

ANNUAL REPORT 2009-10

NO DREAM TOO BIG



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UNFOLDING THE NATION'S POTENTIAL IS IN OUR SPAN

Infrastructure is at the core – whether you consider industrial growth, power, construction, education, connectivity, hospitality or tourism. Infrastructure sets the pace for development both through its quantum and its quality. In a vast country like India, there have been huge gaps and these represent the enormous potential and also economic opportunity.

Over four decades, the Rs.10,000 crores Jaypee Group has been steadily increasing its activities and contribution across these areas to emerge as a frontrunner in major infrastructure. It has built dams, hydroelectric projects, power plants, roads, townships, college campuses, hotels, sports complexes and more that have substantially impacted both urban and rural lifestyle. In turn, it has increased its capabilities, expertise and ascended to the upper echelon of business conglomerates.

Prestigious projects, firsts-in-India, sectoral leadership, expansions in terms of geography and outputs have marked this eventful history of successful undertakings that today comprise the Jaypee Group. Our commitment is to the nation's needs. India's tremendous potential is our cherished belief. Through our endeavours, we strive to transform the country into a place that can provide resources, nurture social progress, and offer a higher quality of life to its people.

We are aligned with the positive trend that can be felt today in all spheres – industry, the service sector, transportation, urbanisation, sports and culture. We are of the conviction that this will be furthered and lead to more successes. In fact, our own scope for growth is derived directly from the nation's forward surge. Our iron resolve is part of the nation's determination to reach its goals. While we take pride in the performance so far, it points us towards the immense potential ahead of us that waits to be translated into corporate achievement and national development. Let's seize the day and reach for it...



THERE'S INNER STRENGTH IN OUR SPAN

A leader in Engineering & Construction of mega-projects, the Jaypee Group also has an important role in cement manufacturing and has had the fastest expansion over the last twenty five years. The synergy of this allied reputation has served to elevate the Group's overall stature in the Infrastructure Sector. After all, the test of time is a true indicator of strength in large-scale projects.

As the third largest cement producer in the country, Jaypee Group is poised to increase its output from 19.10 Million Tonne Per Annum (MTPA) to 33.55 MTPA by 2012. It has signed an MOU for a 2 MTPA cement plant in a Joint Venture with Assam Mineral Development Corporation.

Two units of Jaiprakash Associates Limited at Jaypeenagar and Jaypeepuram were awarded **Five Star Rating by the British Safety Council, U.K for Health and Safety Management System.**



The commissioning of new capacities at Bagheri, Kutch, Sidhi, Satna and Roorkee and further planned expansions are because of the demand rise expected over the next five years.

Jaypee Cement is targeting a production of 50 MTPA and a 55% share of the substantial UP market in which there is a strong demand. Its plants are ultra-modern and efficient and the core promise of its Jaypee Portland Pozzolana Cement (PPC) is its superior strength and durability. The Brand's ambassador Sachin Tendulkar endorses the core values of trust, resilience and stability in its new marketing campaign "Andar Se Solid". Jaypee Cement is able to sprint towards its targets because its foundations are strong.



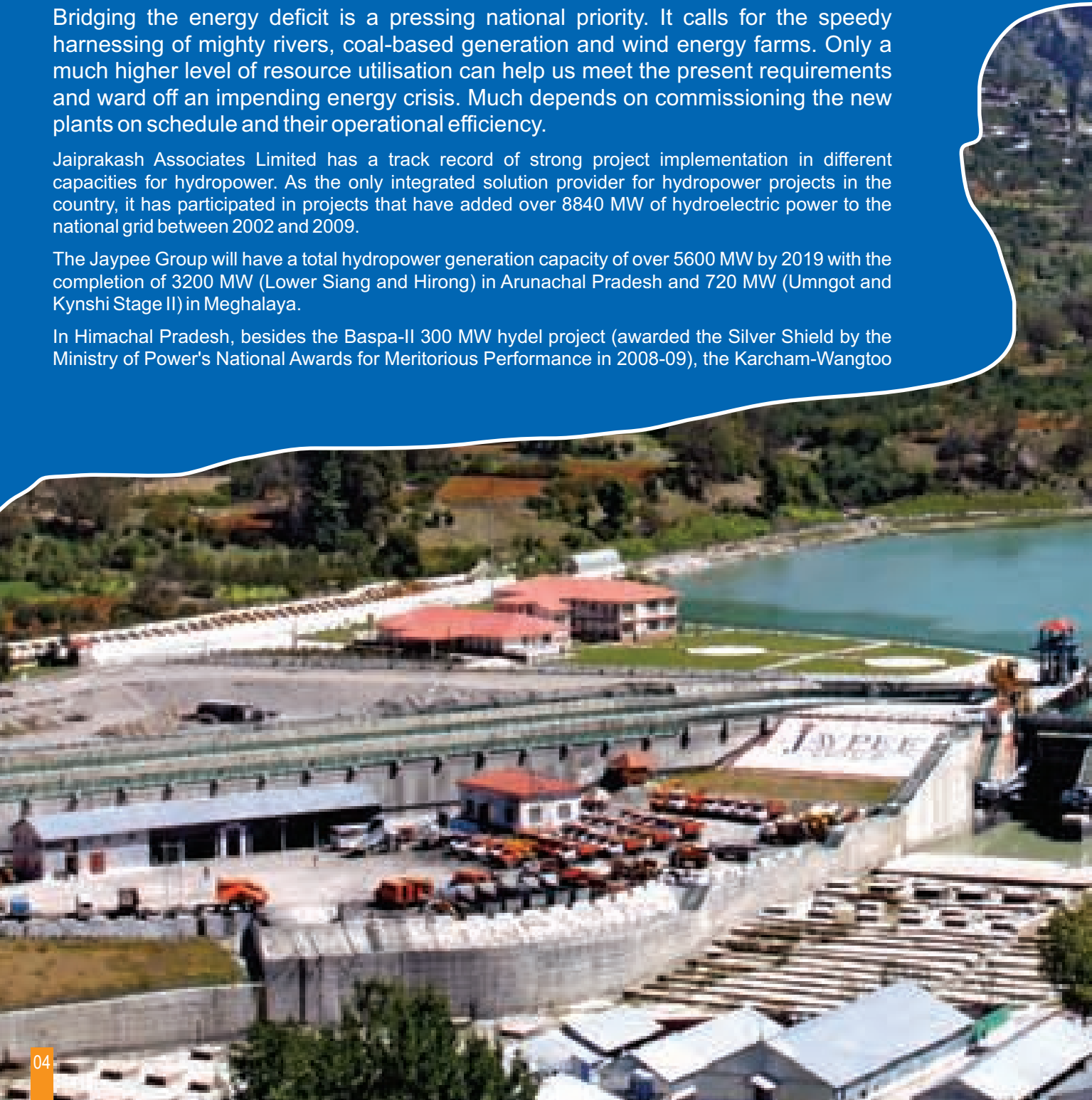
THERE ARE MORE MEGAWATTS IN OUR SPAN

Bridging the energy deficit is a pressing national priority. It calls for the speedy harnessing of mighty rivers, coal-based generation and wind energy farms. Only a much higher level of resource utilisation can help us meet the present requirements and ward off an impending energy crisis. Much depends on commissioning the new plants on schedule and their operational efficiency.

Jaiprakash Associates Limited has a track record of strong project implementation in different capacities for hydropower. As the only integrated solution provider for hydropower projects in the country, it has participated in projects that have added over 8840 MW of hydroelectric power to the national grid between 2002 and 2009.

The Jaypee Group will have a total hydropower generation capacity of over 5600 MW by 2019 with the completion of 3200 MW (Lower Siang and Hirong) in Arunachal Pradesh and 720 MW (Umngot and Kynshi Stage II) in Meghalaya.

In Himachal Pradesh, besides the Baspa-II 300 MW hydel project (awarded the Silver Shield by the Ministry of Power's National Awards for Meritorious Performance in 2008-09), the Karcham-Wangtoo



1000 MW Project is approaching completion, and Jaypee Group is also implementing a transmission system to carry the power across a 217 km line to Haryana. In Uttarakhand the 400 MW Vishnuprayag HEP is operational.

In Thermal Power, the Group is implementing 2820 MW in Madhya Pradesh (Nigrie and Bina) and 5280 MW in Uttar Pradesh (Karchana and Bara).

The Group's initiative in Wind Energy presently yields 49 MW in Maharashtra and Gujarat.

Jaypee Group amalgamated Jaiprakash Power Ventures Ltd. (JPVL) with Jaiprakash Hydro-Power Ltd. and the combined entity bears the former name. It is the largest private sector Hydro Power producer and along with its Thermal Power Projects, JPVL (a subsidiary of Jaiprakash Associates Limited) is progressing towards a total generation capacity of 13960 MW by 2019. It will be the only private sector company to have a mix of 60% thermal and 40% hydel.

Again, in the field of Power, Jaypee is confident about attaining and delivering the targetted capacities which in turn will sustain the momentum of economic growth. Through application of mind and the mustering of materials, it untiringly facilitates the expansion of the nation's power grid.



THERE ARE NEW HABITATS IN OUR SPAN

In the last decade, the common refrain heard about city life has been that it is stressful. Congestion, shortage of amenities, a non-relaxing environment, travails of commuting, and overcrowding are some of the frequently cited causes of stress. Jaypee Group offers much more than just a utopian dream.

It is developing complexes, townships, institutional areas and themed projects which will deliver to its occupants a profoundly different experience. Greater ease, healthier environs, an array of top-notch facilities and support systems – these are to be part and parcel of everyday life in the five world class townships to be built by the Group along the Yamuna Expressway. Applying the highest standards of urban planning, the townships will have a degree of interdependence and share some of the facilities. Each city will have a total built up area around 100 million square feet and will contain commercial and amusement areas as well.

Similarly, a billion square feet is to be developed along the Ganga Expressway.

The sports theme is gaining popularity and along these lines the Jaypee Sports City in Greater Noida is an integrated city with 747 acres for residential development and 454 acres for commercial and



institutional development with 857 acres as core sports area including state-of-the-art motor racing track designed by Hermann Tilke, which is fit for holding motor GPs like F1.

Jaypee Greens, Greater Noida is a premium 452 acre lifestyle real estate destination, and offers luxury villas and apartments with an 18 Hole Greg Norman Signature golf course. Among its attractions are landscaped parks and lakes along with an integrated sports club. Jaypee Greens is also creating what will be amongst India's finest township development on over 1162 acres – the Wish Town in Noida which will offer a lifestyle that matches the world's best anywhere.

The demand for housing and also superior lifestyle habitats are both increasing by the day and the Jaypee Group is developing properties on a rapid and massive scale to cater to the requirement in quantity and quality. The construction is undertaken with a civic planning perspective and the integrated township approach is holistic and addresses all aspects of life – health, fitness, communion with nature, decongestion, games, function halls, education, childrens' parks, energy efficiency, rainwater harvesting and so on. Our span indeed reflects the breadth of human concerns!



THERE ARE FASTER MILES IN OUR SPAN

Jaypee Group is ushering in an era of better connectivity that will accelerate development in the hinterland. The modern expressway is the speedy, time-saving answer to the need for linking places of commercial, industrial, trade and tourist importance. India's two largest expressway projects – Yamuna Expressway and Ganga Expressway totalling 1200 km approx. are being executed by Jaypee Group. Jaypee Infratech Limited, subsidiary of JAL will complete the construction of the 6-lane Yamuna Expressway in 2011, halving the journey time between Noida and Agra.

The expressway promises to bring a wave of change across five districts. The business model is based on the revenues to come from traffic and related facilities on the expressway during the 36-year concession period and development of associated real estate pursuant to the concession. It is required to be completed by April 2013 under the Concession Agreement but is expected to be ready in 2011. It will be entirely concrete-paved and minimise travel time, and facilitate uninterrupted movement of

