



Annual Report 2010-11



# NO DREAM TOO BIG

when it comes to  
achieving excellence  
demonstrated once again  
by Jaypee Group



Jaypee Rewa Plant & Jaypee Bela Plant of the Jaypee Group have been awarded with renowned and most prestigious SWORD OF HONOUR Award by British Safety Council, UK. This is a well acclaimed and celebrated International Award in the field of Health & Safety Management System.

3 MnTPA Jaypee Rewa Plant and 2.4 MnTPA Jaypee Bela Plant are the only cement plants to be bestowed this honour in India.

## Photographs on the Cover

- 1 2 MnTPA Dalla Cement Factory, U.P.
- 2 1000 MW Karcham Dam, H.P.
- 3 Residential Community at Jaypee Greens, Greater Noida, U.P.
- 4 Jaypee Residency Manor, Mussoorie, Uttarakhand
- 5 2 MnTPA Jaypee Himachal Cement Blending & Grinding Unit, Bagheri, H.P.
- 6 Machine Hall at 300 MW Baspa-II HEP, H.P.
- 7 165 Km Noida to Agra Yamuna Expressway, U.P.



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



2.4 MnTPA Jaypee Bela Plant, Jaypee Puram, Rewa, M.P.



2 MnTPA Dalla Cement Factory, Sonebhadra, U.P.



1.2 MnTPA Jaypee Roorkee Cement Grinding Unit, Roorkee, Uttarakhand



2.1 MnTPA Bokaro Jaypee Cement Limited, Bokaro, Jharkhand (Joint Venture with SAIL)



3.5 MnTPA Jaypee Balaji Cement Plant, A.P.

## Company Secretary

### Harish K. Vaid

Sr. President (Corporate Affairs) & Company Secretary

### Auditors

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

### Bankers

Allahabad Bank  
 Andhra Bank  
 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 Limited  
 HSBC Ltd.  
 ICICI Bank Limited  
 Indian Bank  
 Indian Overseas Bank  
 IDBI Bank Ltd.  
 Karur Vysya Bank  
 Karnataka Bank  
 Kotak Mahindra Bank  
 Oriental Bank of Commerce  
 Punjab National Bank  
 Punjab & Sind Bank  
 Royal Bank of Scotland  
 Standard Chartered Bank  
 State Bank of India  
 State Bank of Hyderabad  
 State Bank of Indore  
 State Bank of Mysore  
 State Bank of Patiala  
 State Bank of Sikkim  
 State Bank of Travancore  
 State Bank of Bikaner & Jaipur  
 Syndicate Bank  
 The Jammu & Kashmir Bank Limited  
 UCO Bank  
 Union Bank of India  
 United Bank of India  
 Vijaya Bank  
 Yes Bank Limited

### Founder Chairman

**Jaiprakash Gaur**

### Board of Directors

**Manoj Gaur**, Executive Chairman & CEO  
**Sunil Kumar Sharma**, Executive Vice Chairman  
**Sarat Kumar Jain**, Vice Chairman  
**A. K. Sahoo** (LIC Nominee)  
**Viney Kumar** (IDBI Nominee)  
**R. N. Bhardwaj**  
**S. C. Bhargava**  
**B. K. Goswami**  
**B. K. Taparia**  
**Dr. B Samal**  
**V K. Chopra**  
**S. C. Gupta**  
**Dr. J. N. Gupta**  
**M. S. Srivastava**  
**Sunny Gaur**, Managing Director (Cement)  
**Pankaj Gaur**, Jt. Managing Director (Construction)  
**Ranvijay Singh**, Whole-time Director  
**R. K. Singh**, Whole-time Director  
**Shyam Datt Nailwal**, Whole-time Director  
**Rahul Kumar**, Whole-time Director & 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](http://www.jalindia.com)

### E mail ID for Fixed Deposit related queries

[jalinvestor@jalindia.co.in](mailto:jalinvestor@jalindia.co.in)

### E mail ID for Shareholder related queries

[jal.investor@jalindia.co.in](mailto:jal.investor@jalindia.co.in)

# NOTICE

NOTICE is hereby given that the **14<sup>th</sup> Annual General Meeting** of the Members of **Jaiprakash Associates Limited** will be held on Tuesday, September 27, 2011 at 11.30 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, 2011**, 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 dividend and declare final **dividend** for the financial year 2010-11.
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 B.K.Goswami** who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of **Shri S.C. Gupta** who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint a Director in place of **Shri R.K. Singh** who retires by rotation and, being eligible, offer himself for re-appointment.
7. To appoint a Director in place of **Shri S.D. Nailwal** 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 resolution:

### As Ordinary Resolution

9. "RESOLVED that **Shri Rahul Kumar** be and is hereby appointed a Director of the Company, liable to retire by rotation."

By Order of the Board

For **JAIPRAKASH ASSOCIATES LIMITED**

**HARISH K. VAID**

Place : NOIDA

Sr. President (Corporate Affairs) &  
Company Secretary

Date : August 12, 2011

## NOTES

- (i) Relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of resolution set out under **Item No. 9** 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 21, 2011 to September 27, 2011(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 12, 2011** 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 20, 2011**. 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 20, 2011**, 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) **The Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, the Company has already sent a communication to all the shareholders that various notices/documents meant for them shall be sent electronically on their e-mail addresses as obtained from Depositories/other sources, unless specifically requested to be sent in physical form. The members who have not registered/ updated their e-mail addresses so far, are requested to register/ update their e-mail addresses, in respect of electronic holdings with the Depository**

through their concerned Depository Participant. Members who hold their shares in physical form and who are desirous of receiving the communications/ documents in electronic form are requested to promptly register their e-mail addresses with the Company.

- (viii) 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.
- (ix) 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.
- (x) 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.
- (xi) 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 meeting held on **January 28, 2011** had declared **interim dividend @ Re 0.40 per share i.e. 20%** 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.
- (xii) The Members may please note that the Ordinary and Special Resolutions sent through notice dated **May 30, 2010, November 15, 2010 and May 14, 2011** to all Members for voting through Postal Ballot have been passed on **August 31, 2010, February 19, 2011 and July 19, 2011 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.
- (xiii) **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**
  - quote their Folio/Client ID & DP ID No. in all correspondence.**
- (xiv) 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

so as to reach **at least seven days before the date of the Meeting**. The envelope may please be superscribed "**AGM QUERIES – Attn.: Shri Harish K. Vaid, Sr. President (Corporate Affairs) & Company Secretary**".

- (xv) 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, 42, a graduate from Delhi University, is presently Managing Director (Cement) of the Company and has rich experience of over 20 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 Managing Director of Madhya Pradesh Jaypee Minerals Ltd., Chairman of Bhilai Jaypee Cement Ltd., Bokaro Jaypee Cement Ltd. and Director on the Boards of Jaypee Ganga Infrastructure Corporation Ltd., Prayagraj Power Generation Company Ltd., Jaypee Agra Vikas Ltd., MP Jaypee Coal Ltd., MP Jaypee Coal Fields Ltd., Jaiprakash Agri Initiatives Company Ltd., Himalyaputra Aviation Ltd., Jaypee Ventures Pvt. Ltd., Jaypee Infra Ventures (A Company with Unlimited Liabilities) and Jaypee Mining Ventures Pvt. Ltd. He is also a member of Audit Committee of Madhya Pradesh Jaypee Minerals Ltd., Jaypee Ganga Infrastructure Corporation Ltd. and Prayagraj Power Generation Company Ltd.

Shri Sunny Gaur holds 2,38,045 equity shares in the Company in his own name and no share in the Company is held by him for any other person on a beneficial basis.

Shri Sunny Gaur is brother of Shri Manoj Gaur, Executive Chairman & CEO of the Company.

**Shri B.K. Goswami**

Shri B.K. Goswami, 75, holds a Master's degree in English from University of Delhi. He joined Indian Administrative Service in 1960.

He has held various prestigious positions in various Government Departments including Chairman, Tea Board of India, Chief Secretary, Govt. of Jammu & Kashmir, Secretary, Department of Civil Supplies, Secretary Tourism, Govt. of India, Advisor to Governor of UP and Jammu & Kashmir.

Besides the above, he was Chairman of J & K Tourism Development Corporation, Board of Governors of Institute of Hotel Management & Catering Technology, Bombay & New Delhi & the Task Force on Tourism constituted by Government of Kerala. He also served as Director on the Boards of Indian Tourism Development Corporation, Indian Airlines, Air India, Rajasthan Tourism Development Corporation, erstwhile Jaiprakash Industries Limited and erstwhile Jaypee Greens Limited. He was also Trustee of Consumer Education and Research Centre, Ahmedabad, Mata Vaishno Devi Shrine Board and Jim Corbett Foundation.

Presently, he is Director on the Boards of Jaypee Infratech Ltd., Jaypee Development Corporation Ltd., Nectar Life Sciences Ltd., L H Sugar Factories Ltd., Blue Coast Hotels Ltd., B & A Ltd., Conservation Corporation of India Ltd., Global Trust Capital Finance Ltd., Simbholi Sugars Ltd., New Kennilworth Hotels Ltd., Naturich Labs Pvt. Ltd., and Mata Securities Pvt. Ltd. He is Chairman of (i) Finance Committee of your Company & (ii) Audit Committee of Blue Coast Hotels Ltd. Further, he is a member of (i) Audit Committee of your Company, Jaypee Infratech Ltd. and

B & A Ltd.:(ii) Remuneration Committee of your Company & Blue Coast Hotels Ltd.; (iii) Finance Committee of Jaypee Infratech Ltd. and (iii) Investor Grievance Committee of Blue Coast Hotels Ltd.

Shri B. K. Goswami 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 S.C. Gupta**

Shri S C Gupta, 74, is B.Sc, B.Arch., PG. Dip. T & CP and a fellow of Institute of Town Planning of India. He is an accomplished Planner with over 38 years of experience in the field 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 Jaypee Infratech Ltd., Jaypee Development Corporation Ltd., TLC International Ltd., Preferred Card Marketing Pvt. Ltd., Goodtimes Marketing Pvt. Ltd., TLC Relationship Management Pvt. Ltd., SLS Software Pvt. Ltd. and Sureni Holdings Pvt. Ltd. He is neither a Chairman nor a member of any of the Committees of the Board of Directors of the Companies of which he is a Director.

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 R.K. Singh**

Shri R.K. Singh, 65, presently a Whole-time Director of the Company, is a Science Graduate from Agra University and Bachelor of Engineering (Hons.) in Civil Engineering from University of Roorkee securing top position. Shri Singh has rich and varied experience of over 41 years to his credit. He had held various key positions including Member, Public Enterprises Selection Board, Chairman, Railway Board (Ex. Officio Principal Secretary to Government of India), Chairman, RITES Ltd., IRCON International Ltd., and RAIL Vikas Nigam Ltd.

Presently Shri Singh is Managing Director of Bokaro Jaypee Cement Ltd., and Director on the Board of Jaypee Agri Initiatives Company Ltd. He is neither a Chairman nor a member of any of the Committees of the Board of Directors of the Companies of which he is a Director.

Shri R. K. Singh holds 258 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 S.D. Nailwal**

Shri Shyam Datt Nailwal, 63, is a fellow member of the Institute of Company Secretaries of India with 42 years' experience in the fields of project financing, corporate planning and secretarial work. He is a Whole-time Director on the Board of the Company since July 1, 2004.

Shri Nailwal is a Director on the Boards of Jaypee Arunachal Power Ltd., Jaypee Fertilizers & Industries Ltd., Himalyaputra Aviation Ltd., Jaypee Uttar Bharat Vikas Pvt. Ltd. and Jaypee Meghalaya Power Ltd. He is a member of Finance Committee and Shareholders' / Investors' Grievance & Share Transfer Committee of the Board of

Directors of the Company. He is also a member of Audit Committee of Jaypee Arunachal Power Limited and Remuneration Committee of Jaypee Fertilizers & Industries Limited.

Shri S. D. Nailwal holds 83,938 equity shares in the Company 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 August 12, 2011**:

#### **Item No. 9**

**Shri Rahul Kumar** was appointed as a Director w.e.f. October 31, 2010 in the casual vacancy caused due to the resignation of Shri Jaiprakash Gaur, Founder Chairman. Further, keeping in view his contribution in the growth of the Company and his leadership qualities supported by experience, Shri Rahul Kumar was appointed as a Whole-time Director & CFO w.e.f. October 31, 2010.

By virtue of Section 262 of the Companies Act, 1956 read with Article 132 of the Articles of Association of the Company, Shri Rahul Kumar holds office upto the date of ensuing Annual General Meeting of the Company. The Company has received notice in writing alongwith a deposit of Rs.500 from a member of the Company in terms of Section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Shri Rahul Kumar for the office of Director at the ensuing Annual General Meeting.

Shri Rahul Kumar aged about 43 years, is a Fellow Member of the Institute of Chartered Accountants of India with around 18 years' experience in the fields of accounting, marketing of cement, corporate planning and financing. He had been in charge of marketing of cement, cement sale accounting and also associated with corporate planning functions of the Company. He was designated as Chief Financial Officer of the Company w.e.f. April 1, 2010.

Presently, he is on the Boards of Bhilai Jaypee Cement Limited (MD), Gujarat Jaypee Cement Infrastructure Limited (MD), Bokaro Jaypee Cement Limited, Jaypee Fertilizers & Industries Limited, Jaiprakash Agri Initiatives Company Limited, Rock Solid Cement Limited, RPJ Minerals Private Limited, Sarveshwari Stone Products Private Limited and Sonebhadra Minerals Private Limited. He is Chairman of the Audit Committee of Bokaro Jaypee Cement Limited (BoJCL) and Member of Allotment & Share Transfer Committee of BoJCL. Further, he is also Chairman of Allotment & Share Transfer Committee of Gujarat Jaypee Cement Infrastructure Limited.

Shri Rahul Kumar holds 1,50,750 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.

None of the Directors of the Company, except Shri Rahul Kumar himself, is 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 : NOIDA  
Date : August 12, 2011

Sr. President (Corporate Affairs) &  
Company Secretary

**Registered Office:** Sector 128, Noida - 201 304, U.P.



# DIRECTORS' REPORT

To

The Members,

The Directors of your Company are pleased to present the **14<sup>th</sup> Annual Report** together with the Audited Accounts of the Company for the year ended **March 31, 2011**.

## WORKING RESULTS

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

(Rs. in Crores)

Financial year ended	31.03.2011	31.03.2010		
Gross Revenue	13831.87	11671.78		
Profit before Depreciation & Tax	2362.32	2837.73		
Less : Depreciation	607.81	456.06		
<b>Profit before Tax</b>	<b>1754.51</b>	<b>2381.67</b>		
Less : Provision for Tax				
● Current Tax	330.09	439.69		
● Deferred Tax	270.73	233.62		
● Excess Provision for Income Tax in Earlier Years reversed	(14.09)	-	673.31	
<b>Profit after Tax</b>	<b>1167.78</b>	<b>1708.36</b>		
Add :				
● Profit brought forward from Previous Year	2645.03	1879.68		
<b>Profit available for appropriation</b>	<b>3812.81</b>	<b>3588.04</b>		
Less : Transferred to :				
● Reserve for Redemption Premium on FCCBs	153.54	117.32		
● Debenture Redemption Reserve	507.11	383.54		
● General Reserve	117.00	240.00		
● Dividend paid pertaining to Previous Year	0.11	0.01	740.87	
Add :				
● Tax on proposed Final Dividend Reversed	-	3.96		
● Final Dividend received by Jaiprakash Enterprises Ltd. (Transferor Company)	-	2.40		
● Final Dividend Transferred from Trusts (in which Company is sole beneficiary)	10.22	10.22	7.05	13.41
Less: Dividend				
● Interim Dividend	85.06	75.71		
● Interim Dividend received by Trusts	(7.57)	(6.82)		
● Proposed Final Dividend	85.06	114.73		
● Tax on Dividends	13.80	31.93	215.55	
Balance carried to Balance Sheet	2868.92	2645.03		
<b>Basic Earning Per Share [Face value Rs. 2 per share] after Extraordinary Items</b>	<b>5.49</b>	<b>8.08</b>		
<b>Diluted Earnings Per Share [Face value Rs. 2 per Share] after Extraordinary Items</b>	<b>5.27</b>	<b>7.68</b>		

## DIVIDEND

For the financial year 2010-11, your Directors had declared an Interim Dividend of Re.0.40 per Equity Share of Rs.2 i.e. 20%, on January 28, 2011, absorbing an aggregate amount of Rs.85.06 Crores. The Board has recommended a Final Dividend of Re.0.40 per Equity Share of Rs. 2 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.85.06 Crores, excluding Dividend Distribution Tax of Rs.13.80 Crores.

Thus, the total dividend of 40% for the year would result in an aggregate payout of Rs.170.12 Crores, excluding Dividend Distribution tax of Rs.13.80 Crores.

## FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBS)

The particulars about conversion, outstanding amount, coupon, listing etc. of FCCBs-II (Issue size – Euro 165 Mn.) & FCCBs-III (Issue size – US \$ 400 Mn.) are detailed in para 26 of the Corporate Governance Report forming part of this Report. While the outstanding amounts as on March 31, 2011 against FCCB-II and FCCB-III were to the tune of Euro 1.706 Mn & US \$ 354.475 Mn, FCCB-I (Issue size – US \$ 100 Mn.) stood fully extinguished from February 17, 2010. On April 9, 2011, FCCB-II aggregating Euro 1.451 Mn were redeemed on exercise of put option by the Bondholders. Thus, as on date, the outstanding amount of FCCB-II aggregates Euro 0.255 Mn. and that of FCCB-III aggregates US \$ 354.475 Mn.

## EMPLOYEE STOCK PURCHASE SCHEME

During 2010-11, "Jaypee Group ESPS, 2009 Trust" which was created in 2009 for administering the Stock Purchase Scheme of the Company namely "Jaypee Employee Stock Purchase Scheme, 2009 and for the ultimate benefit of the employees (including Directors) of the Company and its subsidiaries, allocated/transferred 1,12,63,706 Equity Shares of Rs.2 each alongwith the Bonus thereon, to the eligible persons, in tranches, as per details given below, on receipt of the issue price of Rs.60 per share including premium of Rs.58 per share, from its total holding of 1,25,00,000 Equity Shares which were issued & allotted by the Company to the Trust on December 14, 2009, in terms of the Scheme.

The Company had issued Bonus Shares on December 19, 2009, in the ratio of ONE Bonus Equity Share of Rs.2 for every TWO Equity Shares of Rs.2 each held in the Company, as on the Record Date, in terms of the Members approval accorded through Postal Ballot on December 8, 2009. Accordingly, Jaypee Group ESPS, 2009 Trust was allotted 62,50,000 Bonus Shares on its holding of 1,25,00,000 Equity Shares held on the Record Date.

Date of Transfer	No. of Eligible Persons	No. of original Shares transferred (excluding Bonus)	No. of Bonus Shares transferred	Total no. of shares transferred (including Bonus)
Total Shares under ESPS Scheme		12,500,000	6,250,000	18,750,000
Shares Transferred till date	8,032	11,263,706	5,631,852	16,895,558
Balance shares		1,236,294	618,148	1,854,442

The balance shares lying with the Trust would be transferred to the eligible persons in due course.

The employee-wise details of shares transferred/ allocated to Senior Managerial Personnel by the Trust in terms of the Scheme are Annexed to this Report.

It is confirmed that:

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

## CHANGES IN SHARE CAPITAL

The Paid-up Capital of the Company on April 1, 2010 stood at Rs.4,24,92,69,266 divided into 2,12,46,34,633 Equity Shares of Rs.2 each.

During the year under report, 17,98,549 Equity Shares were issued on August 5, 2010 to the bondholders who opted for conversion of their 2,500 bonds under FCCB-II Scheme.

Thus, as on March 31, 2011, the Paid-up Capital of the Company stood increased to Rs.4,25,28,66,364 divided into 2,12,64,33,182 Equity Shares of Rs.2 each.

## OPERATIONS

### 1.0 ENGINEERING DIVISION

#### 1.1 Works completed

1.1.1 During the year, following works have been completed:

- (i) Civil and Structural works of Clinkerisation Unit at Satna and Grinding Unit at Bhilai of Bhilai Jaypee Cement Limited.
- (ii) Civil and Hydro-mechanical works of 450MW Baglihar (Stage-I) Hydroelectric Project in Jammu & Kashmir
- (iii) Construction of Drains in Parikarma Marg area for the project water drainage for Varindavan Town, Distt. Mathura

1.1.2 Bids Under submission

During the year under report, your Company participated in the Tenders for the following works :

- (i) Civil and Hydro-mechanical works on EPC basis of 450 MW Shongtong – Karcham Hydroelectric Project in Himachal Pradesh;
- (ii) Construction of DT, Dam, Intake, Desilting arrangement (Contract Package C1) for Punatsangchhu-II Hydroelectric Project, Bhutan;
- (iii) Construction of Headrace Tunnel (HRT) from Adit-I and Adit-II (Contract Package C2) for Punatsangchhu-II Hydroelectric Project, Bhutan; and
- (iv) Construction of Headrace Tunnel (from Surge Shaft end), Surge Shaft, Butterfly Valve Chamber, Pressure Shafts, Power House and Tailrace Tunnel including Hydro-mechanical works (Contract Package C3) for Punatsangchhu-II Hydroelectric Project, Bhutan

While the bid of the Company for 450 MW Shongtong – Karcham HEP is under evaluation by the Client, your Company has been awarded the Works at Sr. (ii) & (iv) above, as detailed hereinbelow.

1.1.3 Your Company has also submitted Application for Prequalification for Head Race Tunnel and Power House Complex (Dibang Lot:4) of 3000MW Dibang Multipurpose Project in Arunachal Pradesh and Development of Food Parks at Bhopal/ Ratlam/ Harda in Madhya Pradesh and is expected to be qualified for the Projects.

1.1.4 New Works Awarded

Against the bid submitted during the year under report, your Company was awarded in July, 2011, two contracts by Punatsangchhu-II Hydroelectric Project Authority, Bhutan for construction of following pertaining to 990 MW Punatsangchhu II Hydroelectric Project ( A joint implementation of the Hydro Electric Project by the Royal Government of Bhutan and the Government of India) :-

- (a) Diversion Tunnel, Dam, Intake and Desilting Arrangement including Hydro-mechanical works and Highway Tunnel for a contract value of Rs.1224 Crores; and
- (b) Head Race Tunnel from Surge Shaft end, Surge Shaft, Butterfly Valve, Chamber, Pressure Shafts, Power House and Tailrace Tunnel including Hydro-mechanical works for a contract value of Rs.855 Crores.

### 1.2 Works in Progress

The Company is presently executing the works of the projects listed below and the status of works 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 31.03.2011 (Rs. in crores)
<b>Works pertaining to :</b>					
1.	Sardar Sarovar (Narmada) Project	Gujarat	526	Power Generation (1200 MW)	463
2.	Baglihar –II HEP	Jammu & Kashmir	530	Power Generation (450 MW)	--
3.	Karcham Wangtoo HEP	Himachal Pradesh	5,197 (Revised)	Power Generation (1000 MW)	4,980
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	666
5.	Yamuna Expressway (six lane 165 km) connecting Noida & Agra and related activities	Uttar Pradesh (NCR)	6,000	Expressway Project	4,551
6.	Zirakpur-Parwanoo Highway From Km 39.860 to Km 67.000 Of NH – 22 on BOT basis	Panjab, Haryana & Himachal Pradesh	414	Highway Project	312
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 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	65
9.	Widening and facelifting of Varindavan Parikarma Marg and construction of Kesi Ghat Bridge on Varindavan Parikarma Marg	Uttar Pradesh	32	Road and Bridge works	9
10.	Construction of Sewer System including replacement of old sewer raising main at Parikarma Marg at Varindavan, Distt. Mathura	Uttar Pradesh	10	Sewer works	8

**Projects being executed in Joint Venture**

1.	Polavaram Project Right Main Canal Package – 4	Andhra Pradesh	301	Irrigation Canal	137
2.	Veligonda Feeder and Teegaleru Canal Project-2	Andhra Pradesh	343 (Revised)	Irrigation Canal	232
3.	Rajiv Sagar Lift Irrigation Project (Dummugudem)	Andhra Pradesh	282	Lift Irrigation Project	80
4.	GNSS Main Canal from km. 119.000 to km 141.350 including construction of CM & CD works	Andhra Pradesh	112	Irrigation Canal	-
<b>Total</b>			<b>45,773</b>	<b>2,650 MW</b>	<b>11,503</b>

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

**2.0 CEMENT DIVISION**
**Operations**

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

	2010-11 (MT)	2009-10 (MT)	Growth
Cement Production (MT)	1,46,75,679	1,05,16,145	39.55%
Clinker Production (MT)	1,15,29,728	83,52,601	38.04%
Cement and Clinker Sale (MT) (including Self-Consumption)	1,50,94,616	1,05,53,033	43.04%

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

CAPACITY MTPA	CAPACITY OPERATIVE MTPA	CAPACITY UNDER IMPLEMENTATION MTPA	TOTAL MTPA	CAPTIVE POWER (MW)
CENTRAL ZONE	11.20	-	11.20	124.00
UP ZONE	3.00	2.75	5.75	64.00
NORTH ZONE	4.70	1.50	6.20	-
WEST ZONE	4.80	-	4.80	90.00
EASTERN ZONE	-	2.10	2.10	-
SOUTH ZONE	-	5.00	5.00	35.00
<b>TOTAL</b>	<b>23.70**</b>	<b>11.35</b>	<b>35.05*</b>	<b>313.00</b>

\* Includes 4.3 MTPA of two JV/subsidiary companies of Jaiprakash Associates Limited.

\*\*includes 2.2 MTPA of JV/Subsidiary of Jaiprakash Associates Limited.

During the financial year 2010-11, Productivity Indices of the operating units were as under:

INDICES	LIME-STONE CRUSHING	RAW MEAL GRINDING	CLINKER PRODUCTION	CEMENT GRINDING	CEMENT DESPATCH including Clinker sale
UNIT	(MT)	(MT)	(MT)	(MT)	(MT)
1. Jaypee Rewa Plant, Rewa (MP)	42,64,338	44,26,266	29,40,259	28,66,746	29,08,477
2. Jaypee Bela Plant, Bela (MP)	28,78,784	29,57,346	19,76,071	22,13,357	24,21,261
3. Jaypee Ayodhya Grinding Operations, Tanda (UP)	-	-	-	9,43,843	9,41,528
4. Jaypee Cement Blending Unit, Sadva Khurd (UP)	-	-	-	2,12,525	2,12,525
5. Jaypee Sidhi Cement Plant, Baghwar (MP)	19,69,262	20,40,275	13,61,400	11,14,500	12,90,710

INDICES	LIME-STONE CRUSHING	RAW MEAL GRINDING	CLINKER PRODUCTION	CEMENT GRINDING	CEMENT DESPATCH including Clinker sale
UNIT	(MT)	(MT)	(MT)	(MT)	(MT)
6. Dalla Cement Factory, Dalla (UP)	28,22,972	27,59,284	18,69,720	3,86,859	4,34,190
7. Chunar Grinding Unit, Chunar (UP)	-	-	-	21,53,577	21,41,816
8. Jaypee Himachal Cement Plant – Baga	33,57,191	34,40,026	22,76,035	-	20,157
9. Jaypee Himachal Cement Plant - Bagheri	-	-	-	14,67,000	14,63,091
10. Jaypee Cement Grinding Unit, Panipat (Haryana)	-	-	-	10,41,484	10,38,384
11. Jaypee Roorkee Grinding Unit	-	-	-	8,59,444	8,55,068
12. Jaypee Gujarat Cement Plant, Sevagram, (Gujarat)	17,91,604	17,72,233	11,44,833	7,36,755	7,75,048
13. Jaypee Wanakbori Grinding Unit	-	-	-	7,18,176	7,13,395
<b>TOTAL</b>	<b>1,70,84,151</b>	<b>1,73,95,430</b>	<b>1,15,68,318</b>	<b>1,47,14,266</b>	<b>1,52,15,651</b>

Note: The above figures are inclusive of trial run for newly commissioned plants

**2.1 Operational Performance**

During the year the Company has successfully commissioned its 2nd Unit at Sewagram, Gujarat (1.2MTPA) and 2nd Grinding Facilities at Wanakbori, Gujarat (1.2MTPA).

Cement Production has increased to 14.71 Million Tonnes in 2010-11 from 10.69 Million Tonnes in 2009-10.

Cement Dispatches including Clinker Sale has also increased to 15.22 Million Tonnes in 2010-11 from 10.98 Million Tonnes in 2009-10 and to 16.16 Million Tonnes in 2010-11 from 11.22 Million Tonnes in 2009-10 after taking into account Dispatches from M/s Bhilai Jaypee Cement Limited, a JV of Jaiprakash Associates Limited and Steel Authority of India Limited (SAIL).

**2.2 Expansion Plans**

The Company is expanding its Cement Production Capacity to 30.75 MTPA. An additional capacity of 4.3 MTPA is being added through Joint Ventures with Steel Authority of India Limited (SAIL) taking the Group's total capacity to 35.05 MTPA by 2012 which shall further strengthen Jaypee Group's position of being the 3rd largest Cement producing group in India.

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

**3.0 HOTELS DIVISION**

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

Jaypee Greens Golf & Spa Resort, a prestigious presentation by Jaypee Hotels in the luxury segment, offers 170 state of art rooms and world renowned "Six Senses Spa" overlooking the Championship 18 hole Greg Norman Golf Course at Jaypee

Greens, Greater Noida, U.P. It has emerged as a preferred choice of upmarket business travellers.

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

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

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

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

It is the endeavour of the Company to tirelessly strive to maintain befitting growth rate in the hotel business and keep the staff and executives of the hotel well motivated and enthusiastic for facing new challenges emerging from the changing tastes of different segments of tourists and travelers and to establish a distinct niche in the hotel industry. The Company is confident to achieve better quotient of customers' satisfaction and to achieve higher growth coupled with optimization of the resource utilization.

The growth of the Tourism Industry has shown positive signs. In view of the country's rapid economic growth the hotel industry is expected to remain buoyant.

#### 4.0 REAL ESTATE DIVISION

##### Jaypee Greens, Greater Noida

Spread across 452 acres, Jaypee Greens, Greater Noida is the maiden golf centric residential project of your Company. The project integrates Luxury Villas and Apartments with an 18 Hole Greg Norman Signature golf course, 9 hole chip & putt golf course, landscaped parks and lakes along with an integrated sports complex, 60 acre Nature Reserve, a 5 star spa resort, Town Centre etc. During the year under report, Jaypee Greens Greater Noida has bagged several prestigious International awards including the "Best Golf Course- India" at Asia Pacific Property Awards 2011. A new residential development "The Castille Apartments" have also been introduced which offers uninterrupted views of 18 hole golf course.

##### Jaypee Greens Wish Town Noida

Second real estate project - Jaypee Greens Noida being developed by Jaypee Group is an epitome of extraordinary living. Spread over 1162 acres, it has been designed as a new and exciting place to live, work and play. It offers wide range of residential options from independent homes to high-rise apartments and penthouses, along with host of other amenities such as numerous Graham Cooke designed golf facilities, Super specialty medical centers, educational facilities, landscaped parks and lakes, various recreational facilities and entertainment centers.

Within the Noida development, new residential communities – Jaypee Greens The Orchards, Jaypee Greens Krescent Homes, Jaypee Greens Pebble Beach Residences, have been introduced which are a combination of low, mid and high rise residential apartments. Kingswood Oriental Villas, one of the most luxurious offering by Jaypee Greens, also won the "Highly recommended Multiple Units Residential Property"

Award at the Asia Pacific Property Awards 2011.

##### Jaypee Greens AMAN

Jaypee Greens third residential project Jaypee Greens AMAN at Sector 151 is located on the fast developing Noida-Greater Noida expressway and offers 2 & 3 BHK apartments. Spread over 70 acres, the project also comprises Chip & Putt golf course, Gardens, Walkways, Fountains, Sports facilities, Social amenities like Shopping Complex, Social Club with Swimming pools, Gymnasiums. Primary and Senior Secondary Schools, Crèche, Kid's play area etc.

At present phase II of the project has been launched. The new phase has 2/3 BHK apartments that offers beautiful views of lush green landscapes, pitch & putt golf course and aesthetically designed streetscapes assuring calm, convenient and complete lifestyle.

##### Jaypee Greens Sports City

The Jaypee Greens Sports City located on the Yamuna Expressway, spread over 5000 acres, is the latest project launched by Jaypee Greens and comprises of India's first International Motor racing track scheduled to host India's first F1 race in October, 2011, International standard cricket stadium, a 15.7 Kms long green boulevard and much more. The development will be divided into various thematic districts offering commercial, residential and institutional facilities. The Commercial zone will offer well defined areas for elaborate financial and civic centers, along with this Residential Districts which will have a vast range of products including villas, town homes, residential plots and mid to high rise apartment blocks, with regular water supply and 24 hours electric power supply, to suit the requirements of all.

A new residential community of high rise apartments - The Kove has been introduced in the market. The luxurious apartments are set amidst a healthy and pollution free neighborhood with numerous other facilities like a pitch & putt golf course, various themed gardens, children play areas etc.

The work on all these projects being developed & marketed by your Company is progressing satisfactorily.

#### 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 31st March, 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 sold and the revenue from sale of electricity during the year under report were 78.8 Mn units and Rs.29.81 crores against 86.7 Mn units and Rs.31.76 crores respectively in the year 2009-10.

##### B. DEVELOPMENT OF COAL BLOCKS IN MADHYA PRADESH

(a) Madhya Pradesh Jaypee Coal Limited (MPJCL) was 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 holds 51% of the issued equity shares of MPJCL in consideration for the mining rights granted to the Joint Venture Company and your Company holds 49% equity in the Joint Venture Company. The JV Company is thus

treated as a Government Company within the meaning of Section 617 of the Companies Act, 1956. The progress of the Project is satisfactory.

- (b) Madhya Pradesh Jaypee Coal Fields Limited (MPJCFCL) was incorporated on January 4, 2010, as a joint venture with Madhya Pradesh State Mining Corporation Ltd. (MPSMCL) for mining and sale of coal from Mandla (South) Coal Block in District Chhindwara (M.P.).

MPSMCL holds 51% of the issued equity capital of MPJCFCL in consideration for the mining rights granted to the JVC from Mandla (South) Coal Block and JAL holds 49% of the equity capital in the said company. The JV Company is thus treated as a Government Company within the meaning of Section 617 of the Companies Act, 1956. The Company has received various clearances and necessary steps are being taken to obtain the remaining clearances including Environment Clearance.

- (c) Madhya Pradesh Jaypee Minerals Limited (MPJML) is a joint venture of your Company with Madhya Pradesh State Mining Corporation Limited (MPSMCL) for developing a Coal Block at Amelia (North) in Singrauli District in the State of Madhya Pradesh.

This Company is also treated as Government Company within the meaning of Section 617 of the Companies Act, 1956, as MPSMCL holds 51% of the Equity of MPJML which has been allotted to it in consideration for the mining rights granted to the company, and balance 49% is held by your Company.

Project activities relating to Mine Development have been completed. Various statutory approvals/ clearances including permission from the MP Pollution Board to operate under Air Act, 1981 and Water Act, 1984, purchase of 728.75 Ha of tenancy land from Govt. of MP for compensatory afforestation including getting Gazette Notification issued, approval of Eco-restoration Plan from PCCF, Bhopal are in place. The Company is now awaiting final clearance from the Ministry of Environment and Forest to start mining of Coal from Amelia (North) Coal Block.

- (d) Your Company had been awarded rights for mining of coal in Mandla (North) Coal Block in Distt Chhindwara (MP). Necessary steps have been taken to obtain various clearances including Environment Clearance.

Coal from this Block shall be available for captive consumption for Cement Division of the Company.

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

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

### D. EXPLORATION AND DEVELOPMENT OF OIL AND NATURAL GAS

The seismic exploration activities including surveys are progressing 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% interest 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.

### E. 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, development of Sports Complex, and Fertilizer business. These are being implemented through different subsidiaries of the Company. Details of these initiatives are furnished under the heading Subsidiaries.

#### SUBSIDIARIES

During the year under report, your Company had following subsidiaries which are engaged in different business activities:

1. Jaiprakash Power Ventures Limited
2. Jaypee Arunachal Power Ltd.
3. Bina Power Supply Co. Ltd.\*
4. Jaypee Karcham Hydro Corporation Limited\*
5. Jaypee Powergrid Limited.
6. Sangam Power Generation Co. Ltd.
7. Prayagraj Power Generation Co. Ltd.
8. Jaypee Meghalaya Power Limited (w.e.f.26.8.2010)
9. Bhilai Jaypee Cement Limited
10. Bokaro Jaypee Cement Limited
11. Gujarat Jaypee Cement & Infrastructure Limited
12. Jaypee Cement Corporation Limited (w.e.f.22.2.2011)
13. Jaypee Infratech Limited
14. Jaypee Ganga Infrastructure Corporation Limited.
15. Himalyan Expressway Limited
16. Jaypee Agra Vikas Limited
17. Jaypee Sports International Limited
18. Jaypee Fertilizers & Industries Limited\*\*(w.e.f.3.6.2010)
19. Madhya Pradesh Jaypee Minerals Limited\*\*\*.

\*Out of the above, Bina Power Supply Company Limited and Jaypee Karcham Hydro Corporation Limited (Transferor Companies) were amalgamated with Jaiprakash Power Ventures Limited (Transferee Company), w.e.f. the Appointed Date viz. April 1, 2010 in terms of the Scheme of Amalgamation sanctioned by Hon'ble High Court of Himachal Pradesh vide its Order dated July 25, 2011 which was filed with the Registrar of Companies on July 26, 2011 thereby making the amalgamation effective from the Appointed Date.

\*\*The first Financial Year of Jaypee Fertilizers & Industries Limited will close on August 31, 2011.

\*\*\*Madhya Pradesh Jaypee Minerals Ltd.(MPJML), which was a subsidiary of your Company, ceased to be as such w.e.f. March 3, 2011, consequent upon increase in the shareholding of Madhya Pradesh State Mining Corporation Ltd. to 51% of the capital of MPJML.

In terms of the Shareholders' approval accorded on July 19, 2011, Himalayaputra Aviation Limited was incorporated on July 23, 2011, as a wholly-owned subsidiary of the Company to undertake aviation business.

Accordingly, the accounts of remaining 15 subsidiaries have been consolidated alongwith the accounts of your Company.

The status of the aforesaid subsidiaries is as under:

#### POWER AND RELATED BUSINESS

##### 1. Jaiprakash Power Ventures Limited (JPVL)

#### AMALGAMATION

During the year under report, erstwhile Jaypee Karcham Hydro Corporation Limited(JKHCL) and Bina Power Supply

Company Limited (BPSCL) (Transferor Companies) were amalgamated with Jaiprakash Power Ventures Limited (Transferee Company), (all the three were subsidiaries of your Company) w.e.f. the Appointed Date viz. April 1, 2010 in terms of the Scheme of Amalgamation sanctioned by Hon'ble High Court of Himachal Pradesh vide Order dated July 25, 2011 which was filed with the Registrar of Companies on July 26, 2011 thereby making the amalgamation effective from the said Appointed Date.

Consequent upon the said amalgamation, 1000 MW Karcham Wangtoo Hydro-electric Power Station being implemented by JKHCL and 1250 MW Thermal Power Project (with 500 MW being implemented in Phase-I) at Bina (Madhya Pradesh) being implemented by BPSCL, stood merged with JPVL alongwith all their assets, liabilities, rights, titles, interests, contracts, agreements etc.

## OPERATIONS

Post amalgamation, your Company holds 67.93% of equity share capital of JPVL which has three operative Hydro-electric Power Stations, namely,

- 300 MW Jaypee Baspa-II Hydro-electric Power Station in Himachal Pradesh;
- 400 MW Jaypee Vishnuprayag Hydro-electric Power Station in Uttarakhand; and
- 1000 MW Jaypee Karcham Wangtoo Hydro-electric Power Station in Himachal Pradesh. (Out of 1000 MW (4 x 250 MW) capacity of Jaypee Karcham Wangtoo Hydro Electric Project, first unit of 250 MW was commissioned on 26th May, 2011, second unit of 250 MW was commissioned on 23rd June, 2011 and third and fourth units of 250 MW each are expected to be commissioned during the quarter ending 30th September, 2011).

The performance of the said Hydro Power Stations, their plant availability and the Energy Generation during the year under report was satisfactory. The Plant Availability and Energy Generation of each of the Plants for the Financial year from 1st April, 2010 to 31st March, 2011 were as under:

Plant	Plant Availability (%)	Generation (Million Units)
		Net Saleable Energy
BASPA-II (300 MW)	98.92%	1291.61
VISHNUPRAYAG (400 MW)	98.84%	1757.26

Besides the above, JPVL also has two Thermal Power Projects, which are under implementation, namely,

- 1320 MW (2 x 660 MW) Jaypee Nigrie Super Thermal Power Project in Nigrie, Distt. Singrauli in Madhya Pradesh.
- 1250 MW Jaypee Bina Thermal Power Plant in Madhya Pradesh (Phase-I of 500 MW is currently under implementation).

### 1320 MW JAYPEE NIGRIE SUPER THERMAL POWER PROJECT

The work on 1320 MW (2 X 660 MW) Jaypee Nigrie Super Thermal Power Project in Nigrie, Distt. Singrauli in Madhya Pradesh is progressing satisfactorily and all major statutory approvals, required at the current stage of the project, have been obtained. Total requirement of 5 Million MTPA coal for the project will be met through Amelia (North) and Dongri Tal-II Coal Blocks. Unit-I of the project is scheduled for commissioning in April, 2013 and Unit-II is likely to be commissioned in October, 2013.

### 1250 MW JAYPEE BINA THERMAL POWER PLANT

1250 MW coal based Jaypee Bina Thermal Power Plant at

Bina, Distt. Sagar (MP) is being implemented in two phases and the first phase of 500 MW (2 x 250 MW) is under implementation and is expected to be commissioned by November, 2011.

## VERIFIED EMISSION REDUCTIONS (VERs)

JVPL sold 3,50,000 VERs in respect of Jaypee Baspa-II Hydro-electric Plant during the year for Rs.8.19 crores. As for Jaypee Vishnuprayag Hydro-electric Plant, sale consideration in respect of 14,60,564 VERs aggregating Rs.30.02 crores was received during the year under report. Further, 1000 MW Jaypee Karcham Hydro-electric Plant in the State of Himachal Pradesh and 1320 MW Jaypee Nigrie Super Thermal Power Project in the State of Madhya Pradesh shall be eligible for CERs under Clean Development Mechanism (CDM).

## 2. Jaypee Arunachal Power Limited (JAPL)

### PROGRESS ON THE PROJECT

JAPL is taking necessary steps to implement 2700 MW Lower Siang Hydro-Electric Project and 500 MW Hirong Hydro-electric Project in the State of Arunachal Pradesh.

For 2700 MW Lower Siang Hydro-Electric Project, CEA concurrence for Detailed Project Report and Defence clearance have already been obtained. The Company is in the process of obtaining necessary clearance from Ministry of Environment and Forest.

For 500 MW Hirong Hydro-electric Project, JAPL has obtained the Defence Clearance. The company is in the process of obtaining CEA concurrence for Detailed Project Report and necessary clearance from Ministry of Environment and Forest.

## 3. Jaypee Powergrid Limited (JPL)

Jaypee Powergrid Limited (JPL), a joint venture of Jaiprakash Power Ventures Limited and Power Grid Corporation of India Limited, a Central Government Power Utility Undertaking, is setting up 213 Km long 400 Kv Quad Bundle Conductor Double Circuit Transmission Line for evacuation of Power from the pothead yard of 1000 MW Karcham Wangtoo Plant to Abdullapur and LILO of existing Baspa-Jhakri double circuit line.

LILO line is being used for evacuation of power generated from 1000 MW Karcham Wangtoo Hydro-electric Plant. Further, extension Bays at Abdullapur and Line Reactors at power station switchyard have also been commissioned by JPL, the entire transmission line is expected to be completed by end of September, 2011 leading to complete commissioning of the Project.

## 4. Sangam Power Generation Co. Ltd. (SPGCL)

SPGCL was incorporated by Uttar Pradesh Power Corporation Limited (UPPCL) for implementation of 3x660 MW Thermal Power Project in Tehsil Karchana of district Allahabad, Uttar Pradesh. It was decided to put up three generation units of 660 MW each with a total capacity of 1980 MW in the first phase itself. SPGCL became subsidiary of JPVL w.e.f. 23rd July 2009.

The survey works for the Row of water pipeline stands completed and necessary permission for laying pipelines has been requested to UPPCL.

## 5. Prayagraj Power Generation Co. Ltd. (PPGCL)

PPGCL was incorporated by Uttar Pradesh Power Corporation Limited for implementation of 3\*660 MW Thermal Power Project (with permission to construct two additional generation units of 660MW each) in Tehsil Bara of District Allahabad, Uttar Pradesh. PPGCL became subsidiary of JPVL w.e.f. 23rd July 2009.

The construction of temporary base camp and Boundary Wall is nearing completion. Major Plant, Equipment and Machinery required for execution of civil work had reached the Project

Site. Boiler Foundation for Unit-I is completed and for Unit-II & III is in progress. Concrete work in TG building, bunker bay and coal mill is in progress. Excavation work for water reservoir, water channel, chimney etc. and road work is in progress.

Phase-I (1980 MW) of the Project is planned for commissioning by 2014 and the Phase- II (1320MW) would be commissioned by 2016.

**6. Jaypee Meghalaya Power Limited (JMPL)**

JMPL is implementing 270 MW Umngot HE Project in the Umngot river in the State of Meghalaya and 450 MW Kynshi-II Hydro-electric Power Project in the Kynshi River Basin of Meghalaya on BOOT (Build, Own, Operate and Transfer) basis.

Jaiprakash Power Ventures Limited (JPVL), its holding company, had entered into Memorandum of Understandings with Government of Meghalaya for development and commissioning of Projects. In terms of the Memorandum of Understandings, the Projects are to be implemented through a Special Purpose Vehicle and accordingly JMPL was got incorporated by JPVL as its wholly owned subsidiary for this purpose.

**CEMENT BUSINESS**

**7. Bhilai Jaypee Cement Limited (BJCL)**

As informed in the last report to the shareholders, the Clinkerisation Unit of the split-located project of BJCL at Babupur, Satna was successfully commissioned in December 2009.

After completion of the project activities of the Grinding Unit at Bhilai, on schedule, despatch of cement from this Unit has started from June 2010.

**8. Bokaro Jaypee Cement Limited (BOJCL)**

Implementation of the 2.1 million tonnes per annum capacity Cement Plant at Bokaro in the State of Jharkhand has reached the final stages. After successful trial runs, the first cement mill has been commissioned..

**9. Gujarat Jaypee Cement & Infrastructure Limited (GJCIL)**

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

Approximately 484 hectares of land is required for setting up the cement plant. Pending approval and issue of the new Jantri for fixing the rates for valuation of Government land by the Government of Gujarat, the Government land is yet to be acquired by the Company. The matter is under active and close persuasion with the State Government.

Environment Impact Assessment on the identified land has, in the meanwhile, been made and clearance from State Wild Life Protection & Forest Deptt has also been received for the proposed cement plant. Further progress on this issue depends upon expeditious acquisition of Government land.

**10. Jaypee Cement Corporation Limited (JCCL)**

In terms of the approval of the Shareholders accorded through Postal Ballots on February 19, 2011, the Company had acquired 100% stake in the equity capital of Jaypee Cement Corporation Limited (earlier known as Zawar Cement Private Limited), thereby making it a wholly owned subsidiary. The assets of the said company include area of 519.933 Hectares of freehold land (191.593 Ha together with buildings and structures thereon and the mining freehold land 328.34 Ha) at Bankur Village of Chittapur Taluka, Distt. Gulbarga, Karnataka. It is proposed to set up an integrated cement plant with a 3.0 Mn tpa cement grinding capacity alongwith 26 MW captive

power plant at estimated project cost of Rs.1400 Crores at Shahabad Distt., Gulbarga, Karnataka, which is proposed to be funded by Term Loans of Rs.910 Crores and Equity Share Capital of Rs.490 Crores. The project is scheduled to be commissioned by September 30, 2013. Orders for procurement of main Plant & Machinery have been placed. Financial closure is also likely to be achieved by September, 2011.

**EXPRESSWAYS AND RELATED BUSINESS**

**11. Jaypee Infratech Limited (JIL)**

The construction of Yamuna Expressway is progressing at a fast pace. While the Earth work, Culverts, Vehicular Underpasses and Minor Bridges are nearing completion, the Interchanges have been completed to the extent of 85%. The work of Pavement Quality Concrete (PQC) / Dry Lean Concrete (DLC) has also been completed to the extent of 80%. Though the Concession Agreement envisages the completion of the Expressway by April, 2013, the Project is expected to achieve commercial operations by March, 2012.

JIL has also been provided the right to develop 25 million square meters of land for commercial, amusement, industrial, institutional & residential purposes etc. across five different locations along the Yamuna Expressway - one in Noida, two locations in District Gautam Budh Nagar (part of NCR) and one location in each of District Aligarh & District Agra, Uttar Pradesh. JIL is presently developing an aggregate of 3.49 million Square meters saleable area at Noida land parcel.

**12. Jaypee Ganga Infrastructure Corporation Limited (JGICL)**

JGICL was incorporated on March 18, 2008 as a wholly owned subsidiary of your Company for implementation of the "Ganga Expressway Project" consisting of the prestigious 1047 km long 8-lane Access-Controlled Expressway connecting Greater Noida with Ghazipur-Ballia along the left bank of river Ganga together with the development of 12,281 hectares of land parcels at eight different locations in Uttar Pradesh. The Ganga Expressway Project was awarded on Design, Build, Finance and Operate (DBFO) basis. After obtaining necessary approvals, the Concession Agreement was executed between Uttar Pradesh Expressways Industrial Development Authority and JGICL on March 23, 2008. The Project of the Company is still in the development stage. Preparatory work for the Project was started and necessary steps were being taken to obtain requisite approvals including Environment Clearance, when the Hon'ble High Court of Allahabad vide its Order dated 29.05.2009, quashed the environment clearance earlier issued by State Environment Impact Assessment Authority (SEIAA) on 23.08.2007. In compliance to SEIAA direction dated 18th January, 2011, the EIA application was submitted to MOEF on 16th April, 2011. The process of acquisition of land for construction of the Expressway and development of Land Parcels will be initiated after the environment clearance is obtained.

**13. Himalyan Expressway Limited (HEL)**

HEL was incorporated as a Special Purpose Vehicle (SPV) for implementation of Zirakpur-Parwanoo Expressway Project in the States of Punjab, Haryana and Himachal Pradesh. The Project consists of 17.39 Km of widening of existing two - lane carriageway to four - lane and 10.14 Km of new four - lane bypass. The work of the existing carriageway has been completed except some finishing work e.g. installation of signage's, lighting, wearing coat on service road, road marking and load test on structures etc, whereas the work on Bypass is progressing fast and is expected to be completed by December 2011.

**14. Jaypee Agra Vikas Ltd. (JAVL)**

JAVL is implementing Project for Development of Inner Ring Road at Agra under Integrated Urban Rejuvenation Plan on design, build, finance, operate and transfer (DBFOT) basis

and other infrastructure facilities, which include:

- (a) 20.5 km starting NH-2 near Kuberpur Village and ending at NH-3 near village Rohta as a 6 lane road extendable to 8 lanes
- (b) Upgradation of section of Fatehabad Road starting from junction point of the above road with Fatehabad road near Budhera Village upto Taj Mahal parking area including:
  - Construction of 4 lane elevated road plus 2 lane service roads on either side at grade for 2.5 km length
  - Upgradation of existing Fatehabad road of 3 km length at grade to 4 lane facility along with 2 lane service road on either side to provide improved access to Taj Mahal.

In terms of the bid, the Project was to be implemented through a Special Purpose Vehicle. As such JAVL was incorporated by JAL as its wholly owned subsidiary. Concession Agreement has been signed between Agra Development Authority and JAVL and JAVL.

## **SPORTS AND RELATED BUSINESS**

### **15. Jaypee Sports International Limited (JPSIL)**

JPSIL has been allotted around 1100 Ha of land for development of Special Development Zone (SDZ) with sports as core activity by Yamuna Expressway Industrial Development Authority (YEA). This area is inclusive of 100 Ha of land to be used for Abadi Development. The core activities are Motor Race Track, suitable for holding Formula One race and setting up a Cricket Stadium of international standard to accommodate above 1,00,000 spectators. The motor race track is nearing completion to host the First Indian Grand Prix scheduled to be held in end of October, 2011. The development of basic infrastructure for making of Cricket Stadium has already commenced and this would attain faster pace after October, 2011. The non-core activities planned are group housing, plots, multistory flats, commercial area, institutional, roads, open space and other social activities. The works on the Project are progressing satisfactorily.

## **FERTILIZERS AND RELATED BUSINESS**

### **16. Jaypee Fertilizers & Industries Limited (JFIL)**

In terms of the approval of the Company's shareholders accorded on August 31, 2010 for investment in Fertilizer business, JFIL was incorporated as wholly owned subsidiary. JFIL has proposed to participate as a strategic investor in the Revival Scheme of a Fertilizer Plant which is presently under consideration before the Board of Industrial & Financial Reconstruction (BIFR). The hearing before BIFR is in advance stages and the decision is expected shortly.

## **CONSOLIDATED FINANCIAL STATEMENTS**

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

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

The annual accounts of the subsidiary companies and the related detailed information will be made available to the shareholders of

the Company and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any shareholders in Company's Head Office and also that of the subsidiaries. Further, the Company shall furnish a hardcopy of annual accounts of subsidiaries to any shareholder on demand. The Company has also uploaded the details of the accounts of individual subsidiary companies on its website i.e. [www.jalindia.com](http://www.jalindia.com).

The Directors are of the opinion that the subsidiaries and Joint Ventures 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 period under report, Shri Jaiprakash Gaur resigned from the Board w.e.f. October 31, 2010, which was reluctantly accepted by the Board in its meeting held on October 31, 2010.

The Board placed on record its deepest appreciation for Shri Jaiprakash Gaur, the Founder of the Jaypee Group & a visionary leader with humility and accomplishments, for his immense contribution in developing the Company and taking it to glorious height of all round excellence with potential for quantum leaps in future.

On the request of the members of the Board, Shri Jaiprakash Gaur acceded to be a Permanent Intivee in the future meetings of the Board in his capacity as Founder Chairman of Jaypee Group.

Further, Shri K P Rau, a nominee of IDBI Bank Limited ceased to be on the Board of the Company w.e.f. November 1, 2010 consequent upon the withdrawal of nomination by his nominating institution.

The Board places on record its appreciation for the valuable contributions of Shri Rau during his tenure on the Board.

During the period under report, Shri Rahul Kumar, CFO was co-opted as a Director w.e.f. October 31, 2010 in the casual vacancy caused due to the resignation of Shri Jaiprakash Gaur. Shri Rahul Kumar was, further, appointed as a Whole-time Director & CFO of the Company for a period of five years w.e.f. October 31, 2010. Since Shri Rahul Kumar holds office of Director till the ensuing Annual General Meeting and proposal for his appointment as Director has been received from a shareholder, the same has also been included in the Notice of the Annual General Meeting for your approval.

Shri Viney Kumar was appointed as Nominee of IDBI Bank Limited w.e.f. November 1, 2010 in place of Shri K P Rau.

Shri Manoj Gaur, Executive Chairman & CEO was re-appointed as such for a further period of five years w.e.f. April 1, 2011, with substantial powers of management.

S/Shri Sunny Gaur, B K Goswami, S C Gupta, R K Singh and S D Nailwal, Directors would retire by rotation at the forthcoming Annual General Meeting of the Company. Proposals 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, 2011 stood at Rs.1761,92,85,000. Deposits of Rs.7,76,70,000 due for repayment on maturity remained unclaimed by the Depositors as on March 31, 2011, most of which were subsequently claimed/renewed.

## **PARTICULARS OF EMPLOYEES**

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



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

Particulars with respect to conservation of energy, technology absorption, foreign exchange earnings & outgo, pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 for the year ended March 31, 2011 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

#### Statutory Auditors:

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

#### Secretarial Auditors :

As a part of good Corporate Governance practices being followed by the Company, **M/s Chandrasekaran Associates**, Company Secretaries, were voluntarily appointed to conduct the Secretarial Audit for the financial year 2010-11 and their report forms part of the Annual Report.

#### Cost Auditors:

For the financial year 2010-11, the Board of Directors of the Company had appointed, after recommendations of the Audit Committee, **M/s. J.K. Kabra & Co.**, Cost Accountants, as Cost Auditors for auditing the cost accounts in respect of the Cement products pertaining to various units of the Company. In terms of The Companies (Cost Audit Report) Rules, the cost audit report relating to thirteen Cement Plants of the Company, for the financial year ended March 31, 2010, had been filed with the Central Government.

For the financial year 2011-12, the Board of Directors of the Company have re-appointed, on the recommendations of the Audit Committee, **M/s. J.K. Kabra & Co.**, as Cost Auditors of the Company for auditing the cost accounts relating to the Cement/ Cement products manufactured by the Company.

### CORPORATE GOVERNANCE

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

The Company is complying with the Corporate Governance norms laid down in Clause 49 of the Listing Agreement. Further, the Company is implementing, in a phased manner, recommendations contained in the Corporate Governance Voluntary Guidelines, 2009 issued by Ministry of Corporate Affairs, Government of India, details of which are given under the head "Voluntary Guidelines on Corporate Governance" in the Corporate Governance Report forming part of this Report.

### EMPLOYEE RELATIONS

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

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the operating management, certifications by the CEO and CFO to the Board of Directors and after due enquiry, confirm in respect of the audited

annual accounts for the year ended March 31, 2011 :

- 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, 2011 and the profit of the Company for that period;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors had prepared the annual accounts on a going concern basis.

### ACKNOWLEDGEMENT

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

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

On behalf of the Board

**MANOJ GAUR**

Executive Chairman

August 12, 2011

### 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.60,00,000/- or more per annum

1. Shri Manoj Gaur, Executive Chairman & CEO, Rs.22,905,252, B.E. (Civil Hons.), 47, 26, November 1, 1985, Jaiprakash Industries Limited.
2. Shri Sunil Kumar Sharma, Executive Vice-Chairman, Rs.21,505,661 B.Sc., 51, 33, January 1, 1986, Jaiprakash Industries Limited.
3. Shri Sunny Gaur, Managing Director (Cement), Rs.9,169,529, Graduate, 42,18, February 1, 1992, Jaiprakash Industries Limited.
4. Shri Pankaj Gaur, Joint Managing Director (Construction), Rs.8,273,047, B.E (Instrumentation), 40, 18, March 12, 2004, Jaiprakash Industries Limited.
5. Shri Ranvijay Singh, Whole Time Director, Rs.6,251,676, B.E (Civil), 45, 23, December, 14, 2007, Gujarat Anjan Cement Limited.
6. Shri Rahul Kumar, Whole-time Director & C.F.O., Rs.7,572,747, F.C.A., 43, 18, November 1, 2006, Jaiprakash Enterprises Limited.

7. Shri Karlheinz Klaus, General Manager, Rs. 7,138,626, Diploma in Mech. Engg., 60, 29, January 15, 2010, Polysius, Germany.
  8. Shri Allan Henry Le Roux, General Manager (Tolling), Rs.7,674,966, N5 Digital Electronics, 49, 32, September 1, 2009, Soma – Isolux NH One Tollway Pvt. Ltd., Gurgaon.
  9. Shri Grant Raymond Jeffries, General Manager, Rs.6,642,097, M.B.A., 42, 23, March 2, 2010, Centra Grand Island Maldives.
- B. Employed for part of the year and in receipt of remuneration aggregating Rs. 5,00,000/- or more per month.**
- NIL

**Notes:**

1. Salary paid to Shri Rahul Kumar includes salary paid as C.F.O. amounting to Rs.49,61,850 including leave encashment of Rs.15,19,700.
2. Valuation in respect of Employee Compensation Expense on shares allotted through Trust to employees as per Employee Stock Purchase Scheme, 2009 has not been considered as part of remuneration.
3. Gross remuneration includes Salary, House Rent and other perks like Medical Reimbursement, Leave Travel Assistance, Furnishing Allowance, Company's contribution towards Provident Fund etc. but excludes provision for Gratuity & Leave Encashment.
4. Shri Manoj Gaur, Executive Chairman, is son of Shri Jaiprakash Gaur, Founder Chairman and brother of Shri Sunny Gaur, Managing Director (Cement).
5. 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.
6. The nature of employment of employees is regular and is governed as per service rules of the Company.
7. The other terms & conditions of each of the above persons are as per the contract/ letter of appointment / resolution and rules of the Company.

**Information pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the report of the Board of Directors for the year ended March 31, 2011**

**A. Conservation of Energy**

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

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

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

The energy conservation measures undertaken by the Company ensure savings in energy costs and thereby improving operational efficiency. There is no specific additional investments or proposed investments for reduction of consumption of energy since the primary investments decisions are always taken such that energy is spent to the minimum level. In particular, the Company has taken following measures for conservation of energy:

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

**Energy Conservation Measures :**

**AT JAYPEE REWA PLANT :**

CLINKER -UNIT –I

- i 04 nos 50 KVAR each capacitor installed in LC-1 to improve power factor from 0.86 to 0.91

**AT JAYPEE BELA PLANT :**

- i High efficiency dust collector fans installed in Packer No.2,3 & 4; thereby saving in power by 30 KW total in three fans.
- ii Installation of SWAM blower for coal firing for energy saving. One blower is now run in place of earlier two blowers.
- iii Raw Mill cyclone discharge air slides replaced by direct chute arrangement thereby eliminating any stoppage and energy savings nearly 8 KWH by stopping 2 nos. air slide blowers. System is running satisfactorily.

**AT JAYPEE SIDHI CEMENT PLANT :**

- i Coal Mill Fan used to trip after 30 min. of main drive stop. Interlock changed and now Fan trips after 10 min. of motor stop resulting in power saving.
- ii Raw Mill / Cement Mill & Coal Mill separator was running continuously, now tripping device has been incorporated resulting in energy saving.

**AT JAYPEE GUJARAT CEMENT PLANT -SEWAGRAM :**

- i Beblec make Energy saver pannel has been installed to reduce lighting power consumption at CPP.
- ii Raw Grinding VRM Dam ring height optimised to reduce power consumption.
- iii To avoid running of DG Sets and use of GEB power, overhead lines have been installed and this is under commissioning. This will feed power from CPP to APP, Town ship, Auto workshop etc.

**AT JAYPEE WANAKBORI CEMENT GRINDING PLANT :**

- i Equipments performance yet to established. It is under study to optimize the optimal use of energy.

**AT JAYPEE HIMACHAL CEMENT PLANT : BAGHA**

- i Equipments performance yet to established. It is under study to optimize the optimal use of energy.

**AT JAYPEE HIMACHAL CEMENT GRINDING & BLENDING BAGHERI:**

- i Vvvc Drive Installed For Screw Conveyor (L31Sc1 & Sc2)- Coal Feeding To Fbc Saving Fuel & Power Consumption.
- ii 360Kw Vvfd In Sks Seperator Of Roll Press Circuit Resulting Speed Control With Power Savings.
- iii 200Kw Vvfd In Lnvt Separator & 710 Kw Vvfd In Fly Ash Separator Circuit Resulting Speed Control With Reduction In Power Consumption Maintaining Optimum Quality Process Parameters.

**AT JAYPEE ROORKEE CEMENT GRINDING UNIT :**

- i Cyclone discharge rotary air lock geared motor replaced from 2.2 kw to 1.1 kw.
- ii Cement silo discharge bin aeration done through silo aeration root blower by stopping of 7.5 x 3 kw root blower.
- iii Aeration of 1 no. cyclone discharge air slide through reject air slide blower by stopping of 2.2 kw blower.

**AT JAYPEE CEMENT GRINDING UNIT, PANIPAT :**

- i Installation of blower instead of CA fan in HAG as a result power and fuel consumption reduced by approx 70%.

- ii Fly ash silo aeration blowers air heaters interlocked with temperature (on at 45 oC & off at 65 oC). For power saving.

**AT JAYPEE CHUNNAR CEMENT FACTORY :**

- i Close circuiting of CM no. 1 :- Increase the mill output 42 tph to 72 tph. And decrease the power consumption 42 KWH/T to 30 KWH/T.
- ii Installed the Bucket Elevator :- Increase the capacity of B/E 150 to 320 TPH At same drive 45 KW.
- iii Classifier Fan :- Installation of VFD drive for classifier fan in cement mill for power saving .

**AT JAYPEE AYODHYA GRINDING UNIT TANDA :**

- i HAG burner position modified to save diesel support from coal burning. It saved around 600 liter Diesel consumption per day.
- ii Consumption of dry fly ash in plant increased from 350 MT per day to 450 MT per day. It saved lot of coal consumption.

**AT JAYPEE DALLA CEMENT FACTORY :**

- i K-5 Kiln :Installation of VFD for Reverse Air fan in RABH for power saving.
- ii K-5 Cooler : All Cooler fans except Fan no-1 & 2 inlet louver damper have been removed for power saving.
- iii K-4 & K-5 Cooling Tower: Provided Interlock of Cooling tower fan operation with temperature for power saving.
- iv K-5 LS Transport: All bag filters were stopped for Power saving after installation of Dust suppression system.
- v K-4 & K-5 : Optimisation of output voltage of distribution transformers to reduce power consumption.

**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**

- i Coal Mill I/L duct has been replaced with new one to enhance the performance with betterment in insulation & leakages.
- ii Silo aeration Blower RPM reduced by 10% for reduction in power consumption.

**CLINKER -UNIT –II**

- i Raw Mill Main Tripple feed gate: Incorporation of heavy duty contactors in place of OEN relays for flap operation circuit to minimise failure rate .
- ii A new 200KVAR 6600 VOLT HT CAPACITOR BANK IS INSTALLED IN cm-2 separator fan to enhance power factor from 0.94 lagging to 0.96 .

**TECHNOLOGY UNDER ABSORPTION.**

- i Upgradation of cooler water spray system for better cooling of clinker and improved ESP efficiency.
- ii Upgradation of Cement Mill-II ESP with bag filter to meet the requirement of Pollution Control Board.
- iii Installation of 600 KVAR LT Capacitor with controller for improvement in Power Factor.
- iv Upgradation of bag filter for fly ash silo to meet the requiremnet of Pollution Control Board.
- v Modification of bulk loading system with weighing

arrangement. This will increase loading tonnage and reduce the fugitive emission to minimum.

- vi Upgradation of cooler ESP to meet the requirement of Pollution Control Board.

**AT JAYPEE SIDHI PLANT :**

**1) TECHNOLOGY ABSORBED**

- i Soft starter installed for RA Fan resulting in energy conservation.
- ii VFD installed in Raw Mill feeding belt and stacker belt which will result in power saving and as well better quality control through CBA.

**2) TECHNOLOGY UNDER ABSORPTION.**

- i Total eight rotary airlocks are installed below cooler ESP hopper. Four of them can be removed by modifying the current position of rotary airlocks by which power can be reduced upto 50%.
- ii CF silo elevator is running continuously even after the Raw Mill stops. It can start and stop with surge bin level power can be saved by this modification.
- iii Installation of V/F system for Cement Mill Bag house to reduce the power consumption.
- iv Modification in the height of Raw Mill reject elevator can improve the Raw Mill output and reduce the power consumption.
- v Dedusting bag filter for Kiln feed elevator (stand by) is running continuously it can be stopped by slight modification in dedusting line it result in power saving.
- vi During plant shut down K.S fan or C.S fan run continuously with RABH fan to provide suction inside the kiln. RABH fan can be stopped by opening fresh air dampers which results in power saving during shut down.

**AT JAYPEE GUJRAT CEMENT PLANT -SEWAGRAM :**

**1) TECHNOLOGY ABSORBED**

- i Polymer liners and Air Blasters are installed in Limestone, Clay and Laterite hoppers of both the plants SP-1 and SP-2 for better Raw material flow ability.
- ii Air Blasters are installed in Kiln Smoke Chamber, Kiln Inlet and Alkali Bypass chamber to reduce Jamming due to high Chlorides in SP-1 and SP-2.
- iii HAG is installed in SP-1 Raw Mill to supplement hot air for drying high moisture content in raw material. This has increased Raw Mill output .

**2) TECHNOLOGY UNDER ABSORPTION.**

- i VFD Planned for SP-2 PA fan for smooth startup and power saving.
- ii Drives of Under grate cooler drag chains being upgraded to reduce kiln down time in SP1.
- iii Hag is under installation in SP-2 Raw Mill to supplement hot air for drying high Moisture Content in raw material, resulting increase in output of Raw Mill.

**AT JAYPEE WANAKBORI CEMENT GRINDING PLANT :**

**1) TECHNOLOGY ABSORBED**

- i Classifier Motor of both the mill is already controlled through VFD panels ( In the range 60% - 90%) as per process requirement .
- ii 4 Nos. LT Capacitor bank have been connected to PCCs comprising APFCs for improving the power factor of entire system.
- iii 5 Nos. HT Capacitor Banks of different ratings for Cement Mill Main Drive, Bag House Fan and Coal Mill Main Drive motor have been individually connected for improving power factor.

## AT JAYPEE HIMANCHAL CEMENT PLANT : BAGHA

### 1) TECHNOLOGY ABSORBED

- i In coal mill main drive LRS is replaced by GRR to facilitate the operation of grinding table at lower rpm for PET COKE GRINDING.
- ii Ideal run interlock introduced at RAW MILL , LIME STONE CRUSHER & COAL MILL.

### 2) TECHNOLOGY UNDER ABSORPTION.

- i Jet Air Blower (Stand By) to be operated through VVFD to regulate speed / reduce energy consumption.
- ii Equipment Proposed To Install.
  - a) It is proposed to install KILN MAIN DRIVE'S spare DC MOTOR at Cooler ID Fan drive for energy conservation. Presently Cooler ID Fan is operating at minimum speed and 30 - 40 % damper opening.
  - b) It is proposed to install VFD Drive at RABH 1 & 2 fan drive. Presently RABH Fans are operating at minimum speed of 475 rpm with GRR control.

## AT JAYPEE HIMANCHAL CEMENT GRINDING & BLENDING BAGHERI:

### 1) TECHNOLOGY ABSORBED

- i Installation Of Air Receiver Tanks At Silo Top And Raw Material Receiving Dump Hopper Top For Maintaining Purge Air Pressure To Bag Filter Resulted Betterment In Controlling Pollution.
- ii Bag House Hopper Discharge Rotary Feeder (521Rf1 To Rf8) Capacity Regulated By Reduction In Filling Volume Avoiding Flushing Of Materials And Thereby Over Loading Of Conveyor System And Tripping Of Belt Bucket Elevator 591Be1.
- iii 561Bm1 Inlet Pipe Dia. Increased From 300 To 400 Mm Eliminating Frequent Jamming Of Material.
- iv K32Cm1 Blender O/L Air Slide Size Increased From 400 Mm To 500 Mm To Increase Blender O/P 280 Tph To 290 Tph Avoiding Elevator Over Loading And Boot Level .

## AT JAYPEE ROORKEE CEMENT GRINDING UNIT :

### 1) TECHNOLOGY ABSORBED

- i Reducing the false air entry in all process fans by sealing the joints, reducing the coating formation and vibrations.
- ii Pendulum flap was replaced with RAL in packing plant bag filters to avoid jamming and smooth operation of packing plant.

## JAYPEE CEMENT GRINDING UNIT, PANIPAT :

### 1) TECHNOLOGY ABSORBED

- i 523 BF3, 512 BF6 - Double flap valve replacement by rotary air locks, to avoid sudden release of material and spillage on belt conveyor.
- ii 533 BC3,533 BC7 & 543 BC1 - Impact idlers replaced by impact pads, to reduce maintenance and spillage of material.

- iii 523 BF4-Insulation of bag filter casing with fan and all suction lines done, to avoid coating formation inside suction lines and bag filter hoppers.

## AT JAYPEE CHUNNAR CEMENT UNIT :

### 1) TECHNOLOGY ABSORBED:

- i Installation of oil Circulation System:- Decrease the mill tripping time so reduce power consumption & increase availability of cement mill.

## AT JAYPEE CEMENT GRINDING UNIT TANDA :

### 1) TECHNOLOGY ABSORBED

- i F.K. pump feeding pipe line bend modified in cement mill to feed dry fly ash to mill without any jamming in system.
- ii Silo top air slide aeration system modified to prevent jamming of silo elevator.
- iii Inlet chute of cement mill has been modified which reduced jamming of rotary air lock a lot there by increasing production.

## AT JAYPEE DALLA CEMENT UNIT:

### 1) TECHNOLOGY ABSORBED:

- i K-5 Coal Mill : Installation of fine coal transfer from K-5 to K-4 to reduce power consumption and increase availability.
- ii K-4 Roller Press: In-House modification of Roller press SKS discharge to Ball Mill by providing a Conveyor belt in place of Air slide as provided by OEM to stop the jamming and power saving.

### TECHNOLOGY UNDER ABSORPTION:

- i Plant Lighting : To Optimise lighting circuit voltage by installing lighting energy savers.
- ii K-5 Kiln: Installation of SPRS for K-5 Preheater Fan & RABH Fan.
- iii K-5 Kiln: Reduce Pressure drop across the K-5 down comer duct by carrying out CFD study.

The Form B prescribed under the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules,1988 is appended.

### D. Foreign Exchange Earnings and Outgo

The activities related to exports are as under:

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

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

Particulars of Foreign Exchange earnings and outgo are given in Schedule 'S' – Notes to the Accounts under Note No. 28 (G & H)

**FORM A**

<b>A: POWER &amp; FUEL CONSUMPTION</b>	<b>CURRENT YEAR 31.03.2011</b>	<b>PREVIOUS YEAR 31.03.2010</b>
<b>I ELECTRICITY</b>		
(a) PURCHASED		
UNITS (KWH)	331,277,980	126,411,129
TOTAL AMOUNT (Rs.)	1,628,460,317	606,172,898
RATE PER UNIT (Rs.)	4.92	4.80
(b) OWN GENERATION		
(i) THROUGH DIESEL GENERATION		
UNITS (KWH)	47,708,692	30,924,860
UNITS PER LITRE OF-		
-DIESEL & FURNANCE OIL (KWH)	2.47	3.44
COST PER UNIT (Rs.)	9.96	10.48
(ii) THROUGH THERMAL GENERATION		
UNITS (KWH)	994,478,879	848,639,545
UNITS PER TON OF COAL (KWH)	897.46	860.48
COST PER UNIT (Rs.)	3.22	3.08
<b>II. (a) COAL FOR KILN</b>		
QUALITY	GRADE SLACK/STEAM/ PET COKE A,B,C & D	GRADE SLACK/STEAM/ PET COKE A,B,C & D
WHERE USED	CALCINISING OF RAW MEAL	CALCINISING OF RAW MEAL
QUANTITY USED (M.T.)	1,592,017	1,205,362
TOTAL COST Rs.	8,162,569,481	4,945,634,547
AVERAGE RATE PER M.T./Rs.	5,127.19	4,103.03
<b>II. (b) COAL FOR CPP</b>		
QUALITY	GRADE SLACK/STEAM ROM ,C D &F	GRADE SLACK/STEAM ROM ,C D &F
WHERE USED	BOILER	BOILER
QUANTITY USED (M.T.)	1,378,076	1,154,032
TOTAL COST Rs.	3,516,890,738	2,785,503,106
AVERAGE RATE PER M.T./Rs.	2,552.03	2,413.71
<b>III FURNACE OIL</b>		
	N/A	N/A
<b>IV OTHERS/INTERNAL GENERATION</b>		
	N/A	N/A
<b>B: CONSUMPTION PER UNIT OF PRODUCTION</b>		
PRODUCT	CEMENT	CEMENT
UNIT	M.T.	M.T.
ELECTRICITY (KWH)	88.58	90.66
FURNACE OIL	N/A	N/A
COAL PER M.T. OF CLINKER	0.138	0.145
COAL QUALITY		
-AVERAGE ASH CONTENTS (%)	26.47	28.21
AVERAGE UHV (Kcal/Kg)	5,041	4,795

## FORM B

[See rule 2]

### Form for disclosure of particulars with respect to absorption

#### Research and development (R & D)

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

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

#### Technology absorption, adaptation and innovation

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

Information is part of FORM A

NIL

### EMPLOYEE WISE DETAILS OF SHARES ALLOCATED / TRANSFERRED TO SENIOR MANAGERIAL PERSONNEL (DIRECTORS / SENIOR PRESIDENTS) BY JAYPEE GROUP ESPS, 2009 TRUST

SL NO.	NAME (S/Shri)	DESIGNATION	NAME OF THE COMPANY / SUBSIDIARY	NO. OF SHARES ALLOCATED / TRANSFERRED
1	BAL KRISHNA TAPARIA	DIRECTOR	JAL	12000
2	S C BHARGAVA	DIRECTOR	JAL	12000
3	S D NAILWAL	DIRECTOR	JAL	12000
4	M S SRIVASTAVA	DIRECTOR	JAL	12000
5	HARISH K. VAID	SR.PRESIDENT (CORP)	JAL	12000
6	R B SINGH	CFO (CEMENT)	JAL	12000
7	VIJAY KUMAR JAIN	CTO (CEMENT)	JAL	12000
8	G V BHAT	SR. PRESIDENT	JAL	22000
9	R C VAISH	DIRECTOR	JHPL	12000
10	R K NARANG	DIRECTOR	JHPL	12000
11	SURESH CHANDRA	DIRECTOR	JHPL	12000
12	J N GAUR	DIRECTOR	JHPL	12000
13	R L GUPTA	DIRECTOR	JHPL	12000
14	NARENDRA SINGH	DIRECTOR	JHPL	12000
15	ARUN GUPTA	DIRECTOR	JKHCL	12000
16	D P GOYAL	DIRECTOR	JKHCL	12000
17	G P SINGH	DIRECTOR	JKHCL	12000
18	B M AGARWAL	DIRECTOR	JKHCL	12000
19	HAR PRASAD	DIRECTOR	JIL	12000
20	AMIT SHARMA	DIRECTOR	MPJML	12000

JAL Jaiprakash Associates Limited

JHPL Jaiprakash Hydro-Power Ltd. (now known as Jaiprakash Power Ventures Ltd.)

JKHCL Jaypee Karcham Hydro Corporation Ltd.

JIL Jaypee Infratech Ltd.

MPJML Madhya Pradesh Jaypee Minerals Ltd.

# SECRETARIAL AUDIT REPORT

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

We have examined the registers, records and documents of Jaiprakash Associates Limited (the Company) for the financial year ended 31st March 2011 in the light of the provisions contained in-

- The Companies Act, 1956 and the Rules made thereunder.
- The Depositories Act, 1996 and the Rules made thereunder and the bye-laws of the Depositories who have been given the requisite Certificates of Registration under the Securities and Exchange Board of India Act, 1992
- The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
- The Securities and Exchange Board of India Act, 1992 and the Rules, Guidelines and Regulations made thereunder including:
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.
  - The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 1999 and
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines 1999
- The listing agreement with the National Stock Exchange and with the Bombay Stock Exchange

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

1. Maintenance of various statutory and non-statutory registers and documents and making necessary changes therein as and when the occasion demands.
2. Filing with the Registrar of Companies the Forms, returns and resolutions.
3. Service of the requisite documents by the Company on its members, Registrar and Stock Exchanges.

4. Composition of the Board, appointment, retirement and resignation of directors.
5. Remuneration of executive and independent directors.
6. Service of notice and agenda of Board Meetings and Meetings of the committee of directors.
7. Meeting of the Board and its committees.
8. Holding Annual General Meeting and production of the various registers thereat.
9. Recording the minutes of proceedings of board meetings, committee meetings and General Meetings.
10. Appointment and remuneration of Auditors.
11. Registration of transfer of shares held in physical mode.
12. Dematerialisation and rematerialisation of shares.
13. Execution of contracts, affixation of common seal, registered office and the name of the Company.
14. Requirement of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) regulations 1997.
15. Requirement of the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) 1999
16. Requirements set out in the listing agreement with the aforementioned stock exchanges.

B. We further report that-

- (i) the directors of the Company have complied with the various requirements relating to making of disclosures, declarations in regard to their other directorships, memberships of committees of the board of companies of which they are directors, their shareholding and interest or concern in the contracts entered into by the Company in pursuing its normal business.

For **Chandrasekaran Associates**  
Company Secretaries

Dr. S Chandrasekaran  
Senior Partner  
FCS: 1644  
CP : 715

New Delhi  
12.08.2011

# 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 the industry but simultaneously have opened up new avenues for growth.

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

its wealth of dedicated human resources are channelled 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 20 Directors as on March 31, 2011 out of which 10 were 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, has 10 Independent Directors.

Details regarding the category of Directors, attendance of Directors at Board Meetings and the last Annual General Meeting (AGM), number of other Directorships and Committee positions held by them in Companies as on March 31, 2011, 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 (upto 31.10.2010)	Non-executive	Promoter	Yes	4	N.A	N.A.	N.A.
Shri Manoj Gaur, Executive Chairman & CEO	Executive	Promoter	Yes	6	13	-	-
Shri Sunil K. Sharma, Executive Vice-Chairman	Executive	Promoter	Yes	6	12	4	1
Shri Sarat Kumar Jain, Vice Chairman	Non-executive	Promoter	Yes	4	3	2	-
Shri Sunny Gaur, MD – Cement	Executive	Promoter	No	0	11	1	3
Shri Pankaj Gaur, Jt. MD - Construction	Executive	Promoter	Yes	1	5	-	-
Shri K P Rau (IDBI Nominee) (upto 31.10.2010)	Non- Executive	Independent	Yes	5	N.A.	N.A.	N.A.
Shri Viney Kumar (IDBI Nominee) (w.e.f. 1.11.2010)	Non- Executive	Independent	N.A.	1	2	-	1
Shri A. K. Sahoo (LIC Nominee)	Non-executive	Independent	Yes	6	-	-	1
Dr. B. Samal	Non- executive	Independent	Yes	5	11	3	3



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	
Shri R.N. Bhardwaj	Non-executive	Independent	Yes	6	9	5	6
Shri B. K. Taparia	Non-executive	Independent	No	5	3	2	1
Shri B. K. Goswami	Non-executive	Independent	Yes	5	10	1	4
Shri S.C.Gupta	Non-executive	Independent	Yes	6	3	-	-
Shri S. C. Bhargava	Non –executive	Independent	Yes	5	10	1	4
Shri V.K. Chopra	Non- executive	Independent	Yes	6	14	5	5
Dr. J N Gupta (w.e.f. 3.05.10)	Non-executive	Independent	Yes	5	2	1	1
Shri M.S. Srivastava	Non- executive	Professional	Yes	4	1	-	-
Shri R.K. Singh	Executive	Professional	No	3	2	-	-
Shri Ranvijay Singh	Executive	Promoter	Yes	2	2	-	-
Shri S. D. Nailwal	Executive	Professional	Yes	5	3	-	1
Shri Rahul Kumar (w.e.f. 31.10.2010)	Executive	Promoter	N.A.	2	6	2	1

**Notes:**

- Shri Viney Kumar was appointed as Nominee of IDBI Bank Limited w.e.f. 1.11.2010 in place of Shri K.P.Rau whose nomination was withdrawn w.e.f. 31.10.2010.
- Shri Jaiprakash Gaur, Founder Chairman resigned from the office of Director of the Company w.e.f. 31.10.2010.
- Shri Rahul Kumar, CFO was appointed as Whole-time Director & CFO for a period of five years w.e.f. 31.10.2010 in the casual vacancy caused due to the resignation of Shri Jaiprakash Gaur.
- \*Directorships in other Companies have been considered in terms of the provisions of the Companies Act, 1956.
- Committee positions of only two Committees namely Audit Committee and Investors'/Shareholders' Grievance Committee in only Indian Public Limited Companies whether listed or not, have been considered pursuant to Clause 49.
- Number of shares and convertible instruments held by Non-executive Directors as on March 31, 2011 are tabulated below:

Sl. No.	Name of Non-executive Directors	No. of Shares held	No. of convertible instruments held
1	Shri Sarat Kumar Jain	54,48,016	NIL
2	Shri Viney Kumar (IDBI Ltd. Nominee)	NIL	NIL
3	Shri A. K. Sahoo (LIC Nominee)	NIL	NIL
4	Dr. B. Samal	NIL	NIL
5	Shri R.N.Bhardwaj	NIL	NIL
6	Shri B. K. Taparia	18,000	NIL
7	Shri B. K. Goswami	NIL	NIL
8	Shri S. C. Bhargava	21,000	NIL
9	Shri S.C.Gupta	NIL	NIL
10	Shri VK Chopra	NIL	NIL
11	Dr. J. N. Gupta	NIL	NIL
12	Shri M.S. Srivastava	1,03,540	NIL

**NUMBER OF BOARD MEETINGS HELD AND DATES THEREOF:**

During the financial year 2010-11, six meetings of the Board of Directors were held as against the requirement of four meetings. The meetings were held on May 3, 2010, May 30, 2010, July 23, 2010, September 21, 2010, October 31, 2010 and January 28, 2011.

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

**INFORMATION PLACED BEFORE THE BOARD**

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

**3. CODE OF CONDUCT**

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

All Board Members and Senior Management personnel have, on March 31, 2011, 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 & Independent Directors. 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 according to 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.
- Recommendation for appointment of Statutory and Cost Auditors.
- Appointment and remuneration of Internal Auditors.
- Review of Financial Statements/ investments in Subsidiary Company

Four meetings of the Audit Committee were held during the year on May 30, 2010, July 23, 2010, October 31, 2010, and January 28, 2011.

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 A.K Sahoo	4	4
Shri B.K. Taparia	4	4
Shri B.K. Goswami	4	3

The Chairman of the Audit Committee attends the Annual General Meeting to answer shareholders queries, if any.

## 5. REMUNERATION / SELECTION COMMITTEE

The Remuneration Committee comprising of non-executive Independent Directors, 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 Committee comprises three Independent Directors and also performs the role of Selection Committee, wherever required.

Two meetings of Remuneration Committee were held during the year on October 31, 2010 and January 28, 2011.

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

Name of Members	Total Meetings held during the tenure of the Member	Meetings attended
Shri B. K. Taparia, Chairman	2	2
Shri B. K. Goswami	2	1
Shri S.C. Bhargava	2	2

### Notes:

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

## 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, 2011 to Whole-time Directors are as follows:

(Amount in Rs.)

Sl. No.	Name	Designation	Tenure upto	Salary	Benefits	Total
1	Shri Manoj Gaur	Executive Chairman & CEO	31.03.2016	13,125,000	9,780,252	22,905,252
2	Shri Sunil Kumar Sharma	Executive Vice-Chairman	17.03.2014	12,000,000	9,505,661	21,505,661
3	Shri Sunny Gaur	Managing Director-Cement	30.12.2014	5,175,000	3,994,529	9,169,529
4	Shri Pankaj Gaur	Jt. Managing Director-Construction	30.06.2014	4,455,000	3,818,047	8,273,047
5	Shri R.K. Singh	Whole-time Director	14.10.2012	2,760,000	2,312,131	5,072,131
6	Shri Ranvijay Singh	Whole-time Director	13.12.2012	3,240,000	3,011,676	6,251,676
7	Shri S. D. Nailwal *	Whole-time Director	30.06.2014	3,240,000	2,730,165	5,970,165
8	Shri Rahul Kumar	Whole-time Director & CFO	30.10.2015	3,480,000	4,092,747	7,572,747
<b>Total</b>						<b>86,720,208</b>

\*Besides the remuneration, during the year 2010-11, Shri S D Nailwal, Whole-time Director also received 12,000 Shares (and bonus shares thereon) of the Company under the "Jaypee Employee Stock Purchase Scheme, 2009" at a price of Rs.60 per share.

### 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 criterion 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 2010-11 are as under:

Name of the Directors	Designation	Total sitting fee paid (Rs.)
Shri Jaiprakash Gaur (upto 31.10.2010)	Founder Chairman, Director	80,000
Shri Sarat Kumar Jain	Vice Chairman	3,40,000
Shri K P Rau (upto 31.10.2010)	Nominee Director (IDBI Bank Ltd.)	1,00,000
Shri Viney Kumar* (w.e.f.1.11.2010)	Nominee Director (IDBI Bank Ltd.)	20,000
Shri A.K. Sahoo*	Nominee Director (LIC)	2,00,000
Dr. B. Samal	Director	1,00,000
Shri R.N. Bhardwaj	Director	2,00,000
Shri B.K. Taparia	Director	2,20,000
Shri B.K. Goswami	Director	4,00,000
Shri S.C. Gupta	Director	1,20,000
Shri S.C. Bhargava	Director	1,40,000
Shri V.K. Chopra	Director	1,20,000
Dr. J.N. Gupta	Director	1,00,000
Shri M.S. Srivastava	Director	80,000
<b>Total</b>		<b>22,20,000</b>

\*The sitting fee for LIC Nominee was paid directly to LIC and the sitting fee for Shri Viney Kumar, IDBI Nominee was paid directly to IDBI Bank Ltd.

Besides the sitting fees, during the year 2010-11, the following Non- executive Directors also received Equity Shares of the Company under “Jaypee Employee Stock Purchase Scheme, 2009” (and Bonus shares thereon) at a price of Rs.60/- per share :

Name of the Directors	Designation	No. of ESPS shares of Rs.2 each allocated
Shri B.K. Taparia	Director	12,000
Shri S.C. Bhargava	Director	12,000
Shri M.S. Srivastava	Director	12,000

#### 6. INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE

The Investors' Grievance and Share Transfer Committee comprises of Shri Sarat Kumar 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, thirteen meetings of the Committee were held.

During the year, the Company had received 1730 complaints from the shareholders, in addition to 2 complaints pending at the beginning of the year of which 1728 complaints were resolved/ addressed leaving a balance of 4 complaints pending at the end of the year which were resolved/ addressed shortly thereafter.

#### 7. SUBSIDIARY COMPANIES

The Company has no material non-listed subsidiary companies in terms of Explanation 1 to sub clause III of Clause 49 of the Listing agreement.

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

#### 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 the CFO have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause. This certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on August 12, 2011.

#### 10. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time
2008	Sector-128, Noida-201304, (U.P.)	27.08.2008	11.30 A.M.
2009	Jaypee Institute of Information Technology University, A-10, Sector – 62, NOIDA-201 307, U.P	29.09.2009	11.00 A.M
2010	Jaypee Institute of Information Technology University, A-10, Sector – 62, NOIDA-201 307, U.P	21.09.2010	11.30 A.M.

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

##### (A) Year 2008

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

##### (B) Year 2009

- Resolution authorizing the Board of Directors to issue Equity Shares under the Employees Stock Purchase Scheme of the Company, to be known as “Jaypee Employee Stock Purchase Scheme, 2009” for offering and allotting Equity Shares upto 1,25,00,000 (One Crore Twenty Five Lacs) at a price of Rs.60/- per share, comprising of Rs.2/- towards share capital and balance Rs.58/- towards securities premium.
- Resolution under Section 372A of the Companies Act, 1956, authorizing the Board of Directors to make investment of surplus funds of the Company in any Mutual Fund Scheme(s), debt instrument(s) or debt based securities of any government, semi-government or listed company(ies) upto Rs.500 Crores (Rupees Five Hundred Crores) at any one time, in one or more tranches.
- Resolution under Section 372A of the Companies Act, 1956, authorizing the Board of Directors to make additional investment of upto Rs.200 Crores (Rupees Two Hundred Crores) in aggregate through equity/ debt/ providing of security/ guarantee in two subsidiaries of the Company viz. Bhilai Jaypee Cement Limited & Bokaro Jaypee Cement Limited.

##### (C) Year 2010

No Special Resolution was passed in the Annual General Meeting held in 2010.

All the Resolutions were passed with requisite majority.

#### DETAILS OF RESOLUTIONS PASSED LAST YEAR (I.E. DURING FINANCIAL YEAR 2010-2011) THROUGH POSTAL BALLOT, THE PERSONS WHO CONDUCTED THE POSTAL BALLOT EXERCISE AND DETAILS OF THE VOTING PATTERN

During the year ended March 31, 2011, 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 Company, **for the first time**, offered **e-voting facility** as an alternate, for its individual Members (other than Corporates/FIs/ FII's etc.) to enable them to cast their vote electronically instead of dispatching Postal Ballot starting with the Postal Ballot Notice dated November 15, 2010 in association with CDSL Ventures Limited, a wholly owned subsidiary of Central Depository Services (India) Limited.

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

The declared results of the Postal Ballot were announced through newspaper and were also displayed on the website of the Company, [www.jalindia.com](http://www.jalindia.com). Details of the same are given below:

**(A) Resolutions passed on August 31, 2010 (Notice dated May 30, 2010)**

S. No.	Particulars	Details / Dates
1	Date of Board Meeting	May 30, 2010
2	Scrutinizer appointed by the Board of Directors at its meeting	Shri V. P. Kapoor, F.C.S., A.I.C.W.A., L.L.B., Practising Company Secretary
3	Alternate Scrutinizer appointed by the Board of Directors at its meeting	Ms. Sunita Mathur F.C.S., Practising Company Secretary
4	Date of Notice seeking Shareholders approval	May 30, 2010
5	Date of completion of Dispatch of Notice	July 31, 2010
6	Last Date of receipt of duly filled Postal Ballot Form	August 30, 2010
7	Date of submission of Scrutinizer's report to the Chairman	August 31, 2010
8	Date of declaration of Result	August 31, 2010

**Particulars of Resolutions Passed**

**Special :**

1	Providing security/ undertakings to lenders of Jaiprakash Power Ventures Limited (JPVL)
2	Providing undertakings to lenders of JPSK Sports Pvt. Ltd., a subsidiary of the Company.
3	Making Investment in fertilizer business.
4	Investment of surplus funds of the Company
5	Increase in remuneration of relative of a Director

**Voting Pattern**

Particulars	Total Votes	Total Valid Votes Cast	Total Valid votes cast in favour of the Resolution	Total Valid votes cast against the resolution
Resolution 1	2,124,634,633	1,312,600,630	1,311,680,788 (99.93%)	919,842 (0.07%)
Resolution 2	2,124,634,633	1,307,322,438	1,306,201,489 (99.91%)	1,120,949 (0.09%)
Resolution 3	2,124,634,633	1,312,434,700	1,311,418,487 (99.92%)	1,016,213 (0.08%)
Resolution 4	2,124,634,633	1,312,426,590	1,306,483,244 (99.55%)	5,943,346 (0.45%)
Resolution 5	2,124,634,633	1,312,481,469	1,311,616,969 (99.93%)	864,500 (0.07%)

**(B) Resolutions passed on February 19, 2011 (Notice dated November 15, 2010)**

S. No.	Particulars	Details / Dates
1	Date of Board Meeting	October 31, 2010
2	Scrutinizer appointed by the Board of Directors at its meeting	Shri V. P. Kapoor, F.C.S., A.I.C.W.A., L.L.B., Practising Company Secretary

S. No.	Particulars	Details / Dates
3	Alternate Scrutinizer appointed by the Board of Directors at its meeting	Shri Shiv Kumar Gupta, M.Com., LL.B., F.C.S., Practising Company Secretary
4	Date of Notice seeking Shareholders approval	November 15, 2010
5	Date of completion of Dispatch of Notice	January 17, 2011
6	Last Date of receipt of duly filled Postal Ballot Form	February 16, 2011
7	Date of submission of Scrutinizer's report to the Chairman	February 18, 2011
8	Date of declaration of Result	February 19, 2011

Note: The Company for the first time gave facility for e-voting to its 'Individual' shareholders (other than Corporate/FI/FILs, etc) through the website of CDSL Ventures Limited, namely, www.evotingindia.com. Out of 9065 shareholders who participated in Postal Ballot process, 548 'Individual' shareholders exercised their right through e-voting.

**Particulars of Resolutions Passed**

**Ordinary**

1	Appointment and Remuneration of Shri Rahul Kumar as a Whole-time Director of the Company
2	Creation of Mortgage/charge in favour of Debenture holders/Debenture Trustees to secure NCDs aggregating Rs. 500 crore each, issued to Life Insurance Corporation of India and Axis Bank Limited

**Special**

3	Investment in the Shares of Zawar Cement Private Limited
---	--

**Voting Pattern**

Particulars	Total Votes	Total Valid Votes Cast	Total Valid votes cast in favour of the Resolution	Total Valid votes cast against the resolution
Resolution 1	2,126,433,182	1,378,638,385	1,378,421,358 (99.98%)	217,027 (0.02%)
Resolution 2	2,126,433,182	1,378,611,428	1,378,425,496 (99.99%)	185,932 (0.01%)
Resolution 3	2,126,433,182	1,378,590,103	1,378,348,434 (99.98%)	241,669 (0.02%)

After March 31, 2011 but before the date of this report, the Company sought one more approval from its shareholders for passing Special/ Ordinary resolutions through the process of Postal Ballot, the details of which are given below:

**(C) Resolutions passed on July 19, 2011 (Notice dated May 14, 2011)**

S. No.	Particulars	Details / Dates
1	Date of Board Meeting	May 14, 2011
2	Scrutinizer appointed by the Board of Directors at its meeting	Ms. Sunita Mathur F.C.S., Practising Company Secretary

S. No.	Particulars	Details / Dates
3	Alternate Scrutinizer appointed by the Board of Directors at its meeting	Shri K.K. Malhotra, F.C.S, Practising Company Secretary
4	Date of Notice seeking Shareholders approval	May 14, 2011
5	Date of completion of Dispatch of Notice	June 16, 2011
6	Last Date of receipt of duly filled Postal Ballot Form	July 16, 2011
7	Date of submission of Scrutinizer's report to the Chairman	July 18, 2011
8	Date of declaration of Result	July 19, 2011

Note: For the aforesaid voting, the Company once again extended facility for e-voting to its 'Individual' shareholders (other than Corporate/FI/FIs, etc) through the website of CDSL Ventures Limited, namely, www.evotingindia.com. Out of 7,500 shareholders who participated in Postal Ballot process, 535 'Individual' shareholders exercised their right through e-voting.

#### Particulars of Resolutions Passed :

##### Special

1	Providing Security/ Undertakings to the lenders of Jaypee Karcham Hydro Corporation Limited (JKHCL).
2	Providing Security/ Undertakings to the lenders of Jaiprakash Power Ventures Limited (JPVL).
3	Diversification into Aviation Business.
4	Appointment of Shri B.K Jain, Relative of a Director.
5	Re-Appointment of Shri Manoj Gaur as Executive Chairman of the Company.
6	Increase in Remuneration of Other Executive Directors of the Company.

##### Ordinary

7	Increase in Borrowing Powers of the Board.
8	Creation of Mortgage/charge on the assets of the Company in favour of Lenders.

##### Voting Pattern :

Particulars	Total Votes	Total Valid Votes Cast	Total Valid votes cast in favour of the Resolution	Total Valid votes cast against the resolution
Resolution 1	2,126,433,182	133,95,71,902	133,91,81,008 (99.97%)	3,90,894 (0.03%)
Resolution 2	2,126,433,182	132,32,04,365	132,09,64,317 (99.83%)	22,40,048 (0.17%)
Resolution 3	2,126,433,182	133,93,33,465	128,78,74,853 (96.16%)	514,58,612 (3.84%)
Resolution 4	2,126,433,182	133,94,55,469	132,94,29,240 (99.25%)	100,26,229 (0.75%)
Resolution 5	2,126,433,182	133,94,04,275	133,92,30,840 (99.99%)	1,73,435 (0.01%)

Particulars	Total Votes	Total Valid Votes Cast	Total Valid votes cast in favour of the Resolution	Total Valid votes cast against the resolution
Resolution 6	2,126,433,182	133,95,05,870	133,87,04,046 (99.94%)	8,01,824 (0.06%)
Resolution 7	2,126,433,182	133,72,80,703	109,64,00,642 (81.99%)	24,08,80,061 (18.01%)
Resolution 8	2,126,433,182	133,93,13,517	133,37,88,372 (99.59%)	55,25,145 (0.41%)

#### 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 was no case of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
- No treatment different from the Accounting Standards, prescribed by the Institute of Chartered Accountant of India, has been followed in the preparation of Financial Statements.
- The Company has not adopted any Whistle Blower Policy. However, the Company has not denied access of any personnel to approach the Management or the Audit Committee on any issue.
- The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement.
- 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 in paragraph 30 of this Report.

#### 12. RECONCILIATION OF SHARE CAPITAL AUDIT

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

In terms of the requirements of Clause 5A of the Listing Agreement, the Company has sent three reminders, to the shareholders whose shares were in physical form and were issued pursuant to the other public issues, at their addresses available with the Company. Necessary steps are being taken to credit the said unclaimed shares to a demat suspense account with one of the Depository Participants, to be opened for this purpose.

#### 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. Further, the results were also uploaded on Corporate Filing and Dissemination System (CFDS) website www.corpfiling.co.in through the Stock Exchanges.

The Company also 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, UP.  
e-mail : harish.vaid@jalindia.co.in  
Phone : 91-120-4609000  
Fax : 91-120-4609363

#### 16. GENERAL SHAREHOLDER INFORMATION

14th Annual General Meeting

The meeting shall be held as under: -

Day : Tuesday  
Date : September 27, 2011  
Time : 11.30 A.M.  
Venue : Auditorium of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201 307, UP.

Designated Exclusive e-mail for investor services :

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

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

#### 17. FINANCIAL CALENDAR

Details of announcement of Quarterly Financial Results during the year 2010-2011 are as under:

Results	Announced on
For 1st Quarter ended 30-06-2010	July 23, 2010 (unaudited)
For 2nd Quarter ended 30-09-2010	October 31, 2010 (unaudited)
For 3rd Quarter ended 31-12-2010	January 28, 2011 (unaudited)
For 4th Quarter ended 31-03-2011	May 14, 2011 (unaudited)

Note :

The Financial Results were reviewed by the Audit Committee and thereafter approved by the Board. Annual Audited Results for the year ended 31.03.2011 were announced on August 12, 2011.

#### 18. DIVIDEND PAYMENT DATE

For the year 2010-11, an Interim Dividend was 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)
Interim Dividend	20%	28.01.11	09.01.11	21.02.2011	85.06	Nil

For Final Dividend recommended at Rs.0.40 per share of Rs.2/- (i.e. 20%), the Company has fixed September 21, 2011 to September 27, 2011 (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 2010-2011.

The FCCBs issued by the Company during the financial years 2005-06 (FCCB-II) and 2007-08 (FCCB-III) are listed on Singapore Stock Exchange.

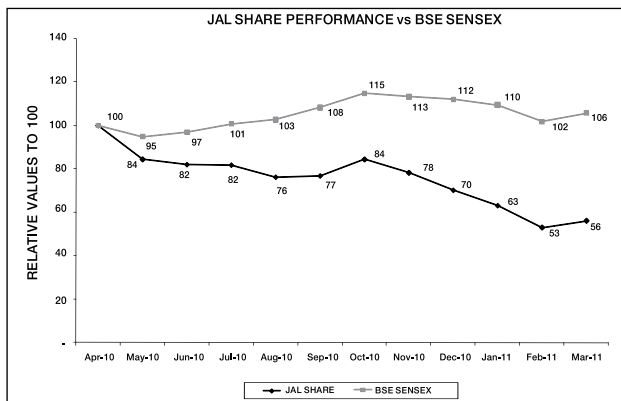
Further, Secured Redeemable Non Convertible Debentures issued by the Company, from time to time, on private placement basis, are listed on The Bombay Stock Exchange Limited.

#### 20. MARKET PRICE DATA AND ITS PERFORMANCE IN COMPARISON TO INDEX

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

Month	Share Price at BSE		Share Price at NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April,10	162.85	143.50	162.90	143.10
May,10	149.00	109.70	147.25	108.00
June,10	134.25	117.00	134.50	116.50
July,10	132.60	117.90	132.50	117.80
August,10	125.40	108.10	125.70	108.00
September,10	127.60	107.65	127.70	107.60
October,10	139.80	118.80	139.05	118.55
November,10	140.80	99.00	140.85	98.60
December,10	116.80	98.20	116.90	98.25
January,11	110.55	82.75	110.70	82.50
February,11	92.20	70.25	92.30	70.05
March,11	94.00	78.00	94.20	78.00

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



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

#### 21. REGISTRAR AND TRANSFER AGENT

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

**M/s Alankit Assignments Limited**  
2E/21, Jhandewalan Extn., New Delhi 110 055.  
Tel: 011-51540060-63, Fax: 011-51540064  
e-mail: alankit@alankit.com

## 22. SHARE TRANSFER SYSTEM

The Company's shares which are in compulsory dematerialised (demat) list are transferable through the depository system. Shares received in physical mode are processed by the Registrars and Transfer Agent, Alankit Assignments Limited and approved by the Investors' Grievance and Share transfer Committee of the Company. The shares received for transfer are transferred expeditiously, provided the documents are complete and the relative shares are not under any dispute. The Share Certificates duly endorsed in favour of the Transferees are returned promptly to shareholders. Confirmations in respect of the requests for dematerialization of shares are expeditiously sent to the respective depositories i.e. NSDL and CDSL.

## 23. DISTRIBUTION OF SHAREHOLDING

The Distribution of shareholding and shareholding pattern as on March 31, 2011, 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	638,768	97.37	168,872,208	7.94
2501 – 5,000	10,168	1.55	35,469,586	1.67
5,001 – 10,000	3,927	0.60	27,811,367	1.31
10,001 – 15,000	986	0.15	12,273,720	0.58
15,001 – 20,000	491	0.07	8,659,135	0.41
20,001 – 25,000	262	0.04	5,875,690	0.28
25,001 – 50,000	560	0.09	20,010,419	0.94
50,001 and above	874	0.13	1,847,461,057	86.87
<b>TOTAL</b>	<b>656,036</b>	<b>100.00</b>	<b>2,126,433,182</b>	<b>100.00</b>

### SHAREHOLDING BY CATEGORY

Category of Shareholder	Percentage of holding
Promoters	46.84%
Mutual Funds/UTI/FI/Banks/ Insurance Companies	10.77%
Private Bodies Corporate	7.02%
FII/NRIs/OCBs/Foreign Body Corporates	21.80%
Individuals Public	12.91%
Trusts/Clearing Members & in transit	0.66%
<b>Total</b>	<b>100.00%</b>

## 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, 2011, 97.81% of the Share Capital of the Company had been dematerialized. The shares of the Company form part of BSE Sensex, BSE 500 and also part of NSE Nifty, CNX Infra, NSE Future & Options. The same are actively traded on both BSE and NSE.

## 25. UNCLAIMED DIVIDENDS

### 1. Jaiprakash Associates Limited

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

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 IEPF
1	2001-02	Interim	30.01.2002	7%	11.07	N.A.	02.03.2009 (transferred)
	--do--	Final	27.09.2002	5%	7.30	0.63	28.10.2009 (transferred)
2	2002-03	Final	06.10.2003	15%	26.43	3.38	06.11.2010 (transferred)
3	2003-04	Final	29.09.2004	15%	26.43	3.45	30.10.2011
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	28.05.2016
	--do--	Final	29.09.2009	20%	56.08	9.53	30.10.2016
9.	2009-10	Interim	21.10.2009	27%	75.71	12.87	21.11.2016
	--do--	Final	21.09.2010	27%	13.43	19.07	22.10.2017
10.	2010-11	Interim	28.01.2011	20%	85.06	NIL	28.02.2018
	--do--	Final (Recommended)	*	20%	85.06	13.80	

\* 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 final dividend amounting Rs.54,19,774 relating to the Financial Year 2002-03 and unclaimed fixed deposits amounting to Rs.15,075 to the Investor Education and Protection Fund of the Central Government during the financial year 2010-11.

### 2. Erstwhile Jaypee Hotels Ltd.

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

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 IEPF
1	2004-05	Interim (considered Final)	07.03.2005	10%	5.55	0.72	07.04.2012
2	2005-06	Final	27.09.2006	18%	9.98	1.40	28.10.2013
3	2006-07	Final	27.09.2007	18%	9.98	1.69	28.10.2014
4	2007-08	Final	22.07.2008	18%	9.98	1.69	22.08.2015

**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 first series of FCCB's was fully redeemed on February 17, 2010.

The details of three FCCBs issued by the Company as on March 31, 2011 are as under:

S. No.	PARTICULARS	FCCB-I* (*extinguished on 17.2.2010)	FCCB-II	FCCB-III
1	Aggregate Value	USD 100 Million	Euro 165 Million	USD 400 Million
2	Date of Issue	16.02.2005	09.03.2006	11.09.2007
3	Due on	17.02.2010 (fully redeemed)	09.03.2013	12.09.2012
4	Applicable Interest Rate	0.50%	0.50%	Nil
5	Pre-agreed Conversion price per share :			
	(i) Latest Conversion Price per share of Rs.2 each	Rs.31.5080	Rs.74.5031	Rs.165.1707
	(ii) Old Conversion Price before Bonus (till 18.12.09 - per share of Rs.2 each)	Rs.47.2620	Rs.111.7546	Rs.247.7560
	(iii) Old Conversion Price before split (till Record Date i.e. 26.12.07 - per share of Rs.10 each)	Rs.236.3100	Rs.558.7730	Rs.1,238.7800
6	Pre-agreed Conversion Exchange Rate (fixed)	Rs. 43.785 per USD	Rs.53.599 per Euro	Rs. 40.350 per USD
7	FCCBs Converted till March 31, 2011	USD 99.950 Million	Euro 163.294 Million	USD 4.500 Million
	Percentage Converted	99.950%	98.966%	1.125%
8	Bought Back	--	--	USD 41.025 Million
	Percentage Bought Back	--	--	10.256%
8A	Redeemed	USD 0.500 Million		
	--	--	--	--
	Percentage Redeemed	0.50%	--	--
9	FCCBs Outstanding as on March 31, 2011	Nil	Euro 1.706 Million	USD 354.475 Million
	Percentage Outstanding	Nil	1.034%	88.619%
10	No. of Shares (of Rs.2 each) issued upon conversion till March 31, 2011	93,523,098	78,922,176	732,876
11	No. of Shares (of Rs.2 each) to be issued upon conversion of outstanding FCCBs, if opted by holders thereof	--	1,227,330	86,595.662

On April 9, 2011, FCCB-II aggregating Euro 1.451 Mn were redeemed on exercise of put option by the Bondholders. Thus, as on date, the outstanding amount of FCCB-II aggregates Euro 0.255 Mn. and that of FCCB-III aggregates US D 354.475 Mn.

**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 Manufacturing, Generation of Power, Real Estate and Hospitality. The Business of construction of Hydro-Power Projects is operated from various sites of the Clients.

**(A) Construction & Expressway**

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

SECTOR	PROJECT NAME	STATE
Hydro Power	Karcham Wangtoo Hydro Electric Project of JKHL	Himachal Pradesh
Hydro Power	2700 MW Lower Siang & 500 MW Hiron 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 & Teegaluru 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 Gujrat; Bhilai in Chattisgarh, Bokaro in Jharkhand; and Jaggayyapeta in Andhra Pradesh.

**(C) Hospitality**

The Company's 5 Star Hotels are located in Vasant Vihar, New Delhi, Rajendra Place, New Delhi, Agra (Uttar Pradesh), Greater Noida (Uttar Pradesh) and Mussoorie (Uttarakhand), besides a 18 holes Golf Course located at Greater Noida (Uttar Pradesh).

**(D) Real Estate**

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

**(E) Power**

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

**HYDRO POWER:**

S. No.	Power Stn./Plants/ Projects	Capacity (in MW)	Location
	<b>Existing Power Stations</b>	<b>1200</b>	
(a)	Karcham Wangtoo Power Stn of JPVL	500*	Himachal Pradesh
(b)	Baspa-II of JPVL	300	Himachal Pradesh
(c)	Vishnuprayag of JPVL	400	Uttarakhand
	<b>Projects in pipeline</b>	<b>4,420</b>	
(a)	Karcham Wangtoo Project of JPVL	500*	Himachal Pradesh



S. No.	Power Stn./Plants/ Projects	Capacity (in MW)	Location
(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
	<b>Total of Hydro power</b>	<b>5,620</b>	
*out of 1000 MW Capacity of Karcham Wangtoo Project, 500 MW has already been energized and remaining 500 MW is expected to be energized around Sept./ Oct., 2011.			
<b>THERMAL POWER:</b>			
	<b>Projects in pipeline</b>	<b>7,850</b>	
(a)	Nigrie, Distt Singrauli of JPVL	1,320	Madhya Pradesh
(b)	Bina of JPVL	1,250	Madhya Pradesh
(c)	Karchhana of Sangam Power Generation Co. Ltd.	1,980	Uttar Pradesh
(d)	Bara of Prayagraj Power Generation Company Ltd.	3,300	Uttar Pradesh
<b>WIND POWER:</b>			
	Existing	49	
(a)	Plant of JAL	40.25	Maharashtra
(b)	Plant of JAL	8.75	Gujarat
	<b>Total Power (Hydro + Thermal + Wind) existing as well as in pipeline</b>	<b>13,519</b>	

## 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 for investor services :

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

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

## 29. ELECTRONIC CLEARING SERVICE (ECS)

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

## 30. NON-MANDATORY REQUIREMENTS

### (a) Remuneration Committee

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

### (b) Training of Board Members

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

### (c) Shareholder's Rights

The Company uploads its Quarterly, Half – Yearly and Annual Results, shareholding information, statutory communication with stock exchanges, press releases and presentations on its web site – www.jalindia.com which is accessible to all. Besides, financial results are posted with Corporate Filing & Dissemination System (corpfilling) at www.corpfilling.co.in through the Stock

Exchanges. The Results are also reported to Stock Exchanges and published in National Newspapers in English and Hindi newspapers having wide circulation.

### (d) Audit Qualifications

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

## VOLUNTARY GUIDELINES ON CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) had issued voluntary guidelines on Corporate Governance in December, 2009 to serve as benchmark for the corporate sector and help them achieve highest standard of Corporate Governance. The Company has adopted some of the guidelines proposed by MCA, details of which are given below and endeavors to adopt the rest in a phased manner.

### A. Independent Directors

- Independent Directors to have the option and freedom to meet Company Management periodically

The Independent Directors of your Company have the option and freedom to interact with the Company management periodically as and when they deem necessary.

### B. Remuneration of Directors

#### 1. Remuneration to Non-executive Directors

- Your Company is paying to Non-Executive Directors sitting fee of Rs.20,000/- for attending each meeting of the Board and Committees thereof which is maximum amount that can be paid under the Companies Act, 1956.

#### 2. Remuneration Committee

The Company has a Remuneration Committee of the Board comprising of 3 members, all being Non Executive Independent Directors. The Committee recommends/ reviews the Remuneration package of the Whole-time Directors.

#### 3. Audit Committee of Board

##### Constitution

- The Company has an Audit Committee comprising of four members all being Non-executive Independent Directors. The Chairman of the Audit Committee is an Independent Director. All the members of Audit Committee have knowledge of financial management, audit & accounts.

##### Enabling Powers

- Audit Committee is provided with back office support and other resources of the Company, as and when required, has access to information contained in the records of the Company and has the facility of having separate discussions with both internal and external auditors as well as management.

##### Role and Responsibilities

- Role and responsibilities of the Audit Committee, inter alia, include recommending appointment, re-appointment or removal of Statutory Auditors/ Cost Auditors/Internal Auditors and remuneration payable to them, review of Internal Audit Reports/ Cost Audit Reports, Quarterly and Annual Financial Results, Annual Budget and Variance Reports etc.

#### 4. Auditors

##### Appointment of Auditors

Audit Committee is the first point of reference regarding the appointment of auditors. Keeping in view the profile of the audit firm, qualifications

and experience of audit partners, strengths and weaknesses, if any, recommends the appointment/re-appointment of the Statutory Auditors of the Company and the remuneration payable to them. While discharging its duty, the Audit Committee examines and reviews the documentation and the certificate for proof of independence of the audit firm before recommending to the Board, with reasons, either the appointment/re-appointment or removal of the Statutory Auditor.

- **Need for clarity on information to be sought by Auditor**

There is sufficient clarity between the Company's Management and the Auditor on the amount & nature of documents to be made available for audit purpose.

#### 5. **Appointment of Internal Auditor**

In order to ensure the independence and credibility of the internal audit process, Awatar & Co., Chartered Accountants, an independent firm have been appointed as the Company's Internal Auditor.

#### 6. **Secretarial Audit**

As a part of good Corporate Governance practices being followed by the Company, M/s Chandrasekaran Associates, Company Secretaries, were voluntarily appointed to conduct the Secretarial Audit for the financial year 2010-11 and their report forms part of the Annual Report.

#### 7. **Institution of mechanism for Whistle Blowing**

The Company has not adopted any formal whistle Blowing Policy. However, the Company has not denied access of any personnel to approach the Management or the Audit Committee on any issue.

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### **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, 2011.

**MANOJ GAUR**  
Executive Chairman & CEO  
Jaiprakash Associates Limited

Place : Noida  
Date : May 14, 2011

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### **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, 2011, 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  
Firm Regn. No.002183C

**(CA M. P. SINGH)**  
Partner  
M.No. 1454

Place : Noida  
Dated : August 12, 2011

# MANAGEMENT DISCUSSION & ANALYSIS REPORT

Forming part of the Report of Directors for the year ended March 31, 2011

## ECONOMIC OVERVIEW

According to the latest numbers made available by Central Statistical Office (CSO), India's GDP at factor cost at constant prices registered an increase of 8.5 percent in the year 2010-11. This revised estimate of 8.5 percent growth for GDP in 2010-11 is only a shade below the advance estimates that had pegged GDP growth for 2010-11 at 8.6 percent.

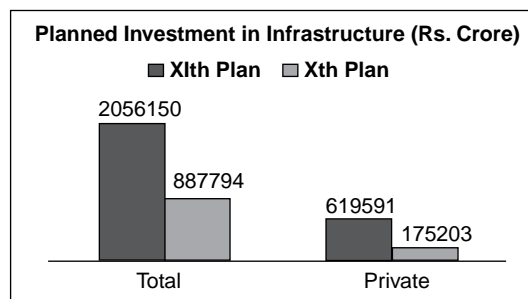
The GDP growth range for the year 2011-12 is expected to be 8 to 8.5 percent. The inputs and projections provided by various participating economists show that while the agriculture and allied activities sector is projected to grow by 3.7 percent this year, industry and services sector are poised to grow by 8 percent and 9.2 percent respectively.

The key risks to growth in India in the current year are the negative impact of continuous tightening of monetary policy by RBI and a slowdown in global growth due to various reasons such as high international oil prices etc.

## INFRASTRUCTURE & CONSTRUCTION SECTOR IN INDIA

The lack of infrastructure has been one of the major constraints on India's growth potential and aspirations. Government's focussed initiatives towards infrastructure creation with active participation

of the private sector will hold key to growth of Indian Economy. For bridging the infrastructure deficit and for sustaining a higher growth rate, the Eleventh Five Year Plan envisages a total investment of Rs. 2,056,150 crore in infrastructure as against Rs. 887,794 crore realized during the Tenth Plan. This ambitious target cannot be met with public resources alone. The Eleventh Plan, therefore, projects that 30% of the required investment will be made through private sector participation; which translates to private sector investment of Rs. 619,591 crore as compared to Rs. 175,203 crore during the Tenth Plan.



Xlth Five Year Plan: Targets for Infrastructure sector	
Power	Additional power generation capacity of about 78,577 MW Reaching electricity to all un-electrified hamlets; providing access to all rural households
National Highways	Six-laning 6,500 kilometers of Golden Quadrilateral and selected National Highways Four-laning 6,736 kilometers on North-South and East-West Corridors Four-laning 20,000 kilometers of National Highways Widening 20,000 kilometers of National Highways to two lanes Developing 1,000 kilometers of Expressways Constructing 8,737 kilometers of roads, including 3,846 kilometers of National Highways in the North East
Rural Roads	Constructing 1,29,707 kilometers of new rural roads, and renewing and upgrading existing 1,77,726 kilometers covering 60,638 rural habitations
Ports	Capacity addition of 485 million MT in Major Ports, 345 million MT in Minor Ports
Airport	Modernisation and redevelopment of 4 metro and 35 non-metro airports Constructing 3 greenfield airports in North East Constructing 7 other greenfield airports Upgrading CNS/ATM facilities
Railways	Constructing Dedicated Freight Corridors between Mumbai-Delhi and Ludhiana-Kolkata 8,132 kilometers of new railway lines; gauge conversion of 7,148 kilometers Modernisation and redevelopment of 22 railway stations
Irrigation	Developing 16 million hectares through major, medium and minor irrigation works

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

## Review of Financial Performance

Jaiprakash Associates Ltd. had crossed the Rs. 10,000 crore plus annual Turnover mark in financial year 2009-10.

The key highlights of the financial performance for the year 2010-11 were :

- Total revenues reached Rs.13,831 crore from Rs. 11,671 crore in the previous year; an increase of 18.5%.
- EBIDTA was Rs. 3,242 crore against Rs. 2,891 crore in the previous year.
- Net profit after extraordinary items is Rs.1167 crore against Rs.1708 crore in the previous year.
- EPS after extraordinary items for year 2010-11 is Rs.5.49 against Rs.8.08 in the previous year.

## SEGMENT-WISE REVIEW OF OPERATIONS

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

1. Engineering & Construction
2. Manufacture & Marketing of Cement
3. Energy (Power, Transmission, Oil & Gas)
4. Expressways

5. Real Estate and
6. Hospitality

## 1. Engineering & Construction

Keeping in mind that the key to sustaining India's growth rate lies in developing the country's infrastructure, the Government is targeting huge investment over the next five years in the infrastructure sector.

The Scheme aims to take up infrastructure projects under public-private partnership with minimal private investment.

During the Eleventh Five year Plan (2007-2012), the Government aims to add power generation capacity of about 80,000 MW and provide electricity to all unelectrified hamlets and all rural households through the Rajiv Gandhi Grameen Vidyutikaran Yojna (RGGVY).

### Operational Performance

During the year, the Engineering & Construction Division of the Company continued to perform well. While the Company was qualified for new Projects, new contracts were also awarded, as reported in the Directors' Report.

## 2. CEMENT

### Indian Cement Industry

The Indian cement industry had witnessed an incredible growth journey in the past few years, led by the growth in the real estate, infrastructure and industrial construction.

The domestic cement demand growth had surpassed the economic growth rate in the period FY 06-10. However, in FY11, cement demand growth took a slight breather. The cement industry has registered a drop in margins in FY 11 mainly due to input cost rise and lack of pricing power.

As the economic growth now settles at a higher pedestal of 8 -8.5%, the cement demand is expected to sustain a good growth in demand. The key drivers of this strong demand shall be the continued expansion in infrastructure, real estate and industrial sectors.

### JAYPEE IN CEMENT

The Company is the third largest cement producer in the country with 23.70 MTPA (Million Tonne Per Annum) installed capacity. It is continuing to add capacities to take its tally to 35 MTPA by the year 2012 and aims to touch 50 MTPA by 2012-13. In doing so, the Company will script the fastest expansion in cement sector by any company in India and position itself amongst the top cement manufacturers in Asia.

## 3. ENERGY

Power deficit in India has been a critical concern in the recent growth phase of Indian economy. Considering its potential contribution in the growth of our economy, Power sector itself possesses tremendous growth potential/ opportunities:

- India requires an additional over 90,000 MW of new generation capacity in the next seven years; a total investment opportunity of about US\$ 200 billion over a seven year horizon. - A corresponding investment is required in transmission and distribution networks.
- Large demand-supply gap: All India average energy shortfall of 7% and peak demand shortfall of 12%.
- Hydel power potential of 150,000 MW is untapped as assessed by the Government of India.
- Renovation, modernisation, up-rating and life extension of old thermal and hydro power plants required.
- Opportunities in Transmission network ventures – additional 60,000 circuit km of transmission network expected by 2012.

XIth Plan aims to create additional power generation capacity of about 78,577 MW; and also to spread electricity to all unelectrified hamlets of the country and thereby provide access to all rural households. Like other core infrastructure sectors, Government of India and even various state governments are seeking active participation of the private sector across

generation, transmission and distribution of power. A slew of reform measures have been taken by authorities and regulators towards making it an attractive sector for private players.

### JAYPEE IN ENERGY

Jaiprakash Power Ventures Limited (JPVL) (a subsidiary Company of JAL) is the largest private sector Hydro Power producer with 1200 MW of operational assets (300 MW Baspa, 400 Vishnuprayag, 500 MW Karcham Wangtoo), another 500 MW capacity of Karcham Wangtoo Project is scheduled for commissioning in calendar year 2011 itself. In addition, another 4420 MW of Hydro Power Project is in various stages of development.

Together with its portfolio of Thermal Power Projects, JPVL is poised to have a total generation capacity of 13,519 MW by financial year 2018- 19 and shall be the only Company in Private Sector having a mix of 65% portfolio from thermal power and 35% portfolio from hydro power.

The group plans to execute significant proportion of its capacity expansion plans over the next few years. As per the current drawn out capacity addition plans, the Company shall add 12000 MW (approx) between Financial year 2010-11 and 2018-19. This shall be spread across thermal and hydro power segments, as well regulated and merchant power.

## 4. EXPRESSWAYS

Connectivity is a key component of development, it is the pillar on which economy grows and development is witnessed. Roads formulate the path to the holistic development of the nation. Roads in India are the most preferred mode of transportation. Easy availability, adaptability to individual needs and cost savings are some of the factors working in favour of road transport.

India has the world's second largest road network, aggregating over 3.34 million kilometers (km) and carry about 65 per cent of freight and 85 per cent of passenger traffic, according to the National Highway Authority of India. Road transport also acts as a feeder service to railway, shipping and air traffic. In order to give impetus to the economic development of the country, the Government has embarked upon a massive National Highways Development Project (NHDP) in the country.

As Indian Economy grew in the early part of this decade, challenges & opportunities across entire spectrum emerged and so was the case of large expressways with unique model of ribbon development along it, which modelled as developed tracks of New India.

### JAYPEE IN EXPRESSWAYS

The Group entered into construction of expressways with the Yamuna Expressway project – a 165 kilometres access controlled 6 lane super expressway along the Yamuna river connecting Noida and Agra on Build – Own – Transfer basis. The project envisages ribbon development along the expressway at 5 locations aggregating 25 million square meters of land for residential/industrial/institutional purposes and has trigger multidimensional, socio-economic development in Western UP. besides strengthening the Group's presence in real estate segment in this decade.

Jaypee Infratech Limited (JIL), a subsidiary of JAL is executing the Yamuna Expressway project. JIL has deployed the most advanced machinery and equipment including 10 units of concrete batching plants, 9 units of crushers with metal breaking capacity @ 300 tph and 6 integrated units comprising aggregate crushing & screening facilities distributed at intervals of 28 kilometres each along the expressway, the Company is also using 4 nos. of 16 meter wide Paver (Writgen) imported from Germany which are designed to pave all 3 lanes of one side of the expressway in one go and pavers of this size are being used for the first time in India. The group firmly believes that this project shall foster growth in the State of Uttar Pradesh and have a positive impact on the adjoining States. Though the Concession Agreement envisages the completion of the Expressway by April, 2013, the Project is expected to achieve commercial operations by March, 2012.

Himalyan Expressway Limited (HEL), a subsidiary of JAL, is implementing Zirakpur-Parwanoo Expressway Project in the States of Punjab, Haryana and Himachal Pradesh. The project consists of 17.39 Km of widening of existing two-lane carriageway to four-lane and 10.14 Km of new four-lane bypass. The Project is expected to be completed by December, 2011.

Work on 1047 Km long 8-lane Access-Controlled Ganga Expressway Project connecting Greater Noida with Ghazipur-Ballia along the left bank of river Ganga will commence after the environment clearance is obtained.

Jaypee Agra Vikas Ltd., another subsidiary of the Company, has signed Concession Agreement for Development of Inner Ring Road at Agra.

## 5. REAL ESTATE

After one and a half years of gradual consolidation, real estate in India has fathomed its own comfortable ground, and is poised at the right threshold to take a giant leap in years to come. While a differential pace of strengthening is evident across sectors, geographies and segments, several property market indicators point to the fact that the industry has indeed bottomed out in the current cycle. The fears of a possible double dip recovery have given way to beliefs in the sustained healthy levels, if not a rapid growth.

The shortage of affordable housing space is one of the biggest challenges towards ensuring equitable and inclusive economic growth. The right mix of government policies and easing of norms for land acquisition are the prerequisites to address the same.

The year 2011-12 would usher a new decade of opportunities for Indian real estate, which will be a test of sorts for its stakeholders between these two fringes of the fulcrum.

The group shall also benefit from the development of integrated towns and cities alongside the development of expressway. Further, the Group stands to get the rights for development of an estimated 30,000 acres of land along the Ganga Expressway, the total area under development is estimated at 1 billion square feet.

### OPERATIONAL PERFORMANCE

Our real estate projects are conceptualised keeping in mind the concept of gated community with all modern amenities essential for the Indians looking to settle down in townships mirroring images of developed India.

We believe the affordable pricing structure and wide range of available layouts of individual units at our existing developments, including 620 square feet for a one-bedroom unit up to 2,300 square feet for a four bedroom unit at Jaypee Greens Classic, may also appeal to a broad demographic.

Furthermore, because our developments are designed as integrated townships with a wide range of planned educational, recreational, commercial and retail facilities, we believe they will appeal to a diverse mix of potential residents.

During the year, the group launched prestigious residential projects like The Castille Apartments, Jaypee Greens The Orchards, Jaypee Greens Crescent Homes, Jaypee Greens Pebble Beach Residences, Kingswood Oriental Villas and Aman II. It received encouraging response to these projects.

## 6. HOSPITALITY

Indian tourism industry is coming of age. The growth in economic activity is not only translating in increased Foreign Tourist arrivals but also in increased disposable earnings, which in turn is augmenting the domestic travel sector as well.

Government of India's focussed promotional campaign 'Incredible India', the recently held world level sporting events and ensuing Formula 1 race being organised in India for the first time in October 2011 by Jaypee Group and continued development of country's infrastructure augur well for Indian tourism industry. 'The World Travel and Tourism Report 2010' has predicted robust recovery in Indian Tourism.

The contribution from Travel & Tourism to Gross Domestic Product (GDP) is expected to grow to Rs. 5,438 billion by the

Financial year 2019-20. With India share being just 1.2% of total demand of global travel, the prospects for the industry remain promising as the growth of the Tourism Industry has shown positive signs. In view of the country's rapid economic growth the hotel industry is expected to remain buoyant.

### JAYPEE IN HOSPITALITY

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

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

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

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

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

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

### OUTLOOK

Jaiprakash Associates Ltd. has an established growth record as a leading infrastructure Company with decisive competitive advantages. We believe that the next decade in India belongs to infrastructure sector. While even the smallest constituents of infrastructure sector will immensely benefit from it, Jaiprakash Associates Ltd. shall not only benefit from the ensuing growth phase of Infrastructure but actually lead the Infrastructure development of India. Its future outlook appears bright for the following reasons:

- It is "Right Placed" in the core infrastructure sectors of cement, power, roads, and realty
- It has "Right Blend" i.e. diverse business mix leading to de-risked business model
- It is "Right Scaled" as it has leadership positions in almost all of its business domains and scaling up of capacities across all of them. Ready and rolling capacities will help it maximise from the growing demand
- It has the "Right Span" from northern to southern India, western to eastern through central India within its span of reach.

It is based on the above facts that the Company's outlook appears very positive and the Company shall continue growing at a rate higher than the economy and most of the industry sub-verticals it operates in.

### 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 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 Government 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 economic activity world over supplemented with Government of India's focussed promotional campaign "Incredible India", international level sporting events etc. are translating in increased foreign tourist arrivals. With the increasing economic activity in the country & the ensuing Formula 1 race being organised in India for the first time in October 2011 by Jaypee Group, are believed to facilitate growth in the Hospitality sector. The Government has introduced many progressive reforms to unlock the potential of the real estate sector and also 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 bright.
4. **Cement:** Cement consumption and demand in India has been growing during the last few years. However, due to market conditions, the selling price had been under pressure during the year under review and for the present as well. To meet the challenge, the Company keeps taking steps to improve economy in operations on continuous basis. The pan India presence of the Company for manufacturing and marketing of Cement will give the Company inherent locational advantages and economies of scale.
5. **Mining:** The Company has procured Captive Coal Blocks to meet the requirements of its business as per Government of India's latest guidelines. This 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 8% p.a. in the medium term. The growth is envisaged to be driven by investments in infrastructure including Roads, Ports, Power Sector etc. Besides, housing sector in the urban and semi-urban areas is poised for growth.

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

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

## RISKS & CONCERNS

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

1. Cement industry being highly energy intensive, any possible rise in energy cost might affect Company's business adversely. The setting up of the captive power units in addition to the proactive steps towards reducing power consumption

helps the Company counter this threat effectively. It has commissioned captive thermal power plants. The cement industry is cyclical in nature and also witnesses seasonal reduction in consumption during monsoon season. With the consistent demand growth as witnessed in India, the Company has been ramping up its capacities. It carefully evaluates the regional mismatches and deploys capacities to minimise from the cyclical risks.

2. The Engineering & Construction Division 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. The system focuses on optimum utilisation of resources and adequate protection of Company's assets. It monitors and ensures efficient communication between the Projects and the Head Office; efficiently manages the information system and reviews the IT systems; ensures accurate & timely recording of transactions; stringently checks the compliance with prevalent statutes, listing agreement provisions, management policies & procedures in addition to securing adherence to applicable accounting standards and policies.

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

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

The core of achieving business excellence lies in a committed, talented and focussed workforce. Under the exemplary leadership of its Founder Chairman, the Company has created a highly motivated pool of professionals and skilled workforce that share

a passion and vision of the Company. The resultant power of HR pool gets reflected in the phenomenal growth of the Company in the recent past.

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

The Company's Safety Policy comprises a statement of the Organization's objectives regarding safety of Man and Equipment in operation at work sites. The Management's endeavour is to establish Risk-Free and zero accident work environment.

As at 31.03.2011, the Company had a total workforce of approx. 20,000 persons, including managers, staff and regular/casual workers.

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

### HEALTH AND SAFETY

The Company places considerable emphasis on health and safety throughout its operation and displays commitment to ensure the high standards being maintained in compliance with applicable laws and regulations.

Training programmes have been implemented for all its staff and employees, and the Company carried 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.

### ENVIRONMENTAL MATTERS

As a diversified engineering, construction and manufacturing conglomerate, the Company is required to comply with various laws and regulations relating to the environment.

Stack emission is a key environmental concern in cement manufacturing. The Company's cement plants comply with current stack emission limits for air pollution. Its cement units take proactive environmental management actions like adopting a comprehensive fire fighting scheme, permanent bonding and grounding of equipments in order to reduce static electricity hazards; equipping electric installations with heat sensors and an automatic water spray system; fitting the coal mill gas circuits with explosion flaps to immediately relieve pressure for the protection of personnel and equipment etc.

The Company consistently undertakes 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 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 adoptions 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 hereunder. 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 major initiatives to reduce dust emissions including adoption of new technologies.

### CORPORATE SOCIAL RESPONSIBILITY

To seek an inclusive and sustainable growth is intrinsically woven in the DNA of the Company. Community development is viewed as the principal pillar of sustainability and pursued as carefully as any other aspect of Company's business. The Company extends basic facilities like its hospitals, drinking water etc. to villagers around its plants. It also undertakes the regular upkeep of public roads in the vicinity. Various schools and vocational training institutes of the group enrol children from the surrounding villages.

It is considered to be a matter of privilege of the Organisation to improve the lives of the people that come in contact with the Organisation around its project sites/cement complexes while it endeavours in the task of nation building. A Comprehensive Rural Development Program (CRDP) was initiated in 1993 in villages surrounding the cement plant, at Madhya Pradesh. In Madhya Pradesh over 28 villages are benefitting from the activities of CRDP, and as we expand in other regions the CRDP plan is expanding its reach to cover a large number of villages.

We believe, as a responsible corporate citizen it is our duty to ensure that the benefits of our growth are not just shared by the members of our organization but also the local environment in which we operate. We have set up a 24-bedded hospital at our 'cement complex', which benefits over one lac villagers.

An equal number of villagers in areas around our various project locations benefit from free medical treatment, safe drinking water and huge water reservoirs, medical facilities and free animal care at various locations. Jaiprakash Sewa Sansthan (JSS) is not just improving lives of people but also making a better tomorrow. Also, with construction and renovation of our roads, village schools, healthcare facilities, irrigation, drainage system and religious structures. JSS is striving to build a satisfied and contented community- for a stronger nation. A desalination plant setup by the Company in the water starve district of Bhuj, in the State of Gujarat, at its cement plant is providing scarce water to over 100 villages which have struggled for this resource for generations.

### FORWARD LOOKING / CAUTIONARY STATEMENT

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

# 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 2011 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. 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;
- For M.P. SINGH & ASSOCIATES  
Chartered Accountants  
Firm Regn No. 002183C
- (CA M.P. Singh)  
Partner  
M.No.1454
- Place : Noida  
Dated : 12 August 2011

## 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 2011, 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 Cement & Power divisions of the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima-facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records.

(ix) (a) As per records produced before us, the Company is generally regular in depositing undisputed statutory dues like Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to it, with the appropriate authorities and there were no arrears of such dues at the year end which have remained outstanding for a period of more than six months from the date they became payable.

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

₹ Lakhs

Name of Statute (Nature of dues)	Period to which amount relates	Forum where dispute is pending				Total
		Commissionerate	Appellate authorities- Tribunal	High Court	Supreme Court	
Central Excise	1988-92	13.65	-	-	-	13.65
	2000-02	-	1.32	2.16	-	3.48
	2000-03	-	12.55	-	-	12.55
	2000-04	-	88.22	-	-	88.22
	2002-04	-	72.93	-	-	72.93
	2003-06	-	-	3.62	-	3.62
	2004-05	-	140.97	-	-	140.97
	2005-06	-	64.88	-	-	64.88
	2005-07	2.06	-	-	-	2.06
	2006-07	-	0.58	-	-	0.58
	2007-08	-	480.81	-	-	480.81
	2007-09	-	585.07	-	-	585.07
	2008-09	-	321.30	-	-	321.30
	2006-10	807.63	-	-	-	807.63
	2009-10	-	819.92	-	-	819.92
2005-10	-	-	552.84	-	552.84	
2009-11	4.68	-	-	-	4.68	
Electricity Duty & Cess	1991-02	-	-	1,844.71	-	1,844.71
	2003-04	-	-	-	92.49	92.49
U.P. Trade Tax	1998-99	-	-	235.04	-	235.04
	1999-00	-	-	-	480.15	480.15
	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
	2007-08	-	57.28	-	-	57.28

₹ Lakhs

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	
U.P.Entry Tax	2003-04	-	-	-	256.53	256.53
	2004-05	-	-	-	53.00	53.00
	2005-06	-	-	-	452.75	452.75
	2006-07	-	-	-	366.74	366.74
	2007-08	-	-	1,304.45	1,262.85	2,567.30
	2008-09	81.84	-	3,462.52	-	3,544.36
	2009-10	202.68	-	3,804.60	-	4,007.28
	2008-11	-	-	83.92	-	83.92
	2010-11	11.01	-	488.80	-	499.81
M.P.Entry Tax	2000-01	0.90	-	-	-	0.90
	2001-02	-	-	148.75	-	148.75
	2004-05	12.67	-	-	-	12.67
	2006-07	57.34	-	-	-	57.34
	2007-08	211.95	-	-	-	211.95
	2005-11	-	-	-	3,481.81	3,481.81
	2008-11	-	-	-	2.45	2.45
Himachal Pradesh Entry Tax	2010-11	-	-	363.38	-	363.38
MPCT/CST	1999-00	9.83	-	-	-	9.83
	2001-02	20.38	-	-	-	20.38
	2004-05	-	48.14	-	-	48.14
	2005-06	-	-	252.70	-	252.70
	2006-07	-	23.60	-	-	23.60
	2007-08	50.06	-	-	-	50.06
Royalty on limestone including interest	Upto Dec 2008	-	-	9,034.98	-	9,034.98
Building and Other Construction Workers Welfare Cess	2008-11	-	-	234.04	-	234.04
Rural Infrastructure Tax	Oct 05- Dec09	-	-	-	289.30	289.30
Tax on transportation of goods in Himachal Pradesh	2010-11	-	-	243.67	-	243.67
Service Tax	2008-09	-	185.00	-	-	185.00
Income Tax	AY 2008-09	399.85	-	-	-	399.85

- (x) The Company does not have any accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, clause (xiii) of Para 4 of the Order is not applicable.
- (xiv) In our opinion the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, clause (xiv) of Para 4 of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, where the Company has given guarantee for loans taken by its subsidiaries from banks or financial institutions, the terms and conditions thereof are not prejudicial to the interest of the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (xvii) According to the information and explanations given to us and on the overall examination of the Balance Sheet of the Company for the year under report, we are of the opinion that no funds raised on short term basis have been used for long term investment.
- (xviii) According to the information and explanations given to us the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company has created security/charge in respect of secured non-convertible debentures issued and outstanding at the year end.
- (xx) A the Company has not raised any money by way of public issues during the year, Clause (xx) of Para 4 of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no material fraud by or on the Company has been noticed or reported during the year.

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

Chartered Accountants  
Firm Regn No. 002183C

**(CA M.P. Singh)**

Partner  
M.No.1454

Place : Noida

Dated : 12 August 2011

# BALANCE SHEET

	SCHEDULE	As at 31.03.2011 ₹ Lakhs		As at 31.03.2010 ₹ Lakhs	
<b>SOURCES OF FUNDS</b>					
<b>SHAREHOLDERS FUNDS</b>					
Share Capital	A	42,529		42,493	
Reserves and Surplus	B	<u>897,208</u>	<u>939,737</u>	<u>807,579</u>	850,072
<b>LOAN FUNDS</b>					
Secured Loans	C	1,492,962		1,135,801	
Unsecured Loans	D	<u>677,802</u>	<u>2,170,764</u>	<u>655,070</u>	1,790,871
<b>DEFERRED TAX LIABILITY</b>			<b>122,042</b>		95,608
<b>TOTAL FUNDS EMPLOYED</b>			<b>3,232,543</b>		2,736,551
<b>APPLICATION OF FUNDS</b>					
<b>FIXED ASSETS</b>					
Gross Block	E	1,479,641		1,284,714	
Less: Depreciation		<u>283,953</u>		<u>222,846</u>	
Net Block		1,195,688		1,061,868	
Capital Work-in-Progress [Including Incidental Expenditure Pending Allocation]		<u>635,268</u>	<u>1,830,956</u>	<u>389,164</u>	1,451,032
<b>INVESTMENTS</b>			<b>648,375</b>		557,626
<b>DEFERRED TAX ASSET</b>			<b>2,644</b>		3,283
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>					
Inventories	G	166,645		155,363	
Projects Under Development		161,686		135,605	
Sundry Debtors		281,063		228,503	
Cash and Bank Balances		246,253		387,918	
Other Current Assets		2,620		3,038	
Loans & Advances		<u>456,966</u>		<u>399,472</u>	
		<u>1,315,233</u>		<u>1,309,899</u>	
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>					
Current Liabilities	H	509,101		520,143	
Provisions		<u>55,564</u>		<u>65,146</u>	
		<u>564,665</u>		<u>585,289</u>	
<b>NET CURRENT ASSETS</b>			<b>750,568</b>		724,610
<b>MISCELLANEOUS EXPENDITURE</b>			-		-
<b>TOTAL APPLICATION OF FUNDS</b>			<b>3,232,543</b>		2,736,551
Accounting Policies and Notes to the Accounts			S		

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

FOR AND ON BEHALF OF THE BOARD

For M.P. Singh & Associates  
Chartered Accountants

**MANOJ GAUR**  
Executive Chairman & C.E.O.

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

**SUNIL KUMAR SHARMA**  
Executive Vice Chairman

Place : Noida  
Dated : 12th August, 2011

**GOPAL DAS BANSAL**  
Sr. Vice-President [Accounts]

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

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

**RAHUL KUMAR**  
Director & C.F.O.

**SHYAM DATT NAILWAL**  
Director [Finance]

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

SCHEDULE		2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
<b>INCOME</b>			
Cement Sales [Gross]		541,833	394,307
Less: Excise Duty on Sales		<u>56,627</u>	(40,271)
<b>Construction Revenue</b>		<b>602,924</b>	<b>557,561</b>
<b>Real Estate Revenue</b>		<b>170,523</b>	<b>65,113</b>
<b>Hotel/Hospitality Revenue</b>		<b>17,731</b>	<b>15,199</b>
<b>Power Revenue</b>		<b>11,831</b>	<b>8,746</b>
<b>Asbestos Sheets Sales [Gross]</b>		<b>9,130</b>	<b>8,799</b>
Less: Excise Duty on Sales		<u>841</u>	(563)
<b>Other Revenue</b>	J	<b>86,683</b>	<b>158,287</b>
<b>EXPENDITURE</b>			
(Increase)/Decrease in Stocks & Work-in-Progress	K	<b>(16,256)</b>	8,310
Manufacturing, Construction, Real Estate, Hotel/ Hospitality & Power Expenses	L	<b>796,635</b>	570,362
Excise Duty on Stocks [Refer Schedule "S" - Note No.24(b)]		<b>2,590</b>	2,234
Personnel	M	<b>59,572</b>	66,529
Selling & Distribution Expenses	N	<b>107,061</b>	68,386
Other Expenses	O	<b>58,019</b>	61,935
Interest	P	<b>139,418</b>	105,579
Depreciation		<u>60,781</u>	45,606
		<b>1,207,820</b>	928,941
Prior Period Adjustments		<b>175,367</b>	238,237
<b>Profit before Tax</b>		<b>84</b>	(70)
Provision for Tax		<u>175,451</u>	238,167
Current Tax		<b>33,009</b>	43,969
Deferred Tax		<b>27,073</b>	23,362
Excess Provision for Income Tax in Earlier Years Reversed		<u>(1,409)</u>	-
<b>Profit after Tax</b>		<b>116,778</b>	170,836
Profit brought forward from Previous Year		<b>264,503</b>	187,968
<b>Profit Available for Appropriation</b>		<b>381,281</b>	358,804
Less: Transferred to Reserve for Redemption Premium on Foreign Currency Convertible Bonds		<b>15,354</b>	11,732
Less: Transferred to Debenture Redemption Reserve		<b>50,711</b>	38,354
Less: Transferred to General Reserve		<b>11,700</b>	24,000
Less: Dividend Paid pertaining to Previous Year		<b>11</b>	1
Add : Tax on Proposed Final Dividend Reversed		-	396
Add : Final Dividend received by Jaiprakash Enterprises Limited [Transferor Company]		-	240
Add : Final Dividend Transferred from Trusts		<b>1,022</b>	705
Less: Interim Dividend		<b>8,506</b>	7,571
Interim Dividend received by Trusts		<b>(757)</b>	(682)
Tax on Interim Dividend		-	1,287
Proposed Final Dividend		<b>8,506</b>	11,473
Tax on Proposed Final Dividend		<u>1,380</u>	1,906
<b>Balance carried to Balance Sheet</b>		<b>286,892</b>	264,503
Accounting Policies and Notes to the Accounts	S		
<b>Earnings Per Share [EPS] [Face Value of ₹ 2/- per share] [Refer Schedule "S" of Note No.32]</b>			
<b>Before Extraordinary Items</b>			
Basic Earnings Per Share		<b>5.49</b>	9.09
Diluted Earnings Per Share		<b>5.27</b>	8.63
<b>After Extraordinary Items</b>			
Basic Earnings Per Share		<b>5.49</b>	8.08
Diluted Earnings Per Share		<b>5.27</b>	7.68

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

FOR AND ON BEHALF OF THE BOARD

**For M.P. Singh & Associates**  
 Chartered Accountants

**MANOJ GAUR**  
 Executive Chairman & C.E.O.

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

**SUNIL KUMAR SHARMA**  
 Executive Vice Chairman

 Place : Noida **GOPAL DAS BANSAL** **RAM BAHADUR SINGH**  
 Dated : 12th August, 2011 Sr. Vice-President [Accounts] C.F.O. [Cement]

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

**RAHUL KUMAR**  
 Director & C.F.O.

**SHYAM DATT NAILWAL**  
 Director [Finance]

	As at 31.03.2011 ₹ Lakhs	As at 31.03.2010 ₹ Lakhs
<b>SCHEDULE "A"</b>		
<b>SHARE CAPITAL</b>		
Authorised		
12,344,000,000 Equity Shares of ₹ 2/- each	246,880	246,880
(12,344,000,000)		
3,120,000 Preference Shares of ₹ 100/- each	3,120	3,120
(3,120,000)		
	<b>250,000</b>	<b>250,000</b>
<b>Issued, Subscribed and Paid-up</b>		
2,126,433,182 Equity Shares of ₹ 2/- each fully paid up comprising of		
(2,124,634,633)		
860,865,055 Equity Shares allotted for consideration other than cash		
(860,865,055) in terms of the Scheme of Amalgamation effective from 11.03.2004;		
20,219,850 Equity Shares allotted for cash under "Jaypee Employees		
(20,219,850) Stock Purchase Scheme 2002";		
173,178,150 Equity Shares allotted for cash on conversion of Foreign		
(171,379,601) Currency Convertible Bonds;		
124,378,825 Equity Shares allotted in terms of Scheme of		
(124,378,825) Amalgamation effective from 22.08.2006;		
10,000,000 Equity Shares allotted for cash to Promoters on		
(10,000,000) Preferential Basis;		
218,010,985 Equity Shares allotted pursuant to Scheme of		
(218,010,985) Amalgamation effective from 27.05.2009;		
12,500,000 Equity Shares allotted for cash under "Jaypee Employees		
(12,500,000) Stock Purchase Scheme 2009" and		
707,280,317 Equity Shares allotted as Bonus Shares .	42,529	42,493
(707,280,317)		
	<b>42,529</b>	<b>42,493</b>
<b>SCHEDULE "B"</b>		
<b>RESERVES AND SURPLUS</b>		
<b>General Reserve</b>		
As per last Balance Sheet	156,393	132,393
Add: Transfer from Profit & Loss Account	11,700	24,000
	<b>168,093</b>	156,393
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	80,470	42,116
Add : Transfer from Profit & Loss Account	50,711	38,354
	<b>131,181</b>	80,470
<b>Revaluation Reserve</b>		
As per last Balance Sheet	30,392	30,731
Less: Revaluation Reserve on Lease-hold Land Reversed	9,835	-
Less: Depreciation adjusted on Revalued Assets	301	339
	<b>20,256</b>	30,392
<b>Securities Premium Account</b>		
As per last Balance Sheet	212,475	197,079
Add : Shares Issued under Employees Stock Purchase Scheme, 2009	-	28,444
Add : On conversion of Foreign Currency Convertible Bonds into Shares	1,304	1,098
Less: Premium Payable on Redemption of Debentures	1,693	-
Less: Issue of Bonus Shares	-	14,146
	<b>212,086</b>	212,475
<b>Reserve for Premium on Foreign Currency Convertible Bonds</b>		
As per last Balance Sheet	36,060	24,328
Add : Provided for the year	15,354	11,732
	<b>51,414</b>	36,060
<b>Capital Reserve</b>		
As per last Balance Sheet	27,172	11,156
Add : Gain on buy back of Foreign Currency Convertible Bonds	-	136
Add : Addition during the year	-	15,880
	<b>27,172</b>	27,172
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	113	113
<b>Share Forfeited Account</b>		
As per last Balance Sheet	1	1
<b>Surplus</b>		
As per Profit & Loss Account	286,892	264,503
	<b>897,208</b>	<b>807,579</b>

	As at 31.03.2011		As at 31.03.2010	
	₹ Lakhs		₹ Lakhs	
<b>SCHEDULE "C"</b>				
<b>SECURED LOANS</b>				
<b>A. Debentures [Refer Schedule "S" Note No.5(a)]</b>		<b>517,500</b>		302,000
<b>B. Term Loans</b>				
(i) From Financial Institutions		<b>8,344</b>		25,110
(ii) From Banks				
(a) In Rupees	<b>877,636</b>			684,872
(b) In Foreign Currency	<b>21,706</b>	<b>899,342</b>		73,243
(iii) From Others		<b>28,400</b>	<b>936,086</b>	16,545
<b>C. Working Capital Loans</b>				
From Banks				
For Working Capital				
In Rupees		<b>20,814</b>		21,307
<b>D. Loan from State Government [Interest Free]</b>		<b>17,956</b>		12,118
<b>E. Advances from Clients:</b>				
From Government Departments, Public Sector Undertakings & Others - Secured against Hypothecation of Construction Material and Plant & Machinery				
Interest Bearing		<b>606</b>		606
		<b>1,492,962</b>		1,135,801
<b>SCHEDULE "D"</b>				
<b>UNSECURED LOANS</b>				
<b>A. Foreign Currency Convertible Bonds [Refer Schedule "S"- Note No.3]</b>				
(i) FCCB-II [EURO]	<b>1,092</b>			2,578
(ii) FCCB-III [USD]	<b>160,010</b>	<b>161,102</b>	<b>161,570</b>	164,148
<b>B. Foreign Currency Loans from Banks [ECB]</b>				
(i) ECB [USD]	<b>105,362</b>			124,379
(ii) ECB [GBP]	<b>22,348</b>			22,566
(iii) ECB [CAD]	<b>23,085</b>	<b>150,795</b>	<b>23,310</b>	170,255
<b>C. Debentures:</b>				
(i) 8,63,083 8% Non-convertible Debentures of ₹ 100/- each fully paid-up in cash [Fully Redeemed] [Previous Year ₹ 75/- per Debenture Redeemed]	-			216
(ii) 20,000 8.25% Non-convertible Debentures of ₹ 1,00,000/- each fully paid-up in cash [Fully Redeemed] [Previous Year ₹ 30,000/- per Debenture Redeemed] [Repayable within one year - ₹ Nil (Previous Year ₹ 14216 Lakhs)]	-	-	<b>14,000</b>	14,216
<b>D. Short Term Loans:</b>				
(i) From Financial Institutions	-			20,000
(ii) From Banks	<b>37,515</b>	<b>37,515</b>	<b>61,875</b>	81,875
[Repayable within one year - ₹ 37515 Lakhs (Previous Year ₹ 71875 Lakhs)]				
<b>E. Sales Tax Deferment Loan</b>		<b>2,012</b>		186
<b>F. Bills Discounting</b>		<b>32,725</b>		19,684
[Repayable within one year - ₹ 32725 Lakhs (Previous Year ₹ 19684 Lakhs)]				
<b>G. Commercial Papers</b>		<b>100,000</b>		50,000
[Maximum amount outstanding during the year ₹ 150000 Lakhs (Previous Year ₹ 50000 Lakhs)]				
[Repayable within one year ₹ 100000 Lakhs (Previous Year ₹ 50000 Lakhs)]				
<b>H. Fixed Deposit Scheme</b>		<b>176,193</b>		140,483
[Repayable within one year - ₹ 50588 Lakhs (Previous Year ₹ 52629 Lakhs)]				
<b>I. Deposits [from Stockists &amp; Sales Promoters]</b>		<b>17,460</b>		14,223

**SCHEDULE "E" FIXED ASSETS**

₹ Lakhs

PARTICULARS	Gross Block				DEPRECIATION				NET BLOCK	
	As On 01.04.2010	Addition during the year	Sale/Transfer/ Disposal/ Discard during the year	As On 31.03.2011	Upto 31.03.2010	For The year	Sale/ Adjust- ment	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
01 Land										
(a) Leasehold Land	52,984	1,988	13,759	41,213	-	-	-	-	41,213	52,984
(b) Freehold Land	31,020	5,230	45	36,205	-	-	-	-	36,205	31,020
02 Building										
(a) Office	141,428	47,721	-	189,149	7,699	3,563	-	11,262	177,887	133,729
(b) Hotel	20,070	11,139	-	31,209	2,891	402	-	3,293	27,916	17,179
03 Purely Temporary Erections	2,224	151	-	2,375	2,224	151	-	2,375	-	-
04 Railway siding	11,618	286	-	11,904	1,892	577	-	2,469	9,435	9,726
05 Plant & Machinery	833,032	134,387	1,837	965,582	171,740	45,423	384	216,779	748,803	661,292
06 Captive Thermal Power Plant	113,443	565	-	114,008	14,082	6,444	-	20,526	93,482	99,361
07 Wind Turbine Generators	26,126	587	-	26,713	3,524	1,381	-	4,905	21,808	22,602
08 Golf Course	3,710	-	-	3,710	1,377	176	-	1,553	2,157	2,333
09 Miscellaneous Fixed Assets (Hotel)	3,790	151	27	3,914	1,584	173	10	1,747	2,167	2,206
10 Motor Vehicles	9,029	2,165	315	10,879	3,737	805	226	4,316	6,563	5,292
11 Furniture & Office Equipment	18,721	3,928	158	22,491	8,272	1,520	144	9,648	12,843	10,449
12 Ships:Boat	9	3	1	11	3	1	1	3	8	6
13 Aeroplane / Helicopter	11,050	2,373	-	13,423	1,778	702	-	2,480	10,943	9,272
14 Technical Books	3	-	3	-	3	-	3	-	-	-
15 Intangible Assets										
- Deferred Revenue Expenditure	4,800	-	-	4,800	1,591	270	-	1,861	2,939	3,209
- Fees Paid to Franchiser	22	-	-	22	16	4	-	20	2	6
- Software	1,635	398	-	2,033	433	283	-	716	1,317	1,202
	<b>1,284,714</b>	<b>211,072</b>	<b>16,145</b>	<b>1,479,641</b>	<b>222,846</b>	<b>61,875</b>	<b>768</b>	<b>283,953</b>	<b>1,195,688</b>	<b>1,061,868</b>
<b>Previous Year</b>	861,922	428,591	5,799	1,284,714	180,131	46,696	3,981	222,846	1,061,868	681,791
<b>Capital Work-In-Progress [Including Incidental Expenditure Pending Allocation]</b>									<b>635,268</b>	<b>389,164</b>

- Note:**
- (i) Depreciation for the year, includes ₹ 1093 Lakhs [Previous Year ₹ 1089 Lakhs] on assets used for Projects under implementation and shown in Schedule "R" Expenditure During Construction Period.
- (ii) Sale/Transfer/Disposal of Leasehold Land for the year include ₹ 2850 Lakhs transferred to Projects Under Development as shown under Schedule "Q" and also includes ₹ 9835 Lakhs being reversal of Revaluation Reserve on the Land transferred to Project Under Development.
- (iii) Capital Work-in-progress of ₹ 635268 Lakhs is after transfer of ₹ 11335 Lakhs to Projects Under Development as shown under Schedule "Q".

**As at 31.03.2011**  
**₹ Lakhs**
**As at 31.03.2010**  
**₹ Lakhs**
**SCHEDULE "F"**
**INVESTMENTS (AT COST)**
**(A) INVESTMENTS IN SUBSIDIARIES**
**(a) IN EQUITY SHARES - Quoted, fully paid-up**

(i)	1,598,000,600	Equity Shares of Jaiprakash Power Ventures Limited		
	(1,598,000,600)	of ₹ 10/- each	<b>84,276</b>	84,276
(ii)	1,155,000,000	Equity Shares of Jaypee Infratech Limited of ₹ 10/-		
	(1,215,000,000)	each [Quoted on 18.05.2011]	<b>115,500</b>	121,500
			<b>199,776</b>	205,776

**(b) IN EQUITY SHARES - Unquoted, fully paid-up**

(i)	925,000,000	Equity Shares of Jaypee Karcham Hydro Corporation		
	(925,000,000)	Limited of ₹ 10/- each	<b>92,500</b>	92,500
(ii)	118,090,000	Equity Shares of Himalyan Expressway Limited		
	(118,090,000)	of ₹ 10/- each	<b>11,809</b>	11,809
(iii)	271,350,000	Equity Shares of Jaypee Ganga Infrastructure Corporation		
	(271,350,000)	Limited of ₹ 10/- each	<b>27,135</b>	27,135
(iv)	499,877,000	Equity Shares of Jaypee Sports International Limited		
	(499,877,000)	of ₹ 10/- each	<b>49,988</b>	49,988
(v)	273,800,000	Equity Shares of Jaypee Agra Vikas Limited		
	(50,000)	of ₹ 10/- each	<b>27,380</b>	5
(vi)	13,000,000	Equity Shares of Jaypee Cement Corporation Limited		
	(-)	of ₹ 10/- each	<b>22,264</b>	-
(vii)	6,765,000	Equity Shares of Jaypee Fertilizers & Industries Limited		
	(-)	of ₹ 10/- each	<b>677</b>	-
			<b>231,753</b>	181,437



<b>SCHEDULE "F" (Continued)</b>		<b>As at 31.03.2011</b>	<b>As at 31.03.2010</b>	
		<b>₹ Lakhs</b>	<b>₹ Lakhs</b>	
<b>(B) INVESTMENT IN JOINT VENTURE SUBSIDIARIES</b>				
<b>IN EQUITY SHARES - Unquoted, fully paid-up</b>				
(i)	149,450,400 (149,450,400)	Equity Shares of Bhilai Jaypee Cement Limited of ₹ 10/- each	36,150	32,307
(ii)	543,160 (543,160)	Equity Shares of Gujarat Jaypee Cement & Infrastructure Limited of ₹ 10/- each	54	54
(iii)	56,866,146 (45,253,839)	Equity Shares of Bokaro Jaypee Cement Limited of ₹ 10/- each	8,687	7,525
			<b>44,891</b>	<b>39,886</b>
<b>(C) INVESTMENT IN ASSOCIATE COMPANIES</b>				
<b>IN EQUITY SHARES - Unquoted, fully paid-up</b>				
(i)	10,500,000 (10,500,000)	Equity Shares of Madhya Pradesh Jaypee Minerals Limited of ₹ 10/- each	1,050	1,050
(ii)	10,000 (10,000)	Equity Shares of Jaiprakash Kashmir Energy Limited of ₹ 10/- each	1	1
(iii)	736,620 (736,620)	Equity Shares of RPJ Minerals Private Limited of ₹ 10/- each	1,212	1,212
(iv)	23,575 (23,575)	Equity Shares of Sonebhadra Minerals Private Limited of ₹ 10/- each	633	633
(v)	50,000 (50,000)	Equity Shares of Indesign Enterprises Private Limited, Cyprus Cyprus Pound 1/- each	72	72
(vi)	490,000 (490,000)	Equity Shares of MP Jaypee Coal Fields Limited of ₹ 10/- each	49	49
(vii)	4,900,000 (4,900,000)	Equity Shares of MP Jaypee Coal Limited of ₹ 10/- each	490	490
			<b>3,507</b>	<b>3,507</b>
<b>(D) OTHER INVESTMENTS</b>				
<b>(a) IN EQUITY SHARES - Quoted, fully paid-up</b>				
(i)	15,350 (15,350)	Equity shares of Capital Trust Limited of ₹ 10/- each	2	2
(ii)	100 (100)	Equity Shares of IFCI Limited of ₹ 10/- each (₹ 3,500/-)	-	-
(iii)	721,600 (721,600)	Equity Shares of Indian Overseas Bank of ₹ 10/- each	72	72
(iv)	868,000 (868,000)	Equity Shares of Sumeru Industries Limited of ₹ 10/- each	5	5
(v)	20,000 (20,000)	Equity Shares of Saket Projects Limited of ₹ 10/- each	2	2
(vi)	165,900 (165,900)	1,65,900 Equity Shares of PNB Gilts Limited of ₹ 10/- each	50	50
(vii)	25,000 (25,000)	25,000 Equity Shares of Tourism Finance Corporation of India Limited of ₹ 10/- each	5	5
			<b>136</b>	<b>136</b>
<b>(b) IN EQUITY SHARES - Unquoted, fully paid-up</b>				
(i)	5 (5)	Equity Shares of Makers Chamber VI Premises Co-operative Society Limited, Bombay of ₹ 50/- each (₹ 250/-)	-	-
(ii)	5 (5)	Equity Shares of Sanukt Members Association of ₹ 100/- each [₹ 500/-]	-	-
(iii)	2,035,000 (2,035,000)	Equity Shares of Jaypee DSC Ventures Limited of ₹ 10/- each	204	204
(iv)	840,000 (840,000)	Equity Shares of UP Asbestos Limited of ₹ 10/- each [₹ 1/-]	-	-
			<b>204</b>	<b>204</b>

<b>SCHEDULE "F" (Continued)</b>	<b>As at 31.03.2011</b>	<b>As at 31.03.2010</b>
	<b>₹ Lakhs</b>	<b>₹ Lakhs</b>
<b>(E) BULLION</b>		
Gold [27 Kgs]	260	260
<b>(F) INTEREST IN BENEFICIARY TRUSTS [Refer Note 2 below]</b>		
(i) JHL Trust	4,603	4,603
(ii) JCL Trust	33,105	33,105
(iii) GACL Trust	19,606	19,606
(iv) JEL Trust	<u>3,085</u>	<u>3,085</u>
	<b>60,399</b>	<b>60,399</b>
<b>(G) IN UNITS OF EXCHANGE TRADED FUNDS, Quoted [Refer Schedule "S" Note No.21(I)]</b>	<b>21,408</b>	5,520
<b>(H) IN UNITS OF MUTUAL FUNDS, Unquoted [Refer Schedule "S" Note No.21(II)]</b>	<b>22,108</b>	35,415
<b>(I) SHARE APPLICATION MONEY</b>		
(i) Jaypee Ganga Infrastructure Corporation Limited [Subsidiary Company]	29,465	15,050
(ii) Jaypee Agra Vikas Limited [Subsidiary Company]	16,000	1,315
(iii) Jaypee Fertilizers and Industries Limited [Subsidiary Company]	10	-
(iv) Jaypee Sports International Limited [Subsidiary Company]	7,500	-
(v) Gujarat Jaypee Cement & Infrastructure Limited [Joint Venture Subsidiary]	1,112	1,112
(vi) Bokaro Jaypee Cement Limited [Joint Venture Subsidiary]	4,184	2,743
(vii) Madhya Pradesh Jaypee Minerals Limited [Associate Company]	5,511	4,715
(viii) Jaiprakash Kashmir Energy Limited [Associate Company]	101	101
(ix) RPJ Minerals Private Limited [Associate Company]	<u>50</u>	<u>50</u>
	<b>63,933</b>	25,086
	<b>648,375</b>	<b>557,626</b>

**Note:**

- Aggregate cost of:
 

Quoted Investments in Equity Shares [Market Value ₹ 1345129 Lakhs Previous Year ₹ 1080969 Lakhs]	199,912	84,407
Quoted Investments in Units of Exchange Traded Funds (Market Value ₹ 23405 Lakhs (Previous Year ₹ 5430 Lakhs))	21,408	5,520
Unquoted	363,122	442,613
- The Trusts are holding shares of Jaiprakash Associates Limited, the sole beneficiary of which is the Company.
- Except Investments in Units of Mutual Funds, Exchange Traded Funds, all investments are Non Trade, Long Term Investments.
- 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.
- Jaypee Karcham Hydro Corporation Limited merged with Jaiprakash Power Ventures Limited w.e.f. 01.04.2010, shares in merged entity yet to be credited.

**SCHEDULE "G"**

**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)	56,984	61,252
(b) Construction Materials (at cost)	41,079	40,533
(c) Raw Materials - Cement Division (at cost)	2,293	2,390
(d) Raw Materials - Asbestos Sheets (at cost)	699	897
(e) Finished Goods - Cement Division (at estimated cost or net realisable value whichever is lower)	18,455	13,280
(f) Finished Goods - Asbestos Sheets (at estimated cost or net realisable value whichever is lower)	656	669
(g) Stock in Process-Cement Division (at estimated cost)	23,640	9,757
(h) Stock in Process - Asbestos Sheets (at estimated cost)	321	361
(i) Work-in-Progress-Construction Division (at estimated cost)	21,169	23,918
(j) Food and Beverages [at cost]	195	139
(k) Goods in Transit	1,154	2,167
	<b>166,645</b>	<b>155,363</b>
<b>2. PROJECTS UNDER DEVELOPMENT [at cost] [Refer Schedule "Q"]</b>	<b>161,686</b>	<b>135,605</b>

**3. SUNDRY DEBTORS**

(Unsecured, considered good)

(a) Debts outstanding for a period exceeding six months:

(i) From Overseas Works	10,163	10,163
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<b>SCHEDULE "G" (Continued)</b>		<b>As at 31.03.2011</b>		<b>As at 31.03.2010</b>	
		<b>₹ Lakhs</b>		<b>₹ Lakhs</b>	
Less: Provision for Writing of Iraq Claims	<b>(10,163)</b>	-		(10,163)	
(ii) From Others		<b>137,045</b>		32,217	
(iii) Considered Doubtful	<b>142</b>			148	
Less: Provision for Bad and Doubtful Debts	<b>(142)</b>	-	<b>137,045</b>	(148)	
(b) Other Debts			<b>144,018</b>	<b>196,286</b>	<b>228,503</b>
<b>4. CASH AND BANK BALANCES</b>					
(a) Cash, Cheques in hand and in transit			<b>4,196</b>	<b>3,310</b>	
(b) Balances with Scheduled Banks					
(i) In Current & Cash Credit Account		<b>107,596</b>		<b>70,537</b>	
(ii) In Fixed Deposits Account [Fixed Deposits of ₹ 2579 Lakhs (Previous Year ₹ 10947 Lakhs) pledged as Margin Money (including ₹ 984 Lakhs [Previous Year ₹ 2263 Lakhs] pledged as Margin against Performance Guarantees) with Banks & Others]		<b>133,061</b>		<b>312,914</b>	
(iii) Balance in Dividend Account		<b>1,138</b>		<b>867</b>	
(iv) Balance in Trust & Retention Account Current Account		<b>141</b>	<b>241,936</b>	<b>29</b>	
(c) Balance with Non-Scheduled (Foreign) Banks In Current Account			<b>121</b>	<b>261</b>	
			<b>246,253</b>		<b>387,918</b>
<b>5. OTHER CURRENT ASSETS</b>					
Interest accrued on Fixed Deposits & Others [From Banks ₹ 2603 Lakhs (Previous Year ₹ 2894 Lakhs)]			<b>2,620</b>	<b>3,038</b>	
			<b>858,267</b>	<b>910,427</b>	
<b>B. LOANS AND ADVANCES</b>					
(Unsecured, considered good)					
Advances to Suppliers, Contractors, Sub-Contractors & Others			<b>121,466</b>	<b>124,779</b>	
Staff Imprest and Advances			<b>893</b>	<b>574</b>	
Claims and Refunds Receivable			<b>61,558</b>	<b>48,074</b>	
Prepaid Expenses			<b>7,578</b>	<b>5,430</b>	
Deposits with Government Department, Public Bodies and Others					
(a) Government Department & Public Bodies			<b>32,622</b>	<b>25,249</b>	
(b) Others					
(i) Real Estate		<b>148,870</b>		<b>120,001</b>	
(ii) Others		<b>13,903</b>	<b>195,395</b>	<b>10,004</b>	<b>155,254</b>
Works Contract Tax/Sales Tax Recoverable			<b>12,445</b>	<b>6,170</b>	
Advance Tax and Income Tax Deducted at Source			<b>57,631</b>	<b>59,191</b>	
			<b>456,966</b>	<b>399,472</b>	
<b>GRAND TOTAL</b>			<b>1,315,233</b>	<b>1,309,899</b>	
<b>SCHEDULE "H"</b>					
<b>CURRENT LIABILITIES AND PROVISIONS</b>					
<b>A. CURRENT LIABILITIES</b>					
Sundry Creditors					
(a) Due to Micro, Small and Medium Enterprise		-		-	
(b) Others		<b>189,668</b>	<b>189,668</b>	<b>129,709</b>	<b>129,709</b>
Advances from Customers					
(a) Real Estate			<b>103,811</b>	<b>124,380</b>	
(b) Others			<b>9,855</b>	<b>7,711</b>	
Due to Staff			<b>8,222</b>	<b>7,030</b>	
Due to Directors			<b>39</b>	<b>40</b>	
Adjustable receipts against Contracts (against Bank Guarantees)					
(a) Interest Bearing			<b>21,257</b>	<b>14,203</b>	
(b) Non Interest Bearing					
(i) From Subsidiaries / Joint Venture Subsidiaries		<b>108,477</b>		<b>172,356</b>	
(ii) From Others		<b>4,269</b>	<b>112,746</b>	<b>4,712</b>	<b>191,271</b>
Other Liabilities			<b>35,154</b>	<b>39,723</b>	
Interest accrued but not due on loans			<b>27,211</b>	<b>19,412</b>	
Investors Education & Protection Fund: [Appropriate amounts shall be transferred to Investor Education & Protection Fund, if and when due]					
Unclaimed Dividend			<b>1,138</b>	<b>867</b>	
			<b>509,101</b>	<b>520,143</b>	

<b>SCHEDULE "H" (Continued)</b>	<b>As at 31.03.2011</b>	<b>As at 31.03.2010</b>
	<b>₹ Lakhs</b>	<b>₹ Lakhs</b>
<b>B. PROVISIONS</b>		
For Taxation	39,176	47,731
For Provident Fund	740	638
For Leave Encashment	4,069	3,398
For Premium on Redemption of Debentures	1,693	-
For Proposed Final Dividend	8,506	11,473
For Tax on Proposed Final Dividend	1,380	1,906
	<b>55,564</b>	<b>65,146</b>
<b>GRAND TOTAL</b>	<b>564,665</b>	<b>585,289</b>

#### **SCHEDULE "I"**

##### **MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)**

Preliminary Expenses	-	386
Less: Written off during the year	-	386
	-	-
	<b>2010-11</b>	<b>2009-10</b>
	<b>₹ Lakhs</b>	<b>₹ Lakhs</b>

#### **SCHEDULE "J"**

##### **OTHER REVENUE**

Dividends from Non Trade Investments [from Subsidiaries ₹ 8662 Lakhs (Previous Year ₹ 2333 Lakhs)]	8,690	2,597
Dividends from Trade Investments [Mutual Funds] [Current Investments]	1,489	493
Rent	103	107
Machinery Rentals	607	292
Profit on Sale of Equity Shares [Previous Year Equity Shares held through Beneficiary Trusts]	51,316	131,635
Profit on Sale/Redemption of Preference Shares/Mutual Funds	180	849
Foreign Currency Exchange Rate Difference	131	-
Interest (including ₹ 11985 Lakhs [Previous Year ₹ 11746 Lakhs] from Banks & TDS ₹ 1235 Lakhs [Previous Year ₹ 1248 Lakhs])	12,233	12,000
Miscellaneous	11,934	10,314
	<b>86,683</b>	<b>158,287</b>

#### **SCHEDULE "K"**

##### **(INCREASE) / DECREASE IN STOCKS & WORK-IN-PROGRESS**

<b>OPENING STOCKS</b>				
Finished Goods	13,949		3,520	
Stock-in-process	10,118	24,067	2,537	6,057
<b>LESS: CLOSING STOCKS</b>				
Finished Goods	19,111		13,949	
Stock-in-process	23,961	43,072	10,118	24,067
<b>WORK-IN-PROGRESS - Construction Division</b>				
Opening Work-in-Progress		23,918	50,238	
Less: Closing Work-in-Progress		21,169	23,918	26,320
		<b>(16,256)</b>		<b>8,310</b>

#### **SCHEDULE "L"**

##### **MANUFACTURING, CONSTRUCTION, REAL ESTATE, HOTEL / HOSPITALITY & POWER EXPENSES**

Raw Materials Consumed - Cement Division	63,307		40,847	
Raw Materials Consumed - Asbestos Sheets	3,547		3,510	
Construction Expenses	394,930		269,793	
Excise Duty on Clinkers	6,267		-	
Real Estate Expenses	73,378		33,596	
Consumption of Food and Beverages etc.	1,833		1,469	
Hotel & Golf Course Operating Expenses	3,508		2,982	
Hire Charges and Lease Rentals of Machinery	1,220		1,009	
Power, Electricity and Water Charges	67,630		47,495	
Repairs and Maintenance of Machinery	28,574		61,213	
Repairs to Building and Camps	4,926		3,543	
Stores and Spares Consumed	29,494		27,608	
Coal Consumed	81,434		50,289	
Packing Materials Consumed	19,724		12,310	
Freight, Octroi & Transportation Charges	47,626		36,425	
	<b>827,398</b>		<b>592,089</b>	
Less: Attributable to Self Consumption	30,763		20,872	
Less: Clinker Transferred for Trial Run	-		855	
	<b>796,635</b>		<b>570,362</b>	

	2010-11 ₹ Lakhs	2009-10 ₹ Lakhs
<b>SCHEDULE "M"</b>		
<b>PERSONNEL</b>		
Salaries, Wages & Bonus	52,878	40,542
Gratuity	858	379
Contribution to Provident & Other Funds	2,655	2,340
Employees Compensation Expense [ESPS] - Extraordinary Item	-	21,194
Staff Welfare	3,181	2,074
	<b>59,572</b>	<b>66,529</b>
<b>SCHEDULE "N"</b>		
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Loading, Transportation & Other Charges	75,560	45,899
Commission on Sales	19,935	10,907
Sales Promotion	11,566	11,580
	<b>107,061</b>	<b>68,386</b>
<b>SCHEDULE "O"</b>		
<b>OTHER EXPENSES</b>		
Rent	1,478	828
Rates & Taxes	9,703	7,479
Insurance	4,425	3,406
Travelling & Conveyance	4,181	3,146
Bank Charges & Guarantee Commission	4,491	3,542
Loss on Sale / Disposal / Discard / Write-off of Assets (Net)	179	98
Financing Charges	6,412	5,698
Foreign Currency Rate Difference	-	299
Postage, Telephone & Telex	992	990
Light Vehicles Running & Maintenance	1,342	1,028
Legal & Professional	6,273	3,880
Charity & Donation	5,043	4,485
Security & Medical Service	6,126	4,799
Provision for writing off Iraq Claims	-	10,163
Sundry Balances Written-off	-	409
Provision for Bad and Doubtful Debts	4	12
Directors' Fees	22	26
Amortisation of Land Premium	342	393
Less: Transferred from Revaluation Reserve	300	338
Miscellaneous Expenses	7,241	11,150
Auditors' Remuneration:		
Audit Fees	50	44
Tax Audit Fees	6	6
To Partners in other capacity:		
For Taxation Matters [₹ 12,000/-]	-	-
For Management Services	1	1
Reimbursement of Expenses	8	6
Preliminary, Share & Debenture Issue & Other carry forward expenses written off	-	385
	<b>58,019</b>	<b>61,935</b>
<b>SCHEDULE "P"</b>		
<b>INTEREST</b>		
Interest on Non-Convertible Debentures	30,893	22,175
Interest on Term Loans	74,647	66,862
Interest on Bank Borrowing and Others	33,878	16,542
	<b>139,418</b>	<b>105,579</b>
<b>SCHEDULE "Q"</b>		
<b>PROJECTS UNDER DEVELOPMENT</b>		
Opening Balance	135,605	72,607
<b>Expenses On Development during the year</b>		
Transfer from Fixed Assets [Leasehold Land]	2,850	-
Transfer from Capital Work-in-Progress	11,335	-
Paid for Land	26,499	51,318

<b>SCHEDULE "Q" (Continued)</b>	<b>2010-11</b>	<b>2009-10</b>
	<b>₹ Lakhs</b>	<b>₹ Lakhs</b>
Construction Expenses	<b>49,169</b>	36,255
Technical Consultancy	<b>1,322</b>	1,201
Power, Electricity and Water Charges	<b>255</b>	136
Personnel Expenses	<b>4,352</b>	4,113
Sales and Promotional Expenses	<b>7,168</b>	704
Other Expenses	<b>553</b>	449
Interest and Financing Charges	<b>5,467</b>	7,548
	<b>244,575</b>	174,331
Less: Cost of Infrastructure & Construction of Properties Developed and under Development	<b>82,889</b>	38,726
<b>Balance carried to SCHEDULE G - A-2</b>	<b>161,686</b>	135,605

#### **SCHEDULE "R"**

##### **EXPENDITURE DURING CONSTRUCTION PERIOD**

Opening Balance	<b>71,084</b>	102,974
Electricity, Power and Fuel	<b>2,350</b>	2,783
Salary, Wages and Staff Welfare	<b>18,065</b>	13,715
Site / Quarry Development & Survey Expenses	<b>1,019</b>	2,693
Repair and Maintenance	<b>2,407</b>	705
Legal and Professional	<b>300</b>	1,448
Technical Consultancy	<b>536</b>	1,309
Insurance	<b>411</b>	915
Travelling and Conveyance	<b>895</b>	1,044
LC Commission, Bank Charges and Bank Guarantee Commission	<b>1,862</b>	3,263
Interest	<b>60,757</b>	47,481
Financing Charges	<b>1,513</b>	10,363
Foreign Exchange Fluctuations	<b>9,259</b>	(49,419)
Safety and Security	<b>2,650</b>	1,233
Freight and Material Handling	<b>2,814</b>	2,667
Vehicle / Machinery Hire Charges / Lease Rent	<b>2,254</b>	2,684
Light Vehicles Running and Maintenance	<b>560</b>	639
Depreciation	<b>1,093</b>	1,089
Advertisement / Business Promotion Expenses	<b>3,418</b>	2,795
Miscellaneous	<b>4,112</b>	3,947
	<b>187,359</b>	154,328
Less:		
(i) Miscellaneous Receipt	<b>123</b>	394
(ii) Interest Received [from Banks ₹ 3321 Lakhs (Previous Year ₹ 1077 Lakhs)] & [TDS ₹ 304 Lakhs ( Previous Year ₹ 99 Lakhs)]	<b>3,321</b>	1,077
	<b>183,915</b>	152,857
Less: Capitalised / Transferred During the year	<b>57,377</b>	81,773
<b>Carried over to Balance Sheet [included in Capital Work-in-Progress]</b>	<b>126,538</b>	71,084

**SCHEDULE “ S “ 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/Income and Cost/Expenditure are accounted for on accrual basis.
- [ii] Cement Sales/ Asbestos Sheets Sales are net of Excise Duty/Value Added Tax and exclusive of Self Consumption.
- [iii] Construction Revenue/Income from/in respect of Contracts entered on or after 01.04.2003 are accounted as per AS-7 [Revised]. Construction Revenue/Income 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 receipt or as acknowledged by the client depending upon the certainty of receipt.
- [vii] Revenue from Real Estate Development of constructed properties is recognised based on the “Percentage of completion method”. Total sale consideration as per the legally enforceable agreements to sell entered into is recognised as revenue based on the percentage of actual project costs incurred to total estimated project cost, subject to such actual cost incurred being 30 percent or more of the total estimated project cost. Project cost includes cost of land, estimated cost of construction and development of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates recognised in the period such changes are determined. Where aggregate of the payment received from customers provide insufficient evidence of their commitment to make the complete payment, revenue is recognised only to the extent of payment received.

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

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

- [viii] [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:**

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

**Employee Benefits:**

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

- [i] Provident Fund and Pension contribution - as a percentage of salary/wages is a Defined Contribution Scheme.
- [ii] Gratuity and Leave Encashment is a Defined Benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method.

**Inventories :**

- [i] 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. Material at Transit is taken at cost.
- [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 and other related costs.

**Foreign Currency Transactions:**

- [i] Monetary Assets and Liabilities related to Foreign Currency transactions and outstanding, except assets and liabilities hedged by a hedge contract, at the close of the year, are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet.

- [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 written-off in the year in which they are incurred.
- [ii] 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.

#### Accounting for Oil Activity:

The Company has adopted Full Cost Method of Accounting for its Oil & Gas Exploration Activity and all costs incurred in Acquisition, Exploration and Development are accumulated.

#### Premium on Redemption of Debentures

Premium paid/ payable on Redemption of Debentures, net of tax impact, are adjusted against the Securities Premium Account.

## [B] NOTES TO THE ACCOUNTS

	As at 31.03.2011	As at 31.03.2010
	₹	₹
01 Contingent Liability not provided for in respect of:		
[a] Outstanding amount of Bank Guarantees	13,667,280,795	10,859,406,251
Margin Money deposited against the above	132,218,375	542,465,148
[b] Corporate Guarantees:		
[i] for Term Loans, NCDs and Deferred Payment Guarantees granted by Financial Institutions & Banks for 300 MW Baspa-II HEP of Jaiprakash Power Ventures Limited [Subsidiary Company]	1,278,697,966	1,980,025,692
[ii] for Rupee Term Loans and Foreign Currency Loans granted by Financial Institutions & Banks for 400 MW Vishnu Prayag HEP of Jaiprakash Power Ventures Limited [Subsidiary Company]	861,033,750	1,008,854,175
[iii] For Performance Guarantee issued by the ICICI Bank on behalf of Jaypee Ganga Infrastructure Corporation Limited, [100% Subsidiary]	8,947,500,000	8,947,500,000



	As at 31.03.2011 ₹	As at 31.03.2010 ₹
[iv] For Non Convertible Debentures issued to Axis Bank Limited by Jaypee Infratech Limited, [Subsidiary Company]	-	5,000,000,000
[v] For Performance Guarantee issued by the Yes Bank Limited on behalf of Jaypee Sports International Limited, [Subsidiary Company]	-	1,000,000,000
[c] Outstanding Letters of Credit	<b>5,741,421,718</b>	13,246,294,462
Margin Money deposited against the above	<b>822,172</b>	27,075,540
[d] 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 and interest upto December, 2008 in respect of Jaypee Rewa Plant. The Company has contested the demand and the Hon'ble Madhya Pradesh High Court has stayed the demand.	<b>1,337,794,099</b>	885,490,289
Amount deposited under Protest	<b>434,296,115</b>	354,196,115
The above contingent liability does not include demand for the period January 2009 to March 2011 which has not been raised by the Madhya Pradesh Government till 31.03.2011		
[e] [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 ₹ 16,69,36,481/- [included in 1(a) above] [Previous Year ₹ 16,69,36,481/-] and [b] granted interim stay for refund of amount of ₹ 16,73,31,838/- [Previous Year ₹ 16,73,31,838/-] deposited under protest with the Department.	<b>516,237,283</b>	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 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 ₹ 53,76,73,870/- [Previous Year ₹ 53,76,73,870/-] has been deposited under protest with U.P. Trade Tax Department. 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. The case has been decided in favour of the Company by Lucknow Bench of Hon'ble Allahabad High Court vide their Order dated 29.03.2010 in respect of Jaypee Ayodhya Grinding Operations Unit of the Company. The Department has thereafter filed SLP in the Hon'ble Supreme Court of India, which has been admitted and order of the Hon'ble High Court order dated 29.03.2010 has been stayed by Supreme Court of India vide their order dated 06.07.2011.	<b>537,673,870</b>	537,673,870
However, Writ petition in respect of Jaypee Cement Blending Unit, Allahabad is still pending before the Lucknow Bench of Hon'ble High Court.		
[f] 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 ₹ 34,09,36,649/- [Previous Year ₹ 34,09,36,649/-] and furnished Indemnity Bond of ₹ 16,38,46,913/- [Previous Year ₹ 13,73,58,510/-] under protest, against the amount worked out for the period upto 23.09.2007.	<b>580,123,820</b>	557,904,792
[g] 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 cement 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 ₹ 90,05,57,352/- [included in 1(a) above] [Previous Year ₹ 85,12,18,484/-] upto 31.03.2011.	<b>906,037,730</b>	856,286,767



	As at 31.03.2011	As at 31.03.2010
	₹	₹
[t] Other Claims against the Company not acknowledged as debts	<b>4,278,315,195</b>	4,163,682,992
Amount deposited under Protest	<b>180,104,165</b>	56,046,777
Bank Guarantee deposited under Protest [included in 1(a) above]	<b>52,689,000</b>	42,689,000
[u] 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 ₹ 244.68 Crores [Previous Year ₹ 814.37 Crores] till 31.03.2015. The Liability on account of custom duty may arise alongwith interest @15% p.a., in the event of non-fulfillment of export obligation.	<b>482,600,000</b>	1,017,900,000
02 Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances)	<b>13,209,062,346</b>	25,337,706,219
03. [a] The Company had 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 ₹ 10/- each fully paid at the conversion price of ₹ 558.773 per share, subject to the terms of issue, with a fixed rate of exchange of ₹ 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. Post split of the Equity Shares of ₹ 10/- each into 5 Equity Shares of ₹ 2/- each on 26.12.2007 and post bonus issue of one equity share of ₹ 2/- each against two equity shares of ₹ 2/- each as on 19.12.2009, the Bonds are/will be converted into Equity shares of ₹ 2/- each at the conversion price of ₹ 74.5031 per share.  2500 FCCBs of Euro 1,000 each were converted on 05.08.2010 into 17,98,549 Equity Shares of ₹ 2/- each (Previous Year 500 FCCBs of Euro 1,000 each were converted into 2,39,806 Equity Shares of ₹ 2/- each on 03.08.2009 and 20 FCCBs of Euro 1,000 each were converted into 14,388 Equity Shares of ₹ 2/- each on 29.03.2010).  1,706 FCCBs of Euro 1,000 each [Previous Year 4,206] were outstanding as on 31.03.2011. Upon conversion of the outstanding Bonds into Equity Shares, the share Capital of the Company will increase by 12,27,330 Equity Shares of ₹ 2/- each.  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 31.03.2011 is Euro 1222.001 (Previous Year Euro 11,73,426) per Bond]. A reserve aggregating to ₹ 2,42,35,170/- (Previous Year ₹ 4,47,21,338/-) upto 31.03.2011 has been created for the redemption premium.		
[b] 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 ₹ 10/- each fully paid at the conversion price of ₹ 1,238.78 per share, subject to the terms of issue, with a fixed rate of exchange of ₹ 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. Post split of the Equity Shares of ₹ 10/- each into 5 Equity Shares of ₹ 2/- each on 26.12.2007 and post bonus issue of one equity share of ₹ 2/- each against two equity shares of ₹ 2/- each as on 19.12.2009, the Bonds are/will be converted into Equity shares of ₹ 2/- each at the conversion price of ₹ 165.1707 per share.  No conversion has taken place during F.Y. 2010-11 (Previous Year Nil).  FCCBs of USD 354.475 Million (Previous Year USD 354.475 Million) were outstanding as on 31.03.2011. Upon conversion of the Bonds into Equity Shares, the Share capital of the Company will increase by 8,65,95,663 Equity shares of ₹ 2/- each.  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 31.03.2011 is USD 1,31,980.712 (Previous Year USD 1,22,042.014) for a principle amount of USD 1,00,000]. A reserve aggregating to ₹ 511,72,34,207/- (Previous Year ₹ 356,13,21,700) upto 31.03.2011 has been created for the redemption premium.		
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] 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], [viii], [ix] & [x]	Legal Mortgage in English form	Mouje Dhanot, Taluka Kalol, Dist. Mehsana, Gujarat	IDBI Trusteeship Services Limited	First Mortgage
[vi], [xi] to [xviii]	Legal Mortgage in English form	Mouje Dhanot, Taluka Kalol, Dist. Mehsana, Gujarat	Axis Trustee 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, for NCDs at Sl.No.[ii] to [x] except Sl. No. [vii] and to the extent of 40% outstanding to ₹ 45 crores at Sl.No.[i] ; the balance 60% being secured by way of Bank Guarantee of ₹ 27 crores included under [c] below and NCDs at Sl no [iii] is secured by pari passu charge on the assets of Himachal Cement Plant and for Sl.No.[xi] to [xviii] are secured by way of equitable mortgage of Immovable Properties and Hypothecation of Movables [present and future] except the assets pertaining to Wind Power and Real Estate Division and assets specifically

charged to State Govt./Financial Institutions etc., ranking pari passu, save and except book debts, subject to prior charge on specified movables created in favour of the Company's Bankers for working capital facilities.

			As at 31.03.2011 ₹	As at 31.03.2010 ₹
[i]	1,800	7.5% NCDs of ₹ 10,00,000/- each redeemable in 12 equal quarterly installments from 15.01.2009 to 15.10.2011 [₹ 7,50,000/- (Previous Year ₹ 4,16,667/- per Debenture Redeemed)];	<b>450,000,000</b>	1,050,000,000
[ii]	1,500	9.5% NCDs of ₹ 10,00,000/- each redeemable in 12 equal quarterly installments from 01.04.2010 to 01.01.2013 [₹ 4,16,667/- (Previous Year ₹ 83,333/-) per Debenture Redeemed];	<b>875,000,000</b>	1,375,000,000
[iii]	500	9% NCDs of ₹ 10,00,000/- each redeemable in 20 equal quarterly installments from 01.04.2008 to 01.01.2013 [₹ 6,50,000/- (Previous Year ₹ 4,50,000/-) per Debenture Redeemed];	<b>175,000,000</b>	275,000,000
[iv]	3,000	11.80% NCDs of ₹ 10,00,000/- each redeemable in 5 equal annual installments from 11.08.2012 to 11.08.2016;	<b>3,000,000,000</b>	3,000,000,000
[v]	1,500	12.40% NCDs of ₹ 10,00,000/- each redeemable in 5 equal annual installments from 04.11.2012 to 04.11.2016;	<b>1,500,000,000</b>	1,500,000,000
[vi]	4,000	12.50% NCDs of ₹ 10,00,000/- each redeemable in 10 quarterly installments of ₹ 35 crores each and two quarterly installments of ₹ 25 crores each from 31.07.2012 to 30.04.2015;	<b>4,000,000,000</b>	4,000,000,000
[vii]	9,000	11.75% NCDs of ₹ 10,00,000/- each redeemable in 12 equal quarterly installments from 25.09.2010 to 25.06.2013 [₹ 2,50,000 per Debenture redeemed]	<b>6,750,000,000</b>	9,000,000,000
[viii]	5,000	11.75% NCDs of ₹ 10,00,000/- each redeemable in 5 equal half yearly installments from 15.07.2012 to 15.07.2014;	<b>5,000,000,000</b>	5,000,000,000
[ix]	4,000	11.75% NCDs of ₹ 10,00,000/- each redeemable in 12 equal quarterly installments from 26.01.2014 to 26.10.2016;	<b>4,000,000,000</b>	4,000,000,000
[x]	1,000	11.25% NCDs of ₹ 10,00,000/- each redeemable on 30.11.2014;	<b>1,000,000,000</b>	1,000,000,000
[xi]	5,000	11.5% NCDs of ₹ 10,00,000/- each redeemable in 5 equal half yearly installments from 23.07.2013 to 23.07.2015;	<b>5,000,000,000</b>	-
[xii]	5,000	10.50% NCDs of ₹ 10,00,000/- each redeemable in 5 equal yearly installments from 16.07.2016 to 16.07.2020;	<b>5,000,000,000</b>	-
[xiii]	5,000	10.75% NCDs of ₹ 10,00,000/- each redeemable in 10 equal quarterly installments from 06.10.2013 to 06.01.2016;	<b>5,000,000,000</b>	-
[xiv]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 03.01.2014;	<b>2,000,000,000</b>	-
[xv]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 03.07.2014;	<b>2,000,000,000</b>	-
[xvi]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 03.01.2015;	<b>2,000,000,000</b>	-
[xvii]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 31.07.2015 and	<b>2,000,000,000</b>	-
[xviii]	2,000	5.60% NCDs of ₹ 10,00,000/- each redeemable on 31.01.2016	<b>2,000,000,000</b>	-
			<b>51,750,000,000</b>	<b>30,200,000,000</b>

- [b] 9,000 NCDs of ₹ 10,00,000/- each aggregating ₹ 900 crores [₹ 2,50,000/- per Debenture aggregating ₹ 225 crore redeemed], are secured against first and exclusive charge by way of equitable mortgage by deposit of title deed over the land admeasuring 364.55 acres at Jaypee Greens Golf Course, Greater Noida, Uttar Pradesh and collaterally secured by first and exclusive charge by way of Registered mortgage over land of Jaypee Infratech Ltd. admeasuring 40 acres (residential 25 acres and commercial 15 acres) situated at village Sultanpur, Noida, Uttar Pradesh and Village Wazirpur, Greater Noida, Uttar Pradesh respectively. Out of the said 40 acres of land, the Company has entered into an "Agreement to Sell" with Jaypee Infratech Limited on 15.12.2009 for purchase of 15 acres of commercial land. IDBI Trusteeship Services Limited has been appointed as Debenture Trustee for the said NCDs.
- [c] Term Loans of ₹ 2655.00 crores (Amount outstanding - ₹ 1583.23 crores.) sanctioned by Financial Institutions, Banks and Bank Guarantees to the extent of ₹ 27 Crores [Previous Year ₹ 65.30 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.
- [d] Term Loans sanctioned by IDBI Bank - ₹ 1800 crores, UCO Bank - ₹ 500 crores, L & T Infra Finance Co. - ₹ 200 crores., Karnataka Bank - ₹ 150 crores, Yes Bank - ₹ 450 crores. and State Bank of India - ₹ 1000 crores, aggregating to ₹ 4100 crores together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements secured by way of equitable mortgage of Immovable Properties and Hypothecation of Movables [present and future] except the assets pertaining to Wind Power and Real Estate Division and assets specifically charged to State Govt./ Financial Institutions etc, ranking pari passu, save and except book debts, subject to prior charge on specified movables created/ to be created in favour of the Company's Bankers for working capital facilities.
- [e] Term Loans sanctioned aggregating to ₹ 3,000 Crores, Euro 15.85 Million and USD 10.00 Million are availed for setting up of Cement Plants as per the following:

Sanctioned		Outstanding (₹ Crores)	Facility availed for setting up
Rupee Term Loan (₹ Crores)	FCL/ECB		
330.00	Euro 15.85 Mn	240.21	5.0 Million TPA Cement Plant at Baga & Bagheri in H.P. and Grinding Unit at Panipat in Haryana
455.00		424.63	3.0 Million TPA Cement Plant in U.P. at Dalla, Churk and Chunar,
400.00		284.07	2.0 Million TPA Cement Plant in M.P. at Sidhi
125.00		104.05	1.0 Million TPA Grinding Unit at Sikandrabad
160.00		1.90	1.2 Million TPA Grinding Unit at Roorkee in Uttranchal,
500.00	US\$ 10.00 Mn	517.90	Two Cement Plants having installed capacity of 2.4 Million TPA each at Vayor, District Kutch in Gujarat with split location Grinding Unit at Wanakbori, District Keda in Gujarat
1,030.00		979.91	5.0 million Cement Plant at Jaggayyapet, District Krishna, Andhra Pradesh
<b>3,000.00</b>	<b>Euro 15.85 Mn &amp; USD 10.00 Mn</b>	<b>2,552.67</b>	

The above outstanding 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 for working Capital facilities.

- [f] Term Loans of ₹ 1200.00 crores obtained from Banks for setting up 240 MW Captive Thermal Power Plant including 1.00 Million TPA Grinding Unit and Coal Washery at Churk Industrial Complex in Uttar Pradesh and 120 MW Captive Thermal Power Plant including Coal Washery at Sidhi in Madhya Pradesh 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 Thermal Power 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.
- [g] "Term Loans of ₹ 100 Crores availed [Amount outstanding ₹ 84 crores] from L&T Infrastructure Finance Co. Ltd. together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements, are secured/to be secured on equitable mortgage of immovable properties and Hypothecation of movables of Himachal Cement Plant (present and future), save and except book debts, as residual charge.
- [h] Term Loan of ₹ 200 Crs. availed from Canara Bank together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements, is secured/to be secured on equitable mortgage of immovable properties and Hypothecation of movables of the Company except assets pertaining to Wind Power and Real Estate Division (present and future), save and except book debts, as residual charge.
- [i] External Commercial Borrowing of USD 27 Million and Yen 1030.27 Million availed [Amount outstanding USD 18.21 Million and Yen 781.70 Million] from ICICI Bank Ltd for setting up of Wind Power Project in Maharashtra & Gujarat together with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies, stipulated in the Loan Agreements, is secured/to be secured by equitable mortgage of immovable properties and Hypothecation of movables of Wind Power Project [present and future], save and except book debts subject to prior charge on specified movables created/to be created in favour of the Company's Bankers for working Capital facilities.
- [j] Term Loans of ₹ 325.00 crores (Amount outstanding - ₹ 82.89 crores) sanctioned by Exim Bank of India, IDBI Bank Ltd., Union Bank of India and IDFC Ltd., for commissioning of Tunnel Boring Machines [TBMs] at Srisailam Project Site, in Andhra Pradesh are secured / to be secured by hypothecation of all movable fixed assets relating to TBMs [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 for working Capital facilities.
- [k] 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.
- [l] Interest Free Loans granted by U.P. Financial Corporation (UPFC) under Audyogik Nivesh Protshahan Yojna Scheme are secured by way of First Charge on the Fixed Assets of the respective Units of the Company.
- 06 [a] The Provision for Taxation made in the Profit & Loss Account includes ₹ 40,00,000/- [Previous Year ₹ 40,00,000/-] towards Provision for Wealth Tax Expense for the year.

[b] Deferred Tax	As at 31.03.2011 ₹	As at 31.03.2010 ₹
[i] Deferred Tax Liability on account of:		
Depreciation	9,272,848,098	7,937,546,439
Others	2,931,338,221	1,623,222,624
	<b>12,204,186,319</b>	<b>9,560,769,063</b>

	As at 31.03.2011 ₹	As at 31.03.2010 ₹
Deferred Tax Assets on account of:		
Employees' Benefits	131,208,904	270,141,881
Others	133,219,805	58,140,266
	<b>264,428,709</b>	<b>328,282,147</b>
Net Deferred Tax Liability	<b>11,939,757,610</b>	9,232,486,916
[ii] Deferred Tax [Net] amounting to ₹ 270,72,70,694/- [Previous Year ₹ 233,62,15,197/-] has been recognised in the Profit & Loss Account for the year ended 31st March, 2011.		

**Disclosure as per Accounting Standard - 7 [Revised]**

[a] Contract Revenue during the period	54,544,959,865	45,091,388,076
[b] Direct Expenses during the period	49,039,000,568	37,224,419,343
[c] Profits recognised during the period before depreciation	5,505,959,297	7,866,968,733
[d] Advances received [Outstanding]	12,803,551,993	18,530,351,360
[e] Retention Money [Outstanding] *	1,360,018,146	975,488,969

\* Retention Money [Outstanding] is after adjusting amounts released against furnishing of Bank Guarantees.

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

- 08 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 Projects under Implementation. **63,526,764,145** 38,916,419,290
- 09 The Company has transferred the Jaypee Rewa Soya Processing Unit which was under implementation in District Rewa, Madhya Pradesh to Jaiprakash Agri Initiatives Company Limited by virtue of Project Transfer Agreement dated 23.08.2010. The Excess of Assets over the Liabilities amounting ₹ 37,55,09,955/- transferred by the Company has been paid by Jaiprakash Agri Initiatives Company Limited.
- 10 The Free-hold Land [Agricultural] purchased by the Company for ₹ 2,96,407/- measuring 7 Bighas at Rangpuri, New Delhi had been notified for acquisition U/s 4 & 6 of the Land Acquisition Act. The Company's claim for compensation is pending settlement.
- 11 [i] 108,37,00,000 Equity Shares of ₹ 10/- each fully paid up [Previous Year 127,80,09,900 Equity Shares] of Jaiprakash Power Ventures Limited [JPVL] [subsidiary company] are pledged as collateral security for the financial assistance granted by Lenders to JPVL for specific projects.
- [ii] The Company has given letter of Comfort to ICICI Bank for Non Convertible Debentures amounting ₹ 1982.57 Crores issued by Jaiprakash Power Ventures Limited.
- 12 27,75,00,000 Equity Shares of ₹ 10/- each fully paid-up [Previous Year 27,75,00,000 Equity Shares] of Jaypee Karcham Hydro Corporation Limited [JKHCL] [Subsidiary Company (merged with Jaiprakash Power Ventures Limited w.e.f. 01.04.2010)] are pledged with ITSL as collateral security for financial assistance granted by Lenders to JKHCL.
- 13 The Company has pledged 36,78,00,000 Equity Shares of ₹ 10/- each fully paid-up [Previous Year 36,78,00,000 Equity Shares] of Jaypee Infratech Limited (JIL) (Subsidiary Company) with IDBI Trusteeship Services Limited (ITSL) (Trustee) and executed non disposal undertaking for further 25,74,60,000 Equity Shares [25,74,60,000 Equity Shares] of JIL held by the Company in favour of ITSL as collateral security for the financial assistance to JIL.
- 14 6,02,25,900 Equity Shares of ₹ 10/- each fully paid-up of [Previous Year 6,01,80,000 Equity Shares] Himalyan Expressway Limited [HEL] held by the Company are pledged as collateral security for financial assistance granted by the Lenders to HEL.
- 15 The Company has pledged 20,35,000 Equity Shares held in Jaypee DSC Ventures Limited to HUDCO as Security for Loans granted by Lenders to Jaypee DSC Ventures Limited.
- 16 [i] Jaypee Infratech Limited has mortgaged 40 acres of Land in favour of IDBI Trusteeship Securities Limited for securing the Debentures of ₹ 900 crores issued by the Company to Standard Chartered Bank [Amount outstanding as on 31.03.2011 is ₹ 675 crores].
- [ii] Jaypee Infratech Limited has provided a letter of Comfort to ICICI Bank UK Plc and ICICI Bank Canada for the financial assistance of GBP 34.84 Million (equivalent to USD 50 Million) and CAD 61.625 Million (equivalent to USD 50 Million) respectively.
- 17 Jaypee Infratech Limited [subsidiary company] had made Initial Public Offer in May, 2010. In the said IPO, the Company had offered for sale of 6,00,00,000 equity shares of ₹ 10/- each to public. The Company has earned a Profit of ₹ 513,16,07,875/- on sale of above said shares and has been credited to Profit and Loss Account.
- 18 Other Liabilities shown under the head "Current Liabilities & Provisions" include Book Overdraft of ₹ 8,58,18,591/- [Previous Year ₹ 75,42,31,350/-].
- 19 Disclosure as required under Notification No.G.S.R.719 [E] dated 16th November, 2007 issued by the Department of Company Affairs [as certified by the Management]:

S. No.	Particulars	2010-2011	2009-2010
a)	The principal amount and interest due thereon remaining unpaid to any supplier		
	- Principal Amount	Nil	Nil
	- Interest Amount	Nil	Nil
b)	The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day	Nil	Nil

		2010-2011	2009-2010
c)	The amount of interest due and payable for the year of delay in making payment (which have been paid beyond the appointed date during year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	Nil	Nil

The above information is based on information available with the Management

20 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.

21 Particulars of Investments in Units of Exchange Traded Funds [ETF] and Mutual Funds as on date of Balance Sheet:

	Name of Mutual Fund/ ETF	Units	2010-11 ₹	Units	2009-10 ₹
[I]	Investment in Units of Exchange Traded Funds				
[a]	UTI Mutual Fund Gold Exchange Traded Fund	445,081	811,880,715	163,648	267,674,792
[b]	Gold Benchmark Exchange Traded Scheme	616,112	1,139,250,170	173,850	284,351,918
[c]	NSEL - E - Silver	34,800	189,652,855	-	-
		<u>1,095,993</u>	<u>2,140,783,740</u>	<u>337,498</u>	<u>552,026,710</u>
[II]	Investment in Units of Mutual Funds				
[a]	Birla Sunlife MIP-II - Savings 5 Growth Plan	4,636,642	75,000,000	4,636,642	75,000,000
[b]	Templeton India Short Term Income Retail Growth Plan	53,557	100,000,000	102,702	185,000,000
[c]	Reliance Monthly Income Growth Plan	22,577,075	475,000,000	3,854,486	75,000,000
[d]	HDFC MF Monthly Income Plan - Long Term Growth	13,580,438	300,000,000	2,473,092	50,000,000
[e]	HDFC Top 200 Fund - Growth	115,010	20,000,000	115,010	20,000,000
[f]	Reliance Regular Savings Fund Debt Plan - Institutional Growth Plan	2,338,817	30,000,000	-	-
[g]	Templeton India Short Term Income Retail Plan - Monthly Dividend Reinvestment	44,988	50,849,348	-	-
[h]	FT India Dynamic PE Ration Fund of Funds - Growth	3,775,988	150,000,000	-	-
[i]	Canara Robeco Indigo Fund	960,384	10,000,000	-	-
[j]	Kotak Quarterly Interval Plan Series 5 Dividend	25,000,000	250,000,000	-	-
[k]	SBI MF Debt Fund Series - 180 days 14 Dividend	10,000,000	100,000,000	-	-
[l]	Tata Fixed Maturity Plan - Series 30 Scheme A Growth	10,000,000	100,000,000	-	-
[m]	Kotak 368 Days FMP Series 33 - Growth	5,000,000	50,000,000	-	-
[n]	DSP Black Rock FMP - 12 M Series 13 Growth	10,000,000	100,000,000	-	-
[o]	SBI Debt Fund Series - 370 Days 9 Growth	15,000,000	150,000,000	-	-
[p]	Birla Sun Life Fixed Term Plan Series CO - Growth	5,000,000	50,000,000	-	-
[q]	Kotak FMP Series 34 - Growth	5,000,000	50,000,000	-	-
[r]	IDFC Fixed Maturity Yearly Series - 38 Growth	5,000,000	50,000,000	-	-
[s]	IDBI FMP 367 Days Series - Feb 11 A Growth	5,000,000	50,000,000	-	-
[t]	Reliance Fixed Horizon Fund - XIX Series 8 Growth Plan	5,000,000	50,000,000	-	-
[u]	Templeton India Short Term Income Retail Plan - Monthly Dividend Payout	-	-	89,942	100,000,000
[v]	ICICI Prudential Institutional Short Term Plan - Cumulative	-	-	5,230,262	100,000,000
[w]	ICICI Prudential Institutional Short Term Plan - Monthly Dividend	-	-	7,019,282	85,000,000
[x]	IDFC Super Saver Income Fund - Short Term - Plan C Monthly Dividend	-	-	4,947,115	50,000,000
[y]	Baroda Pioneer PSU Bond Fund - Monthly Dividend Plan	-	-	10,117,688	101,178,004
[z]	Birla Sun Life Dynamic Bond Fund - Retail Plan - Monthly Dividend	-	-	9,764,683	101,787,188
[aa]	Kotak Flexi Debt Scheme Institutional - Daily Dividend - Reinvestment	-	-	5,205,404	52,301,295
[ab]	HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend Reinvestment	-	-	1,309,628	13,137,538
[ac]	Birla Sunlife Saving Fund - Institutional - Daily Dividend - Reinvestment	-	-	308,602	3,088,121
[ad]	ICICI Prudential Flexible Income Plan Premium - Daily Dividend	-	-	28,318	2,994,232

[ae] LIC MF Income Plus Fund - Daily Dividend Reinvestment	-	-	252,696,605	2,526,966,053
	<b>148,082,899</b>	<b>2,210,849,348</b>	<b>307,899,461</b>	<b>3,541,452,431</b>

22 [a] Particulars of investments [non trade] made subsequent to the date of previous Balance Sheet:

Name of Company		2010-2011 ₹	2009-2010 ₹
<b>In Subsidiaries</b>			
[a]	Jaypee Agra Vikas Limited 27,37,50,000 [Previous Year 50,000] Equity Shares of ₹ 10/- each	2,737,500,000	500,000
[b]	Jaypee Cement Corporation Limited 1,30,00,000 Equity Shares of ₹ 10/- each	2,226,400,000	-
[c]	Jaypee Fertilizers & Industries Limited 67,65,000 Equity Shares of ₹ 10/- each	67,650,000	-
[d]	Jaypee Sports International Limited NIL [Previous Year 49,92,60,000] Equity Shares of ₹ 10/- each	-	4,992,600,000
[e]	Jaypee Infratech Limited NIL [Previous Year 26,00,00,000] Equity Shares of ₹ 10/- each	-	2,600,000,000
[f]	Himalyan Expressway Limited NIL [Previous Year 2,30,40,000] Equity Shares of ₹ 10/- each	-	230,400,000
<b>In Joint Venture Subsidiaries</b>			
[g]	Bhilai Jaypee Cement Limited [ Previous Year 1,73,62,250] Equity Shares of ₹ 10/- each	-	1,639,800,000
[h]	Bokaro Jaypee Cement Limited 1,16,12,307 [Previous Year 2,65,54,609] Equity Shares of ₹10/- each	116,123,070	265,546,090
<b>In Associates</b>			
[i]	MP Jaypee Coal Limited NIL [Previous Year 49,00,000] Equity Shares of ₹ 10/- each	-	49,000,000
[j]	MP Jaypee Coal Fields Limited NIL [Previous Year 4,90,000] Equity Shares of ₹ 10/- each	-	4,900,000
<b>Share Application Money</b>			
[k]	Share Application Money paid to Jaypee Agra Vikas Limited - [pending for allotment ₹ 160,00,00,000]	1,468,500,000	131,500,000
[l]	Share Application Money paid to Jaypee Ganga Infrastructure Corporation Limited - [pending for allotment ₹ 294,65,00,000]	1,441,500,000	1,485,000,000
[m]	Share Application Money paid to Bokaro Jaypee Cement Limited - [pending for allotment ₹ 41,84,38,540]	144,089,270	225,253,910
[n]	Share Application Money paid to Madhya Pradesh Jaypee Minerals Limited - [pending for allotment ₹ 55,10,87,000]	79,600,000	164,692,000
[o]	Share Application Money paid to Jaypee Sports International Limited - [pending for allotment ₹ 75,00,00,000]	750,000,000	-
[p]	Share Application Money paid to Jaypee Fertilizers & Industries Limited - [pending for allotment ₹ 10,00,000]	1,000,000	-

[b] Particulars of other current investments made subsequent to the date of previous Balance Sheet:

Name of Funds		Units	2010-11 ₹	Units	2009-10 ₹
<b>Investment in Units of Mutual Funds/ETFs purchased and redeemed during the year</b>					
[a]	Birla Sunlife Saving Fund - Institutional - Daily Dividend - Reinvestment	4,317	43,196	40,157,687	401,849,934
[b]	Reliance Money Manager Fund - Institutional Option - Daily Dividend Plan	251,785	252,130,066	351,476	351,874,973
[c]	ICICI Prudential Flexible Income Premium Plan - Daily Dividend	3,786,526	400,368,368	4,728,803	500,000,000
[d]	HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend Option - Reinvestment	17,398	174,525	1,495,289	15,000,000
[e]	Kotak Flexi Debt Scheme Institutional - Daily Dividend - Reinvestment	55,037,998	552,994,291	25,000,000	251,187,500
[f]	LIC MF - Liquid Fund - Dividend Plan	761,315,099	8,359,315,923	327,897,409	3,600,346,340
[g]	LIC MF - Income Plus Fund - Daily Dividend Plan	378,440,774	3,784,407,738	360,000,000	3,600,000,000
[h]	Birla Sunlife Saving Fund - Institutional Premium - Daily Dividend - Reinvestment	55,073,131	551,805,232	-	-



	Name of Funds	Units	2010-11 ₹	Units	2009-10 ₹
[i]	ICICI Prudential Liquid Super Institutional Plan - Dividend Daily	10,583,869	1,058,626,024	-	-
[j]	Reliance Monthly Interval Fund Series II Institutional Dividend Plan	29,994,901	300,000,000	-	-
[k]	ICICI Prudential Liquid Super Institutional Plan Dividend - Weekly	4,025,893	403,218,784	-	-
[l]	HDFC Cash Management Fund Savings Plan Weekly Dividend	35,672,286	379,239,204	-	-
[m]	HDFC Cash Management Fund Savings Plan Daily Dividend	302,208,456	3,214,410,015	-	-
[n]	Reliance Quarterly Interval Fund Series III Institutional Dividend Plan	10,316,129	103,238,660	-	-
[o]	SBI Magnum Insta Cash Fund Daily Dividend	150,688,426	2,524,076,344	-	-
[p]	Axis Liquid Fund Institutional Daily Dividend Reinvestment	250,544	250,561,417	-	-
[r]	Baroda Pioneer PSU Bond Fund - Monthly Dividend Plan	191,150	1,921,232	-	-
[q]	Birla Sun Life Dynamic Bond Fund - Monthly Dividend Plan	102,423	1,221,453	-	-
[s]	HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Daily Dividend Option - Reinvestment	-	-	10,031,317	100,629,161
[t]	LIC MF - Liquid Fund - Growth Plan	-	-	366,091,173	6,000,000,000
<b>Investment in Mutual Funds/ETFs purchased during the year &amp; outstanding as on 31.03.2011</b>					
[a]	Templeton India Short Term Income Retail Plan - Growth	53,557	100,000,000	102,702	185,000,000
[b]	Reliance Monthly Income Plan - Growth Plan	18,722,589	400,000,000	3,854,486	75,000,000
[c]	HDFC MF MIP Long Term - Growth	11,107,346	250,000,000	2,473,092	50,000,000
[d]	UTI Mutual Fund Gold Exchange Traded Fund	281,433	544,205,922	163,648	267,674,792
[e]	Gold Benchmark Exchange Traded Scheme	442,262	854,898,252	173,850	284,351,918
[f]	Reliance Regular Savings Fund Debt Plan Institutional Growth Plan	2,338,817	30,000,000	-	-
[g]	Templeton India Short Term Income Plan - Monthly Dividend Reinvestment	44,988	50,849,348	-	-
[h]	FT India Dynamic PE Ration Fund of Funds - Growth	3,775,988	150,000,000	-	-
[i]	Canara Robeco Indigo Fund	960,384	10,000,000	-	-
[j]	Kotak Quarterly Interval Plan Series 5 Dividend	25,000,000	250,000,000	-	-
[k]	SBI MF Debt Fund Series 180 days 14 Dividend	10,000,000	100,000,000	-	-
[l]	Tata Fixed Maturity Plan Series 30 Scheme A Growth	10,000,000	100,000,000	-	-
[m]	Kotak 368 Days FMP Series 33 Growth	5,000,000	50,000,000	-	-
[n]	DSP Black Rock FMP 12 M Series 13 Growth	10,000,000	100,000,000	-	-
[o]	SBI Debt Fund Series 370 Days 9 Growth	15,000,000	150,000,000	-	-
[p]	Birla Sun Life Fixed Term Plan Series CO Growth	5,000,000	50,000,000	-	-
[q]	Kotak FMP Series 34 Growth	5,000,000	50,000,000	-	-
[r]	IDFC Fixed Maturity Yearly Series 38 Growth	5,000,000	50,000,000	-	-
[s]	IDBI FMP 367 Days Series Feb 11 A Growth	5,000,000	50,000,000	-	-
[t]	Reliance Fixed Horizon Fund XIX Series 8 Growth Plan	5,000,000	50,000,000	-	-
[u]	NSEL - E Silver	34,800	189,652,855	-	-
[v]	Kotak Flexi Debt Scheme Institutional - Daily Dividend Reinvestment	-	-	5,205,404	52,301,295
[w]	HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend Option - Reinvestment	-	-	1,309,628	13,137,538
[x]	Birla Sunlife Saving Fund - Institutional - Daily Dividend - Reinvestment	-	-	308,602	3,088,121
[y]	ICICI Prudential Flexible Income Plan Premium - Daily Dividend	-	-	28,318	2,994,232
[z]	LIC MF - Liquid Fund - Daily Dividend Plan	-	-	252,696,605	2,526,966,053
[aa]	Birla Sunlife MIP-II Savings 5 Plan - Growth	-	-	4,636,642	75,000,000
[ab]	Birla Sun Life Dynamic Bond Fund - Monthly Dividend	-	-	9,764,683	101,787,188
[ac]	Templeton India Short Term Income Retail Plan - Monthly Dividend Payout	-	-	89,942	100,000,000
[ad]	ICICI Prudential Institutional Short Term Plan - Cumulative	-	-	5,230,262	100,000,000
[ae]	ICICI Prudential Institutional Short Term Plan - Monthly Dividend	-	-	7,019,282	85,000,000

	Name of Funds	Units	2010-11 ₹	Units	2009-10 ₹
[af]	IDFC Super Saver Income Fund - Short Term - Plan C Monthly Dividend	-	-	4,947,115	50,000,000
[ag]	HDFC Top 200 Fund Growth	-	-	115,010	20,000,000
[ah]	Baroda Pioneer PSU Bond Fund - Monthly Dividend Plan	-	-	10,117,688	101,178,004
	<b>Investment in Mutual Fund/ETFs purchased earlier but redeemed during the year</b>				
[a]	Kotak Flexi Debt Scheme Institutional - Daily Dividend Reinvestment	5,205,404	52,301,295	-	-
[b]	HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend Option - Reinvestment	1,309,628	13,137,538	-	-
[c]	Birla Sunlife Saving Fund - Institutional - Daily Dividend - Reinvestment	308,602	3,088,121	-	-
[d]	ICICI Prudential Flexible Income Plan - Daily Dividend	28,318	2,994,232	-	-
[e]	LIC MF - Liquid Fund - Daily Dividend Plan	252,696,605	2,526,966,053	-	-
[f]	Templeton India Short Term Income Retail Plan - Growth	102,702	185,000,000	-	-
[g]	Templeton India Short Term Income Retail Plan - Monthly Dividend	89,942	100,000,000	-	-
[h]	ICICI Prudential Institutional Short Term Plan - Cumulative	5,230,262	100,000,000	-	-
[i]	ICICI Prudential Institutional Short Term Plan - Monthly Dividend	7,019,282	85,000,000	-	-
[j]	IDFC Super Saver Income Fund - Short Term - Plan C Monthly Dividend	4,947,115	50,000,000	-	-
[k]	Baroda Pioneer PSU Bond Fund - Monthly Dividend Plan	10,117,688	101,178,004	-	-
[l]	Birla Sun Life Dynamic Bond Fund - Monthly Dividend Plan	9,764,683	101,787,188	-	-

[c] As on 31.03.2011 the Trusts holds 18,93,16,882 Equity shares [Previous Year 18,93,16,882] of Rs 2/- each of the Company. During the year no shares were sold out of the shares held in trusts.

23 Cost of Limestone raised included in raw materials consumed:

	2010-11	2009-2010
Royalty and Cess	833,836,905	559,052,376
Salaries and Wages	219,361,162	185,218,828
Power and Fuel	6,802,722	9,924,613
Stores and Spares Consumed	691,066,682	571,092,438
Factory and Administrative Overheads	148,807,922	118,009,240
Payment to Mining Contractors	383,881,074	260,832,877
	<b>2,283,756,467</b>	<b>1,704,130,372</b>

24 [a] In compliance of Accounting Standard-2 [Revised], the Company has provided liability of Excise Duty amounting to ₹ 37,84,88,302/- [Previous Year ₹ 19,63,87,657/-] on the stocks of Finished Goods lying at Works. However, there is no impact on the profit for the current year.

[b] The Excise Duty of ₹ 25,90,17,459/- [Previous Year ₹ 22,34,44,115/-] related to difference between Closing and Opening Stock has been debited in the Profit & Loss Account separately.

25 Sundry Debtors include the following debts due from the Companies under the same Management as defined U/s 370(1-B) of the Companies Act, 1956:

	As at 31.03.2011 ₹	As at 31.03.2010 ₹
[a] Jaiprakash Power Ventures Limited	606,016,690	29,060,690
[b] Jaypee Karcham Hydro Corporation Limited *	698,494,947	3,872,733,393
[c] Jaypee Infratech Limited	4,078,356,960	5,756,323,262
[d] Himalyan Expressway Limited	1,218,459,014	93,206,140
[e] Bina Power Supply Company Limited *	271,531,723	117,362,991
[f] Bhilai Jaypee Cement Limited	53,165,326	453,370,551
[g] Bokaro Jaypee Cement Limited	45,009,597	5,757,634
[h] Jaypee Sports International Limited	335,323,842	132,129,988
[i] Prayagraj Power Generation Company Limited	128,588,383	-
[j] Jaypee Arunachal Power Limited	27,313	-
[k] Jaypee Ganga Infrastructure Corporation Limited	10,167	-

[l]	Madhya Pradesh Jaypee Minerals Limited	-	93,878
[m]	Jaypee Powergrid Limited	-	10,676
	* merged with Jaiprakash Power Ventures Limited		

## 26 [a] Details of balances with Foreign Banks in Current Account:

	Name of the Bank	Balance as at 31.03.2011	Amount of Maximum balance during the year	Balance as at 31.03.2010
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.7311]	711,196	14,676,062	7,449,818
03	Bank of Bhutan, Phuentsholing, Bhutan [Nu] [A/c No.268]	-	7,727,547	7,727,547
04	Royal Bank of Scotland [GBP] [A/c No.21872175]	33,942	33,972	31,655
05	Royal Bank of Scotland [USD]	29,509	29,578	29,578
06	Royal Bank of Scotland [EURO]	8,047	8,047	8,008
07	ICICI Bank U.K. Plc London [EURO]	90,557	90,557	90,557
08	ICICI Bank U.K. Plc London [USD]	7,967	7,967	7,967

## (b) details of Fixed Deposits &amp; Balances in Current Account with foreign Branches of Indian Banks:

		₹ As at 31.03.2011 Values	₹ As at 31.03.2010 Values
[i]	Fixed Deposits with:		
	01 State Bank of India, London [USD]	729,081	722,558
	02 State Bank of India, London [GBP]	1,067,396	1,050,000
[ii]	Current Account with:		
	01 Canara Bank, London [USD]	681,214	721,621
	02 State Bank of India, London [EURO]	7,887	7,808
	03 Canara Bank, London [EURO]	12,547	24,277
	04 Bank of Baroda, London [EURO]	73,370	84,676
	05 Bank of India, Jersey [USD]	2,956	6,106
	06 Bank of India, London [USD]	5,624	5,624
	07 Bank of India, Tokyo [USD]	1,350	1,350
	08 Syndicate Bank, London [USD]	187,194	187,234
	09 Bank of Baroda, London [USD]	558	558

27.	Managerial remuneration paid/payable to Whole-time Directors [excluding Provisions for Gratuity & Leave Encashment on retirement]	2010-2011 ₹	2009-2010 ₹
	Salaries	45,504,677	40,485,000
	Provident Fund Contribution	5,460,561	4,858,200
	Perquisites	30,793,120	26,911,603
		<b>81,758,358</b>	<b>72,254,803</b>
	Managerial remuneration paid/payable to Whole-time Directors of Transferor Companies [excluding Provisions for Gratuity & Leave Encashment on retirement]		
	Salaries	-	1,857,419
	Provident Fund Contribution	-	222,891
	Perquisites	-	1,295,605
		-	<b>3,375,915</b>

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

Particulars	2010-2011 Qty. (MT)		2009-2010 Qty. (MT)	
Statistical Data:				
[A] Cement				
[a] Capacity & Production:				
Installed Capacity - Per annum	21,500,000*		19,100,000*	
Production - Portland Cement	14,675,679**		10,516,145**	
- Clinker (Production for Sale)	525,380**		369,834**	
*as on 31.03.2011				
**as certified by the Management.				
	<u>2010-2011</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>2009-2010</u>
	Qty. MT	Value (₹)	Qty. MT	Value (₹)
[b] Sales :				
Cement	13,261,821	52,827,194,693	9,153,059	38,370,442,689
[exclusive of self-consumption]				
Clinker	525,380	1,356,114,403	369,834	1,060,258,338
		54,183,309,096		39,430,701,027
Less: Excise Duty		5,662,737,591		4,027,137,241
		48,520,571,505		35,403,563,786
[c] Particulars in respect of Opening Stock and Closing Stock:				
Opening Stock - Cement *	465,067	1,327,961,605	136,459	316,863,358
Closing Stock - Cement *	569,299	1,845,425,366	465,067	1,327,961,605
* after adjusting 13,07,415 MT Self Consumption (Previous Year 10,30,140 MT) and 2,211 MT screening and transit loss [Previous Year 4,338 MT]				
[B] Cement Product - Asbestos Sheets				
[a] Capacity & Production:				
Installed Capacity - Per annum	100,000*		100,000*	
Production - Asbestos Sheet	96,063**		101,622**	
*as on 31.03.2011				
*as certified by the Management.				
[b] Sales :				
Asbestos Sheet	95,436	913,030,459	93,202	879,818,850
[exclusive of self-consumption]				
Less: Excise Duty		84,118,563		56,255,124
		828,911,896		823,563,726
[c] Particulars in respect of Opening Stock and Closing Stock:				
Opening Stock - Asbestos Sheet *	18,171	103,009,507	12,539	56,101,848
Closing Stock - Asbestos Sheet *	16,806	65,601,151	18,171	66,933,266
* after adjusting 923 MT [Previous Year 1,319 MT] Self Consumption and 1069 MT [Previous Year 1,469 MT] Dry waste loss and rejected sheets loss				
	<u>2010-11</u>		<u>2009-10</u>	
[C] Wind Power				
[a] Capacity & Production:				
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 [18.4%]	78.80 Million Unit		86.70 Million Unit	
Plant Availability	94%		92%	
[b] Sales :				
Sale of Wind Power	298,151,757		317,638,385	

	2010-2011 Qty. MT	2010-2011 Value (₹)	2009-2010 Qty. MT	2009-2010 Value (₹)
<b>[D] Details of Raw Materials, Stores and Spares Consumed:</b>				
<b>[a] Raw Materials: *</b>				
<b>Cement Division</b>				
[i] Indigenous : (96.32% (Previous Year 100%))				
Limestone Raised	16,891,823	2,283,756,467	12,290,821	1,704,130,372
Clinker	327,223	1,222,182,567	211,380	701,990,455
Gypsum	428,698	1,017,802,104	324,205	765,420,953
Laterite/Iron Ore	406,050	366,961,846	308,038	128,842,444
Fly Ash	3,282,265	1,186,875,692	2,384,082	784,330,219
[ii] Imported: (3.68%) (Previous Year NIL)				
Gypsum	77,404	231,996,104	-	-
		<u>6,309,574,780</u>		<u>4,084,714,443</u>
<b>Cement Product - Asbestos Sheets</b>				
[i] Indigenous : (35.62% (Previous Year 29.61%))				
Cement OPC	37,333	102,305,782	38,994	85,103,213
Pulp	766	13,262,807	597	9,763,898
Fly Ash	25,863	12,190,943	27,511	8,716,815
[ii] Imported: (64.38%) (Previous Year 70.39%))				
Fibre	6,882	230,880,922	7,186	246,229,570
		<u>358,640,454</u>		<u>349,813,496</u>
<b>[b] Stores and Spares:</b>	<b>2010-2011</b>		<b>2009-2010</b>	
	₹		₹	
[i] Indigenous	2,735,100,476	92.73%	2,641,618,429	95.68%
[ii] Imported	214,319,676	7.27%	119,137,833	4.32%
	<u>2,949,420,152</u>	<u>100%</u>	<u>2,760,756,262</u>	<u>100%</u>
<b>[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.46/119/2010-CL-III dated 14.05.2010 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 shall not be necessary for the Hotel Business of the Company for the F.Y. 2010-11.</b>				
		<b>2010-2011</b>		<b>2009-2010</b>
		₹		₹
<b>[F] Value of Imports [On CIF Basis]:</b>				
Stores and Spares		610,862,969		3,924,363,997
Capital Equipment [including Capital Work-in-Progress]		4,659,481,588		3,925,636,825
Steel Plates		6,755,728		314,880
Raw Materials		640,775,941		251,486,834
Hydro Mechanical and Electromechanical Equipment		4,192,220,880		1,306,913,315
Others		11,389,932		112,807
<b>[G] Expenditure in Foreign Currency [including Expenditure During Construction Period]:</b>				
Travelling		20,841,909		16,767,388
Technical Fees		241,513,642		191,778,361
Financial and Bank Charges		871,584		2,922,761
Interest		1,106,402,571		896,743,657
Others including Foreign currency rate difference		55,860,782		67,233,977
Foreign Currency Rate Difference [Adjusted in Capitalisation] [including (gain)/loss on forward contracts]		920,746,008		(4,793,490,578)
<b>[H] Earnings in Foreign Exchange [including Income during Construction Period]:</b>				
Cement Exports [FOB Value]		49,709,579		29,622,495
Hospitality		231,242,380		208,154,523
Interest		2,465,049		77,427,946
Others		175,148		34,664,108
Advance received from Real Estate Customers		67,287,101		54,623,855
<b>[I] Dividend Paid to Non-Resident Share Holders in Foreign Currency</b>				

	During FY 2010-2011		During FY 2009-10		
	Interim Div. Ist F.Y. 2010-2011	Final Div. for F.Y. 2009-2010	Interim Div. Ist F.Y. 2009-2010	Final Div. for F.Y. 2008-2009	Interim Div. IInd F.Y. 2008-2009
Number of Share Holders	164	164	146	147	88
Number of Shares *	898,879	863,898	635,260	706,210	686,610
Dividend Paid (₹)	359,552	466,505	343,040	282,484	205,983
* Face Value ₹ 2 per share					

29 The External Commercial Borrowings [ECBs] outstanding as on 31.03.2011 of JPY 21136.05 million , USD 32.50 million, USD 18.21 million, JPY 781.70 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 781.70 million yet to be done.

As on 31.03.2011, the Company has outstanding exposure of Euro 1.706 Million against Foreign Currency Convertible Bonds [FCCB-II] [Previous Year Euro 4.206 Million] and USD 354.475 Million against Foreign Currency Convertible Bonds [FCCB-III] (Previous Year USD 354.475 Million) unhedged pending conversion into Equity Share Capital.

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

#### Relationships

##### [a] Subsidiary Companies [including their subsidiaries]:

- [i] Jaiprakash Power Ventures Limited
  - [ii] Jaypee Infratech Limited
  - [iii] Himalyan Expressway Limited
  - [iv] Jaypee Ganga Infrastructure Corporation Limited
  - [v] Jaypee Sports International Limited
  - [vi] Jaypee Agra Vikas Limited [w.e.f. 16.11.2009]
  - [vii] Jaypee Cement Corporation Limited [w.e.f. 22.02.2011]
  - [viii] Jaypee Fertilizers & Industries Limited [w.e.f. 03.06.2010]
  - [ix] Sangam Power Generation Company Limited [w.e.f. 23.07.2009][subsidiary of Jaiprakash Power Ventures Limited]
  - [x] Prayagraj Power Generation Company Limited [w.e.f. 23.07.2009][subsidiary of Jaiprakash Power Ventures Limited]
  - [xi] Jaypee Meghalaya Power Limited [w.e.f. 26.08.2010] [subsidiary of Jaiprakash Power Ventures Limited]
  - [xii] Jaypee Karcham Hydro Corporation Limited
  - [xiii] Bina Power Supply Company Limited [subsidiary of Jaiprakash Power Ventures Limited]
- Subsidiary Companies at Sl.No.[xii] & [xiii] merged with Jaiprakash Power Ventures Limited w.e.f. 01.04.2010

##### [b] Joint Venture Subsidiaries :

- [i] Bhilai Jaypee Cement Limited
- [ii] Bokaro Jaypee Cement Limited
- [iii] Gujarat Jaypee Cement and Infrastructure Limited
- [iv] Jaypee Powergrid Limited [Joint Venture Subsidiary Company of Jaiprakash Power Ventures Limited]
- [v] Jaypee Arunachal Power Limited [Joint Venture Subsidiary Company of Jaiprakash Power Ventures Limited]
- [vi] Madhya Pradesh Jaypee Minerals Limited [till 02.03.2011]

##### [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] Jaiprakash Agri Initiatives Company Limited
- [x] Tiger Hills Holiday Resort Private Limited
- [xi] Anvi Hotels Private Limited
- [xii] Sarveshwari Stone Products Private Limited
- [xiii] Rock Solid Cement Limited
- [xiv] MP Jaypee Coal Limited
- [xv] Jaypee International Logistics Company Private Limited
- [xvi] Jaypee Hotels Limited
- [xvii] Jaypee Mining Venture Private Limited
- [xviii] Jaypee Infra Ventures (A Private Company with unlimited liability)
- [xix] Indus Hotels UK Limited
- [xx] Ceekay Estates Private Limited

- [xxi] Jaiprakash Exports Private Limited
  - [xxii] Bhumi Estate Developers Private Limited
  - [xxiii] PAC Pharma Drugs and Chemicals Private Limited
  - [xxiv] Jaypee Technical Consultants Private Limited
  - [xxv] Jaypee Uttar Bharat Vikas Private Limited
  - [xxvi] Kanpur Fertilizers & Cement Limited
  - [xxvii] Madhya Pradesh Jaypee Minerals Limited [w.e.f. 03.03.2011]
  - [xxviii] MP Jaypee Coal Fields Limited
  - [xxix] GM Global Mineral Mining Private Limited
  - [xxx] Ibonshourne Limited
  - [xxxi] Vasujai Estates Private Limited
  - [xxxii] Samsun Estates Private Limited
  - [xxxiii] Sunvin Estates Private Limited
  - [xxxiv] Manumanik Estates Private Limited
  - [xxxv] Arman Estates Private Limited
  - [xxxvi] Suneha Estates Private Limited
  - [xxxvii] Pee Gee Estates Private Limited
  - [xxxviii] Vinamra Housing & Constructions Private Limited
- Associate Companies at Sl.No.[xxxi] to [xxxviii] merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009

**[d] Key Management Personnel:**

- [i] Shri Manoj Gaur, Executive Chairman & C.E.O.
- [ii] Shri Sunil Kumar Sharma, Executive Vice Chairman
- [iii] Shri Sunny Gaur, Managing Director [Cement]
- [iv] Shri Pankaj Gaur, Joint Managing Director [Construction]
- [v] Shri Shyam Datt Nailwal, Director [Finance]
- [vi] Shri Ranvijay Singh, Whole time Director
- [vii] Shri Ravindra Kumar Singh, Whole time Director
- [viii] Shri Rahul Kumar, Whole time Director & C.F.O.

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

- [i] Shri Gyan Prakash Gaur
- [ii] Shri Naveen Kumar Singh
- [iii] Smt Neha Goyal
- [iv] Shri Pawan Kumar Jain [till 31.03.2010]
- [v] Smt.Rekha Dixit [till 31.08.2009]
- [vi] Smt Manju Sharma [till 30.06.2009]

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 (₹)	Referred in 1(b) above (₹)	Referred in 1(c) above (₹)	Referred in 1(d) above (₹)	Referred in 1(e) above (₹)
<b>Income</b>					
Contract Receipts	51,361,172,400	429,721,111	-	-	-
	(41,677,208,658)	(892,428,960)	-	-	-
Sale of Cement/ Other Material	720,047,329	80,791,807	12,621,050	-	-
	(121,275,128)	(169,476,028)	(3,141,966)	-	-
Real Estate Revenue	-	-	2,535,655,207	-	-
	-	-	-	-	-
Dividend Received	866,249,550	-	-	-	-
	(233,250,450)	-	(23,004,493)	-	-
Machinery/Helicopter Hire Charges	28,261,990	1,249,999	9,835,833	-	-
	(6,879,166)	(162,500)	(150,000)	-	-
Rent	4,032,000	-	-	-	-
	(6,432,000)	-	-	-	-
Interest	-	-	-	-	-
	-	-	-	-	-
Hotel Revenue	9,998,991	185,752	80,958	-	-
	(7,515,744)	(176,996)	(112,474)	-	-
Others	78,191,184	84,414,232	4,335,189	-	-
	(78,917,488)	(54,848,658)	-	-	-

Nature of Transactions	Referred in 1(a) above (₹)	Referred in 1(b) above (₹)	Referred in 1(c) above (₹)	Referred in 1(d) above (₹)	Referred in 1(e) above (₹)
<b>Expenditure</b>					
Management Fees	-	-	123,861,597	-	-
Lease Rent	-	-	-	-	-
Technical Consultancy	-	-	353,990,934 (399,763,349)	-	-
Purchase of Clinker/ Other Material	-	982,364,480 (555,982,090)	29,375,791 (22,019,903)	-	-
Interest Paid	-	-	-	-	-
Salaries & Other Amenities etc.	-	-	-	81,758,358 (72,254,803)	10,255,663 (15,904,026)
Security & Medical Services	-	-	948,611,218 (660,550,104)	-	-
Rent	-	-	6,618,000 (6,000,000)	-	-
Fixed Assets Purchased	-	-	12,462,669	-	-
Others	-	-	176,000	-	-
<b>Others</b>					
Paid for Land (Real Estate)	2,052,700,000 (5,131,750,000)	-	-	-	-
Purchase of Shares during the year	2,805,150,000 (7,823,500,000)	500,423,070 (1,905,346,090)	2,226,400,000 (53,900,000)	-	-
Sale/Redemption of Shares during the year	-	-	- (84,000,000)	-	-
<b>Outstandings as at 31st March</b>					
<b>Receivables</b>					
Advances to Suppliers, Mobilisation Advances, Security Deposits and Debtors	8,583,482,172 (10,739,444,606)	346,809,332 (639,002,492)	17,105,479,935 (12,339,111,769)	-	27,200
<b>Payables</b>					
Mobilisation & Machinery Advances, Unsecured Loans, Security/ Earnest Money and Creditors	10,815,212,038 (17,154,142,945)	47,934,785 (119,744,970)	486,376,427 (217,124,170)	3,895,142 (3,970,580)	250,800 (490,835)

**Note:**

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

**31 Segment Information Business Segment**

Particulars	Construction	Cement / Cement Products	Hotel/Hospitality	Real Estate	Power	Investments	Others	Unallocated	Total
(₹)									
[A] Segment Revenue									
External	60,527,151,728 (55,891,384,085)	50,960,160,573 (37,393,537,013)	1,787,043,656 (1,531,295,540)	17,102,670,365 (6,535,740,309)	313,752,127 (320,298,385)	1,035,853,349 (393,947,644)	103,534,670 (256,032,093)	1,356,961,586 (1,232,048,437)	133,187,128,054 (103,554,283,506)
Inter Segment Revenue	-	3,597,699,669 (2,357,590,488)	23,281,700 (12,016,897)	-	-	-	-	-	3,620,981,369 (2,369,607,385)
[B] Segment Results									
Profit/(Loss) before Tax and Interest	9,263,914,893 (11,710,435,030)	8,396,030,735 (10,578,712,819)	151,549,871 (89,822,931)	8,708,466,670 (2,596,840,864)	121,932,847 (162,028,716)	1,035,853,349 (393,947,644)	(39,208,094) (-) (69,601,879) (-)	1,283,287,680 (1,254,636,805)	26,355,252,591 (24,346,753,078)
Less: Interest Expenses									13,941,786,880 (10,557,945,737)
Profit before Tax									12,413,465,711 (13,788,807,341)



Particulars	Construction	Cement / Cement Products	Hotel/Hospitality	Real Estate	Power	Investments	Others	Unallocated	Total
Profit on Sale of Equity Shares [Previous Year - held through Beneficiary Trusts]									5,131,607,875
Provision for writing off claims - Iraq Woks									(13,163,538,746)
Employee Compensation Expense - [ESPS]									(1,016,261,224)
Profit before Tax									(2,119,375,000)
									17,545,073,586
									(23,816,709,863)
[C] Other Information									
Provision for Tax									
Current Tax									3,300,866,445
Deferred Tax									(4,396,896,775)
Income Tax provision of earlier years reversed									2,707,270,694
									(2,336,215,197)
									140,932,629
Profit after Tax									-
									11,677,869,076
									(17,083,597,891)
Segment Assets	51,607,637,837	163,875,320,428	6,381,687,741	38,123,757,819	,666,998,332	4,837,459,594	3,000,813,210	33,937,142,369	377,430,817,330
	(50,665,096,451)	31,751,885,251)	(5,433,808,079)	1,088,245,492)	,026,817,684)	,762,643,308)	(2,029,544,299)	7,058,588,701)	(328,816,629,265)
Segment Liabilities	19,458,519,384	13,304,135,420	737,307,940	12,004,297,680	800,771,581	-	237,505,823	8,935,276,196	55,477,814,024
	(24,064,593,307)	(10,542,576,637)	(509,513,193)	3,586,625,753)	(267,019,816)	-	(127,971,258)	8,092,661,024)	(57,190,960,988)
Loans									217,076,309,102
									(179,087,248,132)
Capital Expenditure during the year including Capital Work-in-Progress	1,983,404,558	30,458,722,227	1,545,565,793	350,045,973	10,571,622,721	-	911,178,941	1,015,738,102	46,836,278,315
	(1,817,991,923)	(24,637,969,116)	(693,608,746)	(534,481,146)	(2,480,730,188)	-	(658,869,503)	(23,560,423)	(30,847,211,045)
Depreciation	1,152,335,319	4,469,231,856	162,172,707	15,931,212	138,075,950	-	46,456,182	93,931,520	6,078,134,746
	(1,078,626,958)	(3,058,299,318)	(170,640,180)	(6,266,252)	(142,742,897)	-	(20,828,158)	(83,207,548)	(4,560,611,311)
Non Cash expenditure other than depreciation	-	73,176,372	2,098,320	2,299,063	-	-	-	-	77,573,755
	-	(50,699,286)	(2,267,876)	(3,245,782)	-	-	-	(38,530,311)	(94,743,255)

[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] Power Generation and Sale of Energy
- [vi] Investments Investments in Subsidiaries and Joint Ventures for Cement, Power, Expressway, Sports etc.
- [vii] Others Includes Heavy Engineering Works, Hitech Castings, Coal, Waste Treatment Plant 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.

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

	2010-2011	2009-2010
	₹	₹
[a] Net Profit for Basic Earnings Per Share as per Profit & Loss Account after extraordinary item	11,677,869,076	17,083,597,892
Add Employee Compensation Expense - [ESPS] [Extraordinary Item]	-	2,119,375,000
Net Profit for Basic Earnings Per Share as per Profit & Loss Account before extraordinary item	11,677,869,076	19,202,972,892
Add Adjustment for the purpose of Diluted Earnings Per Share	242,533	1,383,627

	Net Profit for Diluted Earnings Per Share as per Profit & Loss Account after extraordinary item	<b>11,678,111,609</b>	17,084,981,519
	Net Profit for Diluted Earnings Per Share as per Profit & Loss Account before extraordinary item	<b>11,678,111,609</b>	19,204,356,519
[b]	Weighted average number of equity shares for Earnings Per Share computation:		
	[i] Number of Equity Shares at the beginning of the year	<b>2,124,634,633</b>	1,183,800,579
	[ii] Number of Shares allotted during the year	<b>1,798,549</b>	940,834,054
	[iii] Weighted average shares allotted during the year	<b>1,177,680</b>	929,811,772
	[iv] Number of potential Equity Shares	<b>88,443,882</b>	111,696,159
	[v] Weighted average for:		
	[a] Basic Earnings Per Share	<b>2,125,812,313</b>	2,113,612,351
	[b] Diluted Earnings Per Share	<b>2,214,256,195</b>	2,225,308,510
[c]	Earnings Per Share before extraordinary		
	[i] Basic	<b>₹ 5.49</b>	₹ 9.09
	[ii] Diluted	<b>₹ 5.27</b>	₹ 8.63
[d]	Earnings Per Share after extraordinary		
	[i] Basic	<b>₹ 5.49</b>	₹ 8.08
	[ii] Diluted	<b>₹ 5.27</b>	₹ 7.68
[e]	Face Value Per Share	<b>₹ 2.00</b>	₹ 2.00

### 33 (a) Provident Fund - Defined Contribution Plan

All employees are entitled to Provident Fund benefits. ₹ 26,54,77,875/- [Previous Year ₹ 23,40,37,877/-] 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 a Trust namely Jaiprakash Associates Employees Gratuity Fund Trust to manage funds towards Gratuity Liability of the Company. SBI Life Insurance Company Limited and ICICI Prudential Life Insurance Company Limited has been appointed for management of the Trust Fund for the benefit of the employees.

(₹)

SI No.	Particulars	FY 2010-2011		FY 2009-2010	
		GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
<b>I</b>	<b>Expenses recognised in the Statement of Profit &amp; Loss Account/IEDC for the year ended</b>				
1	Current Service Cost	<b>80,930,146</b>	<b>115,672,968</b>	57,824,870	77,487,342
2	Interest Cost	<b>37,343,501</b>	<b>27,184,624</b>	32,442,980	17,486,555
3	Employee Contribution	-	-	-	-
4	Expected Return on Plan Assets	<b>(46,722,460)</b>	-	-	-
5	Actuarial (Gains)/ Losses	<b>36,692,408</b>	<b>(43,841,036)</b>	(22,361,217)	79,653,688
6	Past Service Cost	<b>648,424</b>	-	-	-
7	Settlement Cost	-	-	-	-
8	Total Expenses	<b>108,892,019</b>	<b>99,016,556</b>	67,906,633	174,627,585
<b>II</b>	<b>Net Asset / (Liability) recognised in the Balance Sheet</b>				
1	Present Value of Defined Benefit Obligation	<b>607,757,641</b>	<b>406,904,901</b>	466,793,768	339,807,808
2	Fair Value of Plan Assets	<b>720,265,318</b>	-	519,138,443	-
3	Funded Status [Surplus/ [Deficit]	<b>112,507,677</b>	<b>(406,904,901)</b>	52,344,675	(339,807,808)
4	Net Asset/ (Liability)	<b>112,507,677</b>	<b>(406,904,901)</b>	52,344,675	(339,807,808)

SI No.	Particulars	FY 2010-2011		FY 2009-2010	
		GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
<b>III</b>	<b>Change in Obligation during the Year</b>				
1	Present value of Defined Benefit Obligation at the beginning of the year	<b>466,793,768</b>	<b>339,807,808</b>	405,537,254	218,581,937
2	Current Service Cost	<b>80,930,146</b>	<b>115,672,968</b>	57,824,870	77,487,342
3	Interest Cost	<b>37,343,501</b>	<b>27,184,624</b>	32,442,980	17,486,555
4	Settlement Cost	-	-	-	-
5	Past Service Cost	<b>648,424</b>	-	-	-
6	Employee Contributions	-	-	-	-
7	Expected Return on Plan Assets	<b>(46,722,460)</b>	-	-	-
8	Actuarial (Gains) / Losses	<b>36,692,408</b>	<b>(43,841,036)</b>	(22,361,217)	79,653,688
9	Benefit Payments	<b>(24,103,482)</b>	<b>(31,919,463)</b>	(21,399,275)	(53,401,714)
10	Actual return on plan assets	<b>56,175,336</b>	-	14,749,156	-
11	Present Value of Defined Benefit Obligation at the end of the year	<b>607,757,641</b>	<b>406,904,901</b>	466,793,768	339,807,808
<b>IV</b>	<b>Change in Assets during the Year</b>				
1	Plan Assets at the beginning of the year	<b>519,138,443</b>	-	-	-
2	Assets acquired on amalgamation in previous year	-	-	-	-
3	Settlements	-	-	-	-
4	Expected return on Plan Assets	-	-	-	-
5	Contribution by Employer	<b>169,055,021</b>	-	525,788,562	-
6	Actual Benefit Paid	<b>(24,103,482)</b>	-	(21,399,275)	-
7	Actual Return on Plan Assets	<b>56,175,336</b>	-	14,749,156	-
8	Plan Assets at the end of the year	<b>720,265,318</b>	-	519,138,443	-

**(c) Actuarial Assumptions**

- (i) Discount Rate 8.00%
- (ii) Mortality LIC (1994-1996)
- (iii) Turnover Rate Upto 30 years - 2%, 30-44 years - 5%, Above 44 years - 3%
- (iv) Future Salary Increase 5.50%

34 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 Sl.No.30(a) & (b) above, its Associates given under Sl.No.30(c) above and Siddharth Utility Private Limited.

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

36 All the figures have been rounded off to the nearest lakh ₹ except in the Notes to the Account].

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

Signatures to Schedules " A " to " S "

FOR AND ON BEHALF OF THE BOARD

**For M.P. Singh & Associates**  
Chartered Accountants

**MANOJ GAUR**  
Executive Chairman & C.E.O.

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

**SUNIL KUMAR SHARMA**  
Executive Vice Chairman

Place : Noida  
Dated : 12th August, 2011

**GOPAL DAS BANSAL**  
Sr. Vice-President [Accounts]

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

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

**RAHUL KUMAR**  
Director & C.F.O.

**SHYAM DATT 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	31.03.2011	

**II Capital raised during the period (Amount in ₹ Lakhs)**

Public Issue	36 *	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
		Preferential Allotment	Nil

\* On conversion of Foreign Currency Conversion Bonds (FCCB's) into Shares.

**III Position of Mobilisation and Deployment of Funds (Amount in ₹ Lakhs)**

Total Liabilities	3,232,543
Total Assets	3,232,543

**Sources of Funds**

Paid-up Capital	42,529
Reserve & Surplus	897,208
Secured Loans	1,492,962
Unsecured Loans	677,802
Deferred Tax Liability	122,042
	<u>3,232,543</u>

**Application of Funds**

Net Fixed Assets (including Capital Work-in-Progress)	1,830,956
Investments	648,375
Deferred Tax Asset	2,644
Net Current Assets	750,568
Miscellaneous Expenditure	-
Accumulated Losses	-
	<u>3,232,543</u>

**IV Performance of Company (Amount in ₹ Lakhs)**

Turnover	1,383,187
Total Expenditure	1,207,736
Profit/Loss Before Tax (+)	175,451
Profit/Loss After Tax (+)	116,778
Before Extraordinary Items	
Basic Earnings Per Share in ₹	5.49
Diluted Earnings Per Share in ₹	5.27
After Extraordinary Items	
Basic Earnings Per Share in ₹	5.49
Diluted Earnings Per Share in ₹	5.27
Dividend Rate (%)	40%

**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

**For M.P. Singh & Associates**

Chartered Accountants

**M.P. SINGH**

Partner

M.No.1454, Firm Regn No.002183C

**MANOJ GAUR**

Executive Chairman & C.E.O.

**SUNIL KUMAR SHARMA**

Executive Vice Chairman

Place : Noida

**GOPAL DAS BANSAL**

**RAM BAHADUR SINGH**

**HARISH K. VAID**

**RAHUL KUMAR**

**SHYAM DATT NAILWAL**

Dated : 12th August, 2011 Sr. Vice-President [Accounts]

C.F.O. [Cement]

Sr. President [Corporate  
Affairs] & Company Secretary

Director & C.F.O.

Director [Finance]

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

	2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before Tax as per Profit & Loss Account	175,451	238,167
<u>Add back:</u>		
(a) Depreciation	60,781	45,606
(b) Miscellaneous Expenses (Amortized)	774	948
(c) Interest on Borrowings	139,418	105,579
(d) Employee Compensation Expense [ESPS]	-	21,194
(e) Loss on sale of Assets [Net]	179	98
	<u>201,152</u>	<u>173,425</u>
	376,603	411,592
<u>Deduct:</u>		
(a) Interest Income	(12,233)	(12,000)
(b) Dividend Income	(10,179)	(3,090)
(c) Profit on Sale of Equity Shares [Previous Year - held through Beneficiary Trusts]	(51,316)	(131,635)
(d) Profit on Sale/Redemption of Preference Shares/Mutual Funds	(180)	(849)
(e) Other Income	(710)	(399)
	<u>(74,618)</u>	<u>(147,973)</u>
Operating Profit before Working Capital Changes	301,985	263,619
<u>Deduct:</u>		
(a) Increase in Inventories	(11,282)	(32,501)
(b) Increase in Projects under Development	(11,896)	(62,998)
(c) Increase in Sundry Debtors	(52,560)	(126,299)
(d) Increase in Loans and Advances	(59,054)	(50,683)
(e) Decrease in Trade Payables & Other Liabilities	(18,068)	-
	<u>(152,860)</u>	<u>(272,481)</u>
<u>Add:</u>		
Increase in Trade Payables & Other Liabilities	-	54,462
Cash Generated from Operations	149,125	45,600
<u>Deduct:</u>		
Tax Paid [except Tax paid on Profit on sale of Equity Shares]	(28,367)	(27,068)
<b>CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>“A”</b>	<b>120,758</b>
		<b>18,532</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<u>Outflow:</u>		
(a) Purchase of Fixed Assets (including CWIP)	(468,299)	(308,473)
(b) Purchase of Investments in Equity Shares [including Share Application Money]	(94,168)	(116,742)
(c) Purchase of Investments in units of Mutual Fund/ Exchange Traded Funds	(292,969)	(179,144)
	<u>(855,436)</u>	<u>(604,359)</u>
<u>Inflow:</u>		
(a) Sale/Transfer of Fixed Assets (including CWIP)	2,320	821
(b) Sale/Redemption of Investments in Preference Shares/Mutual Fund	290,568	149,185
(c) Sale of Equity Shares [Previous Year - held through Beneficiary Trusts]	57,316	168,079
(d) Interest Received	12,651	10,244
(e) Dividend Received	10,179	3,090
(f) Other Income	710	399
	<u>373,744</u>	<u>331,818</u>
<u>Deduct:</u>		
Tax Paid on Profit on Sale of Equity Shares	(10,228)	(22,371)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>“B”</b>	<b>(491,920)</b>
		<b>(294,912)</b>

	2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<u>Inflow:</u>		
(a) Increase in Share Capital (Refer Note No.3)	36	311
(b) Increase in Security Premium (Refer Note No.3)	1,304	8,348
(c) Increase in Borrowings (Net of Repayments)	379,893	480,254
(d) Capital Reserve on Buy back of Foreign Currency Convertible Bonds	-	136
	<b>381,233</b>	489,049
<u>Outflow:</u>		
(a) Interest paid	(131,619)	(98,059)
(b) Dividend Paid (including Tax on Dividend)	(20,117)	(17,551)
	<b>(151,736)</b>	(115,610)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>“C”</b>	<b>229,497</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>“A+B+C”</b>	<b>97,059</b>
CASH AND CASH EQUIVALENTS AS AT 01.04. (OPENING BALANCE)	<b>387,918</b>	290,859
CASH AND CASH EQUIVALENTS AS AT 31.03. (CLOSING BALANCE)	<b>246,253</b>	387,918

**Notes:**

1. Cash and Cash Equivalents:

Cash-in-hand and Balances with Scheduled Banks in Rupees  
[including ₹ 1138 Lakhs lying in Unpaid Dividend Account (Previous Year ₹ 867 Lakhs) which are not available for use by the Company].

**246,132**

387,657

Cash-in-hand and Balances with Non Scheduled Banks in Foreign Currency [including Iraqi Dinars 27,377 Million (equivalent to ₹ 9.63 Lakhs) which are not available for use by the Company]

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2. Against the working capital cash credit limit of ₹ 26,300 Lakhs (Previous year ₹ 26,300 Lakhs) sanctioned by the Banks the outstanding balance as on 31st March, 2011 is ₹ 20,814 Lakhs (Previous Year ₹ 15,150 Lakhs)
3. Increase in Share Capital & Share Premium is on account of
  - (i) Conversion of Foreign Currency Convertible Bonds into Equity Shares. Correspondingly, the Borrowings have been decreased.
  - (ii) Issue of Equity Shares under ESPS Scheme.
4. Direct Taxes paid are treated as arising from Operating Activities (except relating to sale of Equity Shares) and are not bifurcated between Investing and Financing activities.
5. 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 & C.E.O.

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

**SUNIL KUMAR SHARMA**  
Executive Vice Chairman

Place : Noida      **GOPAL DAS BANSAL**      **RAM BAHADUR SINGH**  
Dated : 12th August, 2011      Sr. Vice-President [Accounts]      C.F.O. [Cement]

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

**RAHUL KUMAR**  
Director & C.F.O.

**SHYAM DATT NAILWAL**  
Director [Finance]

**ANNEXURE TO THE BALANCE SHEET AS AT 31ST MARCH, 2011  
STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANIES**

01	Name of Subsidiary Company	[A]	[B]	[C]	[D]	[E]	[F]	[G]
		31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
02	Financial Year of the Subsidiary Company ended on							
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							
	(i) Equity Shares of ₹ 10/- each - fully paid-up	1783000600*	271,350,000	149,450,400	1,155,000,000	543,160	185,000,000	118,090,000
	(ii) Extent of holding	67.93%	100.00%	74.00%	83.16%	74.00%	74.00%	100.00%
	(iii) Share Application Money (₹)	-	2,946,500,000	-	-	111,198,400	-	-
04	Date from which it became Subsidiary Company	04.03.1995	18.03.2008	11.04.2007	05.04.2007	26.12.2007	30.01.2007	25.05.2007
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	₹ 11222 Lakhs	-	(₹ 8177 Lakhs)	₹ 119336 Lakhs	-	(₹ 136 Lakhs)	-
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary	₹ 52479 Lakhs	-	(₹ 357 Lakhs)	₹ 61720 Lakhs	-	-	-
	(ii) Dealt with in the Holding Company's Accounts:							
	(a) For the Financial Year of the Subsidiary	-	-	-	₹ 8662 Lakhs	-	-	-
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary	₹ 11665 Lakhs	-	-	-	-	-	-
06	Changes in the interest of Jaiprakash Associates Limited between the end of the Subsidiary's Financial Year and 31st March, 2011							
	Number of Shares acquired	-	-	-	-	-	-	-
	- Material changes between the end of the Subsidiary's Financial Year and 31st March, 2011							
	(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	-	-	-	-	-	-	-

**ANNEXURE TO THE BALANCE SHEET AS AT 31ST MARCH, 2011  
STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANIES**

01	Name of Subsidiary Company	Jaypee Sports International Limited	Jaypee Cement Limited	Bokaro Jaypee Cement Limited	Jaypee Arunachal Power Limited	Jaypee Power Generation Co. Limited	Sangam Power Generation Co. Limited	Prayagraj Power Generation Co. Limited	Jaypee Meghalaya Power Limited	Jaypee Agra Vikas Limited	Jaypee Cement Corporation Limited	Jaypee Fertilizers & Industries Limited**
		[H]	[I]	[J]	[K]	[L]	[M]	[N]	[O]	[P]		
		31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
02	Financial Year of the Subsidiary Company ended on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
03	Number of Shares held by Jaiprakash Associates Limited and its nominees in the Subsidiary Companies at the end of the financial year of the Subsidiary Companies	499,877,000	56,866,146	200,000,000	551,977,200	509,189,600	50,000	273,800,000	13,000,000	13,000,000	13,000,000	6,765,000
	(i) Equity Shares of ₹ 10/- each - fully paid-up	90.56%	74.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	(ii) Extent of holding	750,000,000	418,438,540	-	-	1,690,000,000	49,500,000	3,100,000,000	750,000,000	750,000,000	750,000,000	1,000,000
	(iii) Share Application Money (₹)	07.03.2008	13.03.2008	23.04.2008	23.07.2009	23.07.2009	26.08.2010	16.11.2009	22.02.2011	22.02.2011	22.02.2011	03.06.2010
04	Date from which it became Subsidiary Company											
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		(₹ 25 Lakhs)	(₹ 99 Lakhs)	(₹ 7 Lakhs)	(₹ 6 Lakhs)	(₹ 2 Lakhs)	(₹ 200 Lakhs)	(₹ 2333 Lakhs)			
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary	(₹ 182 Lakhs)		(₹ 126 Lakhs)								
	(ii) Dealt with in the Holding Company's Accounts:											
	(a) For the Financial Year of the Subsidiary											
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary											
06	- Changes in the interest of Jaiprakash Associates Limited between the end of the Subsidiary's Financial Year and 31st March, 2011											
	Number of Shares acquired											
	- Material changes between the end of the Subsidiary's Financial Year and 31st March, 2011											
	(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											

\* Jaypee Karcham Hydro Corporation Limited & Bina Power Supply Company Limited merged with Jaiprakash Power Ventures Limited [JPVL] w.e.f 01.04.2010. The Shares in merged entity yet to be credited.

However the shares are taken into consideration in computing % of shares held in JPVL.

\*\* First financial year of the Company will be ending in 31.08.2011.

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

Signatures to Schedules "A" to "S"

**For M.P. Singh & Associates**

Chartered Accountants

**M.P. SINGH**

Partner

M.No.1454, Firm Regn No.002183C

Place : Noida

Dated : 12th August, 2011

**GOPAL DAS BANSAL**

Sr. Vice-President [Accounts]

**RAM BAHADUR SINGH**

C.F.O. [Cement]

**HARISH K. VAID**

Sr. President [Corporate Affairs] & Company Secretary

**RAHUL KUMAR**

Director & C.F.O.

**SHYAM DATT NAILWAL**

Director [Finance]

**FOR AND ON BEHALF OF THE BOARD**

**MANOJ GAUR**

Executive Chairman & C.E.O.

**SUNIL KUMAR SHARMA**

Executive Vice Chairman



**AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAIPRAKASH ASSOCIATES LIMITED AND ITS SUBSIDIARIES****The Board of Directors  
Jaiprakash Associates Limited**

1. We have audited the attached Consolidated Balance Sheet of Jaiprakash Associates Limited and its subsidiaries, as at 31st March 2011, and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Jaiprakash Associates Limited management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing by accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 37,130.99 Crores as at 31st March 2011, the total revenues of Rs. 3,972.24 Crores and total cash flows amounting to Rs. 186.20 Crores for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us. Our opinion is based solely on the report of other auditors.
4. We report that the consolidated financial statements have been prepared by the Jaiprakash Associates Limited management in accordance with the requirements of Accounting Standards (AS) 21 'Consolidated Financial Statements', and Accounting Standards (AS) 23 'Accounting for Investments in Associates in Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of Jaiprakash Associates Limited and its subsidiaries as at 31st March, 2011;
  - (b) in the case of the Consolidated Profit and Loss Account, of the profit of Jaiprakash Associates Limited and its subsidiaries for the year ended on the date; and
  - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of Jaiprakash Associates Limited and its subsidiaries for the year ended on that date.

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

**(CA M.P. SINGH)**  
Partner  
M.No.1454

Place : Noida  
Dated :12 August 2011

# CONSOLIDATED BALANCE SHEET

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

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

FOR AND ON BEHALF OF THE BOARD

For M.P. Singh & Associates  
Chartered Accountants

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

Place : Noida

Dated : 12th August, 2011

GOPAL DAS BANSAL

Sr. Vice-President [Accounts]

RAM BAHADUR SINGH

C.F.O. [Cement]

HARISH K. VAID

Sr. President [Corporate Affairs] & Company Secretary

RAHUL KUMAR

Director & C.F.O.

SHYAM DATT NAILWAL

Director [Finance]

MANOJ GAUR

Executive Chairman & C.E.O.

SUNIL KUMAR SHARMA

Executive Vice Chairman

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

	SCHEDULE	2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
<b>INCOME</b>			
<b>Cement Sales [Gross]</b>		<b>562,133</b>	392,173
Less: Excise Duty on Sales		<u>60,262</u>	<u>40,218</u>
		<b>501,871</b>	351,955
<b>Construction Revenue</b>		<b>85,015</b>	131,864
<b>Real Estate/ Infrastructure Revenue</b>		<b>427,658</b>	67,565
<b>Hotel/Hospitality Revenue</b>		<b>17,629</b>	15,122
<b>Sale of Energy</b>		<b>81,699</b>	73,707
<b>Sale of VERs</b>		<b>3,821</b>	4,111
<b>Asbestos Sheets Sales [Gross]</b>		<b>9,078</b>	8,793
Less: Excise Duty on Sales		<u>837</u>	<u>(562)</u>
		<b>8,241</b>	
<b>Other Revenue</b>	K	<u>88,363</u>	<u>157,956</u>
		<b>1,214,297</b>	810,511
<b>EXPENDITURE</b>			
(Increase)/Decrease in Stocks & Work -in-Progress	L	<b>(29,489)</b>	10,091
Manufacturing, Construction, Real Estate , Infrastructure, Hotel/ Hospitality & Power Expenses	M	<b>455,735</b>	243,445
Excise Duty on Stocks		<b>3,836</b>	2,268
Personnel	N	<b>52,493</b>	59,409
Selling & Distribution Expenses	O	<b>111,543</b>	60,459
Other Expenses	P	<b>57,846</b>	57,709
Interest	Q	<b>187,469</b>	128,638
Depreciation		<u>64,635</u>	<u>47,220</u>
		<b>904,068</b>	609,239
		<b>310,229</b>	201,272
Adjustment of Tariff for FY 04 to FY 08		<b>(1,002)</b>	-
Prior Period Adjustments [Net]		<u>(458)</u>	<u>(593)</u>
<b>Profit before Tax</b>		<b>308,769</b>	200,679
Provision for Taxation			
Current Tax		<b>75,116</b>	59,144
Deferred Tax		<b>29,159</b>	23,351
Excess Provision for Income Tax in Earlier Years Reversed		<u>(1,409)</u>	<u>-</u>
<b>Net Profit after Tax and before Minority Interest and Share in Earnings of Associates</b>		<b>205,903</b>	118,184
Minority Share Holders Interest		<b>(26,536)</b>	(6,266)
Share in Earnings of Associates		<u>(85)</u>	<u>-</u>
<b>Net Profit for the Period</b>		<b>179,282</b>	111,918
Profit brought forward from Previous Year		<u>166,200</u>	<u>152,192</u>
<b>Profit Available for Appropriation</b>		<b>345,482</b>	264,110
Less: Dividend Paid Pertaining to Previous year		<b>11</b>	1
Less: Transferred to Reserve for Redemption Premium on Foreign Currency Convertible Bonds		<b>17,200</b>	11,975
Less: Transferred to Debenture Redemption Reserve		<b>76,523</b>	47,986
Less: Transferred to General Reserve		<b>15,300</b>	24,000
Add: Tax on Proposed Final Dividend Reversed		<b>-</b>	396

SCHEDULE	2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
Add: Final Dividend Received by Jaiprakash Enterprises Limited [Transferor Company]	-	240
Add: Final Dividend Transferred from Trusts	1,022	705
Add: Minority Shareholders Interest for Appropriation	26,536	6,266
Less: Interim Dividend	10,260	7,571
Less: Interim Dividend received by Trusts	(757)	(682)
Tax on Interim Dividend	1,730	1,287
Proposed Final Dividend	9,675	11,473
Tax on Proposed Final Dividend	2,506	1,906
<b>Balance carried to Balance Sheet</b>	<b>240,592</b>	<b>166,200</b>

Accounting Policies and Notes to the Consolidated T  
Accounts

**Earnings Per Share [EPS] [Face Value of ₹ 2/- per Share] [Refer Schedule "T" of SI.No.14]**

**Before Extraordinary Items**

Basic Earnings per Share	8.43	6.30
Diluted Earnings per Share	8.10	5.98

**After Extraordinary Items**

Basic Earnings per Share	8.43	5.30
Diluted Earnings per Share	8.10	5.03

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

FOR AND ON BEHALF OF THE BOARD

**For M.P. Singh & Associates**

Chartered Accountants

**M.P. SINGH**

Partner

M.No.1454, Firm Regn No.002183C

Place : Noida

Dated : 12th August, 2011

**GOPAL DAS BANSAL**

Sr. Vice-President [Accounts]

**RAM BAHADUR SINGH**

C.F.O. [Cement]

**HARISH K. VAID**

Sr. President [Corporate  
Affairs] & Company Secretary

**RAHUL KUMAR**

Director & C.F.O.

**MANOJ GAUR**

Executive Chairman & C.E.O.

**SUNIL KUMAR SHARMA**

Executive Vice Chairman

**SHYAM DATT NAILWAL**

Director [Finance]

	As at 31.03.2011 ₹ Lakhs	As at 31.03.2010 ₹ Lakhs
<b>CONSOLIDATED SCHEDULE "A"</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
12,34,40,00,000 Equity Shares of ₹ 2/- each (12,34,40,00,000)	246,880	246,880
31,20,000 Preference Shares of ₹ 100/- each (31,20,000)	3,120	3,120
	<b>250,000</b>	<b>250,000</b>
<b>Issued, Subscribed and Paid-up</b>		
2,126,433,182 Equity Shares of ₹ 2/- each fully paid up comprising of (2,124,634,633)		
860,865,055 Equity Shares allotted for consideration other than cash (860,865,055) in terms of the Scheme of Amalgamation effective from 11.03.2004;		
20,219,850 Equity Shares allotted for cash under "Jaypee 20,219,850 Employees Stock Purchase Scheme 2002";		
173,178,150 Equity Shares allotted for cash on conversion of Foreign Currency (171,379,601) Convertible Bonds;		
124,378,825 Equity Shares allotted in terms of Scheme of Amalgamation (124,378,825) effective from 22.08.2006 ;		
10,000,000 Equity Shares allotted for cash to Promoters on Preferential (10,000,000) Basis;		
218,010,985 Equity Shares allotted pursuant to Scheme of Amalgamation (218,010,985) effective from 27.05.2009;		
12,500,000 Equity Shares allotted for cash under "Jaypee Employees (12,500,000) Stock Purchase Scheme 2009" and		
707,280,317 Equity Shares allotted as Bonus Shares. (707,280,317)	42,529	42,493
	<b>42,529</b>	<b>42,493</b>

**CONSOLIDATED SCHEDULE "B"**
**RESERVES AND SURPLUS**
**General Reserve**

As per last Balance sheet	170,841	141,289	
Add : Transfer from Profit & Loss Account / Debenture Redemption Reserve	27,800	24,000	
Add: Adjustment *	<u>27</u>	<u>5,552</u>	170,841

**Capital Redemption Reserve**

As per last Balance sheet	113	113	
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**Debenture Redemption Reserve**

As per last Balance sheet	97,802	49,816	
Add : Transfer from Profit and Loss Account	76,523	47,986	
Less : Transfer to General Reserve	<u>12,500</u>	<u>-</u>	97,802

**Revaluation Reserve**

As per last Balance sheet	30,390	30,729	
Less: Revaluation Reserved on Lease-hold Land Reversed	9,835	-	
Less: Depreciation adjusted on Revalued Assets	<u>301</u>	<u>339</u>	30,390

**Capital Reserve**

As per last Balance sheet	32,736	11,156	
Add : Gain on buy back of Foreign Currency Convertible Bonds	-	136	
Add : Addition during the year	<u>63,340</u>	<u>21,444</u>	32,736

**Securities Premium Account**

As per last Balance sheet	243,476	238,778	
Add : Shares Issued under Employees Stock Purchase Scheme,2009	-	28,444	

**CONSOLIDATED SCHEDULE "B" (Contd.)**

Add : On conversion of Foreign Currency Convertible Bonds into Shares	1,304		1,098	
Add : Premium on issue of Shares	148,707		-	
Less: Premium payable on Redemption of Debentures	28,570		-	
Less: Goodwill Written off as per Scheme of Amalgamation	-		10,698	
Less: Issue of Bonus Shares	-		14,146	
Less: Pre IPO Expenses	8,661	356,256	-	243,476
<b>Reserve for Premium on Foreign Currency Convertible Bonds</b>				
As per last Balance sheet	36,303		24,328	
Add : Provided for the Year	17,200	53,503	11,975	36,303
<b>Share Forfeited Account</b>				
As per last Balance sheet		1		1
<b>Capital Reserve on Consolidation</b>	64,663		85,800	
Less Goodwill arising on Consolidation adjusted	16,358	48,305	21,137	64,663
<b>Surplus</b>				
As per Profit & Loss Account		240,592		166,200
		1,175,593		842,525
<b>Less: Minority Share Holders Interest in Reserve &amp; Surplus</b>		140,211		30,991
		1,035,382		811,534

\*Adjustment is on account of Madhya Pradesh Jaypee Minerals Limited extinguishing as subsidiary of the Company.

[Previous Year - on account of Goodwill written off in earlier years now reversed].

**CONSOLIDATED SCHEDULE "C"****DEFERRED REVENUE**

Advance against depreciation				
As per last Balance Sheet		23,397		15,867
Add: Addition during the Year		7,905		7,905
Add : Prior Period Adjustments		-		(375)
		31,302		23,397

**CONSOLIDATED SCHEDULE "D"****SECURED LOANS****A. NON CONVERTIBLE DEBENTURES**

815,757 468,488

**B. TERM LOANS**

1. From Financial Institutions				
(a) In Rupees	165,142		175,764	
(b) In Foreign Currency	8,992	174,134	10,592	
2. From Banks				
(a) In Rupees	2,422,385		1,827,997	
(b) In Foreign Currency	21,706		73,243	
3. From Others	36,680		16,545	
4. Buyers Credit	6,412		8,012	
		2,661,317		2,112,153

**C. WORKING CAPITAL LOANS**

From Banks				
For Working Capital				
In Rupees		29,166		22,716

CONSOLIDATED SCHEDULE "D" (Contd.)	As At 31.03.2011 ₹ Lakhs	As At 31.03.2010 ₹ Lakhs
<b>D. ADVANCES FROM CLIENTS</b>		
FROM GOVERNMENT DEPARTMENTS, PUBLIC SECTOR UNDERTAKINGS & OTHERS -		
Secured against hypothecation of Construction Material and Plant & Machinery		
Interest Bearing	606	606
<b>E. LOAN FROM STATE GOVERNMENT [INTEREST FREE]</b>	<b>17,956</b>	<b>12,118</b>
	<b>3,524,802</b>	<b>2,616,081</b>

**CONSOLIDATED SCHEDULE "E"**
**UNSECURED LOANS**

A. Foreign Currency Convertible Bonds	250,502	254,448
B. Foreign Currency Loans from Banks [ECB]		
ECB [USD]	105,362	124,379
ECB [GBP]	22,348	22,566
ECB [CAD]	23,085	23,310
C. Non Convertible Debentures	-	14,216
[Repayable within one year - ₹ NIL ( Previous Year ₹ 14,216 Lakhs)]		
D. Short Term Loans		
From Financial Institutions	-	20,000
From Banks	74,557	116,875
From Others	1,000	1,000
[Repayable within one year - ₹ 49,557 Lakhs; Previous Year ₹ 126,875 Lakhs]		
E. Sales Tax Deferment Loan	2,012	186
F. Commercial Papers [Maximum Amount outstanding during the Year ₹ 150,000 Lakhs]	100,000	50,000
(Repayable within one year - ₹ 100,000 Lakhs; Previous Year ₹ 50,000 Lakhs)		
G. Bills Discounting	32,725	19,684
(Repayable within one year - ₹ 32,725 Lakhs; Previous Year ₹ 19,684 Lakhs)		
H. Fixed Deposit Scheme	184,405	140,483
(Repayable within one year - ₹ 52,974 Lakhs; Previous Year ₹ 52,629 Lakhs)		
I. From Others (Including Deposits from Stockists & Sales Promoters )	123,703	123,880
	<b>919,699</b>	<b>911,027</b>

**CONSOLIDATED SCHEDULE "F" - FIXED ASSETS**

₹ Lakhs

Particulars	GROSS BLOCK				DEPRECIATION				NETBLOCK	
	As on 01.04.2010	Addition during the year	Sale/Transfer/ Discard/ Adjustment during the year	As on 31.03.2011	Upto 31.03.2010	For the year	Sale/ Adjust- ment	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
Goodwill on Amalgamation	106,979	-	106,979	-	10,698	-	10,698	-	-	96,281
Land										
(a) Leasehold Land	122,113	13,215	14,016	<b>121,312</b>	134	589	-	<b>723</b>	<b>120,589</b>	121,979
(b) Freehold Land	40,787	11,124	233	<b>51,678</b>	-	-	-	-	<b>51,678</b>	40,787
Building	183,202	61,648	933	<b>243,917</b>	11,938	4,451	39	<b>16,350</b>	<b>227,567</b>	171,264
Purely Temporary Erections	6,482	151	-	<b>6,633</b>	5,768	864	-	<b>6,632</b>	<b>1</b>	714
Plant & Machinery	1,042,776	169,939	3,141	<b>1,209,574</b>	197,573	53,932	445	<b>251,060</b>	<b>958,514</b>	845,203
Captive Thermal Power Plant	113,443	565	-	<b>114,008</b>	14,082	6,444	-	<b>20,526</b>	<b>93,482</b>	99,361
Hydraulic Works	135,929	-	-	<b>135,929</b>	17,759	3,684	-	<b>21,443</b>	<b>114,486</b>	118,170
Wind Turbine Generators	26,126	587	-	<b>26,713</b>	3,524	1,381	-	<b>4,905</b>	<b>21,808</b>	22,602
Railway siding	11,618	2,759	-	<b>14,377</b>	1,893	598	-	<b>2,491</b>	<b>11,886</b>	9,725
Golf Course	3,710	-	-	<b>3,710</b>	1,377	176	-	<b>1,553</b>	<b>2,157</b>	2,333
Miscellaneous Fixed Assets (Hotel)	3,790	151	26	<b>3,915</b>	1,582	173	10	<b>1,745</b>	<b>2,170</b>	2,208
Motor Vehicles	12,615	2,788	413	<b>14,990</b>	5,517	989	262	<b>6,244</b>	<b>8,746</b>	7,098
Furniture & Office Equipment	20,876	5,355	273	<b>25,958</b>	8,750	1,752	176	<b>10,326</b>	<b>15,632</b>	12,126
Ships:Boat	9	29	1	<b>37</b>	3	1	1	<b>3</b>	<b>34</b>	6
Aeroplane / Helicopter	11,050	2,373	-	<b>13,423</b>	1,777	702	-	<b>2,479</b>	<b>10,944</b>	9,273
Capital Assets - Not owned by the Company (Roads)	269	-	-	<b>269</b>	269	-	-	<b>269</b>	-	-
Mining Rights	450	-	450	-	-	-	-	-	-	450
Technical Books	3	-	3	-	3	-	3	-	-	-
Intangible Assets										
- Deferred Revenue Expenditure	4,800	-	-	<b>4,800</b>	1,591	270	-	<b>1,861</b>	<b>2,939</b>	3,209
- Fees Paid to Franchiser	22	-	-	<b>22</b>	16	4	-	<b>20</b>	<b>2</b>	6
- Software	1,635	652	-	<b>2,287</b>	433	286	-	<b>719</b>	<b>1,568</b>	1,202
	<b>1,848,684</b>	<b>271,336</b>	<b>126,468</b>	<b>1,993,552</b>	<b>284,687</b>	<b>76,296</b>	<b>11,634</b>	<b>349,349</b>	<b>1,644,203</b>	1,563,997
<b>PREVIOUS YEAR</b>	1,225,155	653,878	30,349	1,848,684	225,642	68,597	9,552	284,687	1,563,997	999,513
<b>CAPITAL WORK-IN-PROGRESS</b>									<b>2,565,592</b>	1,545,929

**Note:**

- [i] Depreciation for the year, includes ₹ 11,456 Lakhs [Previous ₹ 9,119 Lakhs] on assets used for Projects under implementation and shown in Schedule "S" Expenditure During Construction Period.
- [ii] Sale/Transfer/Disposal of Leasehold Land for the year include ₹ 2850 Lakhs transferred to Projects Under Development as shown under Schedule "R" and also includes ₹ 9835 Lakhs being reversal of Revaluation Reserve on the Land transferred to Project Under Development.
- [iii] Capital Work-in-progress of ₹ 25,65,592 Lakhs is after transfer of ₹ 11335 Lakhs to Projects Under Development as shown under Schedule "R".

**CONSOLIDATED SCHEDULE "G"**

	As at 31.03.2011 ₹ Lakhs	As at 31.03.2010 ₹ Lakhs
<b>INVESTMENTS (AT COST)</b>		
<b>Other Investments</b>		
<b>(A) INVESTMENT IN ASSOCIATE COMPANIES</b>		
In EQUITY SHARES - Unquoted , fully paid up		
(i) 10,000 Equity Shares of Jaiprakash Kashmir Energy Limited (10,000) of ₹ 10/- each	<b>1</b>	<b>1</b>
(ii) 50,000 Equity Shares of Indesign Enterprises (P) Limited Cyprus (50,000) of Cyprus Pound 1/- each	<b>72</b>	<b>72</b>
(iii) 736,620 Equity Shares of RPJ Minerals Private Limited (736,620) of ₹ 10/- each	<b>36</b>	<b>1,213</b>
(iv) 23,575 Equity Shares of Sonebhadra Minerals Private Limited (23,575) of ₹ 10/- each	<b>16</b>	<b>633</b>
(v) 10,500,000 Equity Shares of Madhya Pradesh Jaypee Minerals Limited of ₹ 10/- each	<b>993</b>	-
(vi) 490,000 Equity Shares of MP Jaypee Coal Fields Limited (490,000) of ₹ 10/- each	<b>45</b>	<b>49</b>
(vii) 4,900,000 Equity Shares of MP Jaypee Coal Limited (4,900,000) of ₹ 10/- each	<b>490</b>	<b>490</b>
	<b>1,653</b>	<b>2,458</b>



(Contd.)		As at 31.03.2011 ₹ Lakhs	As at 31.03.2010 ₹ Lakhs	
<b>[B]</b>	<b>OTHER INVESTMENTS</b>			
	<b>[a] In EQUITY SHARES - Quoted , fully paid up</b>			
(i)	15,350 Equity shares of Capital Trust Limited (15,350) of ₹ 10/- each	2		2
(ii)	100 Equity Shares of IFCI Limited ₹ 10/- (100) each (₹ 3,500/-)	-		-
(iii)	721,600 Equity Shares of Indian Overseas Bank (721,600) Limited of ₹ 10/- each	72		72
(iv)	165,900 Equity Shares of PNB Gilts Limited (165,900) of ₹ 10/- each	50		50
(v)	25,000 Equity Shares of Tourism Finance Corporation of (25,000) India Limited of ₹ 10/- each	5		5
(vi)	868,000 Equity Shares of Sumeru Industries Limited (868,800) of ₹ 1/- each	6		6
(vii)	20,000 Equity Shares of Saket Projects Limited (20,000) of ₹ 10/- each	2	137	2
		<u>2</u>		<u>137</u>
	<b>[b] In EQUITY SHARES - Unquoted , fully paid up</b>			
(i)	5 Equity Shares of Makers Chamber VI Premises (5) Co-operative Society Limited, Bombay of ₹ 50/- each [₹ 250]	-	-	
(ii)	5 Equity Shares of Sanukt Members Association (5) of ₹ 100/- each [₹ 500]	-	-	
(iii)	2,035,000 Equity Shares of Jaypee DSC Ventures Limited (2,035,000) of ₹ 10/- each	204		204
(iv)	840,000 Equity Shares of UP Asbestos Limited (840,000) of ₹ 10/- each [₹ 1]	-		-
(v)	6,765,000 Equity Shares of Jaypee Fertilizers & Industries Limited (-) of ₹ 10/- each	677		-
(vii)	- Equity Shares of Jaypee Agra Vikas Limited (50,000) of ₹ 10/- each	-	881	5
		<u>-</u>		<u>5</u>
				209
<b>(C)</b>	<b>BULLION</b>			
	Gold [27 kgs]		260	260
<b>[D]</b>	<b>INTEREST IN BENEFICIARY TRUST</b>			
(i)	JHL Trust	4,603		4,603
(ii)	JCL Trust	33,105		33,105
(iii)	GACL Trust	19,606		19,606
(iv)	JEL Trust	3,085		3,085
(v)	JPVL Trust	198,594	258,993	-
<b>[E]</b>	<b>IN UNITS OF EXCHANGE TRADED FUNDS, Quoted</b> [Refer Schedule "T" of SI.No.09(I) ]		21,408	5,520
<b>[F]</b>	<b>IN UNITS OF MUTUAL FUNDS , Unquoted [Refer Schedule "T" of</b> SI.No.09(II)]		22,108	35,415
<b>[G]</b>	<b>SHARE APPLICATION MONEY</b>			
(i)	Jaypee Kashmir Energy Limited	101		101
(ii)	RPJ Minerals Pvt Ltd.	50		50
(iii)	Jaypee Agra Vikas Limited	-		1,315
(iv)	Madhya Pradesh Jaypee Minerals Limited [Associate Company]	5,511		-
(v)	Jaypee Fertilizers & Industries Limited	10	5,672	-
		<u>10</u>		<u>1,466</u>
			<u>311,112</u>	<u>105,864</u>

**Note:**

- Aggregate cost of  
Quoted Investments in Equity Shares [Market Value ₹ 1094 Lakhs Previous Year  
₹ 721 Lakhs) 137 132  
Quoted Investments in Units of Exchange Traded Funds (Market Value ₹ 23405  
Lakhs (Previous Year ₹ 5430 Lakhs)) 21,408 5,520  
Unquoted 283,895 98,746
- Except investments in Units of Mutual Funds, Exchange Traded Funds , all  
investments are Non Trade, Long term Investments.
- 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.

	As at 31.03.2011 ₹ Lakhs		As at 31.03.2010 ₹ Lakhs		
<b>CONSOLIDATED SCHEDULE "H"</b>					
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>					
<b>A. CURRENT ASSETS</b>					
1.	INVENTORIES (As per inventories taken valued and certified by the Management)				
(a)	Stores and Spare Parts (at cost)	59,873		62,819	
(b)	Construction Materials (at cost)	41,080		41,642	
(c)	Raw Materials - Cement Division (at cost)	3,727		3,638	
(d)	Raw Materials - Asbestos Sheets (at cost)	699		897	
(e)	Finished Goods - Cement Division (at estimated cost or net realisable value whichever is lower)	20,630		13,474	
(f)	Finished Goods - Asbestos Sheets (at estimated cost or net realisable value whichever is lower)	656		669	
(g)	Food and Beverage (at cost)	195		139	
(h)	Stock in Process - Cement Division (at estimated cost)	31,758		9,757	
(i)	Stock in Process - Asbestos Division (at estimated cost)	321		361	
(j)	Work-in-Progress- Construction Division (at estimated cost)	6,753		6,027	
(k)	Goods in Transit (at Cost)	1,197	166,889	2,168	141,591
2.	PROJECTS UNDER DEVELOPMENT [at cost] [Refer Schedule R]		543,106		380,696
3.	SUNDRY DEBTORS (Unsecured, considered good)				
(a)	Debts outstanding for a period exceeding six months				
(i)	From Overseas Works	10,163		10,163	
	Less: Provision for writing of Iraq Claims	(10,163)		(10,163)	
(ii)	From Others	170,090		42,162	
(iii)	Considered Doubtful	142		148	
	Less: Provision for Bad & Doubtful Debts	(142)	170,090	(148)	
(b)	Other Debts	97,025	267,115	103,006	145,168
4.	CASH AND BANK BALANCES				
(a)	Cash, Cheques in hand & in transit	4,403		10,759	
(b)	Balances with Scheduled Banks				
(i)	In Current & Cash Credit Account	159,538		118,888	
(ii)	In Fixed Deposits Account [Fixed Deposits of ₹ 10864 Lakhs (Previous Year ₹ 12396 Lakhs) pledged as Margin Money with Banks & Others]	455,754		698,490	
(iii)	Balance in Dividend Account	1,353	616,645	1,062	
(c)	Balance with Non-Scheduled (Foreign) Banks				
(i)	In Current Account	121		261	
(d)	In Trust & Retention Account				
(i)	In Current Account	32,049		4,381	
(i)	In Fixed Deposit Account	28,642	60,691	14,678	848,519
5.	OTHER CURRENT ASSETS				
(a)	Interest accrued on Fixed Deposits & Others [From Banks ₹ 6934 Lakhs (Previous Year ₹ 3609 Lakhs)]	8,539		7,223	
(b)	Deferred Receivable	4,427	12,966	5,541	12,764
			1,671,936		1,528,738

CONSOLIDATED SCHEDULE "H" (Contd.)	As at 31.03.2011 ₹ Lakhs	As at 31.03.2010 ₹ Lakhs
<b>B. LOANS AND ADVANCES</b>		
<b>(Unsecured, Considered Good)</b>		
Advances to Suppliers, Contractors, Sub-Contractors & Others	135,792	133,504
Advances for Land	63,668	23,276
Staff Imprest and Advances	944	1,061
Claims and Refunds Receivable	61,662	48,075
Prepaid Expenses	19,324	14,323
Deposits with Govt. Deptts. Public Bodies and others		
(a) Govt. Deptts. & Public Bodies	43,156	35,227
(b) Others		
(i) Real Estate	148,870	120,001
(ii) Others	716	487
Work Contract Tax/ Sales Tax Recoverable	12,445	6,170
Advance Tax & Income Tax deducted at source	122,288	74,858
	<b>608,865</b>	<b>456,982</b>
<b>GRAND TOTAL</b>	<b>2,280,801</b>	<b>1,985,720</b>

**CONSOLIDATED SCHEDULE "I"**  
**CURRENT LIABILITIES AND PROVISIONS**

<b>A. CURRENT LIABILITIES</b>				
Sundry Creditors				
(a) Due to Micro, Small and Medium Enterprises	-	-		
(b) Others	225,287	225,287	157,877	157,877
Advance from Customers				
(a) Real Estate	321,407		246,626	
(b) Others	9,801	331,208	7,711	254,337
Due to Staff		8,856		7,437
Due to Directors		42		44
Adjustable Receipts against Contracts (Against Bank Guarantees)				
(a) Interest Bearing	21,256		14,203	
(b) Non Interest Bearing	4,269	25,525	4,712	18,915
Other Liabilities		62,520		52,799
Expenses Payable		166		1,517
Interest accrued but not due on loans		31,231		22,656
Investor Education and Protection Fund: (Appropriate amounts shall be transferred to "Investor Education and Protection Fund" if and when due)				
Unclaimed Dividend		1,353		1,062
		<b>686,188</b>		<b>516,644</b>
<b>B. PROVISIONS</b>				
For Taxation		103,231		72,869
For Gratuity		342		115
For Provident Fund		767		655
For Leave Encashment		4,510		3,705
For Premium on Redemption of Debentures		28,570		-
For Proposed Final Dividend		9,675		11,473
For Tax on Proposed Final Dividend		2,506		1,906
		<b>149,601</b>		<b>90,723</b>
<b>GRAND TOTAL</b>		<b>835,789</b>		<b>607,367</b>

**CONSOLIDATED SCHEDULE "J"**
**MISCELLANEOUS EXPENDITURE**  
**(To the extent not written off or adjusted)**

Preliminary Expenses	57	455
Share & Debenture Issue Expenses	-	2,886
	<b>57</b>	<b>3,341</b>



<b>CONSOLIDATED SCHEDULE "M" (Contd.)</b>	<b>2010-2011</b> ₹ Lakhs	<b>2009-2010</b> ₹ Lakhs
Coal Consumed	<b>91,703</b>	52,195
Packing Materials Consumed	<b>20,685</b>	12,310
Freight, Octroi & Transportation Charges	<b>38,184</b>	21,329
	<b>494,105</b>	267,597
Less: Attributable to Self Consumption	<b>38,370</b>	23,297
Less: Clinker Transferred for Trial Run	-	855
	<b>455,735</b>	243,445

**CONSOLIDATED SCHEDULE "N"**
**PERSONNEL**

Salaries, Wages & Bonus	<b>46,126</b>	34,158
Gratuity	<b>1,063</b>	419
Contribution to Provident & Other Funds	<b>2,169</b>	1,774
Staff Welfare	<b>3,135</b>	1,864
Employees Compensation Expense [ESPS] - Extraordinary Item	-	21,194
	<b>52,493</b>	59,409

**CONSOLIDATED SCHEDULE "O"**
**SELLING & DISTRIBUTION EXPENSES**

Loading, Transportation & Other Charges	<b>82,305</b>	45,899
Commission on Sales	<b>20,079</b>	6,373
Sales Promotion	<b>9,159</b>	8,187
	<b>111,543</b>	60,459

**CONSOLIDATED SCHEDULE "P"**
**OTHER EXPENSES**

Rent	<b>1,619</b>	823
Rates & Taxes	<b>4,921</b>	2,530
Insurance	<b>3,716</b>	3,367
Travelling & Conveyance	<b>4,105</b>	2,883
Bank Charges & Guarantee Commission	<b>4,352</b>	3,450
Loss on Sale / Disposal/ Discard/Write-off of Assets (Net)	<b>179</b>	98
Financing Charges	<b>10,481</b>	7,265
Foreign Currency Rate Difference	-	133
Postage, Telephone & Telex	<b>920</b>	971
Light Vehicle Running & Maintenance	<b>1,232</b>	846
Legal & Professional	<b>7,978</b>	4,951
Charity & Donation	<b>4,981</b>	4,473
Security & Medical Services	<b>5,234</b>	3,560
Sundry Balances written off	-	415
Provision for writing off Iraq Claims	-	10,163
Provision for Bad and Doubtful Debts	<b>4</b>	12
Directors' Fees	<b>42</b>	62
Amortisation of Land Premium	<b>342</b>	393
Less: Transferred from Revaluation reserve	<b>299</b>	338
	<b>43</b>	55

<b>CONSOLIDATED SCHEDULE “P” (Contd.)</b>	<b>2010-2011</b> ₹ Lakhs	<b>2009-2010</b> ₹ Lakhs
Miscellaneous Expenses	<b>7,904</b>	11,107
Auditors' Remuneration:		
Audit Fees	<b>97</b>	78
Tax Audit Fees	<b>13</b>	13
Other Services	<b>3</b>	
To Partners in other capacity:		
For Taxation Matters [₹ 12,000/-]	-	-
For Management Services	<b>1</b>	1
Reimbursement of Expenses	<b>9</b>	6
	<b>123</b>	98
Preliminary, Share & Debenture Issue & Other carry forward expenses written off	<b>12</b>	447
	<b>57,846</b>	57,709

#### **CONSOLIDATED SCHEDULE “Q”**

##### **INTEREST**

Interest on Non -Convertible Debentures	<b>31,561</b>	24,582
Interest on Term Loans	<b>120,680</b>	86,759
Interest on Bank Borrowing & Others	<b>35,228</b>	17,297
	<b>187,469</b>	128,638

#### **CONSOLIDATED SCHEDULE “R”**

##### **PROJECTS UNDER DEVELOPMENT**

Opening Balance as on 1st April	<b>380,696</b>	113,869
Purchase of Land for development	<b>105,351</b>	205,008
<b>Expenses On Development during the year</b>		
Transfer from Fixed Assets [Leasehold Land]	<b>2,850</b>	-
Transfer from Capital Work in Progress	<b>11,335</b>	-
Construction Expenses	<b>149,376</b>	60,223
Technical Consultancy	<b>2,744</b>	2,345
Personnel Expenses	<b>4,415</b>	4,782
Sales and Promotional Expenses	<b>14,661</b>	703
Interest and Financing Charges	<b>31,485</b>	29,256
Administrative and Other Expenses	<b>2,109</b>	3,411
	<b>705,022</b>	419,597
Less: Cost of Infrastructure & Construction of Properties developed and under Development	<b>161,916</b>	38,901
<b>Balance Carried to Schedule H- A-2</b>	<b>543,106</b>	380,696

	2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
<b>CONSOLIDATED SCHEDULE "S"</b>		
<b>EXPENDITURE DURING CONSTRUCTION PERIOD</b>		
Opening Balance	320,734	211,222
Opening Balance of new Subsidiaries	-	757
Electricity, Power and Fuel	2,735	3,270
Salary, Wages & Staff Welfare	23,691	17,585
Site / Quarry Development, Compensation & Survey Expenses	2,924	13,111
Repair and Maintenance	2,832	1,256
Consultancy, Legal and Professional	7,624	9,182
Insurance	2,280	3,996
License, Application Fee, Rent, Rates and Taxes	460	600
Safety & Security	2,801	1,287
LC Commission, Bank Charges and Bank Guarantee Commission	3,530	7,292
Freight and Material Handling	3,496	2,977
Environmental, Ecology, Afforestation, Catchment Area Treatment and Compensation	1,168	8,929
Light Vehicle running & Maintenance	1,008	931
Travelling and Conveyance	1,958	1,771
Vehicle/ Machinery Hire Charges and Lease Rent	2,357	2,739
Directors' Sitting Fees	15	21
Miscellaneous	6,350	4,713
Advertisement / Business Promotion Expenses	3,556	3,867
Foreign Exchange Fluctuations	7,496	(49,750)
Interest and Financial Charges	204,434	157,330
Audit Fees	46	32
Depreciation	11,456	9,119
	<u>612,951</u>	<u>412,237</u>
Less:		
Interest Received	8,472	2,120
Miscellaneous Receipt	1,038	865
	<u>9,510</u>	<u>2,985</u>
Less: Provision for Taxation	171	414
	<u>9,339</u>	<u>2,571</u>
	<u>603,612</u>	<u>409,666</u>
Less: Capitalised/ Transferred During the Year	61,473	88,932
<b>Carried Over to Balance Sheet [included in Capital Work-in-Progress]</b>	<b>542,139</b>	<b>320,734</b>

## CONSOLIDATED SCHEDULE "T"

### ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED ACCOUNTS

#### [A] SIGNIFICANT ACCOUNTING POLICIES

##### Basis of Preparation of Consolidated Financial Statements:

- [i] The Consolidated Financial Statements are prepared in accordance with Accounting Standards [AS 21] on Consolidated Financial Statements, Accounting for Investment in Associates in Consolidated Financial Statements [AS 23] and Financial Reporting of Interests in Joint Ventures [AS 27].
- [ii] The Financial statements of the Subsidiary Companies including Joint Venture Subsidiaries used in the consolidation are drawn upto the same reporting date, as that of the Parent Company, Jaiprakash Associates Limited (JAL).
- [iii] The Accounts are prepared on the historical cost basis and on the principles of a going concern.
- [iv] Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

##### Principles of Consolidation:

- [i] The Financial Statements of JAL and its subsidiaries including Joint Venture Subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profits/ losses.
- [ii] The Financial Statements of JAL and its subsidiaries are consolidated using uniform accounting policies for like transactions and other events in similar circumstances.
- [iii] The difference between the cost to JAL of its investments in each of the subsidiaries over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the financial statement as Goodwill or Capital Reserve, as the case may be, Goodwill is amortised over a period of ten years.

##### Revenue Recognition:

Revenue/Income and Cost/Expenditure are accounted for on accrual basis as they are earned or incurred.

##### Fixed Assets:

Fixed Assets are stated at Cost of acquisition or construction inclusive of freight, erection & commissioning charges, duties and taxes, expenditure during construction period, interest on borrowing and financial cost upto the date of acquisition/ installation.

##### Depreciation:

- [i] Depreciation has been provided @ 2.71% p.a. on straight line method on Hydro Electric Plant as approved by the Ministry of Company Affairs, Government of India.
- [ii] Depreciation on Fixed Assets other than (i) above is provided on Straight Line Method as per the classification and on the basis of Schedule-XIV to the Companies Act, 1956.

##### Investments:

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

##### Employee Benefits:

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

- [i] Provident Fund and Pension contribution - as a percentage of salary/wages is a Defined Contribution Scheme.
- [ii] Gratuity and Leave Encashment is a defined benefit obligation.

The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method.

##### Inventories:

- [i] The inventories resulting from intra-group transactions are stated at cost after deducting unrealised profit on such transaction.
- [ii] The inventories are valued on the basis of weighted Average Cost Method.
- [iii] Stock of Cement/ Asbestos Sheets is valued at estimated cost or net realisable value, whichever is less. Value of Cement, Asbestos Sheets and Clinker lying in the factory premises includes excise duty, pursuant to the Accounting Standard (AS-2) [Revised].
- [iv] Work-in-Progress and Material-in-Process are valued at estimated cost.
- [v] Hotel Business - Stock of Food, Beverages, operating Stores and Supplies are valued at cost. Consumption of material is valued at Cost.

##### Foreign Currency Transactions:

- [i] Monetary Assets and Liabilities related to Foreign Currency transactions and outstanding, except assets and liabilities hedge by a hedged contract, at the close of the year, are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet.
- [ii] Monetary Assets and Liabilities hedged by a hedge contract are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet adjusted to the rates in the hedge contracts. The exchange difference arising either on settlement or at reporting date is recognised in the Profit & Loss Account except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.
- [iii] Transactions in Foreign Currency are recorded in the Books of Account in Indian Rupees at the rate of exchange prevailing on the date of transaction.
- [iv] The Company uses foreign currency contracts to hedge its risks associated with foreign currency fluctuations. The Company does not use derivative financial instrument for speculative purposes.

##### Research and Development:

Revenue expenditure on Research and Development is charged to Profit & Loss Account in the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to Fixed Assets.

##### Expenditure During Construction Period:

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

##### Earnings Per Share:

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

##### Borrowing Costs:

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

##### Segment Reporting:

Revenue, operating results, assets and liabilities have been identified



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

#### Taxes on Income:

Deferred Tax Liability is provided in accordance with Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are stated as the aggregate of respective figures in the separate Balance Sheets.

#### Provisions, Contingent Liabilities and Contingent Assets [AS-29]:

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

#### Premium on Redemption of Debentures

Premium paid/ payable on Redemption of Debentures, net of tax impact, are adjusted against the Securities Premium Account.

### [B] NOTES TO THE ACCOUNTS

#### 01 Subsidiaries

[a] The Consolidated Financial Statements present the Consolidated Accounts of Jaiprakash Associates Limited with its following Subsidiaries:

	Name of Subsidiaries / Joint Venture Subsidiaries	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2011
[a]	Jaiprakash Power Ventures Limited [JPVL]*	India	67.93%
[b]	Jaypee Ganga Infrastructure Corporation Limited [JGICL]	India	100%
[c]	Bhilai Jaypee Cement Limited [BJCL]	India	74%
[d]	Jaypee Infratech Limited [JIL]	India	83.16%
[e]	Gujarat Jaypee Cement and Infrastructure Limited [GJCIL]	India	74%
[f]	Jaypee Power Grid Limited [JPPGL] (Subsidiary of Jaiprakash Power Ventures Limited)	India	74%
[g]	Himalyan Expressway Limited [HEL]	India	100%
[h]	Jaypee Sports International Limited [JPSI]	India	90.56%
[i]	Bokaro Jaypee Cement Limited [BoJCL]	India	74%
[j]	Jaypee Arunachal Power Limited (Joint Venture Subsidiary of JPVL)	India	100%
[k]	Sangam Power Generation Company Limited (Subsidiary of Jaiprakash Power Ventures Limited)	India	100%
[l]	Prayagraj Power Generation Company Limited (Subsidiary of Jaiprakash Power Ventures Limited)	India	100%
[m]	Jaypee Meghalaya Power Limited (Subsidiary of Jaiprakash Power Ventures Limited)	India	100%

[n]	Jaypee Agra Vikas Limited	India	100%
[o]	Jaypee Cement Corporation Limited	India	100%
[p]	Jaypee Fertilizers & Industries Limited	India	100%

\* Jaypee Karcham Hydro Corporation Limited merged with Jaiprakash Power Ventures Limited [JPVL] w.e.f 01.04.2010. The Shares in merged entity has been allotted on 06.08.2011, However the shares are taken into consideration in computing % of shares held in JPVL

Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company has disclosed such Policies and Notes from the individual financial statements, which fairly present the needed disclosure.

[b] The Consolidated Financial Statements do not include the financial statements of Jaypee Fertilizers & Industries Limited [Subsidiary Company] since the first financial year of Jaypee Fertilizers & Industries Limited will be ending on 31.08.2011.

02 Contingent Liability not provided for in respect of :

₹ Lakhs

	As at 31.03.2011	As at 31.03.2010
[a] Outstanding amount of Bank Guarantees	253,747	221,967
Margin Money deposited against the above	1,980	5,531
[b] Outstanding Letters of Credit	139,364	161,018
Margin Money deposited against the above	217	408
[c] Liability on account of Custom duty on non fulfillment of Export obligation under EPCG scheme	4,826	10,179
[d] Matters under Appeal [ with Excise, Sales Tax, and other Government Authorities]	99,449	64,913
Amount deposited under protest	28,720	21,224
Bank Guarantee deposited under protest [included in 02[a] above]	16,064	14,037
[e] Income tax matters under Appeal	2,309	3,326
[f] Other Claims against the Company not acknowledged as debts	42,975	42,077
Amount deposited under protest	1,801	560
Bank Guarantee deposited under protest [included in 02[a] above]	527	427

03 Estimated amount of Contract remaining to be executed on capital account and not provided for (net of advances) 5,027,390 5,726,031

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



Name of Mutual Fund/ ETF	Units	2010-11 ₹ Lakhs	Units	2009-10 ₹ Lakhs
[v] ICICI Prudential Institutional Short Term Plan - Cumulative	-	-	5,230,262	1,000
[w] ICICI Prudential Institutional Short Term Plan - Monthly Dividend	-	-	7,019,282	850
[x] IDFC Super Saver Income Fund - Short Term - Plan C Monthly Dividend	-	-	4,947,115	500
[y] Baroda Pioneer PSU Bond Fund - Monthly Dividend Plan	-	-	10,117,688	1,012
[z] Birla Sun Life Dynamic Bond Fund - Retail Plan - Monthly Dividend	-	-	9,764,683	1,018
[aa] Kotak Flexi Debt Scheme Institutional - Daily Dividend - Reinvestment	-	-	5,205,404	523
[ab] HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend Reinvestment	-	-	1,309,628	131
[ac] Birla Sunlife Saving Fund - Institutional - Daily Dividend - Reinvestment	-	-	308,602	31
[ad] ICICI Prudential Flexible Income Plan Premium - Daily Dividend	-	-	28,318	30
[ae] LIC MF Income Plus Fund - Daily Dividend Reinvestment	-	-	252,696,605	25,270
	<b>148,082,899</b>	<b>22,108</b>	<b>307,899,461</b>	<b>35,415</b>

10 Managerial remuneration paid/payable by the Company and its subsidiaries to Managing/ Whole-time Directors [excluding Provisions for Gratuity & Leave Encashment on Retirement]:

	2010-11 ₹ Lakhs	2009-10 ₹ Lakhs
Salaries	1,309	1,004
Provident Fund Contribution	123	115
Perquisites	701	716
	<b>2,133</b>	<b>1,835</b>

11 Share Capital Suspense in Minority Interest represent Equity Shares to be allotted by Jaiprakash Power Ventures Limited [JPVL] [Subsidiary Company] on Amalgamation of Jaypee Karcham Hydro Corporation Limited and Bina Power Supply Company Limited with JPVL.

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

**[a] Associate Companies:**

- [i] Jaypee Ventures Private Limited
- [ii] Jaypee Development Corporation Limited
- [iii] Jaiprakash Kashmir Energy Limited
- [iv] JIL Information Technology Limited
- [v] Gaur & Nagi Limited
- [vi] Indesign Enterprises Private Limited
- [vii] Sonebhadra Minerals Private Limited
- [viii] RPJ Minerals Private Limited
- [ix] Jaiprakash Agri Initiatives Company Limited
- [x] Tiger Hills Holiday Resort Private Limited
- [xi] Anvi Hotels Private Limited
- [xii] Sarveshwari Stone Products Private Limited
- [xiii] Rock Solid Cement Limited
- [xiv] MP Jaypee Coal Limited

[xv] Jaypee International Logistics Company Private Limited

[xvi] Jaypee Hotels Limited

[xvii] Jaypee Mining Venture Private Limited

[xviii] Jaypee Infra Ventures

[xix] Indus Hotels UK Limited

[xx] Ceekay Estates Private Limited

[xxi] Jaiprakash Exports Private Limited

[xxii] Bhumi Estate Developers Private Limited

[xxiii] PAC Pharma Drugs and Chemicals Private Limited

[xxiv] Jaypee Technical Consultants Private Limited

[xxv] Jaypee Uttar Bharat Vikas Private Limited

[xxvi] Kanpur Fertilizers & Cement Limited

[xxvii] Madhya Pradesh Jaypee Minerals Limited [w.e.f. 03.03.2011]

[xxviii] MP Jaypee Coal Fields Limited

[xxix] GM Global Mineral Mining Private Limited

[xxx] Ibonshourne Limited

[xxxi] Power Grid Corporation of India Limited

[xxxii] Steel Authority of India Limited

[xxxiii] Gujarat Mineral Development Corporation Limited

[xxxiv] Vasujai Estates Private Limited

[xxxv] Samsun Estates Private Limited

[xxxvi] Sunvin Estates Private Limited

[xxxvii] Manumanik Estates Private Limited

[xxxviii] Arman Estates Private Limited

[xxxix] Suneha Estates Private Limited

[xl] Pee Gee Estates Private Limited

[xli] Vinamra Housing & Constructions Private Limited

Associate Companies at Sl.No.[xxxiv] to [xli] merged with Jaypee Ventures Private Limited w.e.f. 01.04.2009

**[b] Key Management Personnel: Whole time Director**

**Jaiprakash Associates Limited**

- [i] Shri Manoj Gaur, Executive Chairman & C.E.O.
- [ii] Shri Sunil Kumar Sharma, Executive Vice Chairman
- [iii] Shri Sunny Gaur
- [iv] Shri Pankaj Gaur
- [v] Shri Shyam Datt Nailwal
- [vi] Shri Ranvijay Singh
- [vii] Shri Ravindra Kumar Singh
- [viii] Shri Rahul Kumar

**Jaiprakash Power Ventures Limited**

- [i] Shri Suren Jain, Managing Director and CFO
- [ii] Shri G.P.Gaur (w.e.f. 01.02.2011)
- [iii] Shri R.K.Narang
- [iv] Shri Suresh Chandra
- [v] Shri J.N.Gaur (till 30.09.2010)

**Jaypee Karcham Hydro Corporation Limited \***

- [i] Shri Dharam Paul Goyal, Managing Director
- [ii] Shri Praveen Kumar Singh
- [iii] Shri Ravindra Mohan Chadha

**Bina Power Supply Company Limited \***

- [i] Shri P. K. Jain
  - [ii] Shri V.K. Srivastav
- \* merged with Jaiprakash Power Ventures Limited w.e.f. 01.04.2010

**Jaypee Infratech Limited**

- [i] Shri Sameer Gaur (till 31.10.2010)
- [ii] Shri Sachin Gaur
- [iii] Smt Rita Dixit
- [iv] Smt Rekha Dixit (w.e.f. 01.06.2010)
- [v] Shri Har Prasad
- [vi] Shri Om Prakash Arya (till 20.12.2010)
- [vii] Shri Anand Bordia (till 31.01.2011)
- [viii] Shri S.K.Dodeja (till 21.09.2010)

**Jaypee Power Grid Limited**

- [i] Shri Rajiv Ranjan Bhardwaj, Managing Director
- [ii] Shri Prabhakar Singh

**Himalyan Expressway Limited**

- [i] Shri K.C. Batra

**Bhilai Jaypee Cement Limited**

- [i] Shri Sunil Joshi
- [ii] Shri K.P. Sharma

**Jaypee Sports International Limited**

- [i] Shri Sameer Gaur, Managing Director & CEO (w.e.f. 01.11.2010)
- [ii] Smt Rekha Dixit (01.04.2010 to 30.05.2010)

**Prayagraj Power Generation Company Limited**

- [i] Shri Rakesh Sharma, Managing Director
- [ii] Shri Ramesh Chandra Srivastav (w.e.f. 12.08.2010)
- [iii] Shri Arun Gupta (till 31.08.2010)

**Sangam Power Generation Company Limited**

- [i] Shri Siddeshwar Sen (w.e.f. 01.08.2010)

- [ii] Shri V.K. Agarwal (w.e.f. 15.11.2010)

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

- [i] Shri Gyan Prakash Gaur
- [ii] Shri Naveen Kumar Singh
- [iii] Smt. Neha Goyal
- [iv] Shri P.K.Jain [till 31.03.2010]
- [v] Smt. Manju Sharma [till 30.06.2009]
- [vi] Smt. Rekha Dixit [till 31.08.2009]

**Transactions carried out with related parties referred to above:**

Nature of Transactions	₹ Lakhs		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
<b>Income</b>			
Cement Sales	126	-	-
	(31)	-	-
Sales of Land	25,357	-	-
	-	-	-
Service Charges	99	-	-
	(3)	-	-
Dividend	-	-	-
	(230)	-	-
Others	43	-	-
	-	-	-
<b>Expenses</b>			
Design Engineering and Technical Consultancy	18,128	-	-
	(14,432)	-	-
Management Fees	1,239	-	-
	-	-	-
Security & Medical Services	9,897	-	-
	(6,606)	-	-
Salaries & Other Amenities etc.	-	2,133	103
	-	(1,835)	(159)
Rent	186	-	-
	(60)	-	-
Fixed Assets & Other Materials Purchased	1,770	-	-
	(2,836)	-	-
Other Expenses	273	-	-
	(576)	-	-
<b>Others</b>			
Purchase of Shares	22,264	-	-
	(539)	-	-
Sale/Redemption of Preference Shares during the year	-	-	-
	(840)	-	-
Shares Allotted during the year	2,358	-	-
	-	-	-
Shares Application Received during the year	24,000	-	-
	-	-	-
<b>Outstanding</b>			
Receivables	171,387	-	-
	(123,487)	-	-
Payables	4,956	58	3
	(2,765)	(51)	(5)

Note: Previous Year figures are given in brackets.

**13 Segment Information**
**Business Segment:**

₹ Lakhs

Particulars	Construction	Cement / Cement Products	Infrastructure Project	Hotel / Hospitality/ Sports	Power	Real Estate	Investments	Others	Unallocated	Total
<b>[A] Segment Revenue</b>										
External	86,836	525,669	257,886	17,769	78,442	171,027	1,741	224	23,387	1,162,981
	(132,739)	(371,867)	(2,500)	(15,236)	(73,788)	(65,357)	(1,607)	(1,222)	(14,560)	(678,876)
Inter Segment Revenue	517,909	42,669	20,527	334	-	-	-	812	-	582,251
	(402,384)	(24,815)	(61,581)	(197)	-	-	-	(1,338)	-	(490,315)
<b>Segment Results</b>										
Profit/(Loss) before Tax,	51,318	78,436	170,116	1,515	55,340	90,495	1,741	(-) 785	(-) 3,254	444,922
Interest and Minority Interest	(49,421)	(105,614)	(2,268)	(898)	(54,109)	(25,982)	(1,607)	(-) (100)	(-) (10,760)	(229,039)
<b>[B] Less: Interest</b>										(-) 187,469
										(-) (128,638)
<b>Profit before Tax</b>										257,453
										(100,401)
Profit on Sale of Equity Shares (Previous Year held through beneficiary Trust)										51,316
										(131,635)
Provision for writing off claims - Iraq Works										(-)
										(-) (10,163)
Employee Compensation Expense - [ESPS]										(-)
										(-) (21,194)
<b>Profit before Tax</b>										308,769
										(200,679)
Provision for Tax Current Tax										75,116
										(59,144)
Deferred Tax										29,159
										(23,351)
Excess Provision for Income Tax in Earlier Years Reversed										1,409
										(-)
<b>Profit after Tax before Minority Interest</b>										-
										205,903
										(118,184)
<b>[C] Other Information</b>										
Segment Assets	418,934	1,785,096	1,168,924	202,955	1,654,691	449,993	311,112	30,000	759,749	6,781,454
	(377,588)	(1,423,446)	(685,913)	(127,785)	(1,168,465)	(366,081)	(105,864)	(25,772)	(890,206)	(5,171,120)
Segment Liabilities	86,107	152,728	195,503	19,823	55,182	146,392	-	2,322	165,551	823,608
	(68,290)	(111,341)	(129,306)	(6,327)	(28,457)	(138,905)	-	(1,178)	(110,184)	(593,988)
Total Loan and Interest payable thereon										4,444,501
										(3,527,108)
Capital Expenditure during the year including CWIP	19,834	340,062	278,404	76,921	554,130	3,500	-	9,112	10,158	1,292,121
	(18,180)	(297,328)	(261,707)	(77,301)	(452,013)	(5,300)	-	(8,176)	(237)	(1,120,242)
Depreciation	1,985	48,526	863	1,622	10,076	159	-	465	939	64,635
	(2,992)	(31,219)	(59)	(1,706)	(10,141)	(63)	-	(208)	(832)	(47,220)
Non Cash expenditure other than depreciation	-	738	-	21	32	23	-	-	645	1,459
	-	(507)	-	(23)	(3)	(32)	-	-	(1,134)	(1,699)

- [a] Segments have been identified in accordance with Accounting Standards on Segmental Reporting [AS-17] taking into account the organisational structure as well as differential risk and returns of these segments.
- [b] Business Segment has been disclosed as the primary segment.
- [c] Types of Products and Services in each Business Segment:
- |                                |   |
|--------------------------------|---|
| [i] Construction               | Civil Engineering Construction/EPC Contracts/Expressway                         |
| [ii] Cement/Cement Products    | Manufacture and Sale of Cement, Clinker and Cement Products                     |
| [iii] Hotel/Hospitality/Sports | Hotels, Golf Course, Resorts, SPA and Sports                                    |
| [iv] Real Estate               | Real Estate Development   |
| [v] Power                      | Generation and Sale of Power [Hydro, Wind and Thermal Power]                    |
| [vi] Infrastructure Projects   | Expressways   |
| [vii] Investments              | Investments in Companies  |
| [viii] Others                  | Includes Heavy Engineering Works, Hitech Castings, Coal, Waste Treatment Plant. |
- [d] Segment Revenues, Results, Assets and Liabilities include the amounts identifiable to each segment and amounts allocated on a reasonable basis.
- [e] Segment Assets exclude Miscellaneous Expenditure & Deferred Tax Asset. Segment Liability exclude Deferred Tax Liability.

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

	2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
[a] Net Profit for Basic Earnings Per Share as per Profit & Loss Account after extraordinary item	<b>179279</b>	111918
Add Employee Compensation Expense - [ESPS] [Extraordinary Item]	-	21194
Net Profit for Basic Earnings Per Share as per Profit & Loss Account before extraordinary item	<b>179279</b>	133112
Add Adjustment for the purpose of Diluted Earnings Per Share	<b>2</b>	14
Net Profit for Diluted Earnings Per Share as per Profit & Loss Account after extraordinary item	<b>179281</b>	111932
Net Profit for Diluted Earnings Per Share as per Profit & Loss Account before extraordinary item	<b>179281</b>	133126
[b] Weighted average number of equity shares for Earnings Per Share computation:		
[i] Number of Equity Shares at the beginning of the year	<b>2,124,634,633</b>	1,183,800,579
[ii] Number of Shares allotted during the year	<b>1,798,549</b>	940,834,054
[iii] Weighted average shares allotted/to be allotted during the year	<b>1,177,680</b>	929,811,772
[iv] Number of potential Equity Shares	<b>88,443,882</b>	111,696,159
[v] Weighted average for:		
[a] Basic Earnings Per Share	<b>2,125,812,313</b>	2,113,612,351
[b] Diluted Earnings Per Share	<b>2,214,256,195</b>	2,225,308,510
[c] Earnings Per Share before extraordinary		
[i] Basic	<b>₹ 8.43</b>	₹ 6.30
[ii] Diluted	<b>₹ 8.10</b>	₹ 5.98
[d] Earnings Per Share after extraordinary		
[i] Basic	<b>₹ 8.43</b>	₹ 5.30
[ii] Diluted	<b>₹ 8.10</b>	₹ 5.03
[e] Face Value Per Share	<b>₹ 2.00</b>	₹ 2.00

15 The Central Government in exercise of the powers conferred by sub-section 8 of section 212 of the Companies Act 1956 has directed vide Ministry of Corporate Affairs General Circular no 2/2011 dated 08th February 2011 that the provisions contained in sub-section (1) of section 212 of the Companies Act 1956, requiring annual accounts of the Subsidiaries to be attached to the annual accounts of the Holding Company, shall not apply subject to, inter alia, Board of directors of the Company has by Resolution given consent for not attaching the Balance Sheet of the Subsidiary companies, presentation of Audited Consolidated Financial Statements in compliance with applicable Accounting Standards, and disclosure of following information:

	Jaiprakash Power Ventures Ltd.	Sangam Power Generation Co. Ltd.	Prayagraj Power Generation Co. Ltd.	Jaypee Power Grid Ltd.	Jaypee Infra-tech Ltd.	Jaypee Himalayan Expressway Ltd.	Bhilai Jaypee Cement Ltd.	Jaypee Ganga Infrastructure Corporation Ltd.	Jaypee Arunachal Power Ltd.	Bokaro Jaypee Cement Ltd.	Jaypee Sports International Ltd.	Gujarat Jaypee Cement & Infrastructure Ltd.	Jaypee Agra Vikas Ltd.	Jaypee Meghalaya Power Ltd.	Jaypee Cement Corporation Ltd.	Karcham Hydro Corp. Ltd.	Jaypee* Bina Power* Supply Company Ltd.	Madhya Pradesh Jaypee Minerals Ltd.
Capital (including Share Application Money)	262,476 (209,568)	55,198 (15,198)	67,819 (24,319)	25,000 (22,250)	138,893 (122,600)	11,809 (11,809)	20,196 (20,196)	56,600 (42,185)	20,000 (16,250)	11,869 (9,267)	64,200 (55,200)	1,185 (1,185)	56,380 -	500 -	8,800 -	-	-	-
Reserves	254,589 (128,212)	-7 (-7)	-6 (-6)	(184) (84,800)	376,400 (76,685)	8,429 (5,500)	6,972 (14,179)	-	-225 (-126)	-34 -	-202 (-202)	-	-200 -	-2 -	-3452 -	(132,500) (-201)	(22,416) (-85)	(6,215) -
Total Assets	1,838,130 (912,506)	55,248 (23,789)	142,540 (84,359)	84,800 (68,265)	1,422,545 (972,617)	51,259 (31,639)	101,235 (85,547)	56,751 (42,393)	20,009 (16,854)	39,947 (14,097)	297,117 (191,030)	1,258 (1,234)	70,690 -	501 -	13,662 -	(474,121) (74,447)	(6,326) -	-
Total Liabilities (including Loans)	1,321,065 (574,726)	57 (8,588)	74,727 (60,046)	59,994 (45,955)	946,252 (773,332)	31,021 (14,330)	74,067 (61,172)	151 (208)	234 (730)	28,112 (4,830)	233,119 (136,032)	73 (49)	12,510 -	3 -	8,314 -	(341,822) (62,116)	(111) -	-
Investment Details (including Share held in Trusts and Share Application Money)	360,630 (142,096)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnover (including Other Income)	84,074 (71,778)	-	-	-	279,883 (65,266)	-	33,287 (5,618)	-	-	-	-	-	-	-	-	-	-	-
Profit Before Taxation	20,646 (30,339)	-	-	-184 (-6)	181,464 (58,735)	-	-8,889 (-490)	-	-99 (-126)	-34 -	-202 (-202)	-	-200 -	-2 -	-2413 (80)	(-201) (-85)	-	-
Provision for Taxation	4,135 (5,185)	-	-	-	37,958 (9,986)	-	2,181 (-7)	-	-	-	-	-	-	-	-	-	-	-
Profit After Taxation	16,511 (25,154)	-	-	-184 (-6)	143,506 (48,749)	-	-11,050 (-483)	-	-99 (-126)	-34 -	-202 (-202)	-	-200 -	-2 -	-2333 (-201)	(-85) -	-	-
Proposed Dividend (including Dividend Distribution Tax)	-	-	-	-	8,071 -	-	-	-	-	-	-	-	-	-	-	-	-	-

\* Jaypee Karcham Hydro Corporation Limited and Bina Power Supply Company Limited merged with Jaiprakash Power Ventures Limited w.e.f. 01.04.2010.

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

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

Signatures to Schedules "A" to "T"  
 For M.P. Singh & Associates  
 Chartered Accountants

For and on behalf of the Board

**MANOJ GAUR**  
 Executive Chairman & C.E.O.

**SUNIL KUMAR SHARMA**  
 Executive Vice Chairman

**Rahul Kumar**  
 Director & C.F.O.

**Harish K. Vaid**  
 Sr. President [Corporate Affairs] &  
 Company Secretary

**Ram Bahadur Singh**  
 C.F.O.  
 [Cement]

**Gopal Das Bansal**  
 Sr. Vice-President [Accounts]

**M.P. Singh**  
 Partner  
 M.No.1454, Firm Regn No.002183C

Place : Noida  
 Dated : 12th August, 2011

**Shyam Datt Nailwal**  
 Director [Finance]

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

	2010-2011 ₹ Lakhs	2009-2010 ₹ Lakhs
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before Tax and Minority Shareholders Interest as per Profit & Loss Account	308,769	200,679
Add back:		
(a) Depreciation	64,635	47,220
(b) Deferred Revenue on account of advance against depreciation	7,905	7,530
(c) Miscellaneous Expenses (Amortized)	1,419	2,015
(d) Interest on Borrowings	187,469	128,638
(e) Employee Compensation Expense	-	21,194
(f) Loss on sale of fixed assets	179	98
	<u>261,607</u>	<u>206,695</u>
	<b>570,376</b>	<b>407,374</b>
Deduct:		
(a) Interest Income	(23,749)	(15,840)
(b) Dividend Income	(1,561)	(758)
(c) Profit on Sale of Equity Shares [Previous Year - held through Beneficiary Trusts]	(51,316)	(131,635)
(d) Profit on Sale/Redemption of Preference Shares/Mutual Funds	(180)	(849)
(e) Other Income	(426)	(119)
	<u>(77,232)</u>	<u>(149,201)</u>
Operating Profit before Working Capital Changes	<b>493,144</b>	<b>258,173</b>
Deduct:		
(a) (Increase)/ Decrease in Sundry Debtors	(121,506)	(68,884)
(b) (Increase)/ Decrease in Inventories	(24,741)	(33,434)
(c) (Increase)/ Decrease in Projects under Development	(148,225)	(265,268)
(d) (Increase)/Decrease in Other Receivables	1,114	656
(e) (Increase)/ Decrease in Loan and Advances	(105,000)	(49,030)
	<u>(398,358)</u>	<u>(415,960)</u>
	<b>94,786</b>	<b>(157,787)</b>
Add:		
Increase/ (Decrease) in Trade Payables & other Liabilities	160,930	161,389
Cash Generated from Operations	<b>255,716</b>	<b>3,602</b>
Deduct:		
Tax Paid [except Tax paid on Profit on sale of Equity Shares]	(80,547)	(35,688)
<b>CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>“A”</b>	<b>(32,086)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Outflow:		
(a) For Fixed Assets and Capital Work in progress	(1,290,924)	(1,120,242)
(b) Purchase of Investments in Equity Shares [including Share Application Money]	(28,426)	(1,877)
(c) Purchase of Investments in units of Mutual Fund/ Exchange Traded Funds	(312,969)	(179,144)
(d) Miscellaneous Expenditure	(301)	(2,995)
	<u>(1,632,620)</u>	<u>(1,304,258)</u>
Inflow:		
(a) Sale/Transfer of Fixed Assets	2,336	3,702
(b) Sale/Redemption of Investments in shares/Mutual Fund	310,568	149,185
(c) Sale of Equity Shares [Previous Year held in beneficiary trusts]	57,316	168,079
(d) Interest Received	22,433	13,204
(e) Dividend Received	1,561	758
(f) Other Income	426	119
	<u>394,640</u>	<u>335,047</u>
Deduct:		
Tax Paid on Profit on Sale of Equity Shares	(10,228)	(22,371)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>“B”</b>	<b>(91,582)</b>



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

**Notes:**

- Increase in Share Capital & Security Premium is on account of Conversion of Foreign Currency Convertible Bonds issued by the Parent Company into Equity Shares. Correspondingly, the Borrowings have been decreased.
- Increase in Security Premium also includes premium received on Public Issue of Equity Shares by Jaypee Infratech Limited [Subsidiary Company].
- Impact in Cash Flows on account of changes in ownership of Subsidiaries have been effected.
- Previous Year Figures had been regrouped/rearranged wherever necessary.

FOR AND ON BEHALF OF THE BOARD

**For M.P. Singh & Associates**  
 Chartered Accountants

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

Place : Noida

Dated : 12th August, 2011

**GOPAL DAS BANSAL**  
 Sr. Vice-President [Accounts]

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

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

**RAHUL KUMAR**  
 Director & C.F.O.

**SHYAM DATT NAILWAL**  
 Director [Finance]

**MANOJ GAUR**  
 Executive Chairman & C.E.O.

**SUNIL KUMAR SHARMA**  
 Executive Vice Chairman



# JAIPRAKASH ASSOCIATES LIMITED

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

## ATTENDANCE SLIP

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

I hereby record my presence at the 14th Annual General Meeting of the Company held on Tuesday, September 27, 2011 at 11.30 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 investor holding shares in electronic form.

Note: Please handover the slip at the entrance of the meeting venue

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

# JAIPRAKASH ASSOCIATES LIMITED

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

## PROXY

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/on my/our behalf at the 14th Annual  
General Meeting of the Company to be held on Tuesday, September 27, 2011 at 11.30 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 ..... 2011.

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

Affix  
Re.1  
Revenue  
Stamp

\* Applicable for investors holding shares in electronic form.

Note:

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.





1.50 MnTPA Jaypee Himachal Cement Plant, Baga, H.P.



2.4 MnTPA Jaypee Gujarat Cement Plant, Sewagram, Gujarat



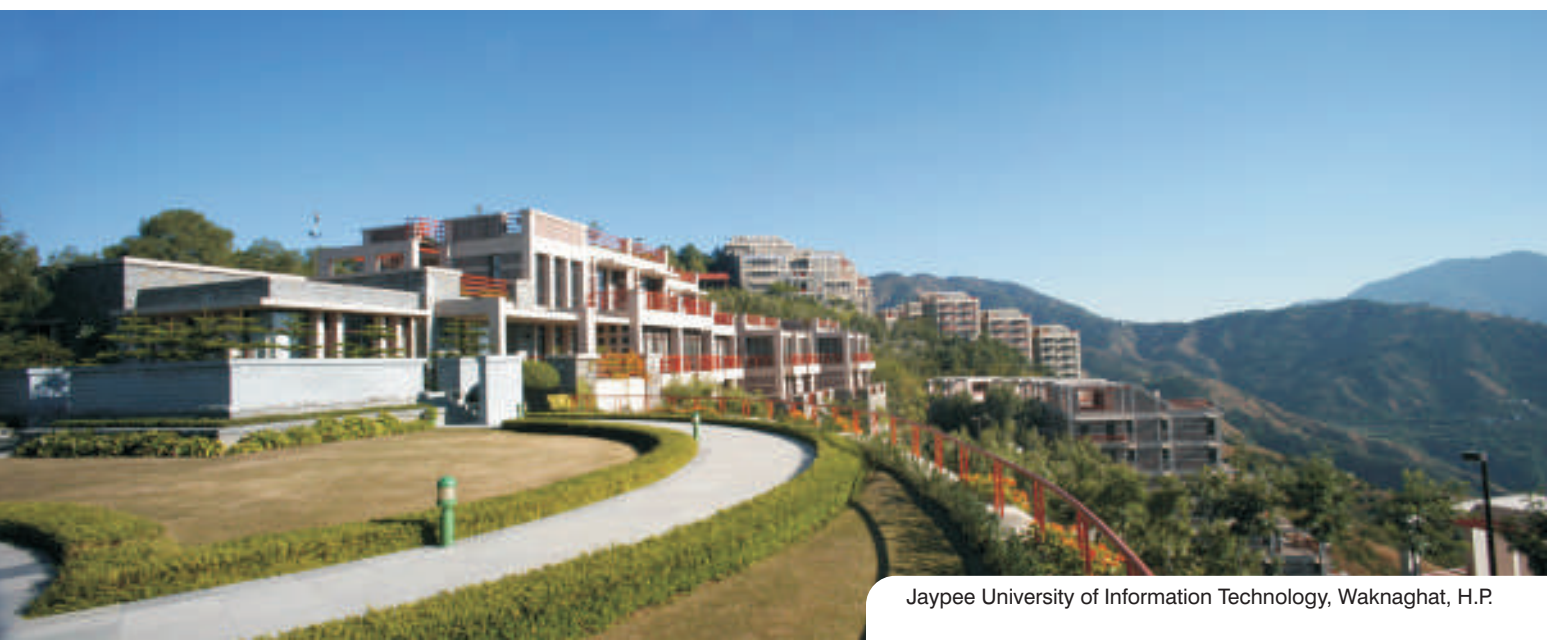
2 MnTPA Jaypee Sidhi Cement Plant, Sidhi, M.P.



900 MW Baglihar Dam, J&K



Down Stream view of 1000 MW Karcham Dam, H.P.



Jaypee University of Information Technology, Wanknaghat, H.P.



Residential Community at Jaypee Greens, Greater Noida, U.P.



Jaypee Greens Golf and Spa Resort, Greater Noida, U.P.



Jaypee Palace Hotel, Agra, U.P.

## BOOK POST

*If undelivered please return to:*

**JAIPRAKASH**  
**ASSOCIATES LIMITED**

**Registered Office :** Sector-128, Noida-201 304, Uttar Pradesh (India) **Ph.:** +91-120-4609000 **Fax:** +91-120-4609496  
**Website :** [www.jalindia.com](http://www.jalindia.com)