & Leave Encashment	-	-	-	-	1,335,513
	-	-	-	-	-
Rent	-	-	6,416,700	-	-
	-	-	(2,400,000)	-	-
Others					
Land Purchase (Real Estate)	1,939,326,800	-	-	-	-
	-	-	-	-	-
Purchase of Shares during the year	5,408,500,000	1,388,000,400	-	-	-
	(8,665,130,000)	(970,845,000)	(4,000,000,000)	-	-
Shares Issued during the Year	-	-	3,970,000,000	-	-
	-	-	-	-	-
Equity Warrants (Upfront Payment received during the year)	-	-	-	-	-
	-	-	(3,985,000,000)	-	-
Outstandings as at 31st March					
Receivables					
Advances to Suppliers, Mobilisation Advances, Security Deposits and Debtors	4,784,335,530	88,732,902	10,968,089,723	-	-
	(2,930,533,113)	(110,814,924)	(7,736,106,230)	-	-
Payables					
Mobilisation & Machinery Advances, Unsecured Loans, Security/Earnest Money and Creditors	15,889,570,235	142,929,252	9,316,541	3,732,791	368,273
	(14,590,929,858)	(46,433,361)	(35,716,141)	(2,791,670)	(754,738)

Note:

- Guarantees provided for Subsidiaries & Associates are disclosed elsewhere in the Notes to the Account.
- Previous Year figures are given in brackets.

34 Segment Information
Business Segment

Particulars								Rupees
	Construction	Cement / Cement Products	Hotel/Hospitality	Real Estate	Wind Power	Investments	Unallocated	Total
[A] Segment Revenue								
External	29,438,832,824	23,100,490,813	1,557,532,267	4,413,521,184	282,857,936	1,684,647,711	1,001,386,518	61,479,269,253
	(17,946,713,490)	(19,849,366,386)	(309,111,525)	(2,558,287,058)	(181,228,979)	(1,122,605,147)	(644,628,006)	(42,611,940,591)
Inter Segment Revenue	–	1,330,680,597	71,732,413	–	–	–	–	1,402,413,010
	–	(842,085,091)	(2,884,918)	–	–	–	–	(844,970,009)
[B] Segment Results								
Profit/(Loss) before Tax and Interest	7,636,851,628	6,849,663,818	296,220,263	2,171,018,704	135,155,668	1,684,647,711	(-) 1,220,586,653	17,552,971,139
	(3,588,572,628)	(6,923,504,918)	(37,837,265)	(809,290,669)	(117,834,203)	(1,122,605,147)	(-) (774,790,684)	(11,824,854,146)
Less: interest Expenses								5,043,199,310
								(3,391,400,080)
Profit before Tax								12,509,771,829
								(8,433,454,066)
[C] Other Information								
Provision for Tax								
Current Tax								2,569,605,663
								(1,577,566,730)
Deferred Tax								894,397,096
								(695,473,825)
Fringe Benefits Tax								75,714,760
								(63,695,122)
Profit after Tax								8,970,054,310
								(6,096,718,389)
Segment Assets	39,045,721,397	104,750,282,659	6,604,355,408	20,993,416,697	2,745,134,456	44,652,022,764	33,402,509,440	252,193,442,821
	(26,808,268,248)	(63,244,804,739)	(2,039,596,194)	(12,348,707,702)	(2,749,122,446)	(32,248,266,470)	(28,757,928,258)	(168,196,694,057)
Segment Liabilities	22,595,191,706	6,913,201,056	528,183,265	14,428,123,480	39,885,674	–	5,206,538,874	49,711,124,055
	(18,410,722,564)	(5,578,821,763)	(275,416,533)	(6,558,495,818)	(594,636,124)	–	(3,622,592,001)	(35,040,684,803)
Loans								131,061,548,467
								(83,055,872,283)
Capital Expenditure during the year including Capital Work-in-Progress	1,675,644,128	30,221,650,268	1,141,956,167	92,924,303	22,103,687	–	39,498,061	33,193,776,614
	(5,626,868,923)	(22,720,757,482)	(616,885,080)	(76,617,769)	(1,479,707,044)	–	(246,578,166)	(30,767,414,464)
Depreciation	1,217,685,577	1,479,376,463	147,625,663	18,155,903	142,951,428	–	83,892,670	3,089,687,704
	(817,932,097)	(1,050,802,962)	(30,133,168)	(3,311,790)	(60,482,977)	–	(70,366,433)	(2,033,029,427)
Non Cash expenditure other than depreciation	–	–	2,818,005	–	–	–	410,782	3,228,787
	–	–	(2,681,222)	–	–	–	(410,782)	(3,092,004)

[a] Segments have been identified in accordance with Accounting Standards on Segmental Reporting [AS-17] taking into account the organisation structure as well as differential risk and returns of these segments.

[b] Business segment has been disclosed as the primary segment.

[c] Types of Products and Services in each Business Segment:

- [i] Construction Civil Engineering Construction/EPC Contracts/Expressway
- [ii] Cement/Cement Products Manufacture and Sale of Cement, Clinker and Cement Products
- [iii] Hotel/Hospitality Hotels, Golf Course, Resorts and SPA
- [iv] Real Estate Real Estate Development
- [v] Wind Power Generation and Sale of Energy
- [vi] Investments Investments in Subsidiaries and Joint Ventures for Cement, Power, Expressway, Sports etc.

[d] Segment Revenues, Operating Results, Assets and Liabilities include the amounts identifiable to each segment and amounts allocated on a reasonable basis.

[e] Segment Assets exclude Miscellaneous Expenditure & Deferred Tax Asset. Segment Liabilities exclude Deferred Tax Liability.

35 In accordance with the Accounting Standard [AS-20] on "Earnings Per Share", computation of Basic and Diluted Earnings Per Share is as under::

	2008-2009	2007-2008
	Rupees	Rupees
[a] Net Profit for Basic Earnings Per Share as per Profit & Loss Account	8,970,054,310	6,096,718,388
Adjustment for the purpose of Diluted Earnings Per Share	–	–
Net Profit for Diluted Earnings Per Share	8,970,054,310	6,096,718,388
[b] Weighted average number of equity shares for Earnings Per Share computation:		
[i] Number of Equity Shares at the beginning of the year	1,171,522,417	1,096,198,270
[ii] [a] Number of Shares allotted during the year	12,278,162	75,324,147
[b] Number of Shares to be allotted on amalgamation	218,010,985	–
[iii] Weighted average shares allotted/to be allotted during the year	216,011,146	28,455,011
[iv] Number of potential Equity Shares	102,068,420	21,380,295
[v] Weighted average for:		
[a] Basic Earnings Per Share	1,387,533,563	1,124,653,281
[b] Diluted Earnings Per Share	1,489,601,983	1,146,033,576
[c] Earnings Per Share		
[i] Basic	Rs. 6.46	Rs. 5.42
[ii] Diluted	Rs. 6.02	Rs. 5.32
[d] Face Value Per Share	Rs. 2.00	Rs. 2.00

EPS for the year has been worked after taking into effect number of shares to be allotted on amalgamation effective from 27.05.2009.

- 36 During the year the Company had allotted 1,00,00,000 Equity shares of Rs.2/- each against 1,00,00,000 Warrants to Jaypee Ventures Private Limited, [a Promoter Company] on Preferential Basis at a premium of Rs.395/- per share. As on 31.03.2009, 4,00,00,000 Warrants are outstanding entitling to apply for allotment of one equity share of Rs.2/- each against each Warrant on full payment @ Rs.397/- per share, against which an upfront payment of Rs.158.80 Crores has been received.
- 37 No Provision has been made in the accounts in respect of demand towards penalty and fine raised by Directorate General of Foreign Trade [DGFT] on import of cars under EPCG Licence. An appeal has been filed before the Additional Director General of Foreign Trade [Appeal] which is pending for final orders.
- 38 (a) Provident Fund - Defined Contribution Plan
All employees are entitled to Provident Fund benefits. Rs.18,39,52,056/- [Previous Year Rs.13,29,06,966/-] has been debited in the Profit & Loss Account during the year.
- (b) Gratuity and Leave encashment - Defined Benefit Plans - Provision made as per actuarial valuation. The Company has created a Trust namely, Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March, 2009 and has submitted the same for registration with Income Tax Authorities. SBI Life has been appointed for management of the Trust Fund for the benefit of the employees.

SI No.	Particulars	FY 2008-2009		FY 2007-2008	
		GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
I	Expenses recognised in the Statement of Profit & Loss Account/IEDC for the year ended				
1	Current Service Cost	51,767,357	58,911,378	33,614,240	30,595,564
2	Interest Cost	29,393,678	13,620,617	8,374,839	3,161,846
3	Employee Contribution	-	-	-	-
4	Actuarial (Gains)/ Losses	(23,363,554)	(3,712,518)	131,645,640	45,360,674
5	Past Service Cost	-	-	-	-
6	Settlement Cost	-	-	-	-
7	Total Expenses	57,797,481	68,819,477	173,634,719	79,118,084
				-	-
II	Net Asset / (Liability) recognised in the Balance Sheet				
1	Present Value of Defined Benefit Obligation	405,537,254	218,581,937	291,492,555	122,152,571
2	Fair Value of Plan Assets	-	-	-	-
3	Funded Status [Surplus/ (Deficit)]	(405,537,254)	(218,581,937)	(291,492,555)	(122,152,571)
4	Net Asset/ (Liability)	(405,537,254)	(218,581,937)	(291,492,555)	(122,152,571)
III	Change in Obligation during the Year				
1	Present value of Defined Benefit Obligation at the beginning of the year	367,420,984	170,257,683	198,120,817	76,039,910
2	Current Service Cost	51,767,357	58,911,378	33,614,240	30,595,564
3	Interest Cost	29,393,678	13,620,617	8,374,839	3,161,846
4	Settlement Cost	-	-	-	-
5	Past Service Cost	-	-	-	-
6	Employee Contributions	-	-	-	-
7	Actuarial (Gains) / Losses	(23,363,554)	(3,712,518)	131,645,640	45,360,674
8	Benefit Payments	(19,681,211)	(20,495,223)	(80,262,981)	(33,005,423)
9	Present Value of Defined Benefit Obligation at the end of the year	405,537,254	218,581,937	291,492,555	122,152,571
IV	Change in Assets during the Year				
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 8.00%
- (ii) Mortality LIC (1994-1996) duly modified mortality tables
- (iii) Turnover Rate Upto 30 years - 2%, 30-44 years - 5%, Above 44 years - 3%
- (iv) Future Salary Increase 5.50%

- 39 For the purpose of Regulation 3[e][i] of the Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeovers] Regulations, 1997, the "Group" constitute Shri Jaiprakash Gaur, his associates and Companies as disclosed to Stock Exchanges from time to time which include Jaiprakash Associates Limited (JAL), its Subsidiaries given under SI.No.33(a) & (b) above, its Associates given under SI.No.33(c) above and other Companies namely, Siddharth Utility Private Limited, Ironwill Holdings Private Limited and Ironwill Investments Private Limited.

40 Figures for the previous year have been regrouped/recast/rearranged wherever considered necessary to conform to this year's classification.

41 All the figures have been rounded off to the nearest lakh rupees [except in the Notes to the Account].

Signatures to Schedules "A" to "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

Place : New Delhi
Dated: 6th June, 2009

GOPAL DAS BANSAL
Sr. Vice-President
[Accounts]

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

RAHUL KUMAR
C.F.O.

HARISH K. VAID
Sr. President [Corporate Affairs]
& Company Secretary

MANOJ GAUR
Executive Chairman & CEO

SUNIL KUMAR SHARMA
Executive Vice Chairman

S.D. NAILWAL
Director [Finance]

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE PURSUANT TO
PART-IV OF SCHEDULE-VI TO THE COMPANIES ACT, 1956**

I Registration Details:			
Registration No.	19017	State Code No.	20
Balance Sheet Date	31.03.2009		
II Capital raised during the period (Amount in Rs. Lakhs)			
Public Issue	46 *	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
Preferential Allotment	200		
* On conversion of Foreign Currency Conversion Bonds (FCCB's).			
III Position of Mobilisation and Deployment of Funds (Amount in Rs. Lakhs)			
Total Liabilities		2,052,422	
Total Assets		2,052,422	
Sources of Funds			
Paid-up Capital		23,676	
Share Capital Suspense		4,360	
Equity Warrants		15,880	
Reserve & Surplus		625,885	
Secured Loans		733,828	
Unsecured Loans		576,789	
Deferred Tax Liability		<u>72,004</u>	
		2,052,422	
Application of Funds			
Net Fixed Assets (including Capital Work-in-Progress)		1,189,985	
Investments		446,520	
Deferred Tax Asset		3,041	
Net Current Assets		412,490	
Miscellaneous Expenditure		386	
Accumulated Losses		-	
		<u>2,052,422</u>	
IV Performance of Company (Amount in Rs. Lakhs)			
Turnover		614,793	
Total Expenditure		490,131	
Profit/Loss Before Tax (+)		125,098	
Profit/Loss After Tax (+)		89,701	
Basic Earnings Per Share in Rs.		6.46	
Diluted Earnings Per Share in Rs.		6.02	
Dividend Rate (%)		50%	
V Generic Names of three Principal Products/Services of the Company (as per Monetary terms)			
Item Code No. (ITC Code)	252329.01		
Product/Services Description	Portland Cement		
Item Code No. (ITC Code)	Not Applicable		
Product/Services Description	Civil Construction / EPC Contractors		
Item Code No. (ITC Code)	Not Applicable		
Product/Services Description	Hotel / Hospitality & Golf Course		
Item Code No. (ITC Code)	Not Applicable		
Product/Services Description	Real Estate		
Item Code No. (ITC Code)	Not Applicable		
Product/Services Description	Thermal & Wind Power		

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

MANOJ GAUR
Executive Chairman & CEO

SUNIL KUMAR SHARMA
Executive Vice Chairman

Place : New Delhi
Dated: 6th June, 2009

GOPAL DAS BANSAL
Sr. Vice-President
[Accounts]

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

RAHUL KUMAR
C.F.O.

HARISH K. VAID
Sr. President [Corporate Affairs]
& Company Secretary

S.D. NAILWAL
Director [Finance]

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(A) CASH FLOW FROM OPERATING ACTIVITIES:	2008-2009		2007-2008	
	Rs. In Lakhs		Rs. In Lakhs	
Net Profit before Tax and exceptional item as per Profit & Loss Account		125,098		84,335
Add back:				
(a) Depreciation		30,897		20,330
(b) Miscellaneous Expenses (Amortized)		1,244		397
(c) Interest on Borrowings		50,432		33,914
(d) Loss on sale of Assets [Net]		747		56,359
		<u>83,320</u>		<u>1,718</u>
		208,418		140,694
Deduct:				
(a) Interest Income		(10,013)		(5,261)
(b) Dividend Income		(16,823)		(11,226)
(c) Other Income		(11,457)		(9,110)
		<u>(38,293)</u>		<u>(25,597)</u>
Operating Profit before Working Capital Changes		170,125		115,097
Deduct:				
(a) Increase in Inventories	(24,732)		(17,514)	
Less: Transfer from Transferor Companies	(1,425)	(23,307)	-	(17,514)
(b) Increase in Projects under Development		(35,526)		-
(c) Increase in Sundry Debtors	(43,586)		(13,413)	
Less: Transfer from Transferor Companies	(2,006)	(41,580)	-	(13,413)
(d) Increase in Loans and Advances	(93,361)		(115,726)	
Less: Transfer from Transferor Companies	(22,924)	(70,437)	-	(115,726)
		<u>(170,850)</u>		<u>(146,653)</u>
		(725)		(31,556)
Add:				
(a) Decrease in Projects under Development	-			17,423
(b) Increase in Trade Payables & Other Liabilities	114,537		131,004	
Less Transfer from Transferor Companies	29,903	84,634	-	131,004
		<u>84,634</u>		<u>148,427</u>
Cash Generated from Operations		83,909		116,871
Deduct:				
(a) Tax Paid (including Fringe Benefits Tax)		(31,597)		(15,675)
CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	"A"	52,312		101,196
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Outflow:				
(a) Purchase of Fixed Assets (including CWIP)	(431,093)		(307,013)	
Less: Transfer from Transferor Companies	(98,388)	(332,705)	-	(307,013)
(b) Purchase of Investments	(134,037)		(144,609)	
Less: Transfer from Transferor Companies	(44,981)	(89,056)	-	(144,609)
(c) Miscellaneous Expenditure	(380)	-		
Less: Transfer from Transferor Companies	(380)	-	-	-
		<u>(421,761)</u>		<u>(451,622)</u>
Inflow:				
(a) Sale/Transfer of Fixed Assets	290		2,263	
(b) Sale of Investments	10,024		-	
(c) Interest Received	11,925		3,324	
(d) Dividend Received	16,823		11,226	
(e) Other Income	11,433	50,495	9,110	25,923
NET CASH USED IN INVESTING ACTIVITIES	"B"	(371,266)		(425,699)

		2008-2009 Rs. In Lakhs	2007-2008 Rs. In Lakhs
(C) CASH FLOW FROM FINANCING ACTIVITIES:			
Inflow:			
(a) Increase in Share Capital (Refer Note No.3)		4,606	1,506
Less: Shares allotted to Shareholders of Transferor Companies		4,031	575
Upfront Payment of Equity Warrants		-	39,850
Increase in Security Premium (Refer Note No.3)		42,000	83,668
Increase in Borrowings		599,142	455,050
Less: Transfer from Transferor Companies		42,121	557,021
Increase in Reserves on account of Shares allotted by Transferor Companies after 01.04.2008 but before Valuation Date		16,278	-
Capital Reserve on Buy back of Foreign Currency Convertible Bonds		8,664	-
		624,538	580,074
Outflow:			
Decrease in Borrowings (Refer Note No.3)		(119,083)	(173,804)
Interest paid		(42,157)	(31,169)
Share application Money - transfer from transferor Companies		(5,293)	-
Upfront Payment of Equity Warrants Adjusted (Refer Note No 3)		(23,970)	-
Dividend Paid (including Tax on Dividend)		(8,131)	(12,035)
		(198,634)	(217,008)
NET CASH FROM FINANCING ACTIVITIES	"C"	425,904	363,066
CASH AND CASH EQUIVALENTS ON AMALGAMATION	"D"	2,365	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	"A + B + C + D"	109,315	38,563
CASH AND CASH EQUIVALENTS AS AT 01.04.2008 (OPENING BALANCE)		181,544	142,981
CASH AND CASH EQUIVALENTS AS AT 31.03.2009 (CLOSING BALANCE)		290,859	181,544

Notes:

- Cash and Cash Equivalents:
Cash-in-hand and Balances with Scheduled Banks in Rupees [including Rs 651 Lakhs lying in Unpaid Dividend Account (Previous Year 641 Lakhs) which are not available for use by the Company]. Rs. 242,553 Lakhs Rs. 137,090 Lakhs
Cash-in-hand and Balances with Non Scheduled Banks in Foreign Currency [including Iraqi Dinars 27,377 Million (equivalent to Rs.9.63 Lakhs) which are not available for use by the Company] Rs. 17,489 Lakhs Rs. 44,454 Lakhs
- Against the working capital cash credit limit of Rs.22,000 Lakhs (Previous year Rs. 16,000 Lakhs) sanctioned by the Banks the outstanding balance as on 31st March, 2009 is Rs. 15,150 Lakhs (Previous Year Rs. 11,635 Lakhs)
- Increase in Share Capital & Share Premium is on account of Conversion of Foreign Currency Convertible Bonds into
(i) Conversion of Foreign Currency Convertible Bonds into Equity Shares. Correspondingly, the Borrowings have been decreased.
(ii) Conversion of Equity Share Warrants into Equity Shares.
- Direct Taxes paid are treated as arising from Operating Activities and are not bifurcated between Investing and Financing activities.
- Figures for the current year are post merger, hence not comparable with those of the previous year figures.
- Previous year figures have been regrouped/rearranged wherever necessary.

For and on behalf of the Board

For M.P. SINGH & ASSOCIATES
Chartered Accountants

MANOJ GAUR
Executive Chairman & CEO

M.P. SINGH
Partner

SUNIL KUMAR SHARMA
Executive Vice Chairman

Place : New Delhi
Dated: 6th June, 2009

GOPAL DAS BANSAL
Sr. Vice-President
[Accounts]

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

RAHUL KUMAR
C.F.O.

HARISH K. VAID
Sr. President [Corporate Affairs]
& Company Secretary

S.D. NAILWAL
Director [Finance]

ANNEXURE TO THE BALANCE SHEET AS AT 31ST MARCH, 2009

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANIES

01	Name of Subsidiary Company	Jaiprakash Hydro-Power Limited [JHPL]	Jaiprakash Power Ventures Limited	Bhilai Jaypee Limited Cement Limited	Jaypee Karcham Hydro Corporation	Jaypee Infrotech Limited	Madhya Pradesh Minerals [MPL]	Jaypee Power Grid [Subsidiary of]	Himalayan Expressway Limited	Gujarat Jaypee Cement & Infrastructure	JPSK Sports Private Limited	Jaypee Ganga Infrastructure Corporation	Bokaro Jaypee Cement Limited [JPVL]	Jaypee Anurachal Power Limited [Subsidiary of JPVL]	Bina Power Supply Limited [Subsidiary of JPVL]
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	[N]
02	Financial Year of the Subsidiary Company ended on	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009
03	Number of Shares held by Jaiprakash Associates Limited and its nominees in the Subsidiaries Companies at the end of the financial year of the Subsidiary Companies	311,000,600	429,000,000	132,088,150	925,000,000	955,000,000	10,500,000	92,500,000*	95,050,000	543,160	617,000	271,350,000	18,699,230	50,000	224,158,550
	(i) Equity Shares of Rs.10/- each - fully paid-up	63.34%	80.20%	74.00%	100%	98.86%	70.00%	74.00%	100.00%	74.00%	61.70%	100.00%	74.00%	100.00%	100.00%
	(ii) Extent of holding	-	-	-	-	-	306,795,000	-	-	111,198,400	115,000,000	20,000,000	49,095,360	1,199,500,000	-
	(iii) Share Application Money (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
04	Date from which it became Subsidiary Company	04.03.1995	14.03.1998	11.04.2007	29.04.2002	05.04.2007	29.09.2006	30.01.2007	25.05.2007	26.12.2007	07.03.2008	18.03.2008	13.03.2008	23.04.2008	15.05.2008
05	The net aggregate of Profit / (Loss) of the Subsidiary Companies as far as it concerns the members of the Holding Company:														
	(i) Not dealt with in the Holding Company's Accounts:														
	(a) For the Financial Year of the Subsidiary	Rs.6319 Lakhs	Rs. 4899 Lakhs	-	-	Rs. 26369 Lakhs	-	-	-	-	-	-	-	-	-
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary	Rs. 33409 Lakhs	Rs. 7967 Lakhs	-	-	(Rs.1125 Lakhs)	-	-	-	-	-	-	-	-	-
	(ii) Dealt with in the Holding Company's Accounts:														
	(a) For the Financial Year of the Subsidiary	Rs. 4,666 Lakhs	Rs. 7722 Lakhs	-	-	-	-	-	-	-	-	-	-	-	-
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary	Rs. 4,666 Lakhs	Rs. 8151 Lakhs	-	-	-	-	-	-	-	-	-	-	-	-
06	Changes in the interest of Jaiprakash Associates Limited between the end of the Subsidiary's Financial Year and 31st March, 2009														
	Number of Shares acquired	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Material changes between the end of the Subsidiary's Financial Year and 31st March, 2009														
	(i) Fixed Assets (Net Addition) (Capital Work-in-Progress)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(ii) Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Moneys lent by the Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(iv) Moneys borrowed by the Subsidiary Company other than for meeting Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Number of Shares held in Jaypee Power Grid includes 1,72,50,000 Shares held by Jaiprakash Power Ventures Limited also

For and on behalf of the Board

M.P. SINGH
Partner
Place : New Delhi
Dated: 6th June, 2009

GOPAL DAS BANSAL
Sr. Vice-President
[Accountant]

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

RAHUL KUMAR
C.F.O.

HARISH K. VAID
Sr. President [Corporate Affairs]
& Company Secretary

MANOJ GAUR
Executive Chairman & CEO
SUNIL KUMAR SHARMA
Executive Vice Chairman
S.D. NAILWAL
Director [Finance]

**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

- We have audited the attached Consolidated Balance Sheet of Jaiprakash Associates Limited and its subsidiaries, as at 31st March 2009, 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.
- 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.
- We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 947,504 lacs as at 31st March 2009, the total revenue of Rs. 129,290 lacs and cash flows amounting to Rs.11,467 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us. Our opinion is based solely on the report of other auditors.
- We report that the consolidated financial statements have been prepared by the Jaiprakash Associates Limited management in accordance with the requirements of Accounting Standards(AS) 21 'Consolidated Financial Statements', and Accounting Standards (AS) 23 'Accounting for Investments in Associates in Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.
- Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the Consolidated Balance Sheet, of the state of affairs of Jaiprakash Associates Limited and its subsidiaries as at 31st March, 2009;
 - 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
 - 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

(M.P.SINGH)
 Partner

 Place : New Delhi
 Dated: 6th June, 2009

M.No.1454

CONSOLIDATED BALANCE SHEET

	SCHEDULE	As At 31.03.2009 Rs. LAKHS	As At 31.03.2008 Rs. LAKHS
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Share Capital	A [i]	23,676	23,430
Share Capital Suspense	A [ii]	4,360	-
Reserves and Surplus	B	615,713	434,437
Equity Warrants [Refer Schedule "T" Note No 15]		15,880	39,850
		659,629	497,717
MINORITY INTEREST (in Subsidiaries)			
Share Capital		38,745	34,086
Reserves and Surplus		32,689	30,978
Share Application Money		100	5,190
		71,534	70,254
DEFERRED REVENUE	C	15,867	9,607
LOAN FUNDS			
Secured Loans	D	1,343,725	779,994
Unsecured Loans	E	588,290	368,723
		1,932,015	1,148,717
DEFERRED TAX LIABILITY		72,004	61,402
TOTAL FUNDS EMPLOYED		2,751,049	1,787,697
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	F	1,225,155	882,226
Less: Depreciation		225,642	188,347
Net Block		999,513	693,879
Capital Work-in-Progress [Including Incidental Expenditure Pending Allocation]		963,467	622,498
		1,962,980	1,316,377
INVESTMENTS	G	109,641	12,033
DEFERRED TAX ASSET		3,041	1,454
CURRENT ASSETS, LOANS & ADVANCES			
H			
CURRENT ASSETS			
Inventories		108,157	80,886
Projects under Development		109,405	62,710
Sundry Debtors		76,284	77,169
Cash and Bank Balances		392,141	246,215
Other Current Assets		10,784	13,479
Loans & Advances		386,039	258,642
		1,082,810	739,101
LESS: CURRENT LIABILITIES & PROVISIONS			
I			
Current Liabilities		343,580	236,873
Provisions		65,113	48,135
		408,693	285,008
NET CURRENT ASSETS		674,117	454,093
MISCELLANEOUS EXPENDITURE	J	1,270	3,740
TOTAL APPLICATION OF FUNDS		2,751,049	1,787,697
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

 Place : New Delhi
 Dated: 6th June, 2009

GOPAL DAS BANSAL
 Sr. Vice-President [Accounts]

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

RAHUL KUMAR
 C.F.O.

HARISH K. VAID
 Sr. President
 [Corporate Affairs]
 & Company Secretary

MANOJ GAUR
 Executive Chairman & CEO

SUNIL KUMAR SHARMA
 Executive Vice Chairman

S.D. NAILWAL
 Director [Finance]

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED

SCHEDULE	2008-2009 Rs. LAKHS	2007-2008 Rs. LAKHS
INCOME		
Cement Sales [Gross]	248,182	222,776
Less: Excise Duty on Sales	<u>32,995</u>	<u>33,676</u>
	215,187	189,100
Construction Revenue	82,603	114,860
Real Estate Revenue	43,944	25,583
Sale of Land	36,061	-
Hotel/Hospitality Revenue	15,300	15,927
Sale of Energy	70,717	68,450
Sale of VEs	6,449	1,398
Asbestos Sheets Sales [Gross]	7,276	5,165
Less: Excise Duty on Sales	<u>458</u>	<u>(398)</u>
	6,818	
Other Revenue	K 19,668	19,315
	496,747	439,400
EXPENDITURE		
(Increase)/Decrease in Stocks & Work -in-Progress	L (10,178)	1,300
Manufacturing, Construction, Real Estate, Hotel/ Hospitality & Power Expenses	M 202,289	156,086
Excise Duty on Stocks	(458)	640
Personnel	N 28,435	26,049
Selling & Distribution Expenses	O 41,940	35,661
Other Expenses	P 36,170	30,771
Interest	Q 70,617	55,786
Depreciation	33,260	31,883
	402,075	338,176
Profit for the year	94,672	101,224
Prior Period Adjustments [Net Credit]	(101)	8,084
Profit before Tax	94,571	109,308
Provision for Taxation		
Current Tax	33,566	21,291
Deferred Tax	8,991	7,616
Fringe Benefits Tax	757	706
Profit after Tax and before		
Minority Interest	51,257	79,695
Minority Share Holders Interest	9,232	12,015
Profit after Minority Share Holders Interest	42,025	67,680
Profit brought forward from Previous Year	169,176	121,245
Less: Reversal of Foreign Exchange Fluctuation for FY 07-08	(1,201)	-
Profit/(Loss) transferred from Transferor Company	3,904	-
Debenture Redemption Reserve no longer required	5,500	6,000
Profit available for appropriation	219,404	194,925
Less: Dividend Paid Pertaining to Previous year	31	6
Less: Transferred to Reserve for Redemption		
Premium on Foreign Currency Convertible Bonds	16,512	3,682
Less: Transferred to Debenture Redemption Reserve	27,890	3,485
Less: Transferred to General Reserve	11,215	8,805
Add: Tax on Proposed Final Dividend [2007-08] Reserved	796	-
Add: Final Dividend Received from Transferor Company Jaypee Hotels Limited	1	-
Add: Final Dividend Received by Transferor Company Jaiprakash Enterprises Limited	321	-
Add: Minority Shareholders Interest for Appropriation	9,232	12,015
Less: Interim Dividend	10,571	9,084
Less: Interim Dividend received by Transferor Company Jaiprakash Enterprises Limited	(241)	-
Tax on Interim Dividend	3,048	2,815
Proposed Final Dividend	6,957	7,571
Tax on Proposed Final Dividend	1,579	2,316
	21,914	21,786
Balance carried to Balance Sheet	152,192	169,176

Accounting Policies and Notes to the Consolidated Accounts

	T	
Basic Earnings per Share (Rupees) (Face Value Rs 2/- per Share)	3.03	6.02
Diluted Earnings per Share (Rupees) (Face Value Rs 2/- per Share)	2.82	5.91

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

For M.P. SINGH & ASSOCIATES
Chartered Accountants

M.P. SINGH Partner	GOPAL DAS BANSAL Sr. Vice-President [Accounts]	RAHUL KUMAR C.F.O.	MANOJ GAUR Executive Chairman & CEO
Place : New Delhi Dated: 6th June, 2009	R.B. SINGH C.F.O. [Cement]	HARISH K. VAID Sr. President [Corporate Affairs] & Company Secretary	SUNIL KUMAR SHARMA Executive Vice Chairman
			S.D. NAILWAL Director [Finance]

CONSOLIDATED SCHEDULE "A"

SHARE CAPITAL	As At 31.03.2009 Rs. LAKHS	As at 31.03.2008 Rs. LAKHS
Authorised		
12,34,40,00,000 Equity Shares of Rs 2/- each [Previous Year 5,15,00,00,000 Equity Shares of Rs 2/- each]	246,880	103,000
31,20,000 Preference Shares of Rs. 100/- each [Previous Year 30,00,000 Equity Shares of Rs 100/-each]	3,120	3,000
	250,000	106,000
(I) Issued, Subscribed and Paid-up		
118,38,00,579 Equity Shares of Rs.2/- each fully paid up [Previous Year 117,15,22,417] comprising of		
- 86,08,65,055 Equity Shares [Previous Year 86,08,65,055] allotted as fully paid-up for consideration other than cash in terms of the Scheme of Amalgamation effective from 11.03.2004;		
- 2,02,19,850 Equity Shares [Previous Year 2,02,19,850] allotted for cash under "Jaypee Employees Stock Purchase Scheme 2002";		
- 16,83,36,849 Equity Shares [Previous Year 16,60,58,687] allotted for cash on conversion of Foreign Currency Convertible Bonds;		
- 12,43,78,825 Equity Shares [Previous Year 12,43,78,825] allotted as fully paid in terms of Scheme of Amalgamation effective from 22.08.2006 and		
- 1,00,00,000 Equity Shares allotted for cash to Promoters on Preferential Basis	23,676	23,430
(II) Share Capital Suspense		
21,80,10,985 Equity Shares of Rs.2/- each fully paid up to be allotted pursuant to Scheme of Amalgamation, for consideration other than cash, effective from 27.05.2009	4,360	-
	28,036	23,430

CONSOLIDATED SCHEDULE "B"

RESERVES AND SURPLUS			
General Reserve			
As per last Balance sheet	37,322		28,517
Add : Transfer from Profit & Loss Account	11,215		8,805
Add : Arising on Amalgamation	89,461		-
Add : Transfer from Transferor Companies	585		-
Add : Adjustment *	3,526		-
Less : Foreign Currency Fluctuation on long term monetary items	820	141,289	- 37,322
Capital Redemption Reserve			
As per last Balance sheet	100		100
Transfer from Transferor Companies	113		-
Less : Adjustment *	100		-
Add : Addition during the year	113		100
Debenture Redemption Reserve			
As per last Balance sheet	27,426		29,941
Add : Provided during the Year	27,890		3,485
	55,316		33,426
Less : Transfer to Profit & Loss Account on Redemption	5,500	49,816	6,000 27,426
Revaluation Reserve			
As per last Balance sheet	30,885		30,960
Add : Transfer from Transferor Companies	84		-
Less : Adjustment *	74		-
	30,895		30,960
Less : Depreciation adjusted on Revalued Amount	166	30,729	75 30,885
Capital Reserve			
As per last Balance sheet	2,491		2,491
Add : Transfer from Transferor Companies	4		-
Less : Adjustment *	3		-
Add : Gain on buy back of Foreign Currency Convertible Bonds	8,664	11,156	- 2,491
Securities Premium Account			
As per last Balance sheet	190,199		71,411
Add : Transfer from Transferor Company	4,862		-
Less : Adjustment *	4,862		-
Add : Conversion of Foreign Currency Convertible Bonds into Shares	49,761		118,788
Less : Pre IPO Expenses	1,182	238,778	- 190,199

	As At 31.03.2009 Rs. LAKHS	As At 31.03.2008 Rs. LAKHS
Reserve for Redemption Premium of Foreign Currency Convertible Bonds		
As per last Balance sheet	7,816	4,134
Add : Provided for the Year	16,512	3,682
Share Forfeited Account		
Transfer from Transferor Company	1	-
Surplus		
As per Profit & Loss Account	152,192	169,176
	648,402	465,415
Less: Minority Share Holders Interest in Reserve & Surplus	32,689	30,978
	615,713	434,437

* Adjustment is on account of Jaypee Hotels Limited, Gujarat Anjan Cement Limited and Jaypee Cement Limited amalgamating with the Company, Consequently extinguishing as subsidiary of the Company w.e.f 01.04.2008

CONSOLIDATED SCHEDULE "C"
DEFERRED REVENUE

Advance against depreciation		
As Per last Balance Sheet	9,606	4,704
Add: Addition during the Year	7,905	4,903
Add : Prior Period Adjustments	(1,644)	-
	15,867	9,607

CONSOLIDATED SCHEDULE "D"
SECURED LOANS
A. DEBENTURES

Secured Non-Convertible Debentures	108,976	79,630
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B. TERM LOANS

1. From Financial Institutions		
(a) In Rupees	128,366	96,077
(b) In Foreign Currency	13,653	12,054
2. From Banks		
(a) In Rupees	1,013,612	528,710
(b) In Foreign Currency	35,816	28,872
3. From Others	8,000	10,000
4. Buyers Credit	10,822	9,742
	1,210,269	685,455

C. WORKING CAPITAL LOANS

From Banks		
[i] For Working Capital In Rupees	15,150	11,635
[ii] For Overseas Works	780	2,296
	15,930	13,931

CONSOLIDATED SCHEDULE "F"
FIXED ASSETS

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As On 01.04.2008	Transfer from Transferor Company	Addition during the year	Sale/Transfer/ insurance claim Adjustment during the year	As On 31.03.2009	Upto 31.03.2008	Transfer from Transferor Company	For The year	Sale/ Adjustment	Upto 31.03.2009	As on 31.03.2009	As on 31.03.2008
GOODWILL	14,013	-	10,494	3,387	21,120	5,212	-	2,112	1,772	5,552	15,568	8,801
Land												
(a) Leasehold Land	46,513	364	6,955	2,645	51,187	69	-	33	-	102	51,085	46,444
(b) Freehold Land	12,102	1,247	13,744	58	27,035	-	-	-	-	-	27,035	12,102
Building	57,300	11,418	22,931	11,765	79,884	7,195	1,716	2,088	1,658	9,341	70,543	50,105
Purely Temporary Erections	8,859	247	2,337	5,675	5,768	8,142	247	1,660	5,675	4,374	1,394	717
Plant & Machinery	496,984	7,414	241,656	9,881	736,173	136,837	3,201	27,342	4,235	163,145	573,028	360,147
Captive Thermal Power Plant	40,602	-	33,705	-	74,307	6,266	-	2,472	-	8,738	65,569	34,336
Hydraulic Works	130,942	-	4,957	-	135,899	10,483	-	3,593	-	14,076	121,823	120,459
Wind Turbine Generators	26,853	-	221	-	27,074	667	-	1,430	-	2,097	24,977	26,186
Railway siding	7,124	-	1,881	-	9,005	994	-	335	-	1,329	7,676	6,130
Golf Course	3,710	-	-	-	3,710	1,025	-	176	-	1,201	2,509	2,685
Miscellaneous Fixed Assets (Hotel)	3,328	3,119	375	3,139	3,683	1,249	1,193	178	1,202	1,418	2,265	2,079
Motor Vehicles	7,717	1,815	1,723	1,251	10,004	2,841	757	857	457	3,998	6,006	4,876
Furniture & Office Equipment	14,398	3,238	4,761	3,678	18,719	6,555	2,155	1,307	2,590	7,427	11,292	7,843
Ships: Boat	9	-	-	-	9	1	-	1	-	2	7	8
Helicopter	11,050	-	-	-	11,050	539	-	619	-	1,158	9,892	10,511
Sports Complex	-	-	4,913	-	4,913	-	-	8	-	8	4,905	-
Capital Assets - Not owned by the Company (Roads)	269	-	-	-	269	269	-	-	-	269	-	-
Mining Rights	450	-	-	-	450	-	-	-	-	-	450	450
Technical Books	3	-	-	-	3	3	-	-	-	3	-	-
Live Stock	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets												
Deferred Revenue Expenditure	-	4,800	-	-	4,800	-	1,051	270	-	1,321	3,479	-
Fees Paid to Franchiser	-	93	-	-	93	-	64	19	-	83	10	-
	882,226	33,755	350,653	41,479	1,225,155	188,347	10,384	44,500	17,589	225,642	999,513	693,879
PREVIOUS YEAR	770,896	-	118,333	7,003	882,226	159,174	-	32,655	3,482	188,347	693,879	
CAPITAL WORK IN PROGRESS											963,467	622,498

Note: (i) Depreciation for the year, includes Rs. 10.917 Lakhs (Previous Year Rs. 772 Lakhs) on assets used for Projects under implementation and shown in Schedule "S" Expenditure During Construction Period

(ii) Depreciation for the year includes Rs.74 Lakhs pertaining to previous year

	As At 31.03.2009 Rs. LAKHS	As At 31.03.2008 Rs. LAKHS
D. ADVANCES FROM CLIENTS		
From GOVERNMENT DEPARTMENTS, PUBLIC SECTOR UNDERTAKINGS & OTHERS - Secured against hypothecation of Construction Material and Plant & Machinery		
[a] Interest Bearing	606	606
[b] Non Interest Bearing [Rs 12,516]	-	47
	606	653
E. LOAN FROM STATE GOVERNMENT [INTEREST FREE]	7,944	325
F. HIRE PURCHASE	-	-
	1,343,725	779,994

CONSOLIDATED SCHEDULE "E"
UNSECURED LOANS
A. Foreign Currency Convertible Bonds

FCCB - I [USD]	1,060	826
FCCB - II [EURO]	3,234	6,014
FCCB - III [USD]	182,892	158,635
	187,186	165,475

B. Foreign Currency Loans from Banks [ECB]

ECB [USD]	142,215	115,564
ECB [GBP]	24,705	-
ECB [CAD]	25,316	-
	192,236	115,564

C. Non Convertible Debentures

(Repayable within one year - Rs 28,216 Lakhs (Previous Year Rs 216 Lakhs))	28,432	647
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D. Short Term Loans

From Financial Institutions	-	5,000
From Banks	135,834	49,000
	135,834	54,000

(Repayable within one year - Rs 65,834 Lakhs; Previous year 28,000 Lakhs)

E. Sales Tax Deferment Loan

(Repayable within one year- Rs 600 Lakhs; Previous Year Rs 657 Lakhs)	600	1,257
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F. Bills Discounting

(Repayable within one year- Rs 9,261 Lakhs; Previous Year Rs 3,121 Lakhs)	9,261	3,121
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G. Fixed Deposit Scheme

(Repayable within one year- Rs 11,072 Lakhs; Previous Year Rs 9,164 Lakhs)	24,004	19,009
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H. From Others (Including Deposits from Stockists & Sales Promoters)

	10,737	9,650
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	588,290	368,723
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Rs. Lakhs

	As At 31.03.09 Rs. LAKHS	As At 31.03.08 Rs. LAKHS		As At 31.03.09 Rs. LAKHS	As At 31.03.08 Rs. LAKHS
(i) In Current Account	499	59			
(ii) In Fixed Deposit Account	16,990	44,395			
(d) In Trust & Retention Account					
(i) In Current Account	3,118	2,705			
(i) In Fixed Deposit Account	8,275	11,393		735	
		392,141			246,215
5. OTHER CURRENT ASSETS					
(a) Interest accrued on Fixed Deposits & Others (From Banks Rs. 1,635 Lakhs ; Previous year Rs. 3,964 Lakhs)	4,587	7,797			
(b) Deferred Receivable	6,197	10,784	5,682	13,479	
		696,771			480,459
B. LOANS AND ADVANCES (Unsecured, Considered Good)					
Advances to Suppliers, Contractors, Sub-Contractors & Others	112,884	103,404			
Advances for Land	22,660	-			
Staff Imprest and Advances	640	596			
Claims and Refunds Receivable	44,120	24,816			
Prepaid Expenses	22,913	4,200			
Deposits with Govt. Deptts. Public Bodies and others					
(a) Govt. Deptts. & Public Bodies	22,462	18,667			
(b) Others					
(i) Real Estate	107,000	71,200			
(ii) Others	521	129,983	414	90,281	
Work Contract Tax/ Sales Tax Recoverable	4,358	1,458			
Advance Tax & Income Tax deducted at source	48,481	33,887			
	386,039	258,642			
GRAND TOTAL	1,082,810	739,101			
CONSOLIDATED SCHEDULE "I "					
CURRENT LIABILITIES AND PROVISIONS					
A. CURRENT LIABILITIES					
Sundry Creditors					
(a) Due to Micro, Small and Medium Enterprises	-	-			
(b) Others	99,079	99,079	67,720	67,720	
Advance from Customers					
(a) Real Estate	130,393	54,281			
(b) Others	16,293	146,686	49,941	104,222	
Due to Staff	5,484	2,683			
Due to Directors	37	29			
Adjustable Receipts against Contracts (Against Guarantees)					
(a) Interest Bearing	21,283	22,347			
(b) Non Interest Bearing	5,182	26,465	5,160	27,507	
Other Liabilities	50,736	23,142			
Expenses Payable	734	813			
Interest accrued but not due on loans	13,521	10,045			
Investor Education and Protection Fund: (Appropriate amounts shall be transferred to "Investor Education and Protection Fund" if and when due)					
(a) Unclaimed Dividend	786	710			
(b) Unclaimed Dividend of Transferor Company	52	-			
(c) Share Application Money Refundable Account (Rights Issue)	-	838	2	712	
		343,580			236,873
B. PROVISIONS					
For Taxation	45,407	32,723			
For Gratuity	4,166	3,393			
For Provident Fund	530	348			
For Property Tax	-	284			
For Leave Encashment	2,319	1,500			
For 2nd Interim Dividend	3,551	-			
For Tax on 2nd Interim Dividend	604	-			
For Proposed Final Dividend	6,957	7,571			
For Tax on Proposed Final Dividend	1,579	2,316			
	65,113	48,135			
GRAND TOTAL	408,693	285,008			

CONSOLIDATED SCHEDULE "J "
MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

	As At 31.03.09 Rs. LAKHS	As At 31.03.08 Rs. LAKHS
Preliminary Expenses	1,267	1,033
Share & Debenture Issue Expenses	-	925
Deferred Revenue Expenses	3	1,782
	1,270	3,740

CONSOLIDATED SCHEDULE "K "
OTHER REVENUE

	2008-2009 Rs. LAKHS	2007-2008 Rs. LAKHS
Dividends [From Non Trade Investments]	575	22
Rent	30	19
Machinery Rentals	30	166
Profit on Sale of Liquid Fund Units	24	-
Foreign Currency Exchange Rate Difference	(2,779)	4,251
Interest (including Rs. 11,795 Lakhs from Banks) (TDS Rs 3,027 Lakhs)	13,838	9,726
Miscellaneous	7,950	5,131
	19,668	19,315

CONSOLIDATED SCHEDULE "L "
(INCREASE)/DECREASE IN STOCKS & WORK IN PROGRESS
OPENING STOCK

	As At 31.03.09 Rs. LAKHS	As At 31.03.08 Rs. LAKHS
Finished Goods	3,215	3,087
Finished Goods - Transfer from Transferor Company	4	-
Stock-in-process	3,006	6,225
	756	3,843

LESS: CLOSING STOCK

	As At 31.03.09 Rs. LAKHS	As At 31.03.08 Rs. LAKHS
Finished Goods	3,733	3,215
Stock-in-process	2,324	6,057
	168	3,006
	6,225	6,221

WORK-IN-PROGRESS- CONSTRUCTION DIVISION

	As At 31.03.09 Rs. LAKHS	As At 31.03.08 Rs. LAKHS
Opening Work-in-Progress	23,920	27,598
Opening Work-in-Progress - Transfer from Transferor Company	36	-
Less: Closing Work-in-Progress	34,302	(10,346)
	23,920	3,678
	(10,178)	1,300

CONSOLIDATED SCHEDULE "M "
MANUFACTURING , CONSTRUCTION, REAL ESTATE, HOTEL/ HOSPITALITY & POWER EXPENSES

	As At 31.03.09 Rs. LAKHS	As At 31.03.08 Rs. LAKHS
Raw Materials Consumed -Cement Division	21,737	17,867
Raw Materials Consumed -Asbestos Sheets	2,849	2,282
Cost of Land	13,259	-
Construction Expenses	43,520	37,275
Real Estate Expenses	19,844	15,481
O & M charges for ICF to SJVNL	126	119
Consumption of Food & Beverages etc.	1,353	1,276
Hotel & Golf Course Operating Expenses	5,067	5,445
Hire Charges & Lease Rentals of Machinery	62	134
Power, Electricity & Water Charges	25,413	19,879
Repairs & Maintenance of Machinery	18,985	13,018
Repairs to Building and Camps	1,339	1,710
Stores and Spares Consumed	12,357	13,366
Coal and Packing Materials Consumed	38,651	29,482
Freight, Octroi & Transportation Charges	12,665	7,627
	217,227	164,961
Less: Attributable to Self Consumption	14,938	8,875
	202,289	156,086

	2008-2009 Rs. LAKHS	2007-2008 Rs. LAKHS
CONSOLIDATED SCHEDULE "N"		
PERSONNEL		
Salaries, Wages & Bonus	24,914	22,066
Gratuity	546	1,111
Contribution to Provident & Other Funds	1,530	1,276
Staff Welfare	1,445	1,596
	<u>28,435</u>	<u>26,049</u>

	2008-2009 Rs. LAKHS	2007-2008 Rs. LAKHS
CONSOLIDATED SCHEDULE "O"		
SELLING & DISTRIBUTION EXPENSES		
Loading, Transportation & Other Charges	28,930	27,909
Commission on Sales	6,602	4,245
Sales Promotion	6,408	3,507
	<u>41,940</u>	<u>35,661</u>

	2008-2009 Rs. LAKHS	2007-2008 Rs. LAKHS
CONSOLIDATED SCHEDULE "P"		
OTHER EXPENSES		
Rent	1,358	693
Rates & Taxes	1,599	4,944
Insurance	3,155	3,098
Travelling & Conveyance	2,778	2,342
Bank Charges & Guarantee Commission	2,617	2,787
Loss on Sale / Disposal/ Discard/ Write-off of Assets (Net)	747	1,730
Financing Charges	5,313	1,582
Postage, Telephone & Telex	662	643
Light Vehicle Running & Maintenance	741	1,052
Legal & Professional	7,568	2,155
Charity & Donation	3,305	3,088
Security & Medical Services	2,044	1,961
Provision for Bad and Doubtful Debts	14	-
Directors' Fees	51	71
Amortisation of Land Premium	193	100
Less: Transferred from Revaluation reserve	<u>164</u>	<u>73</u>
Miscellaneous Expenses	4,093	4,031
Auditors' Remuneration:		
Audit Fees	50	53
Tax Audit Fees	4	4
Other Services	2	1
To Partners in other capacity:		
For Taxation matters	-	-
For Management Services	1	1
Reimbursement of Expenses	<u>6</u>	<u>5</u>
Audit Fees of Transferor Companies		
Audit Fees	13	-
Other Services	1	-
Reimbursement of Expenses	<u>5</u>	<u>-</u>
Preliminary, Share & Debenture Issue & Other carry forward expenses written off	14	503
	<u>36,170</u>	<u>30,771</u>

	2008-2009 Rs. LAKHS	2007-2008 Rs. LAKHS
CONSOLIDATED SCHEDULE "Q"		
INTEREST		
Interest on Non -Convertible Debentures	11,744	7,695
Interest on Term Loans	51,574	41,509
Interest on Bank Borrowing & Others	7,299	6,582
	<u>70,617</u>	<u>55,786</u>

	2008-2009 Rs. LAKHS	2007-2008 Rs. LAKHS
CONSOLIDATED SCHEDULE "R"		
PROJECTS UNDER DEVELOPMENT		
Opening Balance as on 1st April	62,710	50,040
Purchase of Land for development	10,844	10,351
Expenses On Development of Land during the year		
Construction Expenses	40,342	13,862
Technical Consultancy	2,464	1,041
Power, Electricity and Water Charges	181	145
Personnel Expenses	1,575	808
Selling and Promotional Expenses	3,767	855
Lease Rent	-	-
Interest and Financing Charges	17,463	-
Administrative and Other Expenses	1,327	1,165
	<u>140,673</u>	<u>78,267</u>
Less: Cost of Infrastructure & Construction of Properties developed and under Development	31,268	15,557
Balance Carried to Schedule H- A-2	<u>109,405</u>	<u>62,710</u>

	2008-2009 Rs. LAKHS	2007-2008 Rs. LAKHS
CONSOLIDATED SCHEDULE "S"		
EXPENDITURE DURING CONSTRUCTION PERIOD		
Opening Balance	103,107	48,831
Opening Balance transferred from Transferor Companies	6,350	-
Opening Balance of Bina Power Supply Company Limited	757	-
Electricity, Power and Fuel	4,067	1,695
Salary, Wages & Staff Welfare	11,756	7,026
Survey Expenses	25	36
Site/Quarry Development & Compensation Expenses	4,782	555
Project Development Fees	7,620	-
Repair and Maintenance	3,352	562
Consultancy, Legal and Professional	7,666	4,380
Insurance	1,304	1,164
License, Application Fee, Rent, Rates and Taxes	267	235
Safety & Security	1,142	737
LC Commission, Bank Charges and Bank Guarantee Commission	6,343	924
Freight and Material Handling	2,272	1,562
Environmental, Ecology, Afforestation, Catchment Area Treatment and Compensation	4,787	1,144
Light Vehicle running & Maintenance	571	252
Travelling and Conveyance	1,036	454
Vehicle/ Machinery Hire Charges and Lease Rent	673	939
Directors' Sitting Fees	15	10
Miscellaneous	3,359	8,716
Loss on Sale of Investments	-	151
Advertisement /Business Promotion Expenses	1,390	960
Foreign Exchange Fluctuations	49,525	3,805
Advance against Land	6	-
Security Deposit with MPSEB Writtenoff	5,224	-
Interest and Financial Charges	84,402	28,206
Audit Fees	31	11
Depreciation	10,917	772
	<u>322,746</u>	<u>113,127</u>
Less:		
Interest Received	2,749	7,797
Miscellaneous Receipt	736	254
Amount received on transfer of Project	11,413	-
	<u>14,898</u>	<u>8,051</u>
Less: Provision for Taxation	565	2,649
	<u>308,413</u>	<u>107,725</u>
Less: Capitalised/ Transferred During the Year	90,841	4,618
Less: Adjustment *	6,350	-
	<u>97,191</u>	<u>4,618</u>
Carried Over to Balance Sheet [included in Capital Work-in-Progress]	211,222	103,107

*Adjustment is on account of Jaypee Hotels Limited, Gujarat Anjan Cement Limited and Jaypee Cement Limited amalgamating with the Company, Consequently extinguishing as subsidiary of the Company w.e.f 01.04.2008

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/Incomes and Costs/Expenditures 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:

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.

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.

[B] NOTES TO THE ACCOUNTS**01 Subsidiaries**

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, 2009
[a] Jaiprakash Hydro Power Limited [JHPL]	India	63.34%
[b] Jaiprakash Power Ventures Limited [JPVL]	India	80.20%
[c] Jaypee Karcham Hydro Corporation Ltd [JKHCL]	India	100%
[d] Jaypee Infratech Limited [JIL]	India	98.86%
[e] Himalayan Expressway Limited [HEL]	India	100%
[f] Jaypee Ganga Infrastructure Corporation Limited [JGICL]	India	100%
[g] Bina Power Supply Company Limited [BPCL] [w.e.f 15.05.2008] (Subsidiary of Jaiprakash Power Ventures Limited)	India	100%
[h] Madhya Pradesh Jaypee Minerals Ltd [MPJPML]	India	70%
[i] Jaypee Power Grid Limited [JPPGL]	India	74%
[j] Bhilai Jaypee Cement Limited [BJCL]	India	74%
[k] Bokaro Jaypee Cement Limited [BoJCL]	India	74%
[l] JPSK Sports Private Limited [JPSK]	India	61.70%
[m] Gujarat Jaypee Cement and Infrastructure Limited [GJCIL]	India	74%
[n] Jaypee Arunachal Power Limited (Joint Venture Subsidiary of JPVL)	India	100%

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.

	As at 31.03.2009	As at 31.03.2008
	Rs. In Lakhs	Rs. In Lakhs
02 Contingent Liability not provided for in respect of :		
[a] Outstanding amount of Bank Guarantees	102,195	115,077
Margin Money deposited against the above	5,087	6,148
[b] Outstanding Letters of Credit	125,964	58,524
Margin Money deposited against the above	137	34
[c] Claims against the Company not acknowledged as debts	41,629	41,149
Amount deposited under protest	560	560
Bank Guarantee deposited under protest [included in 02[a] above]	854	5,787
[d] Liability on account of Custom duty on non fulfilment of Export obligation under EPCG scheme	10,179	10,166
[e] Other Matters under Appeal [with Excise, Sales Tax, and other Government Authorities]	29,791	22,082
Amount deposited under protest	11,608	11,446
Bank Guarantee deposited under protest [included in 02[a] above]	8,253	2,985
[f] Income tax matters under Appeal	709	2,302
03 Estimated amount of Contract remaining to be executed on capital account and not provided for (net of advances)	4,140,931	1,120,209
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.		

	As at 31.03.2009	As at 31.03.2008
(b) Deferred Tax:		
(i) Deferred Tax Liability on account of:		
Depreciation	57,988	46,629
Others	14,016	14,773
	<u>72,004</u>	<u>61,402</u>
Deferred Tax Assets on account of:		
Employees' Benefits	160	1,454
Others	2,881	-
	<u>3,041</u>	<u>1,454</u>
Net Deferred Tax Liability	<u>68,963</u>	<u>59,948</u>
(ii) Deferred Tax [Net] amounting to Rs. 8,991 Lakhs [Previous year Rs.7,616 Lakhs] has been recognised in the Consolidated Profit & Loss Account for the year ended 31.03.2009.		
06 Plant & Machinery includes a sum of Rs.6,287 Lakhs [Previous Year Rs.6,287 Lakhs] being the cost paid for Inter Connection Facility [ICF] established by Satluj Jal Viduyt Nigam Limited [SJVN] 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 SJVN.		
07 The Trust and Retention Account [refer Schedule "H"] is maintained pursuant to the stipulations of the "Financing Agreements" executed with the Lenders.		
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	963,467	622,498
09 Managerial remuneration paid/payable by the Company and its subsidiaries to Managing/ Whole-time Directors [excluding Provisions for Gratuity & Leave Encashment on Retirement]:		
Salaries	698	570
Provident Fund Contribution	84	65
Perquisites	484	372
	<u>1,266</u>	<u>1,007</u>
10 Goodwill amounting to Rs. 21,119 Lakhs [Previous Year Rs.14,012 Lakhs] has arisen on consolidation of accounts between Parent Company and its Subsidiary Companies, JHPL, BJCL, BoJCL and BPSL. Since Goodwill is to be amortised over a period of ten years, an amount Rs. 2,112 Lakhs [Previous Year Rs.1,401 Lakhs] has been written-off and included in Depreciation for the year ended 31st March,2009.		
11 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] Power Grid Corporation of India Limited		
[x] Jaypee Petroleum Private Limited [w.e.f. 17.04.2008]		

- [xi] Jaypee Hydro Carbons Private Limited [w.e.f. 17.04.2008]
- [xii] Jaypee Spa Infocom Limited [w.e.f. 16.05.2008]
- [xiii] Gujarat Mineral Development Corporation Limited [Joint Venture Partner of GJCL]
- [xiv] Steel Authority of India Limited {Joint Venture Partner of BJCL}

[b] Key Management Personnel:
Jaiprakash Associates Limited

- [i] Shri Manoj Gaur, Executive Chairman
- [ii] Shri Sunil Kumar Sharma, Executive Vice Chairman
- [iii] Shri Sunny Gaur , Managing Director (Cement)
- [iv] Shri S.D. Nailwal, Whole time Director
- [v] Shri Pankaj Gaur, Joint Managing Director (Construction)
- [vi] Shri Ranvijay Singh, Whole time Director
- [vii] Shri R.K.Singh, Whole time Director

Jaypee Hydro-Power Limited

- [i] Shri J.N.Gaur, Whole time Director
- [ii] Shri R.K. Narang, Whole time Director
- [iii] Shri Suresh Chandra, Whole time Director

Jaypee Hotels Limited*

- [i] Shri Ravi Sreen, Managing Director
- [ii] Smt. Manju Sharma, Whole-time Director
- [iii] Shri S.G.Awasthi, Managing Director
- [iv] Shri Shashank P. Warty, Whole-time Director [upto 10.01.08]
- [v] Lt. Gen. S.N. Endley [Retd.], Whole-time Director

* merged with Jaiprakash Associates Limited w.e.f 01.04.2008

Jaiprakash Power Ventures Limited

- [i] Shri Suresh Kumar, Executive Chairman
- [ii] Shri Suren Jain, Managing Director
- [iii] Shri Arun Gupta, Whole time Director

Jaypee Karcham Hydro Corporation Limited

- [i] Shri Dharam Paul Goyal, Managing Director
- [ii] Shri Praveen Kr Singh, Whole time Director

Gujarat Jaypee Cement & Infrastructure Limited

- [i] Shri Rahul Kumar, Managing Director

Jaypee Infratech Limited

- [i] Shri Sameer Gaur, Whole time Director
- [ii] Smt Rita Dixit, Whole time Director
- [iii] Shri Har Prasad, Whole time Director
- [iv] Shri Sachin Gaur, Whole time Director
- [v] Shri Anand Bordia, Whole time Director [w.e.f. 01.02.2009]
- [vi] Shri S.K. Dodeja, Whole time Director [w.e.f. 01.02.2009]

Jaypee Power Grid Limited

- [i] Shri Rajiv Ranjan Bhardwaj, Managing Director
- [ii] Shri Prabhakar Singh, Whole time Director [w.e.f. 05.12.2008]
- [iii] Shri R.B.Mishra, Whole time Director [resigned w.e.f. 29.09.2008]

Jaypee Ganga Infrastructure Corporation Limited

- [i] Shri O.P. Arya, Managing Director-cum-CEO [w.e.f. 01.08.2008]

Himalyan Expressway Limited

- [i] Shri K.C. Batra, Whole time Director [w.e.f. 01.02.2009]

Bina Power Supply Company Limited

- [i] Shri Suren Jain, Managing Director

Jaypee Aruchnal Power Limited

- [i] Shri Pankaj Gaur, Director

Bhilai Jaypee Cement Limited

- [i] Shri Sunil Joshi, Whole time Director
- [ii] Shri K.P. Sharma, Whole time Director

Bokaro Jaypee Cement Limited

- [i] Shri R.K. Singh, Managing Director

JPSK Sports Private Limited

- [i] Shri Ashok Khurana, Vice Chairman

[c] Relatives of Key Management Personnel, where transactions have taken place

- [i] Shri Gyan Prakash Gaur
- [ii] Shri P.K.Jain
- [iii] Shri Sachin Gaur
- [iv] Smt. Rekha Dixit
- [v] Smt. Rita Dixit
- [vi] Shri Naveen Kumar Singh
- [vii] Smt Manju Shama
- [viii] Smt Neha Sharma

Transactions carried out with related parties referred to above:

Rupees in Lakhs

Nature of Transactions	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Income			
Contract Receipts	-	-	-
Sales of Land	24,660	-	-
Service Charges	2 (6)	-	-
Dividend	118	-	-
Interest	56 (464)	-	-
Expenses			
Design Engineering and Technical Consultancy	17,930 (4721)	-	-
Mining Rights	-	-	-
Security & Medical Services	4,101 (3,284)	-	-
Salaries & Other Amenities etc.	-	1,217 (1,007)	183 (98)
Gratuity & Leave Encashment	-	-	-
Rent	64 (24)	-	-
Steel Purchased	4,722	-	-
Other Expenses	782	-	-
Others			
Purchase of Shares during the year	-	-	-
Share Application Money given during the year	(40,000)	-	-
Shares Allotted during the year	3,970	-	-
Equity Warrants (Upfront Payment received during the year)	-	-	-
Outstanding Receivables	109,934 (77,663)	-	-
Payables	1,224 (24,540)	43 (33)	13 (8)

Notes: Previous Year figures are given in brackets.

13 Segment Information
Business Segment:
Rs. in Lakhs

Particulars	Construction	Cement/ Expressway Cement Products	Hotel / Hospitality	Power	Real Estate	Investments	Unallocated	Total	
[A] Segment Revenue									
External	84,485 (117,316)	229,411 (197,354)	36,061 -	15,558 (16,172)	74,482 (74,738)	44,135 (25,583)	599 (22)	12,016 (8,215)	496,747 (439,400)
Inter Segment Revenue	206,452 (59,904)	14,478 (9,560)	19,393 -	730 (199)	- -	- -	- -	- -	241,053 (69,663)
Segment Results									
Profit/(Loss) before Tax	10,103	68,054	16,610	2,957	57,510	21,770	599	(-) 12,415	165,188
Interest and Minority Interest	(26,555)	(68,857)	(-1205)	(3,390)	(67,071)	(8,093)	(22)	(-) (7,689)	(165,094)
[B] Less: Interest									
								(-) 70,617	
								(-) (55,786)	
Profit before Tax									94,571
									(109,308)
Provision for Tax Current Tax									33,566
									(21,291)
Deferred Tax									8,991
									(7,616)
Fringe Benefits Tax									757
									(706)
Profit after Tax before Minority Interest									51,257
									(79,695)
[C] Other Information									
Segment Assets	328,470 (224,734)	1,098,399 (723,857)	274,182 (85,056)	67,369 (48,033)	613,126 (465,101)	196,412 (123,487)	109,641 (12,033)	437,102 (355,349)	3,124,701 (2,037,650)
Segment Liabilities	65,814 (32,877)	70,080 (64,462)	32,279 (46,413)	5,357 (4,686)	15,009 (4,542)	144,281 (65,585)	- -	67,336 (46,931)	400,156 (265,496)
Total Loan and Interest payable thereon									1,932,015 (1,148,717)
Capital Expenditure during the year including CWIP	16,756 (57,511)	335,897 (296,583)	- (17,718)	12,409 (6,968)	165,388 (86,373)	929 (766)	- -	10,890 (5,205)	542,269 (471,124)
Depreciation	2,777 (8,179)	14,794 (10,508)	1,076 (847)	1,476 (1,142)	10,004 (9,069)	182 (33)	- -	2,951 (2,105)	33,260 (31,883)
Non Cash expenditure other than depreciation	- -	- -	- -	28 (316)	- -	- -	- -	12 (209)	40 (525)

[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/Expressway
[ii] Cement/Cement Products	Manufacture and Sale of Cement, Clinker and Cement Products
[iii] Hotel/Hospitality	Hotels, Golf Course, Resorts and SPA
[iv] Real Estate	Real Estate Development
[v] Power	Generation and Sale of Power [Hydro, Wind and Thermal Power]

[vi] Expressways Expressways

[vii] Investments Investments in Companies

[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.

13 In accordance with the Accounting Standard [AS-20] on 'Earnings Per Share' computation of Basic and Diluted Earnings per Share is as under:

	2008-2009 Rs. In Lakhs	2007-2008 Rs. In Lakhs
(a) Net Profit for Basic Earnings Per Share as per Consolidated Profit & Loss account	42,025	67,680
Add: Adjustment for the purpose of Diluted Earnings Per Share	-	-
Net Profit for Diluted Earnings Per Share	42,025	67,680
(b) Weighted average number of equity shares for Earnings per share		
(i) Number of Equity Shares at the beginning of the year	1,171,522,417	1,096,198,270
(ii) (a) Number of Shares allotted during the year	12,278,162	75,324,147
(b) Number of shares to be allotted on Amalgamation	218,010,985	-
(iii) Weighted average shares allotted/to be allotted during the year	216,011,146	28,455,011
(iv) Number of potential Equity Shares	102,068,420	21,380,295
(v) Weighted average for:		
[a] For Basic Earnings Per Share	1,387,533,563	1,124,653,281
[b] For Diluted Earnings Per Share	1,489,601,983	1,146,033,576
(c) Earnings Per Share		
(i) Basic	Rs. 3.03	Rs. 6.02
(ii) Diluted	Rs. 2.82	Rs. 5.91
(d) Face Value Per Share	Rs. 2.00	Rs. 2.00

14 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 letter Nos.47/324/2009-CL-III dated 14.05.2009 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 in respect of the Company's Subsidiaries for the financial year ended on 31.03.2009 subject to, inter alia, presentation of consolidated financial statements of subsidiaries duly audited and disclosure of following information. (See page 74)

15 During the year the Parent Company had allotted 1,00,00,000 Equity shares of Rs.2/- each against 1,00,00,000 Warrants to Jaypee Ventures Private Limited, [a Promoter Company] on Preferential Basis at a premium of Rs.395/- per share. As on 31.03.2009, 4,00,00,000 Warrants are outstanding entitling to apply for allotment of one equity share of Rs.2/- each against each Warrant on full payment @ Rs.397/- per share, against which an upfront payment of Rs.158.80 Crores has been received.

16 Figures for the previous year have been regrouped/recast/rearranged wherever considered necessary to confirm to this year's classification.

17 Previous Year figures are not comparable with those of current year figures in view of amalgamation of Jaypee Hotels Limited, Jaiprakash Enterprises Limited, Gujarat Anjan Cement Limited and Jaypee Cement Limited with the Parent Company.

18 Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Parent Company's Financial statements.

Detail of SI, No. 14

	Jaiprakash Hydro Power Ltd	Jaiprakash Power Ventures Ltd.	Jaiprakash Karcham Hydro Corp. Ltd.	Madhya Pradesh Jaypee Minerals Ltd	Jaypee Power Grid Ltd	Jaypee InfraTech Ltd	Himalyan Expressway Ltd	Bhilai Jaypee Cement Ltd	Jaypee Ganga Infrastructure Corporation Ltd.	Bina Power Supply Company Ltd.	Jaypee Arunachal Power Ltd.	Bokaro Jaypee Cement Ltd	JPSK Sports Private Ltd	Gujarat Jaypee Cement & Infra/ture Ltd.	Jaypee * Hotels Ltd.	Jaypee * Cement Ltd.	Gujarat * Anjan Cement Ltd.
Capital (including Share Application Money)	49,100 (49,100)	53,489 (56,750)	92,500 (75,000)	4,568 (3,534)	12,500 (7,500)	96,600 (96,500)	9,505 (505)	17,850 (9,388)	27,435	22,416	12,000	3,018	1,250	1,185 (166)	- (5,549)	- (37,705)	- (36,581)
Reserves	58,415 (53,947)	55,342 (45,054)	-	-	27,936	-	-	-	-	-	-	-	-	-	- (8,786)	-	(6)
Total Assets	201,494 (205,308)	236,657 (230,372)	323,736 (135,179)	4,722 (4,749)	33,013 (7,561)	361,181 (167,896)	22,092 (558)	46,184 (10,336)	28,984	22,784	12,015	3,042	1,329	1,205 (171)	(36,700)	(37,902)	(83,781)
Total Liabilities (including Loans)	93,979 (102,261)	127,826 (128,568)	231,236 (60,179)	154 (1,215)	20,513 (61)	236,645 (72,533)	12,587 (53)	28,334 (948)	1,549	368	15	25	79	20 (5)	(22,365)	(197)	(47,194)
Investment Details (including Share Application Money)																	
Indesign Enterprises Pvt Ltd (50,000 equity shares of Rs. 10/- each)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cyprus one each	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gujarat Anjan Cement Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.65.62.070 Equity Shares of Rs.10/- each (Previous Year 3.65.62.070 Equity Shares fully paid up and 1,00,00,000 Equity Shares of Rs 10/- each Partly paid up)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sumeru Industries Ltd (8,68,000 Equity Shares of Rs. 1/- each)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RPJ Minerals Pvt.Ltd. (7,36,620 Equity Shares of Rs.10/- each)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6)
Sonebhadra Minerals Pvt. Ltd. (23,575 Equity Shares of Rs.10/- each)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,213)
RPJ Minerals Pvt.Ltd. (Share Application Money]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnover (including Other Income) (34,250)	31,791 (40,454)	41,873	-	-	(77)	55,626	-	-	-	-	-	-	-	(17,291)	-	-	-
Profit Before Taxation	16,119 (24,061)	21,044 (21,509)	-	-	30,360 (-1,129)	-	-	-	-	-	-	-	-	-	(2,816)	-	-
Provision for Taxation	1,833 (2,721)	2,396 (2,454)	-	-	3,687 (8)	-	-	-	-	-	-	-	-	-	(1,062)	-	-
Profit After Taxation	14,286 (21,340)	18,648 (19,055)	-	-	26,673 (-1,137)	-	-	-	-	-	-	-	-	-	(1,754)	-	-
Proposed Dividend (including Dividend Distribution Tax)	4,308 (4,308)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,169)	-	-

* Merged with Jaiprakash Associates Limited

For and on behalf of the Board

For M.P. SINGH & ASSOCIATES
Chartered Accountants

M.P. SINGH
Partner

Place : New Delhi
Dated: 6th June, 2009

MANOJ GAUR
Executive Chairman & CEO

SUNIL KUMAR SHARMA
Executive Vice Chairman

S.D. MALIWAJ
Director [Finance]

HARISH K. VAID
Sr. President [Corporate Affairs]
& Company Secretary

RAHUL KUMAR
C.F.O.

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

GOPAL DAS BANSAJ
Sr. Vice-President
[Accounts]

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	2008-2009		2007-2008	
	Rs in Lakhs		Rs in Lakhs	
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax , Exceptional Item and Minority Shareholders				
Interest as per Profit & Loss Account				
		94,571		109,308
Add back:				
(a) Depreciation	33,260		31,883	
(b) Deferred Revenue on account of advance against depreciation	6,260		4,903	
(c) Miscellaneous Expenses (Amortized)	3,478		894	
(d) Interest on Borrowings	70,617		55,786	
(e) Loss on sale of fixed assets	747		1,730	
		<u>114,362</u>		<u>95,196</u>
		208,933		204,504
Deduct:				
(a) Interest Income	(13,838)		(9,726)	
(b) Dividend Income	(575)		(22)	
(c) Other Income	(5,255)		(6,552)	
		<u>(19,668)</u>		<u>(16,300)</u>
Operating Profit before Working Capital Changes		189,265		188,204
Deduct:				
(a) (Increase)/ Decrease in Sundry Debtors	885		(3,011)	
Less: Adjustment (Refer Note No.1)	(808)	1,693	–	(3,011)
(b) (Increase)/ Decrease in Inventories	(27,271)		(10,553)	
Less: Adjustment (Refer Note No.1)	485	(26,786)	–	(10,553)
(c) (Increase)/ Decrease in Projects under Development	(46,374)		(12,670)	
Less: Adjustment (Refer Note No.1)	–	(46,374)	–	(12,670)
(d) (Increase)/Decrease in Other Receivables	(515)		5	
Less: Adjustment (Refer Note No.1)	–	(515)	–	5
(e) (Increase)/ Decrease in Loan and Advances	(112,803)		(138,157)	
Less: Adjustment (Refer Note No.1)	5,560	(107,243)	–	(138,157)
		<u>(179,225)</u>		<u>(164,386)</u>
		10,040		23,818
Add:				
Increase/ (Decrease) in Trade Payables & other Liabilities	104,721		89,366	
Less: Adjustment (Refer Note No.1)	(6,210)	98,511	–	89,366
Cash Generated from Operations		108,551		113,184
Deduct:				
Tax Paid (including Fringe Benefits Tax)		(37,709)		(21,495)
CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	"A"	70,842		91,689
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Outflow:				
(a) For Fixed Assets and Capital Work in progress	(701,823)		(470,352)	
Less: Adjustment (Refer Note No.1)	19,643	(682,180)	–	(470,352)
(b) Purchase of Investments	(107,608)		(11,260)	
Less: Adjustment (Refer Note No.1)	81,963	(25,645)	–	(11,260)
(c) Miscellaneous Expenditure		(447)	(1,654)	
		<u>(708,272)</u>		<u>(483,266)</u>

		2008-2009	2007-2008
		Rs in Lakhs	Rs in Lakhs
Inflow:			
(a) Sale/Transfer of Fixed Assets	18,825	1,325	
Less: Adjustment (Refer Note No.1)	(18,309)	–	1,325
(b) Sale of Investments	10,024	–	–
(c) Interest Received	17,050		7,861
(d) Dividend Received	575		22
(e) Other Income	5,231		6,552
		33,396	15,760
NET CASH USED IN INVESTING ACTIVITIES	"B"	(674,876)	(467,506)
(C) CASH FLOW FROM FINANCING ACTIVITIES:			
Inflow:			
(a) Increase in Share Capital (Refer Note No.2)	4,606	1,506	
Less Shares Allotted to Shareholders of Transferor Companies	(4,031)	–	1,506
(b) Upfront Payment of Equity Warrants	–	–	39,850
(c) Increase in Security Premium (Refer Note No.2)	53,441	118,788	
Less: Adjustment (Refer Note No.1)	(4,862)	–	118,788
(d) Increase in Minority Interest	(431)	11,239	
Less: Adjustment (Refer Note No.1)	1,585	–	11,239
(e) Capital Reserve on Buy Back of Foreign Currency Convertible Bonds	8,664		–
(f) Increase in Reserves on account of Shares Allotted by Transferor Companies after 01.04.2008 but before Valuation Date	16,278		–
(g) Increase in Borrowings (Net) (Refer Note No.2)	783,298		340,359
		858,548	511,742
Outflow			
(a) Interest Paid	(67,141)		(54,383)
(b) Dividend Paid (including Tax on Dividend)	(18,023)		(17,622)
(c) Upfront Payment of Equity Warrants Adjusted (Refer Note No.2)	(23,970)	(109,134)	–
			(72,005)
NET CASH FROM FINANCING ACTIVITIES	"C"	749,414	439,737
ADJUSTED CASH AND CASH EQUIVALENT	"D"	546	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS "A + B + C + D"		145,926	63,920
CASH AND CASH EQUIVALENTS AS AT 01.04.2008 (OPENING BALANCE)		246,215	182,295
CASH AND CASH EQUIVALENTS AS AT 31.03.2009 (CLOSING BALANCE)		392,141	246,215

Notes:

- Adjustment is on account of Jaypee Hotels Limited, Gujarat Anjan Cement Limited and Jaypee Cement Limited amalgamating with the Parent Company, Consequently extinguishing as subsidiary of the Parent Company w.e.f. 01.04.2008
- Increase in Share Capital & Share 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.
 - Conversion of Equity Share Warrants issued by the Parent Company into Equity Shares .
- Current Year Figures are not comparable with those of previous year.

For and on behalf of the Board

 For M.P. SINGH & ASSOCIATES
 Chartered Accountants

M.P. SINGH
 Partner

 Place : New Delhi
 Dated: 6th June, 2009

GOPAL DAS BANSAL
 Sr. Vice-President
 [Accounts]

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

RAHUL KUMAR
 C.F.O.

HARISH K. VAID
 Sr. President [Corporate Affairs]
 & Company Secretary

MANOJ GAUR
 Executive Chairman & CEO

SUNIL KUMAR SHARMA
 Executive Vice Chairman

S.D. NAILWAL
 Director [Finance]



2007



2009

2.4 MnTPA Jaypee Gujarat Cement Plant, Sewagram, Gujarat



2007



2009

2 MnTPA Sidhi Cement Plant, M.P.



Srisailem Tunnel Project, Andhra Pradesh

2009



2008



Work in progress at Yamuna Expressway Project

2009



JAIPRAKASH ASSOCIATES LIMITED

Registered Office: Sector-128, Noida-201 304, (U.P.)
Delhi Office : 'JA House', 63, Basant Lok, Vasant Vihar, New Delhi - 110 057

NAME OF THE SHAREHOLDER / PROXY*	DP ID**		Folio No.	
	Client ID**		No. of Shares held	

I hereby record my presence at the 12th Annual General Meeting of the Company held on Tuesday, the 29th day of September, 2009 at 11.00 A.M. at the Auditorium of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201 307 (U.P.)

SIGNATURE OF THE SHAREHOLDER / PROXY*

* Strike out whichever is not applicable

** Applicable for investors holding shares in electronic form.

Note: Please handover the slip at the entrance of the Meeting venue.

----- Cut here -----



JAIPRAKASH ASSOCIATES LIMITED

PROXY

Registered Office: Sector-128, Noida-201 304, (U.P.)
Delhi Office : 'JA House', 63, Basant Lok, Vasant Vihar, New Delhi - 110 057

I/We of
in the district of.....being a Member(s) of the above named
Company hereby appoint of in the district
of or failing him/her of in the district
of..... as my/our proxy to attend and vote for me/us on my/our behalf at the 12th Annual General Meeting
of the Company to be held on Tuesday, the 29th day of September, 2009 at 11.00 A.M. at the Auditorium of Jaypee Institute of
Information Technology University, A-10, Sector 62, NOIDA- 201 307 (U.P.)

Signed at this..... day of.....2009.

Folio No.		DP ID*	
No. of Shares held		Client ID*	

Affix Re.1 Revenue Stamp

* Applicable for investors holding shares in electronic form.

Notes: .

1. The Proxy need not be a member.
2. The form of proxy, duly signed across Re.1 revenue stamp should reach the Company, not less than 48 hours before the time fixed for the meeting.



View of the residential community at Jaypee Greens, Greater Noida, U.P.



Base Camp of 1320 MW Nigrie Thermal Power Plant, M.P.

BOOK POST

If undelivered please return to:

JAIPRAKASH
ASSOCIATES LIMITED

Regd. Office : Sector-128, Noida-201 304, Uttar Pradesh (India) Tel. : +91-120-4609000, Fax : +91-120-4609496
Website : www.jalindia.com