

Annual Report 2013-14



JAIPRAKASH
ASSOCIATES LIMITED



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



2 MnTPA Dalla Cement Factory, Uttar Pradesh



5.00 MnTPA Jaypee Balaji Cement Plant, Andhra Pradesh

Company Secretary
Harish K. Vaid

Sr. President (Corporate Affairs) & Company Secretary

Auditors

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

Bankers

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

Jaiprakash Associates Limited

CIN L14106UP1995PLC019017

Registered & Corporate Office

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

Delhi Office

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

Founder Chairman
Jaiprakash Gaur
Board of Directors
Manoj Gaur, Executive Chairman & CEO

Sunil Kumar Sharma, Executive Vice Chairman

Sarat Kumar Jain, Vice Chairman

S.C. Rathi (LIC Nominee)

R. N. Bhardwaj, Independent Director

S. C. Bhargava, Independent Director

V. K. Chopra, Independent Director

Homai A. Daruwalla, Independent Director

B. K. Goswami, Independent Director

Dr. B. Samal, Independent Director

K.N. Bhandari, Independent Director

Sunny Gaur, Managing Director (Cement)

Pankaj Gaur, Jt. Managing Director (Construction)

Ranvijay Singh, Whole-time Director

Rahul Kumar, Whole-time Director & CFO

Shiva Dixit, Whole-time Director

S.D. Nailwal, Whole-time Director (upto 30-06-2014)

Contents

Directors' Report	2
Secretarial Audit Report	22
Report on Corporate Governance	23
Corporate Governance Compliance Certificate	37
Management Discussion & Analysis Report	38
Business Responsibility Report	50
Independent Auditors' Report	63
Balance Sheet	68
Statement of Profit and Loss	69
Notes (1 - 56)	70
Cash Flow Statement	109
Statement Under Section 212 of the Companies Act	111
Independent Auditors' Report on Consolidated Accounts	115
Consolidated Accounts	116
Consolidated Cash Flow Statement	151

E mail ID for Fixed Deposit related queries

jalinvestor@jalindia.co.in

Website : www.jalindia.com

E mail ID for Shareholder related queries

jal.investor@jalindia.co.in

DIRECTORS' REPORT

To

The Members,

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

WORKING RESULTS

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

(₹ in crore)

Financial year ended	31.03.2014	31.03.2013
Gross Revenue	13,327.02	13,514.41
Profit before Interest, Depreciation & Tax	3,865.77	3,488.23
Less: Finance Costs	2,752.07	2,011.35
Less : Depreciation	773.55	726.13
Profit before Tax	340.15	750.75
Less : Provision for Tax		
• Current Tax	44.72	139.17
• Deferred Tax	(118.46)	128.95
• Excess Provision for Income Tax in Earlier Years reversed	- 73.74	(18.65) 249.47
Profit after Tax	413.89	501.28
Add :		
• Profit brought forward from Previous Year	4,260.46	3,148.48
Profit available for appropriation	4,674.35	3,649.76
Less : Transferred to :		
• Debenture Redemption Reserve	-	7.65
• General Reserve	-	51.00 58.65
Add :		
• Provision for Dividend Distribution Tax written -back	18.00	9.37
• Final Dividend Transferred from Trusts (in which Company is sole beneficiary)	9.47	9.47
• Transfer from Reserve for Premium on FCCBs	-	779.46
• Transfer from Debenture Redemption Reserve	259.30 286.77	- 798.30
Less: Dividend		
• Proposed Final Dividend	-	110.95
• Tax on Proposed Final Dividend	-	18.00 128.95
Balance carried to Balance Sheet	4,961.12	4,260.46
Basic Earning Per Share [Face value ₹ 2 per share] before/after Extraordinary Items in Rupees	1.87	2.34
Diluted Earnings Per Share [Face value ₹ 2 per Share] before / after Extraordinary Items in Rupees	1.94	2.29

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

DIVIDEND

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

CHANGES IN SHARE CAPITAL

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

FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBs)

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

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

EMPLOYEE STOCK PURCHASE SCHEME

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

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

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

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

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

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

It is confirmed that:

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

OPERATIONS

1.0 ENGINEERING DIVISION

1.1.1 Prequalifications / Bids Under submission

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

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

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

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

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

1.2 Works in Progress

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

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

*Excluding escalation and extra items.

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

2.0 CEMENT DIVISION

Operations

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

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

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

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

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

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

JAL CAPACITY-

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

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

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

JCCL CAPACITY -

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

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

2.1 Operational Performance (JAL)

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

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

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

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

* figures are inclusive of Trial Run.

3.0 HOTELS DIVISION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

achieve higher growth coupled with optimization of the resource utilization.

4.0 REAL ESTATE DIVISION

Jaypee Greens, Greater Noida

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

Jaypee Greens Wish Town Noida

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

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

Jaypee Greens AMAN

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

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

Jaypee Greens Sports City

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

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

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

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

DIVERSIFICATION

A. WIND POWER PROJECT

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

B. DEVELOPMENT OF COAL BLOCKS IN MADHYA PRADESH

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

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

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

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

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

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

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

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

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

D. DIVERSIFICATION INITIATIVES

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

SUBSIDIARIES

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

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

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

The status of the aforesaid subsidiaries is as under:

POWER AND RELATED BUSINESS

1. JAIPRAKASH POWER VENTURES LIMITED (JPVL)

OPERATIONS

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

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

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

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

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

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

* Deemed Plant Availability.

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

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