



annual report

2012-13

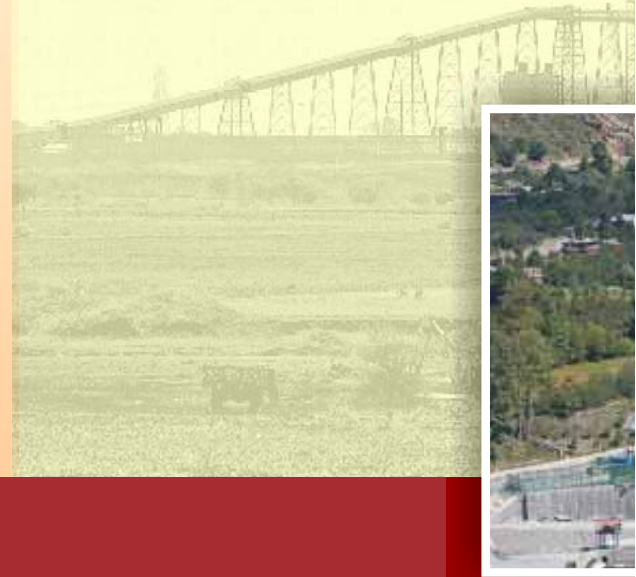


Construction
Power
Cement
Hospitality
Real Estate
Fertilizer
Buddh International Circuit

— NO DREAM TOO BIG —

vision

To be the most efficient power company of the country with optimum utilization of resources, to provide power to all, while bringing reward to all its stakeholders continuously.



mission

- To develop and operate technically sound projects in cost effective manner.
- To ensure best monitoring and maintenance techniques which would offer us a competitive advantage in the industry.
- To become a world class, diversified and transnational power company with diversified sources of revenue and low business risk.
- To play a significant role in the growth of the Indian power sector.
- Expand our installed capacity to develop a superior portfolio of assets.
- Maintain a high level of social responsibility in the communities in which we operate.
- To uphold the principles of trust, corporate governance and transparency in all aspects of business.



highlights

- Environment Friendly Run of the River Projects
- India's Largest Hydropower Producer in Private Sector
- Super Critical Technology in Thermal Plants
- Green Power Portfolio



Power Capacity in Operation/ Under Advanced Stages of Implementation

S.N.	Project	State	Fuel	Capacity (MW)	PPA (MW)	Merchant (MW)	Equipment Supplier	VER/CER
Current Capacity								
1.	Baspa- II	H.P.	Hydro	300	300	–	VA Tech (Austria), Voith (Germany), Alstom (France)	1.00 Mn VERs
2.	Vishnuprayag	U.K.	Hydro	400	400	–	Alstom (France)	1.32 MnVERs
3.	Karcham Wangtoo	H.P.	Hydro	1,000	–	1,000	VA Tech (Austria), Voith (Germany), Areva (France)	3.35 Mn CERs
4.	Bina Phase–I	M.P.	Thermal (Coal Linkage)	500	350	150	BHEL (India)	
Cumulative Total				2,200	1,050	1,150		
By Mar 2014 *								
5.	Nigrie	M.P.	Thermal (Dedicated Coal)	1,320	660	660	L&T-MHI (India/Japan)	0.8Mn CERs*
Cumulative Total				3,520	1,710	1,810		
By Mar 2015 *								
6.	Bara Phase–I (Units 1, 2 & 3)	U.P.	Thermal (Coal Linkage)	1,980	1,782	198	BHEL (India), in technical collaboration with Alstom (USA) & Siemens (Germany)	1.5 Mn CERs*
Cumulative Total				5,500	3,492	2,008		

* Management Estimate

Barrage of 300 MW
Baspa-II Hydro
Electric Plant,
Himachal Pradesh



Upstream view of
Barrage of 400 MW
Vishnuprayag
Hydro Electric
Plant, Uttarakhand



Machine Hall
at 400 MW
Vishnuprayag
Hydro Electric
Power Plant,
Uttarakhand



Machine Hall
at 300 MW
Baspa-II
Hydro Electric
Power Plant,
Himachal
Pradesh



Board of Directors

Manoj Gaur, Chairman
Sunil Kumar Sharma, Vice-Chairman & CEO
Suren Jain, Managing Director & CFO
B.K.Taparia
R.N. Bhardwaj
B.B. Tandon
A. K. Goswami
S.C. Bhargava
Dr. R.C. Vaish
Subroto Gupta (IDBI Nominee)
S.S. Gupta
Dr. J.N. Gupta
G.P. Gaur
Dr. R.L. Gupta
D.P. Goyal
Lt.Gen.(Retd.) Ravindra Mohan Chadha
R.K. Narang, Whole-time Director
Suresh Chandra, Whole-time Director
Praveen Kumar Singh, Whole-time Director

Company Secretary

M.M. Sibbal
Sr. General Manager & Company Secretary

Statutory Auditors

M/s. R. Nagpal Associates
Chartered Accountants
New Delhi

Internal Auditors

M/s. Rajendra K Goel & Co.
Chartered Accountants
New Delhi

Cost Auditors

M/s. Kabra & Associates
Cost Accountants
Delhi

Registrar & Transfer Agents

Alankit Assignments Limited
Alankit House, 2E/21, Jhandewalan Extension
New Delhi 110 055
Tel. 91-11-42541234, 23541234, Fax:91-11-42541883
E-mail: info@alankit.com

Registered Office

JUIT Complex, Waknaghat, P.O. Dumehar Bani,
Kandaghat-173215, District Solan (H.P.)

Corporate Office

Sector - 128, Noida - 201304,
Distt. Gautam Budh Nagar (U.P.)
Tel. 0120-4609000, Fax: 0120-4609496

Website & E-mail Address

www.jppowerventures.com
jpv1.investor@jalindia.co.in

Bankers/Lenders

Indian

Allahabad Bank
Andhra Bank
Axis Bank Limited
Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Corporation Bank
Dena Bank
ICICI Bank Limited
IDBI Bank Limited
Infrastructure Development Finance Company Limited
IFCI Limited
Indian Bank
Indian Overseas Bank
L & T Infrastructure Finance Company Limited
Life Insurance Corporation of India
Oriental Bank of Commerce
Power Finance Corporation Limited
Punjab National Bank
Small Industries Development Bank of India
State Bank of Bikaner & Jaipur
State Bank of Hyderabad
State Bank of India
State Bank of Patiala
State Bank of Travancore
Syndicate Bank
The Jammu & Kashmir Bank Limited
UCO Bank
Union Bank of India
United Bank of India

Foreign

Unicredit Bank AG, Munich
Credit Agricole CIB, France
Siemens Financial Services GmbH, Germany
Standard Chartered Bank, Singapore

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NOTICE

NOTICE is hereby given that the **Eighteenth Annual General Meeting** of the members of **JAIPRAKASH POWER VENTURES LIMITED** will be held on **Saturday, the 6th July, 2013 at 11.00 A.M.** at the Registered Office of the Company at **JUIT Complex, Wagnaghat, P.O. Dumehar Bani, Kandaghat-173215, Distt. Solan (H.P.)**, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the **Audited Balance Sheet** as at 31st March, 2013, the statement of Profit & Loss for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of **Shri A.K. Goswami**, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Shri R.N. Bhardwaj**, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of **Shri S.C. Bhargava**, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of **Shri Suren Jain**, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint a Director in place of **Shri Praveen Kumar Singh**, who retires by rotation and, being eligible, offers himself for re-appointment.
7. To appoint a Director in place of **Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha**, who retires by rotation and, being eligible, offers himself for re-appointment.
8. To appoint **M/s. R. Nagpal 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 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. RE-APPOINTMENT OF SHRI SURESH CHANDRA AS WHOLE-TIME DIRECTOR

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any statutory amendment or re-enactment thereof, and subject to such other approvals, as may be necessary, the approval of the Company be and is hereby accorded to the re-appointment of Shri Suresh Chandra as Whole-time Director of the Company for a further period of five years w.e.f. 11th January, 2013 on the remuneration and terms and conditions mentioned in the Explanatory Statement annexed to this Notice."

"RESOLVED FURTHER THAT pursuant to Section 198 and all other applicable provisions of the Companies Act, 1956 the remuneration as set out in the Explanatory Statement annexed to this Notice, be paid as minimum remuneration to Shri Suresh Chandra notwithstanding that in any financial year of the Company during his tenure as Whole-time Director, the Company has no profits or profits are inadequate."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of

appointment of the appointee including relating to remuneration, as it may at its discretion, deem fit from time to time so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) or any amendment made thereto."

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Ordinary Resolution**:

10. CREATION OF SECURITY IN FAVOUR OF LENDERS

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (which expression shall include any Committee of the Board duly constituted/to be constituted) to hypothecate, mortgage and/or charge, on the immovable and movable properties of the Company, wheresoever situate, present or future, in such manner as may be decided in consultation with the Financial Institution(s)/Bank(s) to or in favour of Lenders/Security Trustee(s) to secure the financial assistance(s) extended/to be extended,

I. by the lenders of Corporate loans for the:

- a) Financial Assistance of Rs.1,000 crores lent / to be lent by State Bank of India; and
- b) Financial Assistance upto Rs.150 crores lent/to be lent by IDBI Bank Limited.

II. by the lenders of 500 MW (Phase-I) Jaypee Bina Thermal Power Plant for the Working Capital facilities aggregating Rs. 390 crores lent/to be lent with IDBI Bank Ltd. in the lead ; and

III. by the lenders of Jaypee Karcham Wangtoo Hydro Power Plant for the financial assistance aggregating to Rs.5,850 crores lent/to be lent with IDFC Limited in the lead,

together with interest, compound interest(s), additional interest(s), liquidated damage(s), premia on prepayment, cost(s), charge(s), expense(s), trustees' remuneration and other money payable by the Company to such Financial Institutions/ Banks/Trustees under respective loan agreements and other agreements entered into with them by the Company in respect of the aforesaid financial assistance(s)."

"RESOLVED FURTHER THAT the securities/hypothecation/ mortgages/residual charges to be created by the Company aforesaid shall rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created in future by the Company, as may be agreed to between the Company and the Lenders."

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**:

11. RAISING OF FUNDS THROUGH QUALIFIED INSTITUTIONS PLACEMENT (QIP)/EXTERNAL COMMERCIAL BORROWINGS (ECB) WITH RIGHTS OF CONVERSION INTO SHARES/FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBs)/AMERICAN DEPOSITORY RECEIPTS (ADRs)/GLOBAL DEPOSITORY RECEIPTS (GDRs)/FOLLOW-ON PUBLIC OFFER (FPO)/OPTIONALLY OR COMPULSORILY CONVERTIBLE PREFERENCE SHARES (OCPS/CCPS) ETC. PURSUANT TO SECTION 81 OF THE COMPANIES ACT, 1956

“RESOLVED THAT pursuant to the provisions of Section 81, and all other applicable provisions, if any, of the Companies Act, 1956 and/or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof), the Foreign Exchange Management (Transfer or Issue of Security by a person resident outside India), Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Deposit Receipt Mechanism) Scheme, 1993, as amended and the applicable Rules, Regulations, Notifications and Circulars, if any, issued by Securities and Exchange Board of India (SEBI) from time to time, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended [SEBI (ICDR) Regulations], Reserve Bank of India (RBI), Govt. of India or any other competent Authority and clarifications, if any, issued thereon from time to time by appropriate authorities, the Equity Listing Agreements (the “Listing Agreement”) entered into by the Company with the Stock Exchanges where the Company’s Equity Shares of face value of Rs.10/-each (the “Equity Shares”) are listed and other concerned and appropriate authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of the Government of India, RBI, SEBI and any other appropriate authority(ies), Banks, Institution(s) or Body(ies), as may be necessary and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, as are accepted by the Board of Directors of the Company, (hereinafter referred to as the “Board”, which term shall be deemed to include any duly constituted Committee thereof), be and is hereby authorized to create, offer, issue and allot Equity Shares / Securities in one or more tranches, in the course of domestic or international offerings, by way of Follow-on Public Offer (FPO) and/or by way of a Qualified Institutions Placement (QIP) in terms of the Chapter VIII of SEBI (ICDR) Regulations, as amended from time to time and/or equity shares in the form of Global Depository Receipts (GDRs), and/or American Depository Receipts (ADRs), and/ or External Commercial Borrowings (ECB) with rights of conversion into shares, and/ or Foreign Currency Convertible Bonds (FCCBs) and/or Optionally or Compulsorily Convertible Preference Shares (OCPS/CCPS), convertible into Equity Shares of the Company with voting rights or with differential rights as to voting, dividend or otherwise in accordance with such rules and subject to such conditions as may be prescribed or any other instrument convertible into Equity Shares with voting rights or with differential voting rights as to voting, dividend or otherwise (hereinafter referred to as the “Securities”), to be subscribed to, by International and/or Indian Banks, Institutions, Institutional Investors, Mutual Funds, companies, other Corporate Bodies, Resident/Non-Resident Indians, Foreign Nationals and other eligible Investors, as may be decided by the Board, (hereinafter referred to as “Investors”), whether or not such Investors are members of the Company (including with the provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company, group/associate company(ies) / holding company as may be permitted by SEBI (ICDR) Regulations from time to time), at such time or times, at such price or prices, at discount / premium to the market or prices in such manner and on such terms and conditions including security, rate of interest etc. including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all

other categories of Investors, as may be determined by the Board at the time of such issue and allotment, considering the prevalent market conditions and other relevant factors wherever necessary, upto an aggregate of **Rs. 2,500 Crore (Rupees Two Thousand Five Hundred Crores only)** in Indian Rupees or equivalent in any foreign currency (inclusive of such premium/discount as may be determined) and such issue and allotment be made at such time or times, in such tranche or tranches, in such currency or currencies, in such manner and on such terms and conditions (including, if necessary, in relation to security on convertible debt instruments) as may be decided and deemed appropriate by the Board in its sole discretion at the time of issue / allotment.”

“RESOLVED FURTHER THAT in case of QIP, pursuant to Chapter VIII of SEBI (ICDR) Regulations, the allotment of Equity Shares/ Securities shall only be made to Qualified Institutional Buyers at a price including a discount of not more than 5% (or such discount as may be prescribed by SEBI from time to time) within the meaning of Chapter VIII of SEBI (ICDR) Regulations and such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this Resolution.”

“RESOLVED FURTHER THAT the Company and/or any agency or body authorized by the Company, may issue receipts/certificates representing the underlying Securities and/or Equity Shares issued by the Company with such features and attributes as are prevalent in International Capital Markets for instruments of this nature and provide for the tradability or free transferability thereof as per the domestic/ international practices, norms and regulations, and under the norms and practices prevalent in the International Markets.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot, from time to time, such number of Equity Shares/ Securities at such premium/discount as may be decided by the Board in its absolute discretion as may be required to be issued and allotted upon conversion of such Securities or as may be necessary in accordance with the terms of the offering, including additional Equity Shares, and all such shares shall rank pari-passu with the then existing Equity Shares in the Company in all respects including as to dividend.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any issue and/or allotment of Equity Shares in the Company or Securities or instruments or Securities representing or convertible into Equity Shares in the Company, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion, deem necessary, appropriate or desirable for such purpose, including, without limitation, determining the form and manner of the issue, the class of investors to whom the Equity Shares/Securities are to be issued and allotted, number of Equity Shares/Securities to be allotted in each tranche, issue price, face value, premium, discount amount on issue/conversion of securities/ exercise of warrants, rate of interest, redemption period, to appoint Lead Managers, Merchant Bankers, Global Business Coordinators, Book Running Lead Managers, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Registrars, Trustees, Bankers and all other agencies, to enter into or execute all such agreements/arrangements /MOUs/documents with any such agencies, as may be necessary; to list the Securities and the Equity Shares to be issued on conversion of the said Securities on any Indian and/or Foreign Stock Exchange(s), as it may in its absolute discretion deem fit.”

"RESOLVED FURTHER THAT the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares or Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of the aforesaid Resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Whole-time Director(s) or any Director(s) or any other Officer(s) of the Company to implement the aforesaid Resolution."

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:-

12. HOLDING AN OFFICE OR PLACE OF PROFIT BY SHRI D.P. GOYAL, NON-EXECUTIVE DIRECTOR

"RESOLVED THAT in accordance with the provisions of Section 314 (1) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded in respect of Shri D.P. Goyal, Non-Executive Director, holding an office or place of profit in the Company's subsidiary, Jaypee Powergrid Limited and drawing remuneration therefrom w.e.f. 1st April, 2013, as set out in the Explanatory Statement attached to this notice."

By Order of the Board

For **JAIPRAKASH POWER VENTURES LTD.**

Place : New Delhi

Date : 27th April, 2013

M.M. SIBBAL

Sr. General Manager &
Company Secretary

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 to 12 is annexed.
- (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 SCHEDULE TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
- (iii) Corporate Member(s) intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing such representative(s) to attend and vote at the Annual General Meeting.
- (iv) All documents referred to in the Notice and accompanying Explanatory Statement 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. upto the date of the Annual General Meeting.
- (v) The Register of Members and Share Transfer Books will remain closed from **Monday the 1st July, 2013 to Saturday the 6th**

July, 2013 (both days inclusive) for the purpose of Annual General Meeting.

- (vi) Members who are holding shares in physical form are requested to notify the change, if any, in their addresses or Bank details to the Company's Registrar and Transfer Agent (RTA) and always quote their Folio Numbers in all correspondence with the Company and RTA. In respect of holding in electronic form, members are requested to notify any change in addresses or Bank details to their respective Depository Participants.
- (vii) Pursuant to Section 205C of the Companies Act, 1956, the dividend amount which remains unpaid and unclaimed for period of seven years, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.
- (viii) Any query relating to Financial Statements must be sent to the Company's Registered Office at JUIT Complex, Waknaghat, P.O. Dumehar Bani, Kandaghat-173 215, Distt. Solan (H.P.) or Corporate Office at Sector-128, Noida-201 304 (U.P.) so as to reach **at least seven days before the date of the Annual General Meeting**. The envelope may please be superscribed **"AGM Queries - Attn. Shri M.M. Sibbal, Sr.General Manager & Company Secretary."**
- (ix) Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization which beside others include easy liquidity (since trading is permitted only in dematerialized form), electronic transfer, savings in stamp duty, prevention of forgery, etc.
- (x) **The Ministry of Corporate Affairs has taken "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 effected through e-mail to its members. To support this green initiative of the Government in full measure, the Company is sending Annual Report electronically to the e-mail addresses of members 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 shall be sent hard copies of Annual Report and who are desirous of receiving the communications/documents in electronic form are requested to promptly register their e-mail addresses with the Company.**
- (xi) Members or their respective proxies are requested to:
 - (a) Bring copies of Annual Report sent to the Members as copies of Annual Report shall not be distributed at the Annual General Meeting;
 - (b) Quote their Folio no./Client ID & DP ID in all correspondence; and
 - (c) **Note that no gifts/coupons shall be distributed at the Annual General Meeting.**
- (xii) (a) The shareholding of all the Directors in the Company (including those of who are being re-appointed) have been disclosed in the Report on Corporate Governance.

- (b) None of the Director(s) proposed to be appointed/re-appointed is related to the Directors of the Company.
- (c) Additional details in terms of Clause 49 of the Listing Agreement in respect of Directors being re-appointed are given hereunder:

Shri Ashwani Kumar Goswami

Shri A.K. Goswami, IAS (Retd), aged about 69 years, holds a Bachelors' Degree in Mechanical Engineering and has over 40 years of work experience in various capacities with the Central Government and the Government of Himachal Pradesh, including several senior level positions such as Secretary, Ministry of Water Recourses, Secretary, Drinking Water, Ministry of Rural Development, Director General of the National Productivity Council, Chief Secretary to the Government of Himachal Pradesh and Chairman of the HPSEB, amongst others. He was also the Chairman of the Board for Industrial and Financial Reconstruction.

Shri A.K. Goswami is on the Boards of Jaypee Sports International Limited and Stone India Limited.

Shri A.K. Goswami is Chairman of Audit Committee of Jaypee Sports International Limited and Member of Audit Committee of Stone India Limited.

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

Shri Raj Narain Bhardwaj

Shri Raj Narain Bhardwaj, aged about 67 years, holds a Bachelors' Degree and a Post-Graduate Degree in Economics from the Delhi School of Economics, University of Delhi, and a Diploma in 'Industrial Relations and Personnel Management' from the Punjabi University, Patiala. He has over 37 years of experience with LIC and has served in various key positions including as its Managing Director & Chairman. Shri Bhardwaj has also served as a Member of the Securities Appellate Tribunal.

Shri Raj Narain Bhardwaj is on the Boards of Samridhi Advisors Private Limited, SREI Ventures Capital Limited, IL & FS Milestone Realty Advisors Private Limited, Singhi Advisors Private Limited, Milestone Capital Advisors Limited, Jaiprakash Associates Limited, Invent Assets Securitization and Reconstruction Private Limited, Milestone Religare Investment Advisors Private Limited, Microsec Financial Services Limited, Reliance Infratel Limited, Religare Trustee Company Private Limited, Dhunseri Petrochem & Tea Limited, Lanco Teesta Hydro Power Private Limited, Amtek Auto Limited, Jaypee Infratech Limited, Rupa & Company Limited and SBI Life Insurance Company Limited.

Shri Raj Narain Bhardwaj is Chairman of Audit Committee of Jaiprakash Associates Limited, Invent Assets Securitisation and Reconstruction Pvt. Limited, Chairman of Shareholders'/Investors' Grievance Committee of Microsec Financial Services Limited and Chairman of Investment Committee of SBI Life Insurance Company Limited.

Shri Raj Narain Bhardwaj is Member of Audit Committee of Milestone Capital Advisors Limited, Reliance Infratel Limited, Microsec Financial Services Limited, Lanco Teesta Hydro Power Limited and SBI Life Insurance Company Limited. He is member of Transfer, Allotment and Management Committee of Milestone Capital Advisors Limited, Member of Nomination/Remuneration Committee of Reliance Infratel Limited, Member of Policy Holders Protection Committee of SBI Life Insurance Company Limited and Member of Risk Management

Committee of SBI Life Insurance Company Limited.

Shri Raj Narain Bhardwaj does not hold any share or convertible instrument (either in his name or in the name of any other person on a beneficial basis) in the Company.

Shri Subhash Chandra Bhargava

Shri S.C. Bhargava, aged about 67 years, holds a Bachelors' Degree in commerce from the University of Delhi. He is also a fellow member of the Institute of Chartered Accountants of India. He has over 38 years of experience in the fields of investments, treasury management, finance, accounts and inspection with LIC from 1967 to 2005. During his association with LIC, he served in various capacities such as Deputy Secretary, Secretary (Investments), Chief (Investments) and Executive Director (Investments). Shri Bhargava has also acted as member of the technical advisory committee on money, foreign exchange and government securities markets of the RBI from May, 2004 to July 2005.

Shri S.C. Bhargava is on the Boards of Aditya Birla Nuvo Limited, OTC Exchange Of India, Escorts Limited, Jaiprakash Associates Limited, Swaraj Engines Limited, A K Capital Services Limited, Cox & Kings Limited, GK Industrial Park Private Limited, Antique Finance Private Limited, Asahi Industries Limited, A.K. Capital Finance Private Limited, Swaraj Automotives Limited, IIT Insurance Broking and Risk Management Private Limited, Well Worth Finvest (India) Private Limited and Industrial Investment Trust Limited.

Shri S.C. Bhargava is Chairman of Audit Committee of Industrial Investment Trust Limited and IIT Insurance Broking and Risk Management Pvt. Limited.

Shri S.C. Bhargava is Member of Audit Committee of Swaraj Engines Limited, Cox and Kings Limited and Asahi Industries Limited, Member of Shareholders'/Investors' Grievance Committee and Finance Committee of Cox and Kings Limited, Member of Risk Management Committee of Aditya Birla Nuvo Limited.

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

Shri Suren Jain

Shri Suren Jain, aged about 42 years Managing Director and Chief Financial Officer of the Company, holds a Bachelors' Degree in Production Engineering from Marathwada University, Aurangabad, and has over 20 years of experience in corporate planning, corporate finance and management. He has worked in various capacities and businesses within the Jaypee Group, including the construction of the Indira Sagar and Sardar Sarovar Dams and the commissioning of the Jaypee Group's hotel project in Mussoorie and Agra. He was also a Director (Corporate) of Jaiprakash Associates Limited and a part of the senior management team responsible for the formulation and implementation of business strategies relating to Jaiprakash Associates Limited's power and energy businesses.

Shri Suren Jain is on the Boards of Akasva Associates Private Limited, Jaypee Powergrid Limited, Jaiprakash Agri Initiatives Company Limited, Jaypee International Logistics Company Private Limited, Sangam Power Generation Company Limited, Prayagraj Power Generation Company Limited, Shel Investments Consultancy Private Limited, Jaypee Mining Venture Private Limited, Jaypee Uttar Bharat Vikas Private Limited, Jaypee Meghalaya Power Limited, Jaypee Infra Ventures (A private company with unlimited liability), Sunil Hitech

Energy Private Limited, MSMC Adkoli Natural Resources Limited, Jaypee Cement Cricket (India) Limited and Jaypee Cement Hockey (India) Limited.

Shri Suren Jain is Member of Audit Committee of Sangam Power Generation Company Limited, Prayagraj Power Generation Company Limited and Jaypee Powergrid Limited, Member of Remuneration Committee of Prayagraj Power Generation Company Limited and Jaypee Powergrid Limited.

Shri Suren Jain holds 16,700 shares of the Company in his own name and no share or convertible instrument in the Company is held by him either in his own name or in the name of any other person on a beneficial basis.

Shri Praveen Kumar Singh

Shri Praveen Kumar Singh, aged about 41 years, Whole-time Director of the Company, holds a Bachelors' Degree in Civil Engineering from the University of Bangalore. He has been associated with the Jaypee Group for the past 16 years and has been involved in the construction and implementation of Karcham-Wangtoo HEP. He was also involved in the construction of the Indira Sagar hydro electric project and was the unit in-charge of Omkareshwar hydroelectric project.

Shri Praveen Kumar Singh is on the Boards of Jaypee Infra Ventures (a private company with unlimited liability) and Jaypee Meghalaya Power Limited.

Shri Praveen Kumar Singh holds 2,50,000 shares of the Company in his own name and no share or convertible instrument in the Company is held by him either in his own name or in the name of any other person on a beneficial basis.

Lt. Gen.(Retd.) Shri Ravindra Mohan Chadha

Lt. Gen.(Retd.) Shri Ravindra Mohan Chadha, aged about 71 years, holds a Bachelors' Degree in Engineering (Civil) from the University of Pune, a Masters' Degree in International Relations from the University of Madras, a Masters' Diploma in Business Administration from Symbiosis Institute of Management Studies, Pune and a Diploma in Foreign Trade from Institute of Foreign Trade, New Delhi. He was also a member of the Institution of Engineers (India). He has over 45 years of experience in conceptualization, planning, direction and implementation of various projects, especially in personnel management, equipment and materials, logistics and financial aspects. He has also served with the Indian Army for 40 years before retiring as a Lieutenant General. Presently, he is responsible for the overall administration of Karcham-Wangtoo Plant.

Lt. Gen.(Retd.) Shri Ravindra Mohan Chadha does not hold the office of Director in any other company.

Lt. Gen.(Retd.) Shri Ravindra Mohan Chadha holds 2,850 equity shares of the Company in his own name and no share or convertible instrument in the Company is held by him either in his own name or in the name of 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 item no. 9 to 12 mentioned in the accompanying Notice dated 27th April, 2013 :

Item No. 9

Shri Suresh Chandra, aged about 69 years, holds a Bachelors' Degree in Telecommunication from University of Roorkee (now Indian Institute

of Technology, Roorkee). He has an experience of over 44 years in planning, design, erection, testing, implementation, commissioning, operation and maintenance of hydro power stations.

Shri Suresh Chandra joined the Board of the Company on 11th January, 2008 and has been working as Whole-time Director of the Company since then. The Board, in terms of Resolution passed by way of circulation on 31st December, 2012, had re-appointed him for a further period of five years w.e.f. 11th January, 2013 at a remuneration to be fixed by the Remuneration Committee of the Board.

The Remuneration Committee of the Board in its meeting held on 12th January, 2013 had after considering the qualification, experience, and contribution of Shri Suresh Chandra, decided to fix his remuneration w.e.f. 11th January, 2013 as under :-

Salary:

Rs.3,90,000/- (Rupees Three Lacs Ninety Thousand only) per month in the pay scale of Rs.3,00,000 – 30,000-4,50,000-45,000-6,75,000 – 67,500-10,12,500.

(Annual increment to be given on 1st April of every year)

Perquisites:

Besides the above salary, Shri Suresh Chandra, Whole-time Director shall be entitled to the perquisites which may include accommodation/ HRA, reimbursement of expenses for gas, electricity, water and furnishings, medical reimbursement, LTC, personal accident insurance, use of car and telephone, contribution to Provident Fund, superannuation fund or annuity fund, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and leave encashment at the end of the tenure etc.

Perquisites, save and except the following, is restricted to an amount equal to the annual salary.

- (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- (ii) Gratuity payable at the end of the tenure at a rate not exceeding half a month's salary for each completed year of service ; and
- (iii) Encashment of leave at the end of the tenure as per rules/ policy of the Company.

Shri Suresh Chandra, Whole-time Director shall be entitled for car, telephone at residence and mobile phone for Company's business at Company's expense.

The above remuneration shall be paid as minimum remuneration to Shri Suresh Chandra in the event of absence or inadequacy of profit in any year during his tenure.

The Chairman of the Company is authorised to fix the inter-se ceilings/ limits of various perquisites of Shri Suresh Chandra.

The Board considers his appointment as Whole-time Director of the Company in the best interest of the Company.

The Explanatory Statement together with the accompanying Notice is and may be treated as an "Abstract of the terms of appointment and Memorandum of Interest" under Section 302 of the Companies Act, 1956.

Shri Suresh Chandra does not hold the office of Director in any other Company.

Shri Suresh Chandra holds 4,850 equity shares of the Company in his

own name and no shares or convertible instrument in the Company is held by him either in his own name or in the name of any other person on a beneficial basis.

None of the Directors, except the appointee himself is deemed to be concerned or interested in the Resolution.

The Board commends the Resolution for approval of the members as an **Ordinary Resolution**.

Item No.10

In order to secure the interest of various Lenders who have given financial assistance(s) for the Company's various projects, creation of charge/mortgages is required on moveable and/or immoveable properties of the Company, wherever situated, present and future, on pari passu basis or otherwise with the mortgages and/or charges already created or to be created, in future, by the Company, in line with the various Agreements executed or to be executed with the various lenders, Letters of Intents of Banks / Financial Institutions, Deed of Hypothecation etc. executed in favour of the lenders more specifically in favour of:

- I. Lenders of Corporate loans for the :
 - a) Financial Assistance of Rs.1,000 crores lent / to be lent by State Bank of India ; and
 - b) Financial Assistance upto Rs.150 crore lent/to be lent by IDBI Bank Limited.
- II. Lenders of 500 MW (Phase-I) Jaypee Bina Thermal Power Plant for the Working Capital facilities aggregating Rs. 390 crores lent/to be lent with IDBI Bank Ltd. in the lead ; and
- III. Lenders of Jaypee Karcham Wangtoo Hydro Power Plant for the financial assistance aggregating to Rs.5,850 crores lent/to be lent with IDFC Limited, in the lead.

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

It is necessary to obtain the consent of members by way of an Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 before creation of the said mortgage/charge. The securities/ hypothecation/mortgages/residual charges to be created by the Company aforesaid shall rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created in future by the Company and as may be agreed to between the Company and the concerned lenders.

None of the Directors of the Company may be deemed to be concerned or interested in the Resolution, except to the extent of their respective shareholdings in the Company and Shri Subroto Gupta being nominee of IDBI Bank Limited.

The Board commends the Resolution for approval of the members as an **Ordinary Resolution**.

Item No. 11

As the Members are aware, a Special Resolution was passed through Postal Ballot by the members on 27th April, 2012, in terms of the provisions of Section 192A of the Companies Act, 1956 read with the

Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, authorizing raising of funds in Indian Rupees or equivalent thereof in any Foreign Currency in one or more tranches to the tune of Rs. 3,500 Crores (Rupees Three Thousand Five Hundred Crores only) through Qualified Institutions Placement (QIP)/Institutional Placement Program (IPP)/External Commercial Borrowings (ECB) with rights of conversion into shares/Foreign Currency Convertible Bonds (FCCBs)/Optionally or Compulsorily Convertible Preference Shares (OCPS/CCPS)/American Depository Receipts (ADRs)/Global Depository Receipts (GDRs)/Follow-on Public Offer (FPO) etc. for meeting the capital expenditure for the projects of the Company, its joint ventures and the projects being implemented through the Company's joint venture and/or subsidiaries.

Keeping in view the requirement of funds for the Company's on-going projects and/or the projects of its joint ventures and/or the subsidiary companies repaying outstanding indebtedness and for general corporate purpose, the Board in its meeting held on 12th January, 2013 decided to seek a fresh approval of the members by way of a Special Resolution for raising of funds / resources in Indian Rupees or equivalent thereof in any Foreign Currency in one or more tranches for the balance of Rs.3,500 Crores (Rupees Three Thousand Five Hundred Crores only) after considering any fund raising made by the Company in terms of authorization valid upto 26th April, 2013, through various Domestic/International options, including QIP/ ECB with conversion into shares/FCCBs/ADRs/GDRs/ Follow on Public Offer/(FPO)/Optionally or Compulsorily Convertible Preference Shares etc., pursuant to Section 81 of the Companies Act, 1956, in terms of SEBI (ICDR) Regulations as amended.

Your Company raised funds to the tune of approx. Rs. 950 crore through QIP and allotted 31,32,45,961 equity shares of Rs.10/- each to the Qualified Institutional Buyers (QIBs) in February, 2013. Accordingly the authorization for fund raising from the members is now required for an amount in one or more tranches upto Rs.2,500 crore.

In terms of SEBI (ICDR) Regulations, as amended, Companies making further issue of equity shares and/or offering a QIP at a discount of not more than 5% on the price calculated in accordance with Chapter VIII of SEBI ICDR Regulations shall be subject to approval of shareholders by way of Special Resolution. Accordingly, the Resolution at item No.11 seeks to empower the Board to issue equity shares /securities to domestic shareholders or through various domestic / International options including QIP/ ECB with rights of conversion into shares/FCCBs/ ADRs/ GDRs / FPO / Compulsorily or Optionally Convertible Preference Shares (CCPS/OCPS) etc., in one or more offerings/tranches.

The Board may in its discretion may adopt any mechanism in order to facilitate and meet its objectives as stated in aforesaid paragraphs.

The said Resolution is an enabling Resolution conferring authority to the Board to do all acts and deeds, which may be required to issue/offer Equity Shares/Securities of appropriate nature at appropriate time, including the size, structure, price and timing of the issue(s)/offer(s) at the appropriate time(s). The detailed terms and conditions for the domestic /international offering will be determined in consultation with the Lead Managers, Merchant Bankers, Global Business Coordinators, Book Running Lead Managers, Guarantors, Consultants, Advisors, Underwriters and/or such other intermediaries such as Custodians, Depositories, Escrow Bankers, Lawyers, Registrars, Trustees, Professionals as may be appointed for the issue/ offer. Wherever necessary and applicable, the pricing of the issue/offer will be finalized in accordance with applicable guidelines in force.

Section 81(1A) of the Companies Act, 1956, inter-alia, provides that whenever it is proposed to increase the subscribed capital of the Company by further issue/offer and allotment of shares, such shares shall be offered to the existing members of the Company in the manner laid down in Section 81 unless the members decide otherwise by a Special Resolution.

Accordingly, the consent of the members is being sought pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and in terms of the provisions of the listing agreements executed by the Company with the Stock Exchanges, authorizing the Board to issue Equity Shares / Securities, as stated in the Resolution, which may result in issuance of further Securities of the Company to persons other than the existing members of the Company in accordance with the terms and nature of the Equity Shares/Securities.

None of the Directors of the Company may be deemed to be concerned or interested in the Resolution, except to the extent of their respective shareholdings in the Company, if any.

The Board commends the Resolution for approval of the members as a **Special Resolution**.

Item No. 12

As the members are aware that Jaypee Powergrid Limited (JPL), subsidiary of the Company is a joint venture of Jaiprakash Power Ventures Limited and Power Grid Corporation of India Limited (a Central Government Power Utility Undertaking) has set 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 in the State of Himachal Pradesh to Abdullapur in the State of Haryana and also LILO with the existing Baspa-Jhakri Double circuit line.

JPL has appointed Shri D.P. Goyal as Consultant w.e.f 1st April, 2013 on a monthly consolidated fees of Rs. 4,50,000.

Shri D.P. Goyal, aged about 66 years, a Civil Engineer by profession is a renowned Hydro-Power Development (Construction and Contract Management) Expert. He also holds a Degree of Masters in Engineering in Water Resources. Shri Goyal carries with him a vast experience of around 42 years in the field of Hydro-Power Projects.

Shri D.P. Goyal holds 2,850 shares in his own name in the Company and no share or convertible instrument in the Company is held by him for any other person on a beneficial basis.

Shri D.P. Goyal is also on the Board of Jaypee Meghalaya Power Limited. Since Shri D.P. Goyal is also a Director on the Board of the Company, in terms of Section 314(1) of the Companies Act, 1956 the holding of office or place of profit by a Director under the subsidiary is required to be approved by the members by way of Special Resolution.

None of the Directors of the Company except Shri D.P. Goyal is concerned or interested in the Resolution.

The Board commends the Resolution for approval of the members as a **Special Resolution**.

By Order of the Board
For **JAIPRAKASH POWER VENTURES LTD.**

Place : New Delhi
Date : 27th April, 2013

M.M. Sibbal
Sr. General Manager &
Company Secretary

DIRECTORS' REPORT

To

The Members,

The Directors of your Company are pleased to present the **Eighteenth Annual Report** together with the Audited Accounts of the Company for the Year ended 31st March, 2013.

WORKING RESULTS

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

(₹ in Crores)

Particulars	Current Year 31.03.2013	Previous Year 31.03.2012
Gross Revenue	2,231.52	1,591.40
Less: Rebate for prompt payments	22.75	15.71
	2,208.77	1,575.69
Add: Sale of VERs	43.81	39.87
Add: Other Income	38.22	70.74
Total Income	2,290.80	1,686.30
Profit before Interest, Depreciation & Taxation	1,797.09	1,552.49
Less : Interest	1,124.09	859.45
Less : Depreciation	323.89	230.05
	349.11	462.99
Less: Tax Expense*	—	—
Less: Deferred Tax Charge	19.89	61.28
Less/(Add): Previous Year Tax Adjustment	0.07	(1.24)
Profit after Taxation	329.15	402.95

*Current year Tax (MAT) Rs.69.85 crores (previous year Rs.92.65 crores) has been adjusted against MAT credit entitlement as per revised Schedule VI.

OPERATIONS

Your Company now has three operative Hydro Power Plants, and one operative Thermal Power Plant namely:

- 300 MW Jaypee Baspa-II Hydro Power Plant in Himachal Pradesh;
- 400 MW Jaypee Vishnuprayag Hydro Power Plant in Uttarakhand;
- 1000 MW Jaypee Karcham Wangtoo Hydro Power Plant in Himachal Pradesh; and
- 500 MW – (Phase I of 1200 MW) Jaypee Bina Thermal Power Plant in Madhya Pradesh.

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

The Plant Availability and Energy Generation of each of the Hydro Power Plants for the Financial Year 2012-13 were as under:

Plants	Plant Availability (%)	Net Saleable Energy Generation (Million Units)
Jaypee BASPA-II (300 MW)	99.87	1,073.01
Jaypee Vishnuprayag (400 MW)	98.81	1,628.46
Jaypee Karcham Wangtoo (1000MW)	86.12	3,541.76

300 MW Jaypee Baspa-II Hydro Power Plant

The average tariff for Baspa-II Plant for the year under report, as per the Multi Year Tariff (MYT) Order dated 15th July, 2011 and Order dated 6th September, 2012 and in accordance with the Power Purchase Agreement (PPA), works out to be Rs.2.70 per unit. The total generation of the energy during the year was 1239.70 MUs including 12% Free Power to State Electricity Board/Government of Himachal Pradesh and also auxiliary consumption/transformer losses. The Net Saleable Energy during the year was 1073.01 MUs, out of which 1050.06 MUs was Primary Energy and 22.95 MUs was Secondary Energy.

400 MW Jaypee Vishnuprayag Hydro Power Plant

The average tariff for the year under report for 400 MW Vishnuprayag Plant works out to Rs. 2.56 per unit. The total generation of energy during the year was 1877.35 MUs including 12% free Power to State Government and also auxiliary consumption/ transformer losses. The Net Saleable Energy was 1628.46 MUs out of which Saleable Primary Energy was 1545.87 MUs and saleable Secondary Energy was 82.59 MUs.

1000 MW Jaypee Karcham Wangtoo Hydro Power Plant

The average tariff for the year under report works out to be Rs.3.63 per unit. The total generation of energy during the year was 4056.74 MUs including 12% free Power to State Government and also auxiliary consumption/transformer losses. The Net Saleable Energy was 3541.76 MUs.

The performance of the Company's operative Hydro Power Plants, their plant availability and the Energy Generation during the year under report was satisfactory. The operations during the current year were impacted on account of, (i) Lower water availability due to extended winter, in respect of hydro power plants, namely Baspa-II, Vishnuprayag and Karcham wangtoo, (ii) Karcham Wangtoo Hydro Power Plant after one year of successful operation, coinciding with winter season was closed for routine inspection and regular maintenance from 21st December, 2012 to 7th February, 2013 (iii) Vishnuprayag Hydro Power Plant was closed due to maintenance work undertaken by UPPCL in a section of transmission line between Vishnuprayag and Muzaffarnagar from 11th December, 2012 to 22nd January, 2013.

The profitability of the Company was also affected because of transmission charges for evacuation of power of Karcham Wangtoo Hydro Power Plant. Since the transmission system from Wangtoo to Abdullapur developed by Jaypee Powergrid Limited (JPL), a subsidiary of the Company was commissioned w.e.f. 1st April, 2012, the long term open access (LTOA) charges in respect of Karcham Wangtoo Hydro Power Plant became payable by the Company from the said date. LTOA from M/s PTC India Limited got transferred to the Company in January, 2013, LTOA charges became payable in current year. In the previous year, LTOA charges were not payable as the transmission line of JPL was under construction.

500 MW- Phase I (of 1200MW) Jaypee Bina Thermal Power Plant

The Directors of your Company are pleased to report that Phase I comprising of two units of 250 MW each of coal based Jaypee Bina Thermal Power Plant located at Village Sirchopi, Distt. Sagar (M.P.) has been fully commissioned. Unit I of 250 MW was commissioned on 31st August, 2012 and Unit II of 250 MW was commissioned on 7th April, 2013.

Your Company is supplying 70% of the installed capacity for Phase-I on long term basis, to Govt. of Madhya Pradesh / Madhya Pradesh Power Management Company Ltd. in terms of the Power Purchase Agreement executed with them and balance of installed capacity is being sold on merchant power basis.

The plant performance of – Unit I (250MW) from August, 2012 to March, 2013 was as under :

Million units

FY 2012-13	Actual Generation				
	Gross	Net Saleable	Aux %	PLF %	PAF %
Total 2012-13 (Cumulative)	441.84	396.29	10.31%	34.57%	67.62%

The Directors wish to report that during the current year the depreciation and interest are charged on 61% (approx.) of the cost, capitalized as per Accounting Standard issued by ICAI, whereas the revenue realized is based upon the provisional tariff order of MPERC for the first unit of 250 MW which allows 50% of the cost incurred.

AWARD

The Company has been awarded Certificate of Merit 'For Most Admired Emerging Infrastructure Company in Power' at the 5th KPMG-Infrastructure Today Awards, 2013.

1320 MW Jaypee Nigrie Super Thermal Power Plant

The implementation of 1320 MW (2 X 660 MW) Jaypee Nigrie Super Thermal Power Project in Nigrie, Distt. Singrauli in Madhya Pradesh is progressing satisfactorily to achieve commissioning of both the units in the year 2014. Supplies from L&T-MHI and Larsen & Toubro Limited for Boiler, Steam Turbine and Generator are being timely received. All major statutory approvals required at the current stage of the project are in place. Entire requirement of 5 Million MTPA coal for the project will be met through Amelia (North) and Dongri Tal-II Coal Blocks.

As the members are aware, the Financial Closure of the project has already been achieved. As on 31st March, 2013, an amount of approx. Rs.7,737 crores was incurred on the implementation of Project.

DIVERSIFICATION TO SET-UP CEMENT GRINDING UNITS

It was reported last year that the Company had decided to diversify its operations by setting up Cement Grinding Units at Nigrie (4 MTPA) and Bina (2MTPA) to optimally utilize the fly ash to be generated by Company's thermal power plants.

The Directors wish to report that Company's 4MTPA Cement Grinding Unit at Nigrie, Distt. Singrauli in Madhya Pradesh is estimated to cost Rs.530 crores. In principle approval for the tie up of entire debt has been arranged. Some of statutory approvals like MOEF clearance & RTC approval for Railway siding have already been obtained and rest of the approvals are under process. Civil works of the Project are progressing satisfactorily and orders for main machinery and for majority of BOP packages have been placed. First line of Grinding Unit is expected to be commissioned by March, 2014 and second line by June, 2014.

VERIFIED/CERTIFIED EMISSION REDUCTIONS (VERs/CERs)

We are pleased to inform that 1000 MW Jaypee Karcham Hydro Power Plant has been registered by UNFCCC as a CDM project w.e.f. 12th April, 2012 for ten years upto 11th April, 2022. The process for issuance of CERs for the first period from 12th April, 2012 to 31st July, 2012 is in progress.

Details regarding VERs of Jaypee Baspa-II Hydro Power Plant and Jaypee Vishnuprayag Hydro Power Plant are as under :

	Period	No. of VERs sold	Amount realized (Rs. in crores)
Baspa	Upto FY 2012	21,03,515	26.30
	FY 2012-13	9,31,149	1.95
	Total	30,34,664	28.25
Vishnuprayag	Upto FY 2012	81,87,173	181.20
	FY 2012-13	13,03,511	41.85
	Total	94,90,684	223.05

SHARE CAPITAL

During the year the Company has raised an amount of approx Rs. 950 crores through Placement of 31,32,45,961 equity shares of Rs.10/- each at a premium of Rs.20.33 per share to Qualified Institutional Buyers. Consequently, the issued subscribed and paid up share capital of the Company has increased from Rs. 2,624.75 crores to Rs.2,938 crores.

DIVIDEND

In order to conserve resources for meeting the Company's expansion plans/investment in subsidiaries executing Power Projects, the Directors of your Company express their inability to recommend any dividend for the Financial Year 2012-13.

SUBSIDIARY COMPANIES

The Company has following subsidiaries:

- Jaypee Powergrid Limited
- Prayagraj Power Generation Company Limited
- Jaypee Arunachal Power Limited
- Sangam Power Generation Company Limited
- Jaypee Meghalaya Power Limited

Status of the projects implemented/being implemented through aforesaid subsidiaries is summarised below:

i) 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) has set 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 in the State of Himachal Pradesh to Abdullapur in the State of Haryana and also LILO with the existing Baspa-Jhakri Double circuit line.

Transmission system has been put under commercial operations w.e.f. 1st April, 2012. Capitalised value of tangible assets as on 31st March, 2013 aggregated to Rs.995.98 crores.

The cumulative availability of transmission system for FY 2012-13 was 99.69%.

During the Financial Year 2012-13, JPL earned aggregate transmission tariff of Rs.206.05 crores, against which Rs.155.04 crores have been received as on date and the balance of Rs.51.01 crores is expected to be received shortly.

ii) Prayagraj Power Generation Company Limited (PPGCL)

Prayagraj Power Generation Company Limited, acquired from Uttar Pradesh Power Corporation Limited through competitive bidding process, is implementing 1980 MW Thermal Power Project (with approval to add two additional units of 660MW each) in Tehsil Bara of district Allahabad, Uttar Pradesh.

All Statutory/Regulatory approvals required for the project are in place. Financial Closure has been achieved. The supplies from BHEL for Boiler, Turbine and Generator are in progress and the progress on the implementation of project is satisfactory.

An expenditure of approx. Rs.6,394 crores has been incurred on the implementation of the project till 31st March, 2013.

iii) Jaypee Arunachal Power Limited (JAPL)

Jaypee Arunachal Power Limited (JAPL), a wholly owned subsidiary of the Company is implementing the 2700 MW Lower Siang and 500 MW Hironong H.E. Projects in the State of Arunachal Pradesh. Your Company alongwith its associates will ultimately hold 89% of the Equity of JAPL and the balance 11% will be held by the Government of Arunachal Pradesh.

For the 2700 MW Lower Siang Hydro Power Project, CEA approval was obtained in February, 2010 and revalidation of DPR is in process with Central Electricity Authority (CEA). Land acquisition is in progress. Seismic data upto 31st March, 2013 has been collected and clearance from the Ministry of Environment and Forest is in process.

For 500 MW Hironong Hydro Power Project, CEA has accorded Techno-Economic Concurrence on 10th April 2013. The Environmental/Forest Clearance for the project is yet to be accorded.

As on 31st March, 2013 an aggregate amount of approx. Rs.228 crores has been spent on the aforesaid two projects.

iv) Sangam Power Generation Company Limited (SPGCL)

Sangam Power Generation Company Limited was acquired from Uttar Pradesh Power Corporation Limited (UPPCL) through competitive bidding process, for the implementation of 1980 MW (3 x 660 MW) Thermal Power Project in Tehsil Karchana of district Allahabad, Uttar Pradesh. Conveyance Deed of land was executed but physical possession is yet to be taken. As reported last year Hon'ble High Court of judicature at Allahabad has quashed the notification issued by Uttar Pradesh State Government for acquisition of land for the project subject to the deposit of compensation, received by the land owners. We have approached UPPCL for amicable settlement for closing the agreement(s) and payment of dues with UPPCL and the matter is under discussion.

v) Jaypee Meghalaya Power Limited (JMPL)

Jaypee Meghalaya Power Limited was incorporated by your Company as its wholly owned subsidiary to implement 270 MW Umngot H.E.P. in the Umngot River Basin of Meghalaya and 450 MW Kynshi-II H.E.P. in the Kynshi River Basin on BOOT (Build, Own, Operate and Transfer) basis. Your Company alongwith its associates will ultimately hold 74% of the equity of JMPL and the balance 26% will be held by the Government of Meghalaya.

The field work of survey & investigation and EIA studies have been completed. The revised proposal for Kynshi-II HEP with

involvement of lesser forest area has been submitted to State Government and Ministry of Environment and Forest. The control levels i.e. FRL & TWL for Kynshi-II Project have been approved by State Government. Approval of Central Electricity Authority has been accorded to the water availability series for power potential studies.

As on 31st March, 2013, an aggregate amount of approx. Rs.8.50 crores has been spent on the projects.

CONSOLIDATED FINANCIAL STATEMENTS

A statement under Section 212 of the Companies Act, 1956 in respect of the subsidiaries of the Company is annexed and forms an integral part of the Annual Accounts. The consolidated financial statements of the Company and its subsidiary companies are 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.

In terms of the General Circular No. 2/2011 dated 8th February, 2011 issued by Ministry of Corporate Affairs, a general exemption has been granted by the Central Government for not attaching the Balance Sheets of the subsidiary companies, as was required under the provisions of Section 212 of the Companies Act, 1956 provided certain conditions as mentioned in the above said circular are fulfilled, which are as under:-

- The Company shall present in the Annual Report the consolidated financial statements of holding company and all subsidiaries duly audited by its Statutory Auditors;
- The Consolidated Financial Statements shall be prepared in strict compliance with applicable Accounting Standards and where applicable, Listing Agreement as prescribed by the Securities and Exchange Board of India; and
- The Company shall disclose in the consolidated Balance Sheet the following information in aggregate for each subsidiary including subsidiaries of subsidiaries:- (a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investment (except in case of investment in the subsidiaries) (f) turnover (g) profit before taxation (h) provision for taxation (i) profit after taxation (j) proposed dividend.

The Board in its meeting held on 27th April, 2013 had consented for not attaching the Balance Sheets in respect of the subsidiaries of the Company. Accordingly, the requisite information for each subsidiary has been disclosed. The annual accounts of the subsidiary companies and the related detailed information will be made available to the shareholders/investors of the Company/subsidiary companies seeking such information.

The annual accounts of the subsidiary companies will also be kept for inspection by the members at the Company's Corporate Office and also that of the subsidiaries. The Company has also uploaded the details of the accounts of individual subsidiary companies on its website i.e. www.jppowerventures.com. The Directors of your Company are of the opinion that the subsidiaries of your Company have bright future.

OUTLOOK

Your Company's current operational generation capacity of 2200 MW (300MW Baspa-II Hydro Power Plant, 400 MW Vishnuprayag Hydro Power Plant, 1000 MW Karcham Wangtoo Hydro Power Plant and

500 MW Bina TPP) is likely to increase to 3520 MW in the coming year with commissioning of 1320 MW Nigrie Super Thermal Power Plant and to 5500 MW by 2015 with the commissioning of 1980 MW Bara Thermal Power Plant being set up by Company's subsidiary.

The Directors of your Company envisage a bright future outlook for the Company in view of the increased operational capacities.

DIRECTORATE

During the year under Report, Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha and Shri D.P. Goyal resigned as Whole-time Directors w.e.f. 31st March, 2013. They, however, continue as Non-Executive Directors on the Board.

The Board places on record its appreciation for the valuable contribution of Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha and Shri D.P. Goyal during their respective tenures as Whole-time Directors.

Shri A.K.Goswami, Shri R.N.Bhardwaj, Shri S.C.Bhargawa, Shri Suren Jain, Shri Praveen Kumar Singh and Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha would retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE

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

The status of compliance of Corporate Governance Voluntary Guidelines, 2009, of the Ministry of Corporate Affairs, Government of India, is given in Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the operating management, certification by the CEO and CFO to the Board of Directors and after due enquiry, confirm that in respect of the Audited Annual Accounts for the year ended 31st March, 2013:

- 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 31st March, 2013 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; and
- iv) that the Directors had prepared the annual accounts on a going concern basis.

DEPOSITS

The Company did not invite/accept any Fixed Deposits from the public during the year under report.

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 vide Companies (Particulars of Employees) (Amendment) Rules, 2011 is annexed to this report and forms integral part of this report.

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

Particulars in respect of conservation of Energy, Technology Absorption, and Foreign Exchange earnings and outgo, as per Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended 31st March, 2013, are annexed and form an integral part of this report.

AUDITORS' REPORT

The Auditors' Report to the shareholders on the Accounts of the Company for the Financial Year ended 31st March, 2013 does not contain any qualification.

The observations of Auditors' and Notes to the Financial Statements are self-explanatory.

STATUTORY AUDITORS

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

As required under the provisions of Section 224(1B) of the Companies Act, 1956, the Company has obtained a written certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said section.

COST AUDITORS

For the financial year 2012-13, the Board of Directors of the Company had re-appointed on the recommendation of the Audit Committee, M/s. Kabra & Associates, Cost Accountants (Firm's Registration No. 000075) as Cost Auditors for auditing the cost accounts in respect of 'Electricity' pertaining to various Power Plants of the Company. Their appointment was approved by the Central Government. In terms of The Companies (Cost Audit Report) Rules, 2011 the cost audit report relating to Power Plants of the Company, for the financial year ended 31st March, 2012 had been filed within the due date i.e. 31st January, 2013, with the Cost Audit Branch of the Ministry of Corporate Affairs.

For the financial year 2013-14, the Board of Directors of the Company have appointed, on the recommendation of the Audit Committee, M/s. Kabra & Associates, as Cost Auditors of the Company for auditing the cost accounts relating to the product 'Electricity'.

EMPLOYEE RELATIONS

The Employee relations continued to be co-ordial. The Directors wish to place on record their sincere appreciation for the contribution of the Employees of the Company at all levels.

ACKNOWLEDGEMENT

The Board places on record its sincere appreciation and gratitude to various Departments and Undertakings of the Central Government, Govt. of Himachal Pradesh, Govt. of Uttarakhand, Govt. of Uttar Pradesh, Govt. of Madhya Pradesh, Govt. of Arunachal Pradesh, Govt. of Meghalaya, HPSEB, MPPMCL, APTEL, CERC, HPERC, UPERC, UPPCL, MPERC, Financial Institutions, Banks, Rating Agencies, SBI Capital Markets Limited and other authorities for their continued co-operation and support to the Company.

The Board sincerely acknowledges the faith and confidence reposed by the shareholders in the Company.

On behalf of the Board

Place: New Delhi
Date : 27th April, 2013

MANOJ GAUR
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION IN PURSUANCE OF SUB-SECTION 2A OF SECTION 217 OF THE COMPANIES ACT, 1956 IS GIVEN BELOW :

Name of Employees, Designation/Nature of Duties, Gross Remuneration (₹), 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 ₹ 60,00,000/- or more:-
 - (i) Shri Suren Jain, Managing Director & CFO, ₹1,52,87,068/-, BE (Production), 42 years, 20 years, 14th December, 2007, Jaypee Karcham Hydro Corporation Ltd.
 - (ii) Shri R.K. Narang, Whole-time Director, ₹ 78,48,000/-, BE (Mechanical) and Diploma in Management, 64 years, 39 years, 16th May, 2000, IFCI Ltd.
 - (iii) Shri Suresh Chandra, Whole-time Director, ₹ 89,82,989/-, BE (Telecommunication), 69 years, 48 years, 11th January, 2008, Jaypee Ventures Ltd.
 - (iv) Lt. General (Retd.) Shri Ravindra Mohan Chadha, Whole-time Director upto 31st March, 2013, ₹ 76,14,408/-, BE (Civil), Masters in International Relations, Masters Diploma in Business Administration and Diploma in Foreign Trade, 71 years, 45 years, 12th August, 2011, Jaypee Karcham Hydro Corporation Ltd.
 - (v) Shri Dharam Paul Goyal, Whole-time Director upto 31st March, 2013, ₹ 71,29,086/-, ME(WRD), BE (Civil), 66 years, 47 years, 12th August, 2011, Jaypee Karcham Hydro Corporation Ltd.
 - (vi) Shri Praveen Kumar Singh, Whole-time Director ₹ 1,28,00,972/-, BE (Civil), 41 years, 16 years, 12th August, 2011, Jaypee Karcham Hydro Corporation Ltd.
- b) Employed for part of the year and in receipt of remuneration aggregating ₹ 5,00,000/- or more per month:- NIL

Notes:

1. Gross remuneration includes salary, house rent allowance and other perquisites like medical reimbursement, leave travel assistance, Company's contribution towards provident fund, gratuity etc.
2. The Managing/Whole-time Directors hold their respective offices for a period of 5 years from the date of their respective appointments.

3. None of the above employees is related to any Director of the Company.

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

(A) CONSERVATION OF ENERGY

HYDRO-POWER PLANT

Electricity consumption in Power House auxiliaries is mainly for running governor oil pressure system, cooling water pumps, drainage and dewatering, ventilation, air conditioning, operation of gates, lighting purposes and operation of Unit Auxiliaries, etc. Effective energy conservation measures have been taken in design of the system and effective steps are being taken in ensuring that electricity consumption in the auxiliaries is kept at the minimum.

THERMAL POWER PLANT/PROJECT

In Jaypee Bina Thermal Power Plant, two units of 250 MW each have already been commissioned and operating. 1320MW Jaypee Nigrie Supercritical Thermal Power Project (i.e. Nigrie Project) is under implementation. During the design stage itself, the following specific features have been incorporated in these projects keeping in mind energy conservation during the operation phase.

- i) Natural Draft Cooling Towers have been adopted instead of Induced Draft Cooling Towers for cooling the hot water being discharged from the condensers. This measure saves about 0.5% auxiliary power for each unit.
- ii) In Bina Plant, Variable Frequency Drives (VFD) has been adopted for Induced Draft Fan flow control which saves energy.
- iii) VFD control has also been adopted for Apron Feeder for Coal Handling Plant and Mill Feeders.
- iv) Vapor absorption Air Conditioning System has been adopted in Nigrie Project which operates with auxiliary steam and uses minimal electrical power as compared to conventional Air Conditioning System using condensers, chillers etc. thereby saving in electrical energy consumption.
- v) Energy efficient sodium vapor lighting has been extensively used for area lighting and areas having dusty enclosures which consumes less energy as per lumen output as compared to conventional mercury vapor, GLS and conventional tube lights.

Information in Form A, as prescribed for certain industries, is not applicable to the Company.

(B) TECHNOLOGY ABSORPTION

In the Company's BASPA-II, Vishnuprayag, Karcham Wangtoo Hydro Power Plants and Bina Thermal Power Plant, every effort has been made to ensure that the plant corresponds to latest technology. Further, for proper maintenance of the plant, the latest state-of-the-art SCADA, Digital Governor and Digital Excitation System have been provided. Further, online monitoring instruments have been used, which help monitor the health of the equipment as well as detect the fault at incipient stage.

The nature of the plant does not require any expenditure on Research & Development and no specific expenditure on R&D is envisaged.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of Foreign Exchange expenditure and earnings are given in Note no. 32 of notes to the financial statement for the year ended 31st March, 2013.

REPORT ON CORPORATE GOVERNANCE

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

The Company as a part of Jaypee Group, is committed to attain highest standards of Corporate Governance. The Company's philosophy on Corporate Governance emanates from its commitment for the highest level of transparency and accountability towards its Shareholders, Customers, Employees, Financial Institutions, Banks and the Government while maintaining steady focus for creation of wealth for stakeholders on sustainable basis.

2. BOARD OF DIRECTORS

The Board of Directors as on 31st March, 2013 consisted of 19 Directors out of which 10 are Independent Directors. As per Clause 49 of the Listing Agreement, where the Chairman of the Board is an Executive Director or related to Promoter, at least half of the Board should comprise of Independent Directors.

The Board consists of eminent persons with considerable professional expertise and experience in technical, commercial, legal, finance, business administration and other related fields, who not only bring wide range of experience and expertise, but also impart desired level of independence to the Board.

Details regarding the attendance of Directors at the Board Meetings, Annual General Meeting, number of other Directorships and Committee positions held by them in other Companies, as on 31st March, 2013, are given below:

Name & Designation of the Directors	Last Annual General Meeting Attended	No. of Board Meetings Attended out of 4 held during the year	No. of other Directorships	Committee Positions (other than in the company)	
				Member	Chairman
Non-Executive/Non-Independent					
Shri Manoj Gaur, Chairman	NO	4	12	–	–
Shri G.P. Gaur	NO	4	3	–	1
* Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha	YES	NIL	–	–	–
* Shri D.P. Goyal	NO	3	1	–	–
Executive					
Shri Sunil Kumar Sharma, Vice-Chairman and Chief Executive Officer	NO	4	10	1	4
Shri Suren Jain, Managing Director and Chief Financial Officer	YES	4	8	3	–
Shri R. K. Narang, Whole-time Director	YES	4	–	–	–
Shri Suresh Chandra, Whole-time Director	NO	4	–	–	–
Shri Praveen Kumar Singh, Whole-time Director	NO	1	1	–	–
Non-Executive/ Independent					
Shri B.K. Taparia	YES	4	2	1	–
Shri R.N. Bhardwaj	NO	4	10	5	2
Shri B. B. Tandon	NO	4	13	8	1
Shri A.K. Goswami	NO	4	2	1	1
Shri Subroto Gupta (IDBI Nominee)	NO	1	–	–	–
Dr. R. C. Vaish	NO	4	8	3	1
Shri S.C. Bhargava	NO	4	9	4	2
Dr. R.L. Gupta	NO	4	–	–	–
Shri S. S. Gupta	NO	4	–	–	–
Dr. J.N. Gupta	NO	4	2	–	1

Changes in the Board during FY 2012-13

* Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha and Shri D.P. Goyal resigned as Whole-time Directors w.e.f 31st March, 2013 but continue to be on Board as Non-Executive Directors of the Company.

Notes:

- Other Directorships of only Indian Public Limited Companies have been considered.
- Committee positions of only two Committees, namely, Audit Committee and Investors'/Shareholders' Grievance Committee in Public Limited Companies have been considered pursuant to Clause 49 of Listing Agreement.
- None of the Directors of the Company is related inter-se, in terms of Section 2(41) and Section 6 read with Schedule 1A of the Companies Act, 1956.

Number of Equity Shares held by Directors as on 31st March, 2013 are tabulated below :

Name of Directors	Designation	No. of Equity Shares
Shri Manoj Gaur	Chairman	41,400
Shri Sunil Kumar Sharma	Vice-Chairman & CEO	5,700
Shri Suren Jain	Managing Director & CFO	16,700
Shri B.K. Taparia	Director	5,000
Shri B. B. Tandon	Director	NIL
Shri A.K. Goswami	Director	NIL
Shri R.N. Bhardwaj	Director	NIL
Shri S.C. Bhargava	Director	NIL
Shri Subroto Gupta	Director (IDBI Nominee)	NIL
Dr. R.C. Vaish	Director	NIL
Dr. R.L. Gupta	Director	12,850
Shri R.K. Narang	Whole-time Director	4,850
Shri Suresh Chandra	Whole-time Director	4,850
Shri G.P. Gaur	Director	NIL
Shri S.S. Gupta	Director	120
Shri Praveen Kumar Singh	Whole-time Director	2,50,000
Lt.Gen. (Retd.) Shri Ravindra Mohan Chadha	Director	2,850
Shri D.P. Goyal	Director	2,850
Dr. J.N. Gupta	Director	500

None of the Directors is holding any convertible instrument of the Company.

Number of Board Meetings held and dates thereof

During the financial year 2012-13, four meetings of the Board of Directors were held. The meetings were held on 17th May, 2012, 21st July, 2012, 23rd October, 2012 and 12th January, 2013. The maximum time gap between two meetings was not more than four calendar months.

The details of attendance of the Directors at the Board Meetings are as under :

Sl.No.	Date	Board Strength	Attendance (Members)
i)	17th May, 2012	19	17
ii)	21st July, 2012	19	17
iii)	23rd October, 2012	19	16
iv)	12th January, 2013	19	15

Information placed before the Board

Information placed before the Board of Directors broadly covered 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

decisions in an informed and efficient manner. The Directors on the Board have complete access to all information of the Company, as and when becomes necessary.

3. CODE OF CONDUCT

The Board of Directors have laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code of Conduct has also been posted on the website of the Company viz www.jppowerventures.com

The members of the Board and Senior Management personnel have, on 31st March, 2013 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 of three Independent Directors.

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

Four meetings of the Committee were held during the year i.e. on 17th May, 2012, 21st July, 2012, 23rd October, 2012 and 12th January, 2013.

The Audit Committee, inter-alia, reviews :

- Financial Statements before the submission to the Board for approval
- Annual Budget and Variance Reports
- Significant related party transactions
- Audit, Cost Audit and Internal Audit Reports
- Recommendations for appointment of Statutory Auditors & Cost Auditors
- Appointment and remuneration of Internal Auditors
- Management discussion and analysis of financial conditions and results of operations
- Review of Financial Statements/Investments in subsidiary companies

The constitution of the Committee and attendance at the meetings are as under :

Name & Position	No. of Meetings held during the tenure of the member	Number of Meetings attended
Shri B.K. Taparia, Chairman	4	4
Shri R.N. Bhardwaj, Member	4	4
Shri B.B. Tandon, Member	4	4

5. REMUNERATION COMMITTEE

The Remuneration Committee, constitution of which is a non-mandatory requirement, was constituted by the Board to recommend/review the remuneration package of the Managing/ Whole-time Director(s). The Remuneration is paid to Managing/ Whole-time Directors in the form of Salary and Perquisites.

The Remuneration Committee comprises of three Independent Directors. Only one meeting of the Remuneration Committee was held on 12th January, 2013.

The constitution of the Remuneration Committee and attendance at the meeting are as under :

Name & Position	No. of Meeting(s) held during the tenure of the member	Number of Meetings attended
Shri S.S.Gupta, Chairman	1	1
Shri B.K. Taparia, Member	1	1
Shri S.C. Bhargava, Member	1	1

Details of Remuneration paid to all the Directors

a) Executive Directors (Managing & Whole-time Directors)

The details of aggregate value of salary and perquisites paid to Executive Directors for the year ended 31st March, 2013 are as under :

Name	Designation	Salary (₹)	Perquisites Including P.F. (₹)	Total (₹)
Shri Sunil Kumar Sharma	Vice Chairman & CEO	#	#	#
Shri Suren Jain	Managing Director & CFO	76,44,000	76,43,068	1,52,87,068
*Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha	Director	40,46,625	35,67,783	76,14,408
*Shri D.P.Goyal	Director	40,42,500	30,86,586	71,29,086
Shri R.K. Narang	Whole-time Director	39,24,000	39,24,000	78,48,000
Shri Suresh Chandra	Whole-time Director	46,80,000	43,02,989	89,82,989
Shri Praveen Kumar Singh	Whole-time Director	68,11,591	59,89,381	1,28,00,972

1.# Shri Sunil Kumar Sharma is on the Board as Vice Chairman and Chief Executive Officer but does not draw any remuneration from the Company. He is also Executive Vice Chairman of Jaiprakash Associates Limited (JAL) and draws remuneration from JAL.

2.* Lt. Gen. (Retd.) Shri Ravindra Mohan Chadha and Shri D.P.Goyal ceased to be Whole-time Directors w.e.f 31st March, 2013 but continue to be on the Board as Non-Executive Directors.

b) Non-Executive Directors

The Company has not paid any remuneration to Non-Executive Directors except the sitting fee @ Rs.20,000/- per meeting for attending the meetings of the Board of Directors and its Committees thereof held during the Financial Year 2012-13.

The quantum of sitting fees payable to Non-Executive Directors is in terms of provisions of the Act.

The details of the sitting fee paid to the Non-Executive Directors of the Company during the Financial Year 2012-13 are as under:

Name of the Director	Designation	Total sitting fee paid (₹)
Shri Manoj Gaur	Chairman	80,000
Shri B.K. Taparia	Director	1,80,000
Shri A.K. Goswami	Director	1,82,472
Shri R.N. Bhardwaj	Director	1,60,000
Shri S.C. Bhargava	Director	102472
Shri Subroto Gupta	Director (IDBI Nominee)	20,000
Dr. R.C. Vaish	Director	80,000

Name of the Director	Designation	Total sitting fee paid (₹)
Shri G.P. Gaur	Director	80,000
Dr. R.L. Gupta	Director	1,82,472
Shri B.B. Tandon	Director	2,44,944
Shri S.S. Gupta	Director	1,00,000
Dr. J.N.Gupta	Director	80,000

Notes:

- Sitting Fee represents payment to the Directors for attending meetings of the Board and Committees thereof.
- Sitting Fee in respect of meeting attended by Shri Subroto Gupta was paid directly to IDBI Bank.
- As per the amendment to Income Tax Act, 1961, Income Tax at source was deducted w.e.f 1st July, 2012.

There were no other pecuniary relationship or transactions with the Directors vis-à-vis the Company during the year.

6. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/Investors' Grievance Committee comprises of Dr. R.L. Gupta (Chairman), Shri D.P. Goyal, and Shri R.K. Narang as members. The Committee has been constituted, inter-alia, to consider transfer and transmission of shares, rematerialisation of shares, transposition of names, consolidation of shares, issue of duplicate share certificates etc. and to look into the redressal of shareholders' complaints. During the year, five meetings of the Committee were held on 4th April 2012, 30th June 2012, 26th September 2012, 25th October 2012 and 25th January 2013 and the record of attendance of the members is given below:

Name & Position	No. of Meetings held during the tenure of the member	Number of Meetings attended
Dr. R.L. Gupta, Chairman	5	5
Shri R.K. Narang, Member	5	5
Shri D.P. Goyal, Member	5	5

Notes:

The Company received 67 investors' references during the Financial Year 2012-13 and all the 67 investors' references were addressed/resolved by 31st March, 2013. There were no pending investors' references as on 31st March, 2013.

7. SUBSIDIARY COMPANIES

The names of subsidiary companies and the extent of shareholding of the Company in the respective subsidiaries are as under :

Name of the Company	Percentage Holding
Jaypee Powergrid Limited	74%
Prayagraj Power Generation Company Limited	93.50%
Jaypee Arunachal Power Limited	100%
Sangam Power Generation Company Limited	100%
Jaypee Meghalaya Power Limited	100%

The Company has no material non-listed subsidiary company in terms of Explanation 1 to Sub clause III of Clause 49 of the Listing Agreement and hence is not required to nominate an Independent Director of the Company on the Board of any subsidiary.

The Audit Committee of the Company reviews the financial statements and investments made by the above subsidiary companies. The minutes of the Board Meeting and statement of significant transactions and arrangements entered into by these subsidiaries are also placed at the Board Meeting of the Company.

8. RISK MANAGEMENT

The Company has Risk Management Policy in place and manages risks as an integral part of its decision making process.

9. CEO/CFO CERTIFICATION

In terms of the requirements of Clause 49 (v) of the Listing Agreement, the Vice-Chairman & CEO and Managing Director & CFO have submitted necessary Certificate to the Board of Directors stating the particulars specified under the said clause.

This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on 27th April, 2013.

10. GENERAL BODY MEETINGS

Details of last three Annual General Meetings are mentioned below:

Year	2009-10	2010-11	2011-12
Date	24th Sept., 2010	30th Sept., 2011	29th Sept., 2012
Time	11.00 A.M.	11.00 A.M.	11.00 A.M.
Venue of the Meeting	JUIT Complex, Waknaghat, P.O. Dumehar Bani, Kandaghat-173215 Distt. Solan (H.P.)	JUIT Complex, Waknaghat, P.O. Dumehar Bani, Kandaghat-173215 Distt. Solan (H.P.)	JUIT Complex, Waknaghat, P.O. Dumehar Bani, Kandaghat-173215 Distt. Solan (H.P.)

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

1) Financial Year 2009-10

No Special Resolution was passed in the Annual General Meeting.

2) Financial Year 2010-11

No Special Resolution was passed in the Annual General Meeting.

3) Financial Year 2011-12

No Special Resolution was passed in the Annual General Meeting.

A Special Resolution for raising of funds upto aggregate amount of Rs. 3500 crore through QIP/IPP/ECB with rights of conversion into shares/FCCBs/ADRs/GDRs/FPO/OCPS/CCPS etc. pursuant to Section 81 of the Companies Act, 1956 was passed through Postal Ballot on 27th April, 2012, details whereof were given in last year's Annual Report.

11. RECONCILIATION OF SHARE CAPITAL AUDIT

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

12. MEANS OF COMMUNICATION

i) Financial Results :

The quarterly, half-yearly and annual results were published in daily Newspapers which included Economic Times, Business Standard, Financial Express and Regional language newspapers (Hindi) in Divya Himachal and Himachal Times. The same were sent to Stock Exchanges

and were also displayed on the website of the Company, www.jppowerventures.com.

ii) Website

The Company's website www.jppowerventures.com contains a separate dedicated section 'Investor Information' where shareholders information is available. Annual Report of the Company and its subsidiaries thereof, Notices of Postal Ballot, Board Meeting etc. are regularly updated on the website.

iii) NSE Electronic Application Processing System (NEAPS) :

NEAPS is a web based application designed by NSE where Corporates are required to upload the prescribed information on the website for viewing by the investors. The Company is electronically filing the Corporate Governance and Shareholding Pattern periodically as prescribed by NSE on NEAPS.

iv) SEBI Complaints Redress System (SCORES)

SEBI has designed a centralised Web-based system, www.scores.gov.in wherein the investors can lodge their complaints and can view the status of their complaints being replied to by the respective Company. In compliance thereof, the Company is regularly uploading the 'Action taken Report' on the said website in respect of the investors' references received, if any.

13. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report forms part of the Annual Report.

14. COMPLIANCE OFFICER

The Board has designated Shri M.M. Sibbal, Senior General Manager & Company Secretary as Compliance Officer.

Address : Sector-128, Noida-201 304 (U.P.)
e-mail : mm.sibbal@jalindia.co.in
Phone : 0120-4609355
Fax : 0120-4609464

15. GENERAL SHAREHOLDERS' INFORMATION

18th Annual General Meeting	
Day	Saturday
Date	6th July, 2013
Time	11.00 A.M.
Venue	JUIT Complex, Waknaghat, P.O. Dumehar Bani, Kandaghat - 173 215, Distt. Solan (H.P.)
Dates of Book Closure	1st July, 2013 to 6th July, 2013 (both days inclusive)

16. FINANCIAL CALENDAR

Details of announcement of Financial Results for different periods during the financial year 2012-13 are as under:-

Results	Announced on
For 1st Quarter ended 30th June, 2012	21st July, 2012
For 2nd Quarter ended 30th September, 2012	23rd October, 2012
For 3rd Quarter ended 31st December, 2012	12th January, 2013
For 4th Quarter/Year ended 31st March, 2013	27th April, 2013

The Financial Results were reviewed by the Audit Committee

and thereafter approved by the Board. Annual Audited Financial Results for the Financial Year ended 31st March, 2013 were announced on 27th April, 2013.

17. DIVIDEND

For the current Financial Year 2012-13, the Board has not recommended any dividend.

18. RAISING OF FUNDS THROUGH QUALIFIED INSTITUTIONAL PLACEMENT

During the year, the Company has raised an amount of approx. Rs. 950 crores through placement of 31,32,45,961 equity shares of Rs.10 each at a premium of Rs.20.33 per share to Qualified Institutional Buyers (QIBs).

The fresh issue of equity shares was listed at National Stock Exchange of India Limited and BSE Limited in terms the approvals accorded by each of them on 28th February, 2013. The subscribed and paid up capital of the Company has increased from to Rs. 2,624.75 crores to Rs. 2,938 crores.

19. LISTING ON STOCK EXCHANGES

Equity Shares

The Equity shares of the Company are listed on the National Stock Exchange of India Ltd. and BSE Limited.

Stock Code

The stock code of the Equity Shares listed on the Stock Exchanges, are as under:

Name of Stock Exchange	Code
Bombay Stock Exchange Ltd. (BSE)	532627
National Stock Exchange of India Limited (NSE)	JPOWER
ISIN No.	INE351F01018

Debt Securities

Listed :

159500 Zero Coupon Secured Non-convertible Debentures of Rs.1 lac each privately placed with ICICI Bank Ltd. are listed at BSE Ltd. as per the details below .

Quantity	ISIN No.	Scrip code	Redemption Value (Rs. in lacs)
159500			
• 36600	INE351F07155	947154	36,600
• 38700	INE351F07163	947155	38,700
• 41000	INE351F07171	947156	41,000
• 43200	INE351F07189	947157	43,200

The Company has paid Annual Listing Fees for the Financial Year 2013-14 to the above Stock Exchanges.

The Company's US \$ 200 Million FCCBs are listed on the Singapore Stock Exchange, details whereof are mentioned below.

Name of Stock Exchange	Common Code
Singapore Stock Exchange	048369715
ISIN No.	XS0483697156

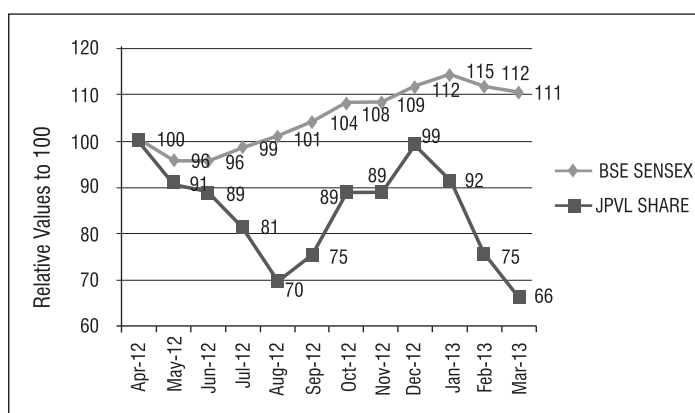
14049 Zero Coupon Secured Non-convertible Debentures of Rs.10 lac each privately placed with ICICI Bank Ltd., were redeemed on 30th March, 2013 and ISIN INE351F07148 was deactivated upon full redemption.

20. MARKET PRICE DATA

Month-wise high and low Sensex and of the share price of the Company at BSE and NSE during the Financial Year 2012-13 were as under :

Month	Share Price at BSE (₹)		Share Price at NSE (₹)		BSE Sensex (₹)	
	High	Low	High	Low	High	Low
2012						
April	43.50	39.00	43.50	39.00	17664.1	17010.16
May	41.20	33.75	41.40	32.05	17432.33	15809.71
June	38.90	34.40	38.85	32.30	17448.48	15748.98
July	36.50	30.50	36.50	30.25	17631.19	16598.48
August	33.10	24.55	33.10	24.55	17972.54	17026.97
September	36.65	25.50	36.70	25.50	18869.94	17250.80
October	40.85	32.50	40.90	32.80	19137.29	18393.42
November	39.95	33.50	40.05	33.60	19372.70	18255.69
December	46.90	35.05	47.00	35.95	19612.18	19149.03
2013						
January	40.95	34.55	40.90	34.50	20203.66	19508.93
February	35.45	26.75	35.50	26.40	19966.69	18793.97
March	30.60	24.15	31.60	24.20	19754.66	18568.43

Performance of Share Price of the Company in comparison to BSE – Sensex



21. REGISTRAR AND TRANSFER AGENTS

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

Alankit Assignments Limited,
Alankit House, 2E/21, Jhandewalan Extn.,
New Delhi 110 055

Phone: 91-11-42541234, 23541234

Fax: 91-11-23552001

Website: www.alankit.com

e-mail address : info@alankit.com

e-mail address of the Company for redressal of investors' complaints: jpvl.investor@jalindia.co.in

22. SHARE TRANSFER SYSTEM

The Board of Directors has delegated the power of re-materialisation of shares, transfers and transmission, splitting/consolidation of share certificates and issue of duplicate

share certificates etc. to Shareholders'/ Investors' Grievance Committee. The meetings of the Committee are periodically held to consider the requests of the Shareholders.

23. DISTRIBUTION OF SHAREHOLDING

i) The distribution of shareholding according to nominal value of shareholding as on 31st March, 2013, was as follows:

Shareholding	Shareholders		Shares	
	Number	% to Total	Number	% to Equity
Upto 10000	305369	99.664	107456310	3.657
10001 - 50000	753	0.246	15361181	0.523
50001 - 100000	86	0.028	6177055	0.21
100001 - 200000	45	0.015	6286123	0.214
200001 - 300000	25	0.008	6242120	0.213
300001 - 400000	8	0.002	2915631	0.099
400001 - 500000	11	0.004	4830373	0.165
500001 and above	100	0.033	2788734291	94.919
Total	306397	100.00	2938003084	100.00

ii) Category wise Shareholding as on 31st March, 2013 :

Held by	Percentage of holding
Promoters and Promoter Group	64.96
FII's	8.65
Mutual Funds	5.22
Banks / FIs/ Insurance Companies	2.71
General Public	18.46
Total	100.00

24. DEMATERIALISATION OF SHARES AND LIQUIDITY

The equity shares of the Company are in compulsory dematerialized segment and are available in the Depository system of both NSDL and CDSL. Number of shares held in dematerialized and physical mode as on 31st March, 2013 :

Percentage of	Particulars	No. of shares total issued capital
Held in dematerialized form in CDSL	163997626	5.58
Held in dematerialized form in NSDL	2773986407	94.42
Physical	19051	-
Total	2938003084	100.00

The annual custody fees for the Financial Year 2013-14 have been paid to NSDL & CDSL, the Depositories. The Company's equity shares are liquid and actively traded. The shares of the Company are in futures and options segment on NSE and BSE.

25. i) UNCLAIMED DIVIDEND/APPLICATION MONEY

- In respect of dividend declared by the Company in the year 2004-05, an amount of Rs.13,37,173 was transferred to the Investor Education and Protection Fund (IEPF) of the Central Government in terms of Section 205C of the Companies Act, 1956 (Act) read with Investor Education and Protection Fund (Awareness and protection of investors) Rules, 2001.
- Except for the above, there were no unpaid/unclaimed dividends which were required to be

transferred, pursuant to Section 205A of the Act to the Investors' Education and Protection Fund of the Central Government.

ii) UNCLAIMED SHARES

In terms of Clause 5A of the Listing Agreement and in compliance thereof, an Unclaimed Shares Demat Suspense Account was opened with Alankit Assignments Limited and 34,900 Equity Shares belonging to 119 investors were transferred to the said Account. The above said unclaimed shares of the investors were unclaimed because of insufficient/incorrect particulars of the depository accounts of the applicant such as invalid Demat Account, incorrect DP ID/Client ID, incomplete Demat account details, different pattern of name etc.

Information requiring disclosure under Clause 5A of the Listing Agreement is as under :

Sl. No	Particulars	Shareholders/ Equity Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	119 shareholders representing 34,900 equity shares
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	2
3	Number of shareholders to whom shares were transferred from suspense account during the year	2
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	117 shareholders representing 34,700 equity shares

The voting rights on these shares shall remain frozen till the rightful owner claims such shares.

26. OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company issued Foreign Currency Convertible Bonds during the Financial Year 2009-10 for USD 200 million and they continue to be outstanding as on 31st March, 2013. Applicable interest is being regularly remitted to the bond holders.

Details of FCCBs issuance are given below :

S.No.	Particulars	Key Details
1	FCCBs issuance	USD 200 Million
2	Date of Issue	12.02.2010
3	Redemption due on	13.02.2015
4	Applicable Interest Rate	5% on semi annual basis
5	Pre-agreed Conversion price per share	₹ 85.8139
6	Pre-agreed Conversion exchange rate	₹ 46.16 per USD
7	FCCBs Outstanding as on 31st March, 2013	USD 200 million
8	No. of shares of ₹ 10/- each to be issued upon conversion of outstanding FCCBs, if opted by the holder.	107535026

27. PROJECT/PLANT LOCATIONS

The Company is primarily engaged in the business of development, owning and operating Power generation plants including Hydro-Power and Thermal Power.

Sector	Project Name	State
Hydro Power	Jaypee Baspa-II Hydro Power Plant	Himachal Pradesh
Hydro Power	Jaypee Vishnuprayag Hydro Power Plant	Uttarakhand
Hydro Power	Jaypee Karcham Wangtoo Hydro Power Plant	Himachal Pradesh
Thermal Power	Jaypee Bina Thermal Power Plant	Madhya Pradesh
Thermal Power	Jaypee Nigrie Super Critical Thermal Power Project	Madhya Pradesh
Cement Grinding Unit	Jaypee Nigre Cement Grinding Plant	Madhya Pradesh

28. ADDRESS FOR CORRESPONDENCE

Company's address:

Registered Office	: JUITComplex, Waknaghat, P.O. DumeharBani, Kandaghat- 173 215, Distt. Solan (H.P.)
Corporate Office	: Sector-128, Noida-201 304 (U.P.) Distt. Gautam Budh Nagar. E-mail: jpv.investor@jalindia.co.in Tel.: 91-0120-4609000
Head Office	: 'JA Annexe', 54, Basant Lok, Vasant Vihar, New Delhi-110 057
Registrar & Transfer Agent's Address	: Alankit Assignments Limited, Alankit House, 2E/21 Jhandewalan Extn., New Delhi-110 055 Tel.:91-11-42541234, Fax: 91-11-23552001 E-mail: info@alankit.com

29. ELECTRONIC CLEARING SERVICE (ECS)

ECS facility ensures timely remittance of dividend without possible delay to its shareholders who have opted for payment of dividend through ECS. Shareholders holding shares in electronic form may register their ECS details with their respective Depository Participants and Shareholders holding shares in physical form may register their ECS details with the Company's Registrars and Share Transfer Agent.

30. I) NON-MANDATORY REQUIREMENTS

- The Company has constituted a Remuneration Committee. Relevant details of the Remuneration Committee are provided in para 5 of this report.
- As regards training of Board members, the Directors on the Board are seasoned professionals having wide range of expertise in diverse fields. They keep themselves abreast with the latest developments in the field of Management, Technology and Business Environment through various symposiums, seminars, etc.
- The Company uploads its Quarterly, Half Yearly and Annual Results on its website – www.jppowerventures.com which is accessible to all. The results are also reported to Stock Exchanges and published in National Newspapers in English and in Hindi newspapers having wide circulation.
- The Company believes in maintaining its Accounts in a transparent manner and aims at receiving unqualified report of auditors on the financial statements of the Company. During the year under review, there is no audit qualification in its financial statements.

II) 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. The Company endeavors to adopt rest of the guidelines in a phased manner.

i) Independent Directors

Independent Directors have the option and freedom to interact with the Management periodically as and when they deem necessary.

Detailed Certificate of Independence is obtained from Independent Directors on an annual basis.

ii) Remuneration of Directors

- Remuneration to Non-Executive Directors - Sitting Fee of Rs. 20,000/- is being paid to Non-Executive Directors for attending each meeting of the Board and Committees thereof which is maximum amount that can be paid under the Act.
- The Company has a Remuneration Committee of the Board comprising of three members, all being Non-Executive Independent Directors. The Committee recommends/reviews the Remuneration package of the Managing/Whole-time Directors.

iii) Audit Committee of Board

- Constitution :** The Company has an Audit Committee comprising of three 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.
- Provision of Information and Back-up support :** Audit Committee is provided with back office support and other resources from 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 Statutory 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, monitoring and reviewing all Related Party Transactions etc.
- System to ensure compliance with laws :** Through a proper framework including with the assistance of Auditors, Internal Auditors and Cost Auditors, the Audit Committee conducts a review of the effectiveness of the Company's system of internal controls and report the same to the shareholders.

iv) Auditors

- a) **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 partners of firm of Auditors, strengths and weaknesses, if any, the Audit Committee recommends the appointment/re-appointment of the Statutory Auditors of the Company. While discharging its duty, the Audit Committee examines and reviews the documentation and the certificate for proof of independence of the firm of Auditors before recommending to the Board, with reasons, either the appointment/re-appointment or removal of the Statutory Auditors.
- b) **Need for clarity on information to be sought by the Auditor** : There is sufficient clarity between the Management and the Auditor on the amount and nature of documents to be made available for audit purpose.
- c) **Certificate of Independence** : Audit Committee examines and reviews the documentation and the certificate for proof of independence and arm's length relationship of the Auditor and the Audit firm.
- d) **Appointment of Internal Auditors**: M/s. Rajendra K Goel & Co., Chartered Accountants, an independent firm have been appointed as the Company's Internal Auditors for each of the Company's project. The Internal Audit Reports are placed before the Audit Committee on quarterly basis alongwith Management's observations thereon. The members of the Audit Committee interact with the Internal Auditors, who are invited for attending the meeting of the Audit Committee.

v) Institution of mechanism for Whistle Blowing

No formal Whistle Blowing Policy is in place. However, the Company has not denied access to any personnel

to approach the Management or the Audit Committee on any issue.

31. DISCLOSURES

- i) There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their 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 Accounts.
- ii) There were no cases of non-compliance by the Company and no penalties, strictures were 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.
- iii) No treatment different from the Accounting Standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of Financial Statements.
- iv) The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement.
- v) The Company at present has adopted the non-mandatory requirement in regard to the constitution of Remuneration Committee. The Company has not adopted any formal whistle blower policy.

DECLARATION BY THE VICE 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 framed for Directors and Senior Management, for the year ended 31st March, 2013.

Place: New Delhi
Date : 27th April, 2013

SUNIL KUMAR SHARMA
Vice Chairman & CEO

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Jaiprakash Power Ventures Limited

We have examined the compliance of conditions of Corporate Governance by Jaiprakash Power Ventures Limited for the year ended on 31st March, 2013, 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 against 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 R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Regn No. 002626N
CA R Nagpal

Place : New Delhi
Date : 27th April, 2013

Partner
Membership No.81594

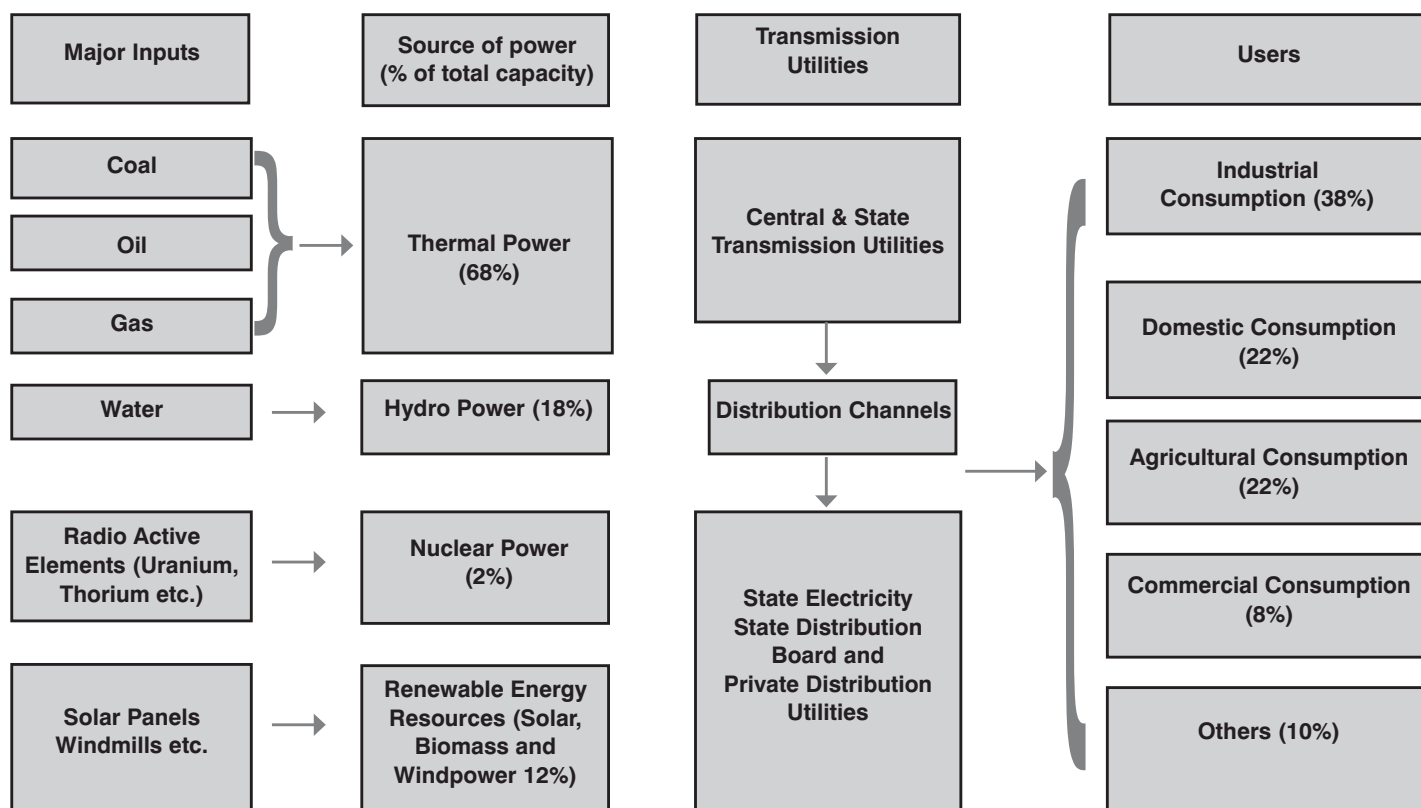
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Forming part of Directors' Report for the year ended 31st March, 2013)

Industry Structure and Developments

The Indian Power Industry is one of the largest and most important business in India as it fulfills the energy requirements of domestic and various other industries. It is one of the most critical components of Infrastructure that affects economic growth and the well being of our nation. India's GDP growth rate is related to the growth of power sector and hence, in order to sustain the growth of 8% to 9% in GDP, India needs to continuously add the power generation capacity commensurate with this pace.

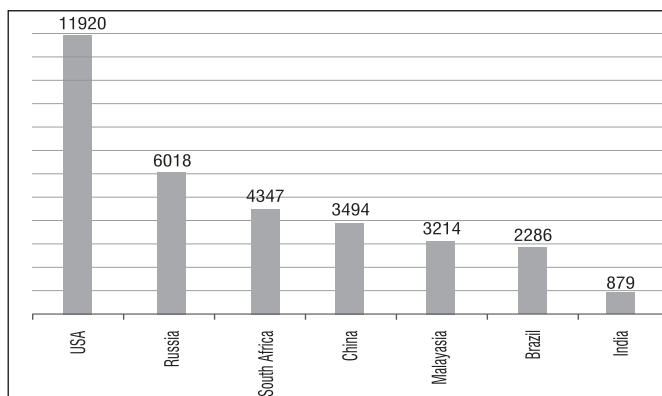
Snapshot of Power Generation, Transmission and End users



Electricity Demand

Per capita consumption of electricity in India has grown from 435 kwh/year in Fiscal 2003 to 879 kwh/year in Fiscal 2012 according to the IEA. According to the International Energy Agency per capita consumption in India remains relatively low compared to other leading developed and emerging economies.

Per Capita Electricity Consumption in Large Economies



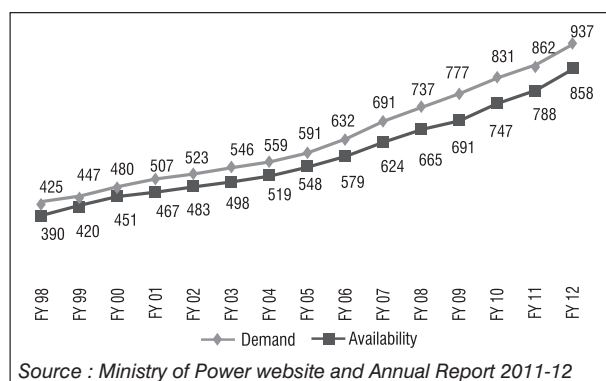
Source: World Bank Data Bank

The low per capita electricity consumption in India compared to the world average presents potential for sustainable growth in demand.

Even at the consumption levels of recent years, demand for electricity in India is substantially higher than the available supply. For Fiscal 2012, India faced an energy shortage of approximately 8.5% and 10.6% of total energy requirements and peak demand requirements, respectively.

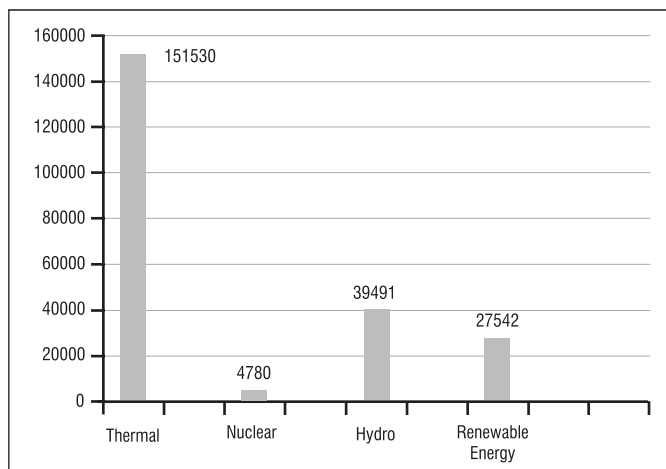
(Source: CEA, Load Generation Balance Report, 2012-13)

Indian Overall Electricity Shortages (Fiscal 1998 through Fiscal 2012, billions of units)



Source: Ministry of Power website and Annual Report 2011-12

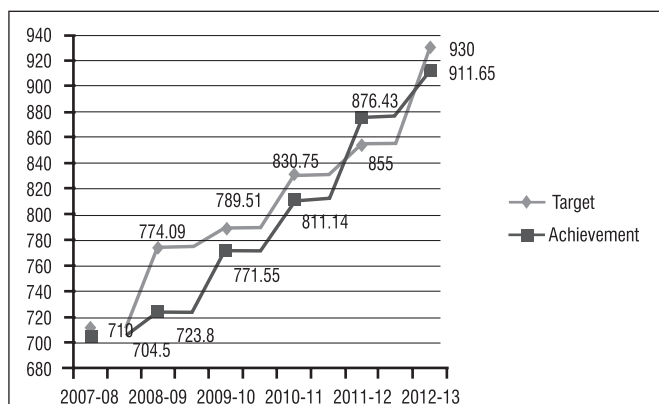
All India generating installed capacity by fuel (MW) as on 31st March, 2013 is as under :



Source : CEA

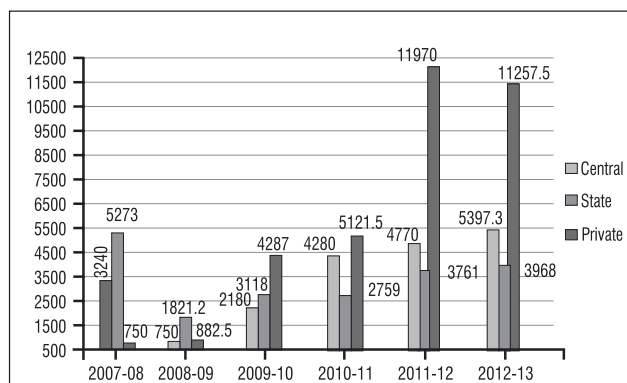
To sustain the GDP growth rate @ 8% plus per annum, India needs the power sector to grow at 1.8 to 2 times of the GDP as estimated by economic planners and industry experts. This would mean year on year capacity additions of 18000 to 20000 MW to achieve this ambitious plan of moving India to a developed economy status as an economic global power house. The power sector will provide biggest avenues to participate in the development of India's infrastructure.

All India programme, actual achievement and growth in electricity generation (in BU) during 2007-08 to 2012-13 :



Source : CEA

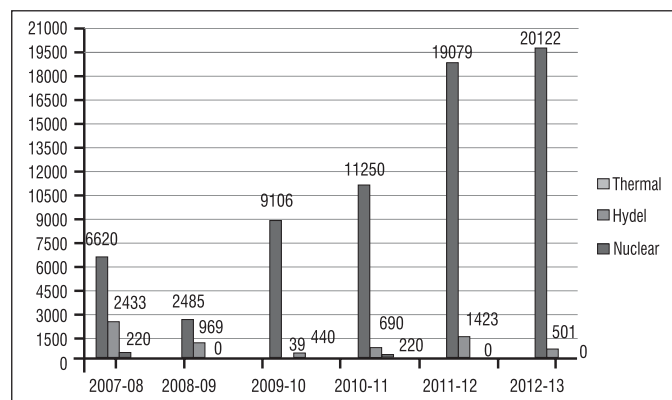
Power capacity addition by Sector (in MW) during 2007-08 to 2012-13



Source : CEA

In the medium term, thermal power is likely to remain the major source of generation as the coal based (pit head plants) / gas based projects presently have a competitive tariff advantage over renewable energy projects.

Power Capacity addition by fuel (in MW) during 2007-08 to 2012-13



Source : CEA

Note: Thermal plant includes plant based on fuel such as lignite, coke, residual oil, gas/naphtha and coal.

According to CEA capacity of 88537 MW is expected to be added in 12th Five Year Plan, inter-alia including 72340 MW in Thermal, 10897 MW in Hydro and 5300 MW in Nuclear. There has been a record capacity addition of 54962 MW in power sector during the 11th Plan.

Policy & Regulatory framework

Being a highly regulated sector, policies and regulations are playing a pivotal role in the development of this sector. Over the years, the government has realized the importance of the private sector participation. The Electricity Act, 2003 was a turning point in the reforms process which removed the need for license for generation projects, encouraged competition through international competitive bidding, identified transmission as a separate activity and invited a wider public and private sector participation among other things. Some of the other major reforms that have been implemented over the years include unbundling of SEBs, tax benefits, accelerated power development and reforms. Furthermore, National Tariff Policy of 2006 encourages private investment in the transmission sector through competitive bidding.

Energy Conservation Act, 2001 provides for the legal framework, institutional arrangement and a regulatory mechanism at the Central and State level to embark upon energy efficiency drive in the country. Five major provisions of this Act relate to Designated Consumers, Standards and Labeling of Appliances, Energy Conservation Building Codes, Creation of Institutional Set up (Bureau of Energy Efficiency) and Establishment of Energy Conservation Fund.

The power sector in India involves governance by the Central and State Regulatory Agencies. The three chief regulators for the power sector are Central Electricity Regulatory Commission, Central Electricity Authority and the State Electricity Regulatory Commission(s). Also the Indian Power Sector organization is segregated into five autonomous grids, namely, the Northern, Eastern, Western, Southern and North-Eastern.

Moving from 11th Five Year Plan to 12th Five Year Plan

The capacity addition in the 11th plan is close to total cumulative achievement of 56,617 MW in the last fifteen years that is 8th to 10th plan. The total installed capacity being 199877.03 MW as on 31st March, 2012, which has now increased to 223343.60 MW as on 31st March, 2013.

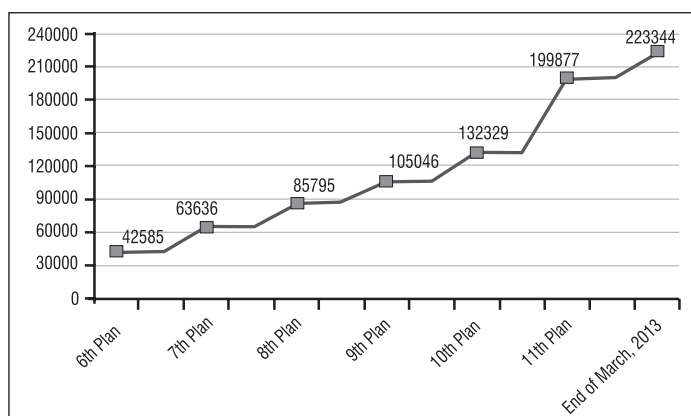
In the 11th plan, the addition of 13,800MW transmission capacity is almost equal to the total cumulative transmission capacity available at the end of the 10th plan (14,100MW). There has been an addition of 70,239 Circuit KM (ckm) of transmission lines in the 11th plan. This is 1.5 times of the achievement of 46,138 ckm added in the 10th plan.

There has been an addition of 1.36 lac MVA to transformation capacity in the 11th plan, which is 1.8 times of the achievement of 75,696 MVA in the 10th plan.

Nine super critical technology units with a total capacity of 6080 MW have been commissioned in the 11th plan and 24000MW of supercritical plants are now targeted for commissioning in the 12th plan.

In the first two years of the 12th plan, upto Rs 25,000 crores of investments are expected to be covered for strengthening of the distribution infrastructure.

Growth in Installed Capacity at the end of each Five year Plan (MW)



Source : CEA

Transmission and Distribution

The overall distribution loss levels while remaining high in absolute terms have shown improvements on account of improvement in the areas of energy audit, system strengthening, rural load management and prevention of thefts. However, there has been sharp rise in subsidy dependence of distribution utilities and SEBs in many of the states. The planning commission has proposed setting up of National Electricity Fund with corpus of Rs.100000 crore to Rs.150000 crore with State run Power Finance Corporation and Rural Electrification Corporation as the nodal agencies to finance development of power transmission and distribution network by State Utilities so as to reduce Transmission and Distribution losses.

Opportunities

- Wider participation of private sector because of discontinuation of license for generation of power.
- According to the data from Ministry of Power, per capita consumption of energy in India has grown from 631.40 Kwh

in 2005-06 to 879.22 Kwh in 2011-12. As Indian Economy continues to grow, it is expected that India's energy consumption will grow as well.

- The Government of India expects that power requirements would double by 2020 to 4,00,000 MW.
- According to CRISIL research estimates about Rs.7,50,000 crore is likely to be invested in the power sector by 2013-14. Of this Rs.4,80,000 crore is expected to be invested in power generation space. Nearly half of the investments in the power generation space is likely to be made by the private sector. Along with generation this has opened up opportunities in transmission sector as well.
- The Cabinet Committee on Economic Affairs had earlier approved a Scheme for Financial Restructuring of State Distribution Companies. The Scheme contains various measures required to be taken by State DISCOMs and state government for achieving the financial turnaround of the Discoms by restructuring their debt with support through a Transitional Financial Mechanism by the Centre. The features of the FRP Scheme include 50% of the outstanding short-term liabilities as on March 31, 2012 to be taken over by the state government. This shall be first converted in to bonds to be issued by DISCOMs to participating lenders duly backed by the state government guarantee. Remaining 50% of the short-term liabilities will be re-scheduled by lenders and serviced by the DISCOMs with moratorium of 3 years of Principal. Re-payment of Principal and Interest be fully secured by the State Govt. guarantee. The Finance Minister in his Budget speech, 2013-14 has further pronounced to strengthen the above Scheme across the States.
- As per Section 80-IA of Income Tax Act, 1961, power generation companies are eligible for 100% deduction of the profits for 10 consecutive years during the first 15 years of operations. The benefit under this section was earlier available only until FY2013 which has now been extended till FY2015. This will be of a major advantage to project developers, as it will substantially reduce their tax burden.
- The Budget for FY 2013-14 has also allowed for Investment allowance of 15% for investment in plant & machinery amounting to Rs. 100 crores or more during the period 1.04.2013 to 31.03.2015, which shall give impetus to investments in power equipment.

Threats

- India has historically failed to meet its power sector targets by a significant margin and has tremendous opportunities ahead. The power sector continues to be affected by a shortfall both on generation as well as on transmission side.
- Shortages/delays in supply of core components such as boilers, turbines and generators. There has been lack of adequate supply of balance of plant equipment and shortage of construction equipments, as well.
- Power plants and utilities face major constraints and delays regarding the availability of land and obtaining the requisite environment and other clearances for the projects.
- Domestic coal based generation plants have been experiencing coal supply constraints due to coal shortages.
- Considering high financial stake involved through private investments, financing such large projects is a critical constraint.

- v) The flow of talent into construction and power sector has been gradually drying up as candidates have sought an alternative and often more lucrative career opportunities.
- vi) Electricity losses in India during transmission and distribution are extremely high. Theft of electricity in most parts of India is a matter of concern.

Segment-wise or product-wise performance

The Company is primarily engaged in generating Power and thus has only one segment.

Outlook

In view of various new projects being undertaken by the Company, the Company shall be taking strong position in India's power sector in the forthcoming years. The future outlook of the Company is bright.

Risks and Concerns

The Company's new projects in hydro power sector carry normal construction and hydrological risks. The Company does not see any other perceptible risk in thermal power projects being undertaken by the Company. Necessary arrangements have been made by the Company for supply of fuel and requisite environmental clearances have been/ expected to be received.

Internal Control Systems and their adequacy

The Company has adequate internal control systems commensurate with its size of operations and is manned by qualified and experienced executives.

In addition to internal control, the internal audit function has also been set up by a firm of Chartered Accountant(s) who conducts audit on the basis of the Accounting Standards and Annual Audit Plan. The process includes review and evaluation of effectiveness of the existing processes, controls and compliances. It also ensures adherence to internal control policies and systems and mitigation of the operational risks perceived for each area under audit. The Internal Audit Report(s) are reviewed by the Audit Committee.

Financial performance with respect to operational performance

The financial performance of the Company with respect to operational performance is satisfactory ensuring the Company's commitments of servicing its debts and enhancing the value for Equity Shareholders.

Material developments in Human Resources/Industrial relations

The Company recognizes its Human Resources as the most valued asset. The Company has appointed specialized professionals in the fields of Engineering, Finance, Administration and technical and non technical staff to take care of its operations and allied activities.

As at 31st March, 2013, the Company had a total workforce of 2048 persons, as managers, staff workers etc. including 344 Engineers and 19 Chartered Accountants.

Necessary training to the staff for operations and maintenance of power station was imparted by specialist from related fields including the equipment suppliers from time to time.

For the new projects coming up at different locations in the country, appropriate organization structure with benchmarked manning standards has been put in place.

During the year, industrial relations continued to be cordial.

Cautionary Statement

Statement in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectations of future event, actual results could differ 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, finished goods prices, changes in Government Regulations, Financial Sector and Tax Regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES OF THE COMPANY

We strongly believe that it is our duty to ensure that the benefit of our Company's growth is not only shared by the Jaypee Group but also by the environment/society in which we normally operate. It is in this light and philosophy for over five decades now, Jaypee Group has supported local communities by providing resources and services in the field of education, vocational training, healthcare and various rural development programs that follow an integrated, holistic approach for the welfare of rural communities.

Jaiprakash Sewa Sansthan, a not-for-profit trust under Jaypee Group has been undertaking initiatives and socio-economic development work.

We hereby give details of CSR Initiatives undertaken by different Plants/ projects hereunder of the Company namely, Jaypee Baspa II Hydro Power Plant (Baspa), Jaypee Vishnuprayag Hydro Power Plant (Vishnuprayag), Jaypee Karcham Wangtoo Hydro Power Plant (Karcham), Jaypee Bina Thermal Power Plant (Bina) and Jaypee Nigrie Super Thermal Power Project (Nigrie)

1. HEALTHCARE

Karcham & Baspa

- A 40 bed hospital had been set up at Sholtu, District Kinnaur in 2009 for providing quality medical treatment even at remote location. The hospital is equipped to provide medical facilities including Orthopaedics, Gynaecology, Obstetrics, Anaesthesia, Emergency services and Casualty, Laboratory, X ray including C-arm, Physiotherapy, besides ENT, Eye, General Surgery, Paediatrics, Dental and Ultra Sound. The hospital and its staff is fully equipped and is fully geared to provide emergency medical services during calamities such as road accidents. There are seven doctors, ten nurses, sixty auxiliary staff. Around 1800 patients normally receive treatment every month.
- Four dispensaries were set up at Kuppa, Karcham, Kaksthal and Sherpa.
- Pulse Polio Immunization camps are held annually benefitting several local people. Health check up of children of local school is periodically conducted.

Vishnuprayag

- Two dispensaries have been set up at Vishnupuram and Shivpuram with requisite nursing and medical staff. Facilities at the dispensaries include inter-alia consultancy, pathological laboratory, distribution of medicines, indoor patients' facility, minor OT, physiotherapy, dental treatment and ambulance services for emergency and accident cases. Medical staff includes two doctors, five compounders and auxiliary staff. Local village personnel with requisite qualification are normally employed as auxiliary staff. Average number of patients benefitted per month is around 2000. Besides, pilgrims visiting Sri Badrinath ji and Sri Hemkund Sahib ji also use medical facilities provided during the Yatra season.
- Community Health Awareness camp organized in conjunction with the Army for villages around Joshimath. Facilities provided inter-alia include consultancy and distribution of medicines. Talks by doctors and senior citizens of the unit on health, hygiene & sanitation and general awareness are periodically conducted for the women.
- Vaccination/inoculation camps are periodically organized at

both the dispensaries. During the last two years, over one thousand persons utilized Hepatitis B inoculation facility and around 1500 persons were given tetanus injections.

- Vehicle and food packets are provided for the staff of Community Health Centre Joshimath in coordination with District CMO for Pulse Polio camps in nearby villages in tehsil Joshimath. Vehicle is also provided once a week for transporting children to Community Health Centre (CHC), Joshimath for periodic vaccinations/inoculations.
- Biennial joint medical survey is carried out covering the villages in the vicinity of the project to ascertain the effects if any, on the locals on account of the project. The Epidemiological Survey is conducted by a team comprising Superintendent, CHC Joshimath and Senior Resident Medical Officer of the Company.

Bina

- A dispensary had been set up at Sirchopi in the year 2009. Facilities provided by the dispensary inter-alia include provision of medicines, indoor facility, lab tests, first aid, emergency services, casualty cases, etc. The dispensary is equipped with basic facilities and is manned by a doctor, 2 field medical officers, 4 compounders and 1 auxiliary staff. More than ten thousand local residents and villagers have benefitted with the initiative.
- Blankets were given to participants of family planning camp conducted by a local authority at Bina Tehsil.

Nigrie

- A hospital has been set up at Nigrie. The hospital is equipped with state of the art medical equipment(s) and supported by three doctors and 23 para medicos. The hospital provides medical services to villagers of nearby eight villages who account for 80% of the patients. Bi-weekly village medical camps are organized on a mobile medical van. Two ambulances are provided for evacuation of casualties to Sidhi District HQ or to nearby Primary Health Centre (PHC) at Niwas. 3500 patients are treated on an average per month. Health check up of school children of local residents was taken up in 10 villages.

2. ENVIRONMENT SUSTAINABILITY & AFFORESTATION

Karcham & Baspa

Over one lakh trees have been planted in and around the project site with a survival rate of around 80%.

Bio gas plant has been installed at Sholtu to help in reduction of GHG emissions. Three sewage treatment plants have been installed at Sholtu, Baspa Power House and Wangtoo Power house. Eight incinerators have been installed for the management of waste generated.

Vishnuprayag

Sludge generated from the Sludge Treatment Plant of 50 M3 capacity is used as manure for better waste management. Around 6000 trees have been planted with a survival rate of 80%. Around 13870 kl of water has been recycled during the year 2012-13.

Nigrie

Over 7000 trees have been planted in and around the project site. A detailed tree plantation and arboriculture plan has been

evolved in consultation with environmental experts by taking into consideration the local species/varieties of flora vis a vis the requirement of greening up of an area of over 450 hectares post commissioning of the plant.

Bina

Around 38879 trees have been planted in and around the Project Site with a survival rate of approximately 50%

3. EDUCATION:

Karcham & Baspa

Jaypee Group has always taken up the initiative for providing quality education especially to the underprivileged. Emphasis has always been laid on establishing requisite infrastructure facilities of Education. Vidya Saraswati Mandir School was set up in 2011 at Tapri. Jay Jyoti School was set up in 2008, of whom seven children were awarded laptops by the State Government for meritorious performance at the Class X exam in 2012. Renovation of senior secondary schools at Sangla and Kilba and Govt. Middle school at Ralli has been undertaken. In 2011, Industrial Training Centre was set up at Urni and the first academic session was started from 2011-12 with two disciplines, namely, that of Electrician and Diesel Mechanic.

Vishnuprayag

Jaypee Vidya Mandir Nursery school is functional at Vishnupuram with 64 students on roll. Regular health check up is also undertaken for these children.

Jaypee Vidya Mandir, 10+2 English Medium school has been established and has become operational from April, 2013, with over 200 children including those from nearby villages.

Bina

Sardar Patel Uchhtar Madhyamik Vidyalaya has been set up commencing academic year 2011-12 catering to 197 students from Class I to Class VI in Hindi medium and English sections from nursery to Class III. Admission in Hindi Medium school is open for children of project effected families and children below poverty line with a nominal fee / free of cost. For the admission in English Medium school all the rules and regulations of State bye laws are followed.

The school has a well laid out complex with conference hall, activity room, music room, library, computer lab, etc. In addition sports equipment and play ground have been provided for holistic all round growth of the children.

Nigrie

Sardar Patel Uchhtar Madhyamik Vidyalaya, affiliated to M.P.Board has been set up with classes upto 7th standard having about 200 students, which would be upgraded subsequently upto class 12th. The admission criteria includes seats earmarked for project effected families. The school is totally philanthropic. No tuition fees is being charged, beside that free mid day meal, Scholarship, alongwith Uniform, Stationary & Books etc. free of cost is provided to all the children.

4. LOCAL AREA DEVELOPMENT WORK & COMMUNITY DEVELOPMENT

The Company has been providing several facilities to the villagers living close to the Project area. Local Area Development Activities (LADA) & Community Development have been taken up in the Project area as per the requirements of Himachal Pradesh Government.

Karcham & Baspa

Development work was undertaken in various villages which includes repair and construction of temples, cow shelter, foot paths, widening of roads, street lights, toilets, water tanks, repair of schools, cooperative society buildings, provision of pipes for irrigation, parking area, renovation of steel foot bridge, rain shelters, mortuary, cremation grounds, drinking water points, incinerators, car wash points, etc.

Drinking water facility has been provided at bus stand, Reckongpeo and Tapri. Additional funds are provided for irrigation/drinking water scheme for four panchayats at Chagaon, Urni, Yulla and Meru. To promote hygiene awareness, rain shelters and community toilets have been constructed in twelve villages.

Vishnuprayag

The Company has carried out construction of water storage tanks and provisioning of water pipe lines in five villages, ensuring clean potable water to the locals from perennial sources.

Other development works include construction of village approach roads, temples, additional rooms in local schools and colleges, Mahila Milan Kendra for village women, land development for schools and construction of playground, provision of desks and benches for schools, cremation grounds and community hall, financial assistance during cultural and religious functions, computer class for women and children, provision of tents, tarpaulins & stretchers to the Civil Administration under the Disaster Management Plan, etc.

Tents, tarpaulins & Collapsible stretchers are provided to civil administration. Assistance is also provided in clearing land slides. Heavy Equipment/Crane(s) are provided to Border Roads and Local Administration to lift the accident vehicles from the river bed. Food packets and shelter are provided to civil administration for stranded people in the event of landslides or some mis-happenings.

Bina

The Company has been regularly contributing towards upkeep of roads, repair work of roads & construction thereof, repair work of village infrastructure facility including temples.

Nigrie

In an effort to pass on the benefit of economic development to the local populace, a number of initiatives have been undertaken. In all four roads measuring a total of 7.0 KM of road length for a cost over Rs 30 lakhs have been constructed. 24 hand pumps have been installed and three temples renovated. Local administration has been provided with over 50 lakhs as our contribution for the social upliftment schemes.

GREEN BELT DEVELOPMENT AND BIODIVERSITY MAPPING

Jaypee Group has undertaken Green Belt Development and Biodiversity Mapping studies at Bina, Nigrie and Karcham sites. The project has given a unique opportunity in regard to creating Functional Green Belts with native species, resulting in practical conservation of flora and fauna of the region. Attempt is on for creating a unique biodiversity reserve which is a combination of Botanical Park where medicinal plants can be planted.

These campuses will form example of unique habitats which we are trying to create in Jaypee Campuses across the country where business as well as wildlife both will survive and prosper.

In short, CSR initiatives and Community Development are viewed as a prime pillar of sustainability and pursued by the Companies under Jaypee Group as any other aspect of Company's business.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

JAIPRAKASH POWER VENTURES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of JAIPRAKASH POWER VENTURES LIMITED which comprises the Balance Sheet as at 31st March, 2013 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedure selected depend on the auditor's judgement including the assessment of the risk of material misstatements of the financial statements, whether due to fraud and error. In making those risk assessment, the auditor consider internal control relevant to the companies preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013,
- ii) in the case of the Statement of Profit & Loss, of the profit of the Company for the year ended 31st March, 2013,

iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended 31st March, 2013.

1. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the 'Order') issued by the Central Government of India, in terms of Section 227(4-A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by Section 227(3) of the Act, 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 have been kept by the Company as required by law so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement referred to in this report, are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement referred to in this report, comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Act, nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **R. NAGPAL ASSOCIATES**
Chartered Accountants
Firm Registration No.002626N

Place : New Delhi
Dated : 27th April, 2013

CA R. NAGPAL
Partner
M.No. 81594

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March, 2013 of **JAIPRAKASH POWER VENTURES LIMITED**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to

us, no material discrepancies have been noticed on such physical verification.

- (c) Fixed assets disposed off during the year, are negligible so as to affect the Company as a going concern.
- (ii) (a) The Inventory has been physically verified by the management at reasonable intervals during the year.
- (b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) The Company has neither 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 Act.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of electrical energy. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) Based on the audit procedures applied by us and according to the information and explanations given to us we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act, 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) The Company has not accepted any deposit from the public during the year.
- (vii) The Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of account relating to material, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (ix) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like Provident fund, Income-tax, Customs duty, Cess etc. 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:

Name of Statute (Nature of dues)	Period to which amount relates	Dispute is pending	Total
Income Tax	AY 2010-2011	CIT(A) Shimla	₹ 2,351.99 Lacs
Income Tax	AY 2005-06 and A/Y 2010-2011	With ITO Mumbai	₹ 180.9 Lacs
Diversion Tax and Land Cess	Since 1998-99	Commissioner Sagar	₹158.20 Lacs
Diversion Tax and Land Cess	Since 1998-99	Board of Revenue Gwalior	₹ 22.14 Lacs
Entry Tax	From F/Y11-12 & F/Y 12-13	High Court	₹ 111.88 Lacs

- (x) The Company does not have any accumulated book losses at the end of the financial year, and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the Company is not a chit fund or a nidhi/mutual benefit fund/society. Hence, Clause (xiii) of Para 4 of the Order is not applicable.
- (xiv) In our opinion the Company is not dealing in or trading in shares, debentures or other investments. Accordingly, Clause (xiv) of Para 4 of the Order is not applicable.
- (xv) Where the Company has pledged its shares as collateral security for the financial assistance granted by lenders to the Company and its Subsidiary Companies, the terms and conditions are not prejudicial to the interest of the Company.
- (xvi) In our opinion & according to the information & explanation given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we find that no funds raised on short term basis have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act.
- (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) During the year the Company has not raised any money by way of public issues. Hence, Clause (xx) of Para 4 of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year

For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No.002626N

CA R. NAGPAL
Partner
M.No. 81594

Place : New Delhi
Dated : 27th April, 2013

BALANCE SHEET AS AT MARCH 31, 2013

(₹ in Lacs)

Particulars	Note No.	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	293,800	262,476
(b) Reserves and Surplus	4	350,636	284,024
(c) Money received against share warrants		—	—
(2) Share application money pending allotment		—	—
(3) Deferred Revenue	5	48,716	39,207
(4) Non Current Liabilities			
(a) Long-term borrowings	6	1,580,138	1,310,803
(b) Deferred tax liabilities (net)	7	14,333	12,344
(c) Other Long-term liabilities	8	3,395	1,253
(d) Long-term provisions	9	44,636	35,533
(5) Current Liabilities			
(a) Short-term borrowings	10	23,707	51
(b) Trade payables	11	101,625	81,127
(c) Other current liabilities	12	216,814	174,363
(d) Short-term provisions	13	16,696	36,561
TOTAL		2,694,496	2,237,742
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	14		
(i) Tangible assets	14A	1,121,680	965,700
(ii) Intangible assets	14B	—	—
(iii) Capital work-in-progress	14C	911,994	638,377
(iv) Intangible assets under development		—	—
(b) Non-current investments	15	443,417	386,308
(c) Deferred tax assets (net)		—	—
(d) Long-term loans and advances	16	37,196	68,394
(e) Other non-current assets	17	4,176	9,661
(2) Current assets			
(a) Current investments		—	—
(b) Inventories	18	13,572	4,866
(c) Trade receivables	19	45,157	43,036
(d) Cash and cash equivalents	20	58,367	71,581
(e) Short-term loans and advances	21	54,993	46,615
(f) Other current assets	22	3,944	3,204
TOTAL		2,694,496	2,237,742

Summary of significant accounting policies 2
 The note nos. 1 to 48 are integral part of the financial statements

For and on behalf of the Board

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

FOR R. NAGPAL ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Registration No. 002626N

Manoj Gaur
 Chairman

R. NAGPAL
 Partner
 M.No. 81594

R.K. Narang
 Director

Suren Jain
 Managing Director & CFO

Sunil Kumar Sharma
 Vice Chairman & CEO

Place: New Delhi
 Dated: 27th April, 2013

R.K. Porwal
 Sr. General Manager (F & A)

Y. K. Sharma
 Vice President (F & A)

M. M. Sibbal
 Sr. General Manager &
 Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013

(₹ in Lacs)

Particulars	Note No.	Figures for the current reporting period, March 31, 2013	Figures for the previous reporting period, March 31, 2012
I. Revenue from operations	23	225,258	161,556
II. Other Income	24	3,822	7,074
III. Total Revenue (I+II)		229,080	168,630
IV. Expenses :			
Cost of operation and maintenance	25	38,963	4,936
Purchase of Stock-in-trade		—	—
Changes in inventories of finished goods, work-in-progress and stock-in-trade		—	—
Employee benefits expense	26	5,739	4,329
Finance costs	27	112,409	85,945
Depreciation and amortization expense	28	32,389	23,005
Other expenses	29	4,669	4,116
Total expenses		194,169	122,331
V. Profit before exceptional and extraordinary items and tax (III-IV)		34,911	46,299
VI. Exceptional items		—	—
VII. Profit before extraordinary items and tax (V-VI)		34,911	46,299
VIII. Extraordinary items		—	—
IX. Profit before tax (VII-VIII)		34,911	46,299
X. Tax Expense :			
(i) Current tax (MAT)		6,985	9,265
Less : MAT credit entitlement		6,985	9,265
Net Current Tax		—	—
(ii) Previous Year - Written Off		7	(124)
(iii) Deferred tax charge		1,989	6,128
XI. Profit/(loss) from continuing operations (IX-X)		32,915	40,295
XII. Profit/(loss) from discontinuing operations		—	—
XIII. Tax expense of discontinuing operations		—	—
XIV. Profit/(loss) from discontinuing operations (after tax) (XII-XIII)		—	—
XV. Profit/(loss) for the period (XI+XIV)		32,915	40,295
XVI. Earnings per equity share :			
Before Extraordinary items			
(i) Basic		1.24	1.54
(ii) Diluted		1.19	1.47
After Extraordinary items			
(i) Basic		1.24	1.54
(ii) Diluted		1.19	1.47

Summary of significant accounting policies 2
 The note nos. 1 to 48 are integral part of the financial statements
 As per our report of even date attached to the Balance Sheet

FOR R. NAGPAL ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Registration No. 002626N

R. NAGPAL
 Partner
 M.No. 81594

R.K. Narang
 Director

Place: New Delhi
 Dated: 27th April, 2013

R.K. Porwal
 Sr. General Manager (F & A)

Suren Jain
 Managing Director & CFO

Y. K. Sharma
 Vice President (F & A)

For and on behalf of the Board

Manoj Gaur
 Chairman

Sunil Kumar Sharma
 Vice Chairman & CEO

M. M. Sibbal
 Sr. General Manager &
 Company Secretary

Notes to the financial statements for the year ended March 31, 2013

Note 1 Basis of Preparation of Financial Statements

- (a) The accounts are prepared on the historical cost basis and on the principles of going concern.
- (b) Accounting policies not specifically referred to otherwise are being consistently followed and are in accordance with generally accepted accounting principles.

Note 2 Summary of significant accounting policies

(a) Revenue Recognition

- (i) **(a) 300 MW Jaypee Baspa HEP** : Revenue from sale of electrical energy is accounted for on the basis of billing to Himachal Pradesh State Electricity Board (HPSEB) as per Tariff approved by Himachal Pradesh Electricity Regulatory Commission (HPERC) in accordance with the provisions of Power Purchase Agreement dated 4th June, 1997, Amendment No.1 dated 07.01.1998, executed between the Company and HPSEB.
- (b) 400 MW Jaypee Vishnuprayag HEP** : Revenue from sale of electrical energy is accounted for on the basis of billing to Uttar Pradesh Power Corporation Limited (UPPCL) as per Tariff approved by Uttar Pradesh Electricity Regulatory Commission (UPERC) in accordance with the provisions of Power Purchase Agreement dated 16.01.2007, executed between the Company and UPPCL.
- (c) 1000 MW Jaypee Karcham Wangtoo HEP** : Revenue from sale of electrical energy is accounted for on the basis of billing to various buyers as per short term/medium term Power Purchase Agreements executed with them and through Power Exchange.
- (d) 500 MW Jaypee Bina Thermal power Plant** : Revenue from sale of electrical energy is accounted for on the basis of sale to Madhya Pradesh Power Management Company Limited (MPPMCL) as per Tariff approved by Madhya Pradesh Electricity Regulatory Commission in accordance with the provisions of Power Purchase Agreement dated 05.01.2011, executed between the Company and MPPMCL to the extent of 70% and balance on merchant basis.
- (ii) Revenue from sale of Verified Emission Reductions (VERs) is accounted for on receipt basis.
- (iii) Insurance claims are accounted for on receipt basis or as acknowledged by the Insurance company.
- (iv) Other income and cost/ expenditure are accounted for on accrual basis as they are earned or incurred.
- (v) Advance against depreciation claimed/ to be claimed as part of tariff in terms of PPA (in respect of Baspa II HEP and Vishnuprayag HEP) during the currency of loans to facilitate repayment installments is treated as 'Deferred Revenue'. Such Deferred Revenue shall be included in Sales in subsequent years.

(b) Fixed Assets

Fixed Assets are stated at Cost of acquisition or construction inclusive of freight, erection & commissioning charges, duties and taxes, expenditure during construction period, Interest on borrowings, financing cost and foreign exchange loss/gain, up to the date of commissioning.

(c) Depreciation

- (i) Premium on Leasehold Land is amortised over the period of lease.

- (ii) **(a) 300 MW Jaypee Baspa HEP**: Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works w.e.f. 24.5.2003 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act, 1956 vide their letter no. 45/1/2006-CL-III dated 26.6.2006.

- (b) 400 MW Jaypee Vishnuprayag HEP** : Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works w.e.f. 17.06.2006 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act, 1956 vide their letter no. 45/7/2006-CL-III dated 03.05.2007.

- (c) 1000 MW Jaypee Karcham Wangtoo HEP** : Depreciation has been provided @ 2.57% p.a. on straight line method on Hydro Electric Works w.e.f. 01.04.2011 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act, 1956 vide their letter no. 45/6/2011-CL-III dated 09.08.2011.

- (iii) Fixed Assets other than Hydro Electric Works including Bina Thermal Power Plant are depreciated as per straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956.

- (iv) Depreciation on Assets of ₹ 5,000 or less is provided at 100% irrespective of the actual period of use.

(d) Expenditure during Construction Period

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

(e) Foreign Currency Transactions

- (i) Transactions in Foreign Currency are recorded in the Books of Accounts in Indian Currency at the rate of exchange prevailing on the date of transaction.
- (ii) All loans and deferred credits repayable in Foreign Currency and outstanding at the close of the year are expressed in Indian Currency at the rate of exchange prevailing on the date of the Balance Sheet.
- (iii) Foreign Exchange gain/loss is being adjusted against the cost of assets in terms of the amendment to Accounting Standard (AS-11) issued vide Notification dated 31st March, 2009 and revised Notification dated 29th December, 2011 by Ministry of Corporate Affairs, Govt. of India.

(f) Investments

Investments are stated at Cost and where there is permanent diminution in the value of investments, a provision is made wherever applicable. Dividend will be accounted for as and when the Company has a right to receive the same on or before the Balance Sheet date.

(g) Inventories

- (i) Inventories of Stores & Spares are valued on the basis of Weighted Average Cost Method.
- (ii) Material-in-transit is valued at cost.

(h) Retirement and other Employees Benefits

- (i) Provident Fund and Pension contribution as a percentage of salary/wages as per provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952.
- (ii) Gratuity and Leave Encashment is defined benefit obligation. The liability is provided for on the basis on Projected Unit Credit Method adopted in the actuarial valuation made at the end of each financial year.

(i) Borrowing Costs

Borrowing costs attributable to the procurement/construction of fixed assets are capitalised as part of the cost of the respective assets upto the date of commissioning. Other borrowing costs are recognized as expense during the year in which they are incurred.

(j) Taxes on Income

Provision for current tax is being made after taking into consideration benefits admissible to the Company under the provisions of the Income Tax Act, 1961.

Deferred Tax Liability, if any is computed as per in accordance with Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are computed by applying rates and tax laws that have been enacted up to the Balance Sheet date.

(k) Provisions, Contingent Liabilities and Contingent Assets

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

(l) 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.

(m) Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognised immediately as income in the profit and loss account.

(n) Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation on straight line basis from the date the assets are put for commercial use.

(o) Premium on Redemption of Debentures

Premium paid/payable on Redemption of Debentures are adjusted against Securities premium reserve/Surplus.

(p) Segment Reporting

Revenue, operating results, assets and liabilities have been identified to represent separate segments on the basis of their relationship to the operating activities of the segment. Assets, liabilities, revenue and expenses which are not allocable to separate segment on a reasonable basis, are included under "Unallocated".

Note 3 - Share Capital

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
	Number	₹	Number	₹
Authorised				
Equity shares of ₹ 10/- each	8,300,000,000	830,000	8,300,000,000	830,000
Preference shares of ₹ 100/- each	300,000,000	300,000	300,000,000	300,000
Total		1,130,000		1,130,000
Issued, Subscribed & Paid up				
Equity shares of ₹ 10/- each	2,938,003,084	293,800	2,624,757,123	262,476
Total	2,938,003,084	293,800	2,624,757,123	262,476

Note 3.1 - Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	2,624,757,123	262,476	2,095,680,200	209,568
Shares issued during the year	313,245,961	31,324	529,076,923	52,908
Shares brought back during the year	—	—	—	—
Shares outstanding at the end of the year	2,938,003,084	293,800	2,624,757,123	262,476

An amount of ₹ 52,908 lacs was in share suspense account as on 31.03.2011 consisting of 52,90,76,923 equity shares of ₹ 10/- each which were allotted during the previous year, consequent to amalgamation of erstwhile Jaypee Karcham Hydro Corporation Limited, (JKHCL) and erstwhile Bina Power Supply Company Limited, (BPSCCL) with the Company from the appointed date i.e. 01.04.2010.

Note 3.2 The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share which rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation, each share carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferential payments.

The Authorised Share Capital provides for Preference Share at a par value of ₹ 100/- each. The Company has so far not issued any Preference Share.

Note 3.3 Equity Shares in respect of each class in the Company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

1,78,30,00,600 Equity shares are held by Jaiprakash Associates Limited, the holding company.

12,56,47,637 Equity shares are held by Jaypee Infra Ventures (A Private Company with unlimited liability), associate company of Jaiprakash Associates Limited.

Note 3.4 Equity Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholder	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
	No. of equity shares held	% of holding	No. of equity shares held	% of holding
Jaiprakash Associates Limited	1,783,000,600	60.687	1,783,000,600	67.930
Jaypee Infra Ventures (A Private Company with unlimited liability)	125,647,637	4.277	214,622,624	8.177
JPVL Trust	344,076,923	11.711	344,076,923	13.109

Note 3.5 Equity shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestments, including terms and amounts

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCB) of US\$ 1 Lac each aggregating to US\$ 2000 Lacs at par on 12.02.2010. These Bonds are convertible at the option of the bond-holders into equity shares of ₹ 10/- each fully paid up at the conversion price of ₹ 85.8139 per share, subject to the terms of issue with a fixed exchange rate of ₹ 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

No conversion has taken place upto 31st March, 2013.

The bonds are redeemable at maturity on 13.02.2015 at a YTM of 7% p.a. inclusive of coupon rate of 5% p.a. [value as on 31.03.2013 in US\$ 1.06 Lacs (Previous Year US\$1.04 Lacs) for a principal amount of US\$ 1 Lac each]. A reserve aggregating to ₹ 6,875 Lacs up to 31.03.2013 (Previous Year ₹ 3,935 Lacs) has been created for the redemption premium.

No shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestments.

Note 3.6 Aggregate number and class of equity shares allotted as fully paid up pursuant to contract without payment being received in cash, allotment by way of bonus shares or shares bought back

Particulars	Year (Aggregate no. of shares)		
	2012-13	2011-12	2010-11
Equity Shares			
Fully paid up equity shares allotted for consideration other than cash in terms of Scheme of Amalgamation of erstwhile Jaiprakash Power Ventures Limited with Jaiprakash Hydro-Power Limited (renamed as Jaiprakash Power Ventures Limited) w.e.f 01.04.2009 (the appointed date), as sanctioned by Hon'ble High Court of Himachal Pradesh at Shimla vide Order dated 14.12.2009, effective from 14.12.2009.	1,604,679,600	1,604,679,600	1,604,679,600

Particulars	Year (Aggregate no. of shares)		
	2012-13	2011-12	2010-11
Equity Shares			
Fully paid up equity shares allotted for consideration other than cash in terms of Scheme of Amalgamation of erstwhile Jaypee Karcham Hydro Corporation Limited and Bina Power Supply Company Limited with Jaiprakash Power Ventures Limited w.e.f 01.04.2010 (the appointed date), as sanctioned by Hon'ble High Court of Himachal Pradesh at Shimla vide Order dated 25.07.2011, effective from 26.07.2011. (In the financial year 2010-11 these shares were shown in Share Suspense account)	529,076,923	529,076,923	—
Fully paid up by way of bonus shares	—	—	—
Shares bought back	—	—	—

Note 3.7 Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
	Number	Amount	Number	Amount
5% Foreign Currency Convertible Bonds (FCCB)	107,535,026	1,075,350,260	107,535,026	1,075,350,260

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCB) of US\$ 1 Lac each aggregating to US\$ 2,000 Lacs at par on 12.02.2010. These Bonds are convertible at the option of the bond-holders into equity shares of ₹ 10/- each fully paid up at the conversion price of ₹ 85.8139 per share, subject to the terms of issue with a fixed exchange rate of ₹ 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

Note 3.8 Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

There are no calls unpaid including by directors and officers of the Company.

Note 3.9 Forfeited shares (amount originally paid up)

The Company has not forfeited shares.

Note 4 Reserves and Surplus

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
1. Securities Premium Reserve				
Opening Balance	—		4,342	
Add : Addition during the year	63,684		—	
Less : Transfer to provision for Premium on Redemption of Debentures	27,847		4,342	
Less : Writing off commission/expenses incurred on issue of QIP	2,140	33,697	—	—
2. Debenture Redemption Reserve				
Opening Balance	55,505		27,768	
Add : Provisions for the year	10,191		27,737	
Less : Transfer to 'Surplus'	35,123	30,573	—	55,505
3. General Reserve				
Opening Balance	4,785		4,785	
Add : Addition during the year	—	4,785	—	4,785

(₹ in Lacs)		
Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
4. Capital Reserve on Amalgamation		
Opening Balance	134,411	134,411
Add : Addition during the year	– 134,411	– 134,411
5. Reserve for Premium on Foreign Currency Convertible Bonds		
Opening Balance	3,935	2,089
Add : Provisions for the year	2,940 6,875	1,846 3,935
6. Surplus		
Opening Balance	85,388	81,195
Add : Profit After Tax during the year	32,915	40,295
Add : Debenture Redemption Reserve Written Back	35,123	–
Add : MAT credit for earlier years	–	23,201
Less : Deferred tax liability of earlier years	–	6,216
Less : Debenture Redemption Reserve for the year	10,191	27,736
Less : Provision for Premium on Redemption of Debenture	–	23,505
Less : Reserve for Premium on Foreign Currency Convertible Bonds	2,940 140,295	1,846 85,388
Total	350,636	284,024

Note 5 - Deferred Revenue

(₹ in Lacs)		
Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Advance against depreciation		
Opening Balance	39,207	31,302
Addition during the year	9,509	7,905
Total	48,716	39,207

As per accounting policy, the advance against depreciation amounting to ₹ 9,509 Lacs (Previous Year ₹ 7,905 Lacs) has been treated as Deferred Revenue.

Non Current Liabilities
Note 6 Long-term borrowings

(₹ in Lacs)		
Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
“A” Secured Loans		
Bonds/Debentures		
Redeemable Non-Convertible Debentures	73,685	98,259
Term Loans		
Rupee Loan		
– from Financial Institutions	142,900	177,639
– from Banks	1,174,121	919,260

(₹ in Lacs)		
Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Foreign Currency Loan		
– from Banks	71,401	170
– from Financial Institutions	5,497 1,393,919	7,905 1,104,974
Working Capital - From Banks	–	600
From other parties		
Foreign Currency - Buyer's Credit	2,274	3,870
Total “A”	1,469,878	1,207,703
“B” Unsecured Loans		
– Foreign Currency Convertible Bonds	109,760	102,600
Others		
Govt. of Uttarakhand	500	500
Total “B”	110,260	103,100
Total “A + B”	1,580,138	1,310,803

Security for Term Loans, Working Capital limits and Non-Convertible Debentures
6.1 300 MW Jaypee Baspa II HEP:

6.1 (a) Rupee Term Loans, Foreign Currency Loans, Working Capital Facilities aggregating to ₹ 73,211.36 Lacs and Deferred Payment Guarantee(s) from Financial Institutions and Banks, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari-passu among all the participating Institutions and Banks viz. State Bank of India, Andhra Bank, Punjab National Bank, UCO Bank, Oriental Bank of Commerce, Allahabad Bank, United Bank of India, IDBI Bank Ltd., IFCI Ltd. and Power Finance Corporation Ltd., by way of :

- First Charge on book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature, present & future of the Baspa II HEP ; and
- First charge on all the Accounts of the Baspa II HEP including but not limited to the Trust & Retention Account, Escrow Account of HPSEB and Debt Service Reserve Account and other accounts required to be created under any Project Document or contract.

The loans are inter-alia also secured by way of :

- First charge on Baspa II HEP's all intangible assets, hypothecation of all the movable assets, assignment of Project Agreements and Escrow Agreement, all present and future rights, titles, interests, benefits, claims and demands whatsoever with respect to the Insurance Policies, claims and benefits to all monies receivable there under and all other claims there under in respect of all the insured assets of the Plant ;
- First ranking equitable mortgage on all rights, titles, interests and benefits in respect of immovable properties, and assets of the Baspa II HEP ;
- Pledge of 6,291 Lacs equity shares of the Company held by Jaiprakash Associates Limited, (JAL) on pari-passu basis with lenders of Jaypee Vishnuprayag HEP and Jaypee Nigrie Super Thermal Power Project ; and

- (iv) Corporate Guarantee furnished by Jaiprakash Associates Limited (JAL), the Holding Company, for the outstanding financial assistance of Power Finance Corporation Ltd., as on 31.03.2013 amounting to ₹ 7,115.20 Lacs (Previous Year ₹ 10,289.42 Lacs).

6.1(b) The aforesaid security rank pari-passu for working capital limit (Fund based and non fund based) of ₹ 6,900 Lacs sanctioned by Punjab National Bank - Shimla with personal guarantees of Shri Jaiprakash Gaur - Founder Chairman, Shri Manoj Gaur - Chairman, Shri S.K. Sharma - Vice Chairman & CEO and Shri S. K. Jain-former Director of the Company. [Outstanding cash credit limit Rs. Nil (Previous Year ₹ 51 Lacs) and Bank Guarantees/LCs ₹ 4,511 Lacs (Previous Year ₹ 4,000 Lacs)]

6.1(c) The Foreign Currency Loans under Buyers' Credit are guaranteed by Deferred Payment Guarantee issued by Power Finance Corporation Limited.

6.2 400 MW Jaypee Vishnuprayag HEP :

6.2(a) Rupee Term Loans, Foreign Currency Loans and Working Capital Facilities aggregating to ₹ 1,13,213.46 Lacs from Financial Institutions and Banks, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari passu among all the participating Institutions and Banks viz. State Bank of India, Andhra Bank, State Bank of Bikaner & Jaipur, State Bank of Patiala, State Bank of Travancore, Bank of India, Oriental Bank of Commerce, Allahabad Bank, Dena Bank, IDBI Bank Ltd., ICICI Bank Ltd. and Power Finance Corporation Ltd., by way of :

- (i) First charge on 400 MW Vishnuprayag HEP's present and future book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature ; and
- (ii) First charge on 400 MW Vishnuprayag HEP's all the accounts including the Trust & Retention Account, Escrow Account of Uttar Pradesh Power Corporation Limited and Debt Service Reserve Account and each of the other accounts required to be created by the Company under any 400 MW Vishnuprayag HEP document.

The loans are inter-alia also secured by way of:

- (i) First charge on 400 MW Vishnuprayag HEP's all intangible assets, hypothecation of all the movable assets, assignment of Project Agreements and Escrow Agreement, all present and future rights, titles, interests, benefits, claims and demands whatsoever with respect to the Insurance Policies, claims and benefits to all monies receivable there under and all other claims there under in respect of all the insured assets of the Plant ;
 - (ii) First ranking equitable mortgage on all rights, titles, interests and benefits in respect of immovable properties and assets of the 400 MW Vishnuprayag HEP ;
 - (iii) Pledge of 6,291 Lacs equity shares of the Company held by JAL on pari-passu basis with lenders of Baspa – II HEP and Nigrie Super Thermal Power Project ; and
 - (iv) Corporate Guarantee furnished by JAL, the Holding Company, for outstanding financial assistance of Power Finance Corporation Ltd., as on 31.03.2013 amounting to US\$ 130.99 Lacs (Previous Year US\$ 161.81 Lacs).
- 6.2(b)** Working Capital Loan of ₹ 6,000 Lacs sanctioned by ICICI Bank Ltd. (outstanding ₹ 600 Lacs), is secured by second mortgage/hypothecation and charge on all movable and immovable assets of 400 MW Jaypee Vishnuprayag HEP (including all revenues, receipts, receivables and intangible

properties) both present and future and second charge on bank accounts including Trust and Retention accounts of the Plant.

6.3 1000 MW Jaypee Karcham Wangtoo HEP:

6.3(a) The Rupee Term Loan assistance of ₹ 4,47,304 Lacs (Previous Year ₹ 4,56,123 Lacs) by financial institutions and banks viz. Punjab National Bank, Union Bank of India, Allahabad Bank, Indian Bank, Central Bank of India, Bank of India, IDBI Bank Ltd., ICICI Bank Ltd., Jammu and Kashmir Bank Ltd., Infrastructure Development Finance Company Ltd. and SIDBI, together with all interest, cost and other charges/dues are secured by way of :

- (i) First ranking pari-passu mortgage and hypothecation of all the immovable and movables assets both present and future, all intangible assets, uncalled capital and all revenues and receivables pertaining to Jaypee Karcham Wangtoo HEP and English mortgage on immovable property at Vadgaon, Taluka Mawal, District Pune, Maharashtra ; and
- (ii) Pledge of 1,206 Lacs (Previous Year 1,206 Lacs) equity shares of the Company held by JAL on pari passu basis with the lenders of Rupee Term Loan and Working Capital facilities.

6.3(b) The aforesaid Security ranks pari-passu with working capital lender (i.e. IDBI Bank Limited) for Working Capital limit of ₹ 30,500 Lacs [Outstanding Cash credit limit ₹ 9,486 Lacs (Previous Year ₹ Nil) and Bank Guarantees/LCs of ₹ 2,867 Lacs (Previous Year ₹ 182 Lacs)].

6.4 500 MW Jaypee Bina Thermal Power Plant:

6.4(a) Rupee Term Loans of ₹ 2,19,774 Lacs (Previous Year ₹ 1,87,888 Lacs) availed out of amount of ₹ 2,25,800 Lacs (existing ₹ 1,92,800 Lacs and additional ₹ 33,000 Lacs) from consortium of Financial Institutions and Banks, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari passu among all the participating Institutions and Banks viz. Punjab National Bank, Union Bank of India, Allahabad Bank, Canara Bank, Central Bank of India, State Bank of Patiala, State Bank of Hyderabad, IDBI Bank Ltd., ICICI Bank Ltd. and The Jammu and Kashmir Bank Ltd., are secured by:

- (i) First ranking pari-passu mortgage and hypothecation of all immovable and movables assets both present and future, all intangible assets, and all revenues and receivables pertaining to Jaypee Bina Thermal Power Plant ; and
- (ii) Pledge of 648.09 Lacs equity shares (Previous Year 648.09 Lacs equity shares) of the Company held by JAL, on pari-passu basis with the lenders.

6.4(b) The aforesaid security ranks pari-passu with working capital lenders (i.e. IDBI Bank Limited, State Bank of Patiala and Jammu & Kashmir Bank Ltd.) for working capital limit of ₹ 31,700 Lacs (Previous Year ₹ 7,500 Lacs). Fund based limit outstanding ₹ 14,221 Lacs (Previous Year Rs. Nil) and Bank Guarantees/LCs outstanding of ₹ 7,704.20 (Previous Year ₹ 4,808 Lacs).

6.5 1320 MW Jaypee Nigrie Super Thermal Power Project :

6.5(a) Financial assistance of ₹ 4,88,613 Lacs (Previous Year ₹ 2,23,169 Lacs) availed out of amount of ₹ 5,67,000 Lacs (INR 4,82,110 Lacs and External Commercial Borrowing (ECB) amounting to Jap. Yen 15.30 Billion equivalent to ₹ 84,890 Lacs) from consortium of Financial Institutions and Banks, together with all interest, guarantee commission, cost, expenses and other charges are secured ranking pari-passu

among all the participating Institutions and Banks viz. Punjab National Bank, Canara Bank, Central Bank of India, Oriental Bank of Commerce, Bank of Baroda, Bank of Maharashtra, Indian Overseas Bank, Syndicate Bank, UCO Bank, United Bank of India, State Bank of Bikanar & Jaipur, State Bank of Patiala, State Bank of Hyderabad, Corporation Bank, IDBI Bank Ltd., ICICI Bank Ltd., IDFC Ltd. and LIC of India, are secured by way of :

- (i) First ranking pari-passu mortgage and hypothecation of all immovable and movables assets both present and future, all intangible assets, and all revenues and receivables pertaining to the Jaypee Nigrie Super Thermal Power Project ; and
- (ii) Pledge of 6,291 Lacs equity shares (Previous Year 6,291 Lacs equity shares) of the Company held by JAL on pari-passu basis with lenders of Jaypee Baspa – II HEP and Jaypee Vishnuprayag HEP.

6.5(b) Bank Guarantee limit of ₹ 10,000 Lacs sanctioned by IDBI Bank Limited. Bank Guarantees outstanding for ₹ 10,000 Lacs (Previous Year ₹ 10,000 Lacs). The said Bank Guarantee is secured by way of subservient charge on the movable assets of the Jaypee Nigrie STPP and also by personal guarantee of Shri Manoj Gaur, Chairman of the Company.

6.6 Rupee Term Loan/Corporate Loan:

- (i) Rupee Term Loan of ₹ 1,00,000 Lacs sanctioned by ICICI Bank Limited together with all interests, liquidated damages, front end fee, premia on prepayment, costs, charges, expenses and other monies is secured by (i) second charge on all present and future movable and immovable properties and assets of Sangam Power Generation Company Limited and Prayagraj Power Generation Company Limited (subsidiaries of the Company) and first charge on the designated bank account together with all the monies therein, (ii) pledge of 4,800 Lacs equity shares of ₹ 10/- each fully paid up (Previous Year - 5,279 Lacs equity shares) of the Company held by JAL. As on 31.03.2013 outstanding amount of Rupee Term Loan was ₹ 70,000 Lacs (Previous Year ₹ 1,00,000 Lacs).
- (ii) Rupee Term Loan of ₹ 1,00,000 Lacs sanctioned by State Bank of India during the financial year 2012-13, is secured by residual charge on all movable and immovable fixed assets of the Company on pari-passu basis with Non-Convertible Debentures (₹ 98,259 Lacs) subscribed by ICICI Bank and pledge of 1,500 Lacs equity shares of the Company held by JPVLT Trust. As on 31.03.2013 outstanding amount of Rupee Term Loan was ₹ 1,00,000 Lacs (Previous Year- Nil).

6.7 The Non-Convertible Debentures (series II) of ₹ 98,259 Lacs, subscribed by ICICI Bank Limited are secured by :

- (i) Residual charge on the entire fixed assets of the Company ;
- (ii) Unconditional and irrevocable personal guarantee of Shri Manoj Gaur, Chairman towards repayment of principal and premium on redemption of Debentures ; and
- (iii) Letter of Comfort from Jaiprakash Associates Limited, the holding company.

6.8 Repayment of Term Loans and Non-Convertible Debentures

6.8(a) 300 MW Jaypee BASPA-II HEP :

Rupee Term Loans (₹ 84,500 Lacs) are repayable in 56 installments payable in July, August, September and October every year, which commenced from July, 2010 except for the following variation:

Institution/Bank	Repayment Schedule
PFC	Repayment in 39 equal installments in July, August, September and October each year w.e.f. July, 2005
IFCI Ltd	Repayment in 54 equal installments in July, August, September and October each year w.e.f. September, 2010
IDBI Bank Ltd. (FCL)	Repayment in 40 equal installments in June, September, December and March each year w.e.f. September, 2004

6.8(b) 400 MW Jaypee Vishnuprayag HEP :

Rupee Term Loans (₹ 1,65,000 Lacs) are repayable in 54 equal quarterly installments payable in February, May, August and November every year, which commenced from November, 2009.

6.8(c) 1000 MW Jaypee Karcham Wangtoo HEP :

Rupee Term Loans (₹ 4,79,254 lacs) are repayable in 75 equal installments payable in June, July, August, September & October every year, which commenced 15th June, 2012.

6.8(d) 500 MW Jaypee Bina Thermal Power Plant :

Rupee term Loans (₹ 1,92,800 Lacs) are repayable in 40 equal quarterly installments which commenced from 1st March, 2013 for 80% of loan and balance 20% in 41st Installment payable on 1st March, 2023.

Rupee term Loans (₹ 33,000 Lacs) are repayable in 40 equal quarterly installments which commenced from 1st January, 2013 for 80% of loan and balance 20% in 41st Installment payable on 1st January, 2023.

6.8(e) 1320 MW Jaypee Nigrie Super Thermal Power Project :

Rupee Term Loans (₹ 4,17,250 Lacs) are repayable in 40 equal quarterly installments commencing from November, 2014.

External Commercial Borrowings (Japanese Yen 1,21,800 Lacs) are repayable in 20 equal half yearly installments commencing from November, 2014.

6.8(f) Other Financial Assistance :

- (i) Rupee Term Loan of ₹ 1,00,000 Lacs of ICICI Bank Limited is repayable in 9 quarterly installments payable in February, May, August and November each year which commenced from August, 2012.
- (ii) Rupee Term Loan of ₹ 1,00,000 Lacs (Amount drawn ₹ 50,000 Lacs) of State Bank of India is repayable in 4 equal installments payable on 30th September, 2014, 30th September, 2015, 30th September, 2016, 30th September, 2017.

(iii) Secured Redeemable Non Convertible Debentures (NCDs):-

a. Institution	Amount			Redemption	
ICICI Bank Limited	₹ 98,259 Lacs (Series - II)				
	Tranche	No of Deb.	Issue price (Amount ₹)	Redemption Date	Redemption Value ₹ in Lacs
	A	36,600	67,140	31.12.2013	36,600
	B	38,700	63,552	30.06.2014	38,700
	C	41,000	59,946	31.12.2014	41,000
	D	43,200	56,743	30.06.2015	43,200
	Total	159,500			159,500
	Redemption Price ₹ 1.00 lac each				

(b) The Secured Redeemable Non Convertible Debentures (NCDs) Series-I were redeemed during the year as detailed below:

Institution	Amount	Redemption
ICICI Bank Limited	₹ 99,998 Lacs (Series - I)	Redeemed for ₹ 1,40,490 Lacs on 30.03.2013.
	14,049 Debentures issued at a Price of ₹ 7,11,780/- each. Redemption Price ₹ 10 Lacs each	

6.9 Unsecured Loans

- (i) Unsecured loan of ₹ 1,000 Lacs is repayable to Government of Uttarakhand/Uttar Pradesh, which would be paid after having decision arrived between Government of Uttar Pradesh and Government of Uttarakhand for receipt of said payment.
- (ii) The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCB) of US\$ 1 Lac each aggregating to US\$ 2000 Lacs at par on 12.02.2010. These Bonds are convertible at the option of the bond-holders into equity shares of ₹ 10/- each fully paid up at the conversion price of ₹ 85.8139 per share, subject to the terms of issue with a fixed exchange rate of ₹ 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

No conversion has taken place upto 31st March, 2013.

The bonds are redeemable at maturity on 13.02.2015 at a YTM of 7% p.a. inclusive of coupon rate of 5% p.a. [value as on 31.03.2013 in US\$ 1.06 Lacs (Previous Year US\$1.04 Lacs) for a principal amount of US\$ 1 Lac each]. A reserve aggregating to ₹ 6,875 Lacs up to 31.03.2013 (Previous Year - ₹ 3,935 Lacs) has been created for the redemption premium.

As on 31.03.2013 the Company has outstanding exposure of US\$ 2000 Lacs against FCCB unhedged, pending conversion into equity share capital. (An amount of US\$ 145.03 Lacs (hedged) (Previous Year US \$.242.64 Lacs) out of FCCB funds is parked overseas pending utilization as on 31.03.2013.)

Note 7 Deferred tax liabilities (Net)

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Deferred tax liability		
On account of depreciation	25,680	16,370
Total 'A'	25,680	16,370
Deferred tax assets		
On account of unabsorbed loss	11,190	3,891
On account of employee benefits	157	135
Total 'B'	11,347	4,026
Total 'A - B'	14,333	12,344

Note 8 Other Long Term Liabilities

Trade Payables (see note no. 33)	3,395	1,253
Others	—	—
Total	3,395	1,253

Note 9 - Long Term Provisions

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
a) Provision for employee benefits				
Gratuity	77		—	
Leave Encashment	148	225	114	114
b) Others				
Wealth Tax	3		3	
Income Tax	14,397		10,305	
Premium on redemption of debentures	30,011	44,411	25,111	35,419
Total		44,636		35,533

Current Liabilities
Note 10 Short-term borrowings

Secured Loans		
Rupee Loan		
Working Capital - From Banks	23,707	51
Total	23,707	51

Note 11 Trade Payables

Trade Payables (See note no. 33)	101,584	81,081
Others	41	46
Total	101,625	81,127

Note 12 Other Current Liabilities

i) Current maturities of long-term debt			
"A" Secured Loans			
Bonds/Debentures			
Redeemable Non-Convertible Debentures	24,573		99,998
Term Loans			
— from Financial Institutions	48,068		3,821
— from Banks	99,554		62,596
Foreign Currency Loan			
— from Banks	144		134
— from Financial Institutions	1,691	149,457	395 66,946
From other parties			
Foreign Currency - Buyers' Credit	1,866		1,744
Working Capital Term Loan			
— from Banks	600		1,200
"B" Unsecured Loans			
a) Govt. of Uttarakhand	500		500
b) Financial Institutions	20,000		—
ii) Interest accrued but not due on borrowings	3,533		3,129
iii) Investors' Education & Protection Fund :			
(Appropriate amount shall be transferred to Investors' Education & Protection Fund, if and when due)			
— Unclaimed Dividend	178		191
iv) Other payables	16,107		655
Total	216,814		174,363

- (i) IDFC Limited is in the process of syndication of rupee term loan of ₹ 5,85,000 Lacs to be utilized for substituting the existing financial assistance in respect of 1000 MW Karcham Wangtoo HEP and balance ₹ 1,37,700 Lacs to be utilized for funding of new projects of the Company or of its subsidiaries and for repayment of corporate loans/NCDs of the Company. The status of sanction is in this regard is as under :

IDFC Ltd.	₹ 2,50,000 Lacs
L&T Infrastructure Finance Company Ltd.	₹ 30,000 Lacs
Total	₹ 2,80,000 Lacs

The syndication of balance loan amount is under process. In the mean time IDFC Ltd. and L&T Infrastructure Finance Company Ltd. have disbursed short term loan of ₹ 37,000 Lacs and ₹ 20,000 Lacs respectively against the respective financial assistance during the year.

Pledge of shares in respect of loan of ₹ 37,000 Lacs from IDFC Ltd. is yet to be created.

- (ii) For other security and repayments, refer note no. 6.1 to 6.9.

Note 13 Short Term Provisions

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
a) Provision for employee benefits				
Gratuity	58		61	
Leave Encashment	74		65	
Bonus & Incentive	128	260	175	301
b) Others				
Income Tax	6,985		9,265	
Wealth Tax	1		—	
Premium on redemption of debentures	9,450	16,436	26,995	36,260
Total		16,696		36,561

Note 14 - Fixed Assets

Note 14A - Tangible Assets

(₹ in Lacs)

S. No.	Particulars	GROSS CARRYING AMOUNT					DEPRECIATION/AMORTIZATION					NET CARRYING AMOUNT	
		As on 1.04.2012	Additions during the Year	Disposals during the Year	Other Adjust-ments	As on 31.03.2013	Upto 31.03.2012	For the Year	Disposals during the Year	Other Adjust-ments	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
1	Land												
	– Lease Hold	3,814	—	—	—	3,814	858	55	—	—	913	2,901	2,956
	– Free Hold	5,558	21	—	—	5,579	—	—	—	—	—	5,579	5,558
2	Buildings	21,515	23,254	—	—	44,769	1,936	675	—	—	2,611	42,158	19,579
3	Plant & Machinery	1,015,091	163,680	—	922	1,179,693	78,853	31,662	—	—	110,515	1,069,178	936,238
4	Furniture & Fixture	343	248	—	—	591	137	94	—	—	231	360	206
5	Vehicles	876	135	10	—	1,001	280	84	10	—	354	647	596
6	Office Equipments	730	376	—	—	1,106	163	86	—	—	249	857	567
	Total	1,047,927	187,714	10	922	1,236,553	82,227	32,656	10	—	114,873	1,121,680	965,700
	Previous Year	366,385	679,519	12	2,035	1,047,927	58,971	23,262	6	—	82,227	965,700	

Note : 1 Depreciation on Assets of Projects under implementation amounting to ₹ 267 Lacs (Previous Year ₹ 257 Lacs) has been charged to Pre-operative Expenses of New Projects pending Capitalisation.

2 Other adjustment is on account of exchange fluctuation (profit)/loss on the valuation of Foreign Currency Loans for the purchase of Plant & Machinery at the exchange rate prevailing on the date of Balance Sheet.

Note 14 B - Intangible Assets

(₹ in Lacs)

S. No.	Particulars	GROSS CARRYING AMOUNT					DEPRECIATION/AMORTIZATION					NET CARRYING AMOUNT	
		As on 1.04.2012	Additions during the Year	Disposals during the Year	Other Adjust-ments	As on 31.03.2013	Upto 31.03.2012	For the Year	Disposals during the Year	Other Adjust-ments	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
1	Intangible Assets- Computer Software	3	—	—	—	3	3	—	—	—	3	—	—
	Total	3	—	—	—	3	3	—	—	—	3	—	—
	Previous Year	3	—	—	—	3	3	—	—	—	3	—	—

Note 14 C : Capital work in progress and Incidental expenditure during construction pending allocation

(₹ in Lacs)

Sl. No.	Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
A.	Direct cost of project under construction		
	Opening Balance	522,535	727,011
	Add : Addition during the year	372,640	333,031
	Less : Capitalisation during the year	144,513	537,507
	Balance Capital Work in Progress (A)	750,662	522,535
B.	Incidental Expenditure During Construction pending allocation		
	Opening Balance	115,842	169,204
	Add : Addition during the year		
	Employee Benefit Expense		
	Salary, Wages, Bonus and other benefit	1,784	1,675
	Contribution to Provident and Other Funds	55	60
	Gratuity	8	11
	Staff Welfare Expenses	179	123
	Directors Remuneration	—	66
	Finance Costs		
	Interest on Loans	69,351	47,252
	Front end fee and other charges	386	4,602
	Depreciation and amortization expenses	267	257
	Other Expenses		
	Advertisement Expenses	18	97
	Bank Charges & Guarantee Commission	445	521
	Bidding expenses	—	1
	Bonus paid for early Commissioning	—	1,291
	Compensation for Land, Trees and Buildings	329	1,310
	Environmental Management Plan Monitoring Cost	—	7,630
	Freight & Octroi Charges	423	1,164
	Insurance	319	1,305
	Legal & Professional & Consultancy Charges	1,192	1,588
	Licence and application fees	16	25
	Local Area Development	531	7,203
	Miscellaneous Expenses	30	205
	Overhead line connection charges	28	73
	Postage & Couriers Expense	1	2
	Power, Water & Electricity Charges	1,719	441
	Printing & Stationery Expenses	29	11
	Rates & Taxes	28	74
	Rehabilitation and resettlement expenses	38	37
	Rent	51	63
	Royalty paid	51	35
	Security & Medical charges	362	558
	Telephone Expenses	20	27

(₹ in Lacs)

Sl. No.	Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
	Travelling Expenses	252	248
	Vehicle Running & Maintenance Expenses	93	58
	Expenses on Trial Run (net of infirm energy)	6,232	(754)
	Foreign exchange variation	2,799	12,264
	Auditors' Remuneration		
	— Audit Fee	— 15,006	3 35,480
	Less : Other income		
	Interest Earned on Deposits	787	1,937
	Less : Capitalisation during the year	40,759	140,951
	Balance Incidental expenditure during construction pending allocation (B)	161,332	115,842
	Total A + B	911,994	638,377

Note 15 - Non-current investments

Investments in Equity Instruments		
INVESTMENTS (AT COST)		
(A) Investment in Subsidiary Companies		
Unquoted		
i) 22,20,00,000 equity shares of ₹ 10/- each fully paid up of Jaypee Powergrid Limited (Previous year 21,60,80,000 Equity Shares)	22,200	21,608
ii) 20,00,00,000 equity shares of ₹ 10/- each fully paid up of Jaypee Arunachal Power Limited (Previous year 20,00,00,000 Equity Shares)	20,000	20,000
iii) 143,81,89,800 equity shares of ₹ 10/- each fully paid up of Prayagraj Power Generation Company Limited (Previous year 69,31,89,800 Shares)	143,829	69,329
iv) 55,19,77,200 equity shares of ₹ 10/- each fully paid up of Sangam Power Generation Company Limited (Previous year 55,19,77,200 Shares)	55,207	55,207
v) 79,20,000 equity shares of ₹ 10/- each fully paid up of Jaypee Meghalaya Power Limited (Previous year 50,000 Shares)	792	5
(B) Investment in Beneficiary Trust (Unquoted)		
JPVL Trust	198,594	198,594
(C) Share Application Money (Subsidiary Companies)		
Prayagraj Power Generation Company Limited	—	18,500
Jaypee Arunachal Power Limited	—	2,400
Jaypee Meghalaya Power Limited	—	665

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Investments in Preference Shares INVESTMENTS (AT COST)		
(A) Investment in Subsidiary Companies		
Unquoted		
i) 2,79,50,000 11% non cummulative optionally convertible redeemable Preference shares of ₹10/- each fully paid up of Jaypee Arunachal Power Limited (Previous year nil)	2,795	—
TOTAL	443,417	386,308

Note :

- Aggregate cost of :
Quoted Investments (Market Value ₹ Nil)
(Previous Year ₹ Nil) —
Unquoted (Previous Year ₹ 3,64,743 Lacs) (See Note No. 2 below) **443,417**
- Pursuant to Scheme of Amalgamation of erstwhile Jaypee Karcham Hydro Corporation Limited (JKHCL) and erstwhile Bina Power Supply Company Limited (BPSCL) with the Company, sanctioned by the Hon'ble High Court of Himachal Pradesh at Shimla, JPVL Trust was created on 3rd June, 2011 to hold Equity Shares allotted upon amalgamation in accordance with the share exchange ratio in terms of the said Scheme. Upon sanction of the said Scheme, the cross holdings were not cancelled and were transferred to JPVL Trust in which the Company is the sole beneficiary. Accordingly, 21,70,00,000 Equity Shares in respect of erstwhile JKHCL and 12,70,76,923 Equity Shares in respect of erstwhile BPSCL held by the Company, were transferred to JPVL Trust, as per the approved Share Exchange Ratio.
- All Investments are Non-trade, Long Term Investments

Note 16 : Long-term loans and advances (₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Secured Considered Good	—	—
Unsecured considered good		
Capital Advance	14,036	43,135
Security Deposits		
a) With Govt. Deptt.	440	1,931
b) With Related Parties	—	100
b) With Others	80	31
Loans and advances to related parties (see note no. 37)	520	2,062
	7,376	7,146
Advances to suppliers, contractors, etc.	1,031	5,479
Advance Income Tax and TDS	14,233	10,572
Total	37,196	68,394

Note 17 : Other non-current assets

Unsecured, considered good		
Long term trade receivables	2,657	3,542
Others		
Interest receivable from HPSEB	—	1,588
Pre-paid Expenses	1,519	4,531
Total	4,176	9,661

Current Assets
Note 18 - Inventories (As per Inventories taken, Valued and Certified by Management)

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Raw Material-at weighted average cost	10,888	—
Stores and Spares-at weighted average cost	2,684	4,866
Total	13,572	4,866

Note 19 - Trade receivables

Secured, considered good	—	—
Unsecured, considered good		
Due for a period exceeding six months	21,536	5,056
Due for a period less than six months	23,621	37,980
Total	45,157	43,036

Note 20 - Cash and cash equivalents

Balances with Scheduled Banks		
(i) In Current Account	17,065	4,018
(ii) In Fixed Deposits		
(a) Having maturity of more than twelve months	—	7,230
(b) Other deposits	25,425	38,635
(iii) In Fixed Deposits pledged with Govt. Deptt./Banks having a maturity of less than twelve months	1,848	604
(iv) Trust & Retention account		
(a) In Current Account	9,311	10,604
(b) In Fixed Deposits having a maturity of less than twelve months	4,505	10,255
(v) In Unclaimed Dividend account	178	191
Cash In hand	58,332	71,537
	35	44
Total	58,367	71,581

Unit wise Trust and Retention Accounts are maintained pursuant to the stipulations of the 'Financing Agreements' executed with the respective Lenders.

Note 21 - Short-term loans and advances (₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Others		
Unsecured, considered Good		
Advances recoverable in cash or in kind or for value to be received		
Others	5,267	4,198
Related parties (see note no. 37)	311	134
Staff Imprest & Advance	5,578	49
MAT credit entitlement	228	32,466
Advance Tax & Tax Deducted at Source	39,452	9,768
Total	54,993	46,615

Note 22 - Other current assets

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Unsecured considered good		
Interest accrued on fixed deposits with Banks	672	1,232
Prepaid Expenses	3,272	1,972
Total	3,944	3,204

Note 23 - Revenue from Operations

Sale of Products		
Sale of Electrical Energy	223,152	159,140
(Net of advance against depreciation)		
Less: Rebate for prompt payments	2,275	220,877
Other Operating Revenues		
Sale of Verified Emission Reduction (VERs)	4,381	3,987
Total	225,258	161,556

Note 24 - Other Income

Interest on deposits with banks	3,346	6,686
Interest on arrears	256	327
Dividend received on Mutual Funds	3	—
<u>Other non-operating income</u>		
Excess provision written back	4	—
Profit on sale of Fixed Assets	1	1
Misc. Receipts	212	217
Total	3,822	7,074

Note 25 - Cost of Operation and Maintenance

Cost of fuel	18,807	—
Stores and Spares Consumed	1,694	439
Repair & Maintenance - Buildings	118	141
Repair & Maintenance - Plant & Machinery	2,447	1,561
Operation and Maintenance Expenses	179	166
Transmission charges	13,938	1,766
Insurance - Plant	1,780	863
Total	38,963	4,936

Note 26 - Employee Benefit Expense

Salary, Wages & Bonus	4,615	3,357
Contribution to Provident and Other Funds	213	157
Gratuity	66	49
Leave Encashment	58	53
Workmen and Staff Welfare	248	176
Directors' Remuneration	539	537
Total	5,739	4,329

Note 27 - Finance Costs

Interest		
Foreign Currency Loan	308	338
Term Loans	105,618	81,147
Working Capital	1,474	107,400
Financial charges		
DPG Commission	95	112
Front end fee and other charges	4,904	2,635
Security & Trusteeship Fee	10	5,009
Total	112,409	85,945

Note 28 - Depreciation and amortization expenses

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Depreciation	32,346	22,900
Amortization of Lease Hold Land	43	105
Total	32,389	23,005

Note 29 - Other Expenses

Advertisement	474	1,218
Consultancy, Legal & Professional Fee	972	756
Cost Audit Fees	1	—
Courier & Postage	15	47
Director's Sitting Fee	16	15
Freight and Octroi	183	132
Power, Water and Electricity charges	1,446	540
Internal Auditor Fee	23	11
Lease Rent of land	57	56
Listing & Custodial Fee	78	53
Miscellaneous Expenses	451	622
Printing & Stationery	58	57
Rent	14	43
Security Expenses	321	—
Taxes & Fees	70	163
Telephone and Telex	28	23
Travelling & Conveyance	300	251
Vehicle Running & Maintenance	114	84
Auditor's Remuneration		
For Audit	40	37
For Tax Audit	4	4
For Other Services	3	3
Re-imbursement of Expenses	1	48
TOTAL	4,669	4,116

Note 30

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

Note 31
Generation details & parameters :

Particulars	Baspa-II HEP	Vishnuprayag HEP	Karcham Wangtoo HEP	Bina TPP	Total
Figures as at the end of current reporting period, March 31, 2013					
Net Saleable Energy (MU)	1,073.01	1,628.46	3,541.76	396.29	6,639.52
Plant Availability %	99.87	98.81	86.12	67.62	
Figures as at the end of previous reporting period, March 31, 2012					
Net Saleable Energy (MU)	1,221.83	1,889.20	2,248.12	—	5,359.15
Plant Availability %	99.97	98.58	99.70	—	

Note 32 (a) Value of Imports on C.I.F. Basis :

(₹ in Lacs)		
Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Payment to Suppliers of Capital Equipment	71,431	52,201
Payment for suppliers of spares	70	141

(b) Expenditure in Foreign Currency :

Travelling (Directors')	12	7
Travelling (staff & others)	2	2
Interest & Bank Charges to Banks & others	7,884	5,379
Finance Charges	—	3,722
Consultancy Fee	209	143
Others	—	2

(c) Earnings in Foreign Exchange:

Sale of Verified Emission Reductions (VERs)	4,381	3,987
Bank Interest on Fixed Deposits	278	450

(d) Details of Stores & Spares Consumed (Including for Machinery and O&M):

	₹	%	₹	%
(i) Indigenous	1,372	90	521	98
(ii) Imported	145	10	9	2

Note 33

Disclosure as required under Notification No. G.S.R. 719 (E) dated 16th November, 2007 issued by the Ministry of Corporate Affairs (As certified by the Management):

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

Note 34 Contingent Liabilities not provided for:

(₹ in Lacs)		
Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
(a) Outstanding amount of Bank Guarantee	22,613	20,056
Margin Money against above	244	208
(b) Claims against the Company not acknowledged as debts.	18,987	188
(c) Income tax matters under appeal	2,533	795
(d) The Government of Himachal Pradesh has imposed entry tax on goods entering the state of Himachal Pradesh. This was challenged by the company before the Hon'ble High Court of Himachal Pradesh at Shimla. The Hon'ble High Court on 22.09.2010 in an interim order has held that tax paid by the petitioner would be treated as deposit and not as tax. The final decision of Hon'ble High Court is awaited. The total liability as at 31st March 2013 (Baspas & Karcham Wangtoo HEPs) is ₹ 3,581.77 Lacs (Previous Year ₹ 3,363.60 Lacs), against which Company has deposited ₹ 1,822.95 Lacs (Previous Year ₹ 1,834.53 Lacs) and pledged banks FDRs of ₹ 1,646.94 Lacs.		

Note 35 Commitments:

(a) Outstanding amount of Letter of Credit	17,296	41,802
Margin Money against above	26	244
(b) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	INR 108,948 USD 9,212 Euro 3,955 JPY 31,593	273,196 415 165 87,071

Note 36
Corporate Guarantee

The Company has given Corporate Guarantee of USD 1500 Lacs (equivalent to ₹ 84,000 Lacs) in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited.

Note 37

Advance to Suppliers, Contractors and others shown under "Long Term Loans and Advances" in Note '16' and under "Short Term Loans & Advances" in Note '21' includes Advance to Jaiprakash Associates Limited, the holding Company under EPC Contract for ₹ 586.84 Lacs (Previous Year ₹ 7,145.79 Lacs) and ₹ 311.46 Lacs (Previous Year ₹ 134.41 Lacs) respectively. Maximum amount outstanding during the Year was ₹ 756.21 Lacs (Previous Year ₹ 24,579 Lacs).

Note 38

Related Party Disclosures, as required in terms of "Accounting Standard [AS] 18" are given below:

(1) Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

(a) Holding Company

Jaiprakash Associates Limited

(b) Subsidiary Companies:

- (1) Jaypee Powergrid Limited
- (2) Sangam Power Generation Company Limited
- (3) Prayagraj Power Generation Company Limited
- (4) Jaypee Arunachal Power Limited
- (5) Jaypee Meghalaya Power Limited

(c) Fellow Subsidiary Companies:

- (1) Jaypee Ganga Infrastructure Corporation Limited
- (2) Himalyan Expressway Limited
- (3) Jaypee Infratech Limited
- (4) Jaypee Sports International Limited
- (5) Jaypee Cement Corporation Limited (JCCL)
- (6) Bhilai Jaypee Cement Limited
- (7) Bokaro Jaypee Cement Limited
- (8) Gujarat Jaypee Cement & Infrastructure Limited
- (9) Jaypee Agra Vikas Limited
- (10) Jaypee Fertilizers & Industries Limited
- (11) Jaypee Assam Cement limited
- (12) Himalayaputra Aviation Limited
- (13) Jaypee Healthcare Limited (w.e.f. 30.10.2012)
- (14) Jaypee Cement Cricket (India) Limited (w.e.f. 20.10.2012)
- (15) Jaypee Cement Hockey (India) Limited (w.e.f. 05.11.2012)
- (16) Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL w.e.f. 25.03.2013)

(d) Associate Companies/Concerns :

- (1) Jaypee Infra Ventures (A Private Company with unlimited liability)
- (2) Jaypee Development Corporation Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (3) JIL Information Technology Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (4) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited)
- (5) Indesign Enterprises Pvt. Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (6) GM Global Mineral Mining Private Limited (subsidiary of Indesign Enterprises Pvt. Limited)
- (7) Jaypee International Logistics Company Private Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (8) Tiger Hills Holiday Resort Private Limited (subsidiary of Jaypee Development Corporation Limited)
- (9) Anvi Hotels Private Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (10) Jaypee Uttar Bharat Vikas Private Limited
- (11) Kanpur Fertilisers and Cement limited (subsidiary of Jaypee Uttar Bharat Vikas Pvt. Limited)
- (12) RPJ Minerals Private Limited
- (13) Sarveshwari Stone Products Pvt. Ltd. (subsidiary of RPJ Minerals Private Limited)
- (14) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited)
- (15) Sonebhadra Minerals Private Limited
- (16) MP Jaypee Coal Limited
- (17) Madhya Pradesh Jaypee Minerals Limited
- (18) MP Jaypee Coal Fields Limited
- (19) Jaiprakash Kashmir Energy Limited
- (20) Jaypee Hotels Limited
- (21) Milestone Home Finance Company Private Limited (subsidiary of Jaypee Hotels Limited w.e.f. 28.09.2012)
- (22) Jaypee Mining Venture Private Limited
- (23) Ceekay Estate Private Limited
- (24) Pac Pharma Drugs and Chemicals Private Limited
- (25) Akasva Associates Private Limited
- (26) Jaiprakash Exports Private Limited
- (27) Bhumi Estate Developers Private Limited
- (28) Jaypee Technical Consultants Private Limited

(29) Andhra Cements Limited (subsidiary of Jaypee Development Corporation Limited)

(30) Jaypee Jan Sewa Sansthan ('Not for profit' Private limited Company w.e.f. 12.06.2012)

(e) Key Management Personnel:

Jaiprakash Power Ventures Limited

- (1) Shri Manoj Gaur, Chairman
- (2) Shri Sunil Kumar Sharma, Vice Chairman and CEO
- (3) Shri Suren Jain, Managing Director and CFO
- (4) Shri R.K. Narang, Whole-time Director
- (5) Shri Suresh Chandra, Whole-time Director
- (6) Shri Parveen Kumar Singh, Whole-time Director
- (7) Shri Dharam Paul Goyal, Whole-time Director (up to 31.03.2013)
- (8) Shri Ravindra Mohan Chadha, Whole-time Director (up to 31.03.2013)

(2) Transactions carried out with related parties referred to above for the Current reporting period, March 31, 2013

(₹ in Lacs)

	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
Expenses					
Hiring Charges (Previous Year)	193 (191)	—	7 (—)	—	—
Rent (Previous Year)	— (8)	—	—	—	—
Cement (Previous Year)	7,229 (7,352)	—	11 (—)	—	—
Repair of runners (Previous Year)	793 (564)	—	—	—	—
Sale of Energy (Previous Year)	25,984 (20,559)	—	—	—	—
Other Expenses (Previous Year)	9 (30)	—	26 (152)	48 (97)	—
Salary & Perquisites (Previous Year)	— —	—	—	—	597 (668)
Services Availed (Previous Year)	— (1)	—	—	622 (527)	—
Capital Goods (Previous Year)	185 (—)	—	113 (—)	—	—
Execution of Work (Previous Year)	43,064 (81,037)	—	—	—	—
Outstandings					
— Payables					
Amount payable (Previous Year)	30,244 (18,563)	—	124 (—)	374 (197)	38 (13)
Outstandings					
— Receivables					
Amount receivable (Previous Year)	898 (908)	—	—	6,790 (6,390)	—
Investment					
in Subsidiaries					
Share Capital (Previous Year)	— (166,149)	244,823 (166,149)	—	—	—
Share Application Money (Previous Year)	— (21,565)	—	—	—	—

Guarantees given by the holding company on behalf of the Company

and guarantee given by the Company on behalf of the holding company have been mentioned elsewhere in the Notes to Financial Statements.

Note 39

Earnings Per Share is computed in accordance with Accounting Standard-20 issued by the Institute of Chartered Accountants of India.

(₹ in Lacs)		
Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
[a] Net Profit for Basic Earnings Per Share as per Profit & Loss Account	32,915	40,295
Adjustment for the purpose of Diluted Earnings Per Share	—	—
Net Profit for Diluted Earnings Per Share	32,915	40,295
[b] Weighted average number of equity shares for Earnings Per Share computation:		
[i] Number of Equity Shares at the beginning of the year	2,624,757,123	2,095,680,200
[ii] Number of Equity Shares issued during the year	313,245,961	—
[iii] Number of Shares allotted on amalgamation	—	529,076,923
[iv] Number of potential Equity Shares	107,535,026	107,535,026
[v] Weighted average No. of Shares for calculating:		
[a] Basic Earnings Per Share	2,653,936,199	2,624,757,123
[b] Diluted Earnings Per Share	2,761,471,225	2,732,292,149
[c] Earnings Per Share		
[i] Basic	₹ 1.24	1.54
[ii] Diluted	₹ 1.19	1.47
[d] Face Value Per Share	₹ 10.00	10.00

Note 40

(a) Provident Fund - Defined Contribution Plan

Employees are entitled to Provident Fund benefits. Amount debited to Profit and Loss account including Administrative and Employees Deposit Linked Insurance charges ₹ 213 Lacs during the year (Previous Year 157.00 Lacs) and ₹ 55 Lacs (Previous Year ₹ 60 Lacs) booked in Incidental Expenses during construction pending capitalisation.

(b) Gratuity - The liability for Gratuity is provided on the basis of Actuarial Valuation made at the end of each financial year. The Actuarial Valuation is made on Projected Unit Credit method as per AS 15(revised). Jaiprakash Associates Limited {JAL} (the Company's holding company) has constituted a Gratuity Fund Trust under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March, 2009 for JAL and its subsidiaries and appointed SBI Life Insurance Co. Ltd. for the management of the Trust Funds for the benefits of employees. As a subsidiary of JAL, the Company is participating in the Trust Fund by contributing its liability accrued up to the close of each financial year to the Trust Fund.

(c) Leave Encashment - Defined Benefit Plans - Provision has been made as per Actuarial Valuation.

Details of Gratuity and Leave encashment as per Accounting Standard-AS-15(Revised):

(₹ in Lacs)

Sl. No	Particulars	Gratuity (Funded)		Leave Encashment (Non Funded)	
		FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12
I	Expenses recognized in the Profit & Loss Account and in the Statement of Incidental Expenditure during Project Implementation, Pending Allocation for the Year ended				
	1. Current Service Cost	65.22	55.62	68.91	46.57
	2. Interest Cost	22.77	17.47	15.27	13.20
	3. Employee Contribution	—	—	—	—
	4. Actuarial (Gains)/Losses	4.64	(13.08)	(12.33)	(35.38)
	5. Past Service Cost	—	—	—	—
	6. Settlement Cost	—	—	—	—
	7. Expected Return on Plan Assets	(19.22)	—	—	—
	8. Total Expenses	73.42	60.01	71.84	24.39
II	Net Asset/(Liability) recognized in the Balance Sheet				
	1. Present Value of Defined Benefit Obligation	297.46	267.90	222.02	179.64
	2. Fair Value of Plan Assets	162.76	206.62	—	—
	3. Funded Status-Surplus/(Deficit)	(134.70)	(61.28)	(222.02)	(179.64)
	4. Excess of actual over estimated return on Plan Assets	(0.94)	(18.42)	—	—
	5. Net Asset/(Liability)	(134.70)	(61.28)	(222.02)	(179.64)
III	Change in Obligation during the Year				
	1. Present value of Defined Benefit obligation at the beginning of the year	267.90	205.55	179.64	155.25
	2. Current Service Cost	65.23	55.63	68.91	46.57
	3. Interest Cost	22.77	17.47	15.27	13.20
	4. Settlement Cost	—	—	—	—
	5. Past Service Cost	—	—	—	—
	6. Employee Contributions	—	—	—	—
	7. Actuarial (Gains)/Losses	3.07	5.34	(12.33)	(35.38)
	8. Benefit Payments	61.51	16.09	29.46	—
	9. Present Value of Defined Benefit Obligation at the end of the year	297.46	267.90	222.02	179.64
IV	Change in Assets during the Year				
	1. Plan Assets at the of the year	206.62	204.29	—	—
	2. Assets acquired on amalgamation in previous year	—	—	—	—
	3. Settlements	—	—	—	—
	4. Expected return on Plan Assets	19.22	—	—	—
	5. Contribution by Employer	—	—	—	—
	6. Actual Benefit Paid	61.51	16.09	—	—
	7. Actuarial Gains/(Losses)	1.57	18.42	—	—
	8. Plan Assets at the end of the year	162.76	206.62	—	—
	9. Actual Return on Plan Assets	17.65	18.42	—	—

(₹ in Lacs)

Sl. No	Particulars	Gratuity (Funded)		Leave Encashment (Non Funded)	
		FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12
V	Estimated amount of contribution in the immediate next year	99.26	34.73	97.99	44.65
VI	Major categories of plan assets (as percentage of total plan assets)				
	1. Funds Managed by Insurer	100%	100%	—	—
VII	Actuarial Assumptions:				
	1. Discount Rate	8.50%	8.50%	8.50%	8.50%
	2. Mortality Table (of LIC)	1994-96	1994-96	1994-96	1994-96
	3. Turnover Rate:				
	Up to 30 Years	2%	2%	2%	2%
	From 31 to 44 years	5%	5%	5%	5%
	Above 44 years	3%	3%	3%	3%
	4. Future Salary Increase	6%	6%	6%	6%

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Gratuity- Funded:				
a) Present Value of Defined benefit obligation	297.46	267.90	205.55	106.39
b) Fair value of Plan Assets	162.76	206.62	204.29	77.32
c) Surplus/(Deficit) in the plan	(134.70)	(61.28)	(1.26)	(29.08)
d) Experience gain/(loss) adjustments:				
On Plan PBO	(3.07)	(5.34)	(42.35)	(42.55)
On Plan Assets	1.57	18.42	6.77	0.27
Leave Encashment - Non Funded:				
a) Present Value of Defined benefit obligation	222.02	179.64	155.25	111.98
b) Fair value of Plan Assets	—	—	—	—
c) Surplus/(Deficit) in the plan	(222.02)	(179.64)	(155.25)	(111.98)
d) Experience gain/(loss) adjustments:				
On Plan PBO	12.33	35.38	32.20	(13.41)
On Plan Assets	—	—	—	—

Note 41

- (a) Pursuant to Revised Schedule-VI of the Companies Act, 1956 and Guidance Note issued by the Institute of Chartered Accountants of India requiring recognition of MAT credit in the Books of Accounts, the MAT credit entitlement and Deferred Tax Liability (Net) has been recognised in the Books of Accounts from the financial year 2011-12.
- (b) As there is no taxable profit up to 31st March, 2013, no income tax amount has been provided for the period up to 31st March, 2013. The MAT chargeable on book profit up to 31st March, 2013 has been treated as MAT credit entitlement. Further deferred tax liability of ₹ 1,989 Lacs has been provided for the year ended 31st March, 2013.
- (c) Wealth Tax liability of ₹ 0.96 Lacs has been provided in Statement of Profit & Loss.

Note 42 Statutory Auditors' Remuneration:

Details of remuneration (including service tax) paid to Statutory Auditors' :

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
i For Audit Fee*	40	40
ii For Tax Audit	4	4
iii For Other Services	3	3
iv For Reimbursement of Expenses	1	1
Total	48	48

* Amount of ₹ Nil (Previous year ₹ 3 Lacs) has been debited to 'Incidental Expenses during Construction, pending allocation)

Note 43

- (a) A Power Purchase Agreement (PPA) for sale of 704 MW power, out of 1000 MW power from the Karcham Wangtoo HEP to Power Trading Corporation (India) Limited (PTC) was executed by erstwhile JKHCL (since merged with the Company) on 21st March, 2006 for a term of 35 years with the stipulation that the tariff for sale of power shall be as approved by Central Electricity Regulatory Commission (CERC) based on the completion cost to be approved by Central Electricity Authority (CEA)/Central Electricity Regulatory Commission. It was subsequently found that the Electricity Act, 2003, does not provide for the determination of tariff for sale of power by a Generating Company to a Trading company and therefore based on the legal opinion the said PPA was considered to be void and PTC was informed accordingly. PTC had approached the Hon'ble High Court of Delhi with a prayer for restraining the Company from entering into agreement for sale of aforesaid power to any third party which was rejected. The PTC then filed a SLP in the Hon'ble Supreme Court against the order of Hon'ble High Court of Delhi, which is pending.

During the proceedings before Hon'ble High Court of Delhi, PTC invoked the arbitration clause of the PPA against Company's stand that the PPA was void and an Arbitral Tribunal consisting of three members was constituted. The Arbitral Tribunal, by its majority Award dated 28th April, 2011, dismissed the claim of PTC and declared the PPA to be void. PTC challenged the said Award before the Hon'ble High Court of Delhi. The Learned Single bench Judge of the Hon'ble High Court of Delhi vide its judgment and order dated 15th May, 2012 set aside the majority Award and concluded that the PPA is not void. Company filed an Appeal against the said judgment before the Division Bench of the Hon'ble High Court of Delhi which is pending.

- (b) The Haryana Power Generation Corporation Limited (HPGCL) with whom the PTC had entered into a Power Sale Agreement (PSA) for sale of 200 MW out of 704 MW power covered by the PPA has approached Haryana Electricity Regulatory Commission (HERC) to direct the Company to supply 200 MW power to PTC for onward supply to HPGCL. The Company has taken a position that HPGCL has no privity of contract with the Company and HERC has no jurisdiction in the matter. HERC has however held that it has jurisdiction in the matter and therefore the Company has filed an Appeal before the Appellate Tribunal for Electricity (APTEL) against the order of HERC. APTEL vide its order dated

20th July, 2012 set aside the HERC's order and held that HERC has no jurisdiction in the matter. PTC has filed a Civil Appeal before Supreme Court of India with a prayer to set aside the APTEL Judgment dated 20th July, 2012 which is pending.

Note 44

- (i) 900 Lacs Equity Shares of ₹ 10/- each fully paid (Previous Year 840 Lacs) held by the Company of Jaypee Powergrid Ltd. (Subsidiary Company) are pledged with Security Trustees, IDBI Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Jaypee Powergrid Ltd.
- (ii) 7,844.77 Lacs Equity Shares of Rs. 10/- each fully paid (Previous Year 3,535.27 Lacs) held by the Company of Prayagraj Power Generation Co. Ltd. (Subsidiary Company) are pledged with Security Trustees, SBI Cap Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Prayagraj Power Generation Co. Ltd.

Note 45

- (a) The Company has presently one operative segment i.e. Generation of Power. The Company had commenced construction of Cement Grinding Unit at Jaypee Nigrie Super Thermal Power Plant, for gainful utilisation of dry fly ash and as mandated by Ministry of Environment and Forests. Accordingly, now the Company has two segments, Power Generation and Cement. As total assets employed in Cement Grinding Unit are less than 10% of the total assets of the Company, therefore, separate segment reporting is not applicable.
- (b) The operations of the Company are carried within the Country and therefore geographical segments are not applicable.

Note 46

In terms of 'Accounting Standard (AS) 28', the assets are not impaired because the recoverable amount of fixed assets collectively determined by the present value of estimated future cash flows is higher than its carrying value.

Note 47

All the figures have been rounded off to the nearest rupees in lacs.

Note 48

Previous Year's figures have been regrouped/re-arranged, wherever considered necessary to make them conform to the figures for the current year.

For and on behalf of the Board

For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No. 002626N

Manoj Gaur
Chairman

R. Nagpal
Partner
M.No.81594

R.K. Narang
Director

Suren Jain
Managing Director
& CFO

Sunil Kumar Sharma
Vice Chairman
& CEO

Date: 27th April, 2013
Place: New Delhi

R.K. Porwal
Sr. General Manager
(F&A)

Y.K.Sharma
Vice President
(F&A)

M.M. Sibbal
Sr. General Manager &
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
A. Cash flow from operating activities				
Profit before taxation		34,911		46,299
Add Back				
Depreciation and Amortization expenses	32,389		23,005	
Deferred Revenue on account of advance against depreciation	9,509		7,905	
Add: Finance costs	112,409	154,307	85,945	116,855
<u>Deduct:</u>				
Interest Income (Interest on bank deposits)	(3,346)		(6,686)	
Add: (Gain)/Loss on sale of Assets	(1)		(1)	
Interest Income (Interest on Arrears)	(256)		(327)	
Dividend Income (On Mutual Funds)	(3)	(3,606)	—	(7,014)
Other Income		(212)		(60)
Operating profit before working capital changes		185,400		156,080
Add:				
(Increase)/Decrease in Trade Receivable	(2,121)		(27,470)	
(Increase)/Decrease in Inventories	(8,706)		(3,113)	
(Increase)/Decrease in Long Term/Short Term Loans and Advances and others Current Assets	37,621	26,794	(34,274)	(64,857)
Deduct:				
Increase (Decrease) in Current Liabilities & Other Long Term Liabilities excluding Current Maturities of Long Term Debts	38,076		39,173	
Increase (Decrease) in Short Term and Long Term Provisions	69	38,145	198	39,371
Cash generated from Operations		250,339		130,594
Adjustments for :				
Income tax paid (net of refund)		(8,807)		(8,989)
Net cash inflow from operating activities-----'A'		241,532		121,605
B. Cash flow from Investing activities				
<u>Outflow</u>				
Investment in Fixed Assets/Capital Work in Progress		(461,984)		(423,458)
Investment in Subsidiary		(57,109)		(25,678)
<u>Inflow</u>				
Sale of Assets		1		7
Interest Income		4,165		7,244
Other Income		212		60
Net cash used in investing activities-----'B'		(514,715)		(441,825)
C. Cash flow from Financing activities				
<u>Inflow</u>				
Increase in Long Term Borrowings & Current Maturities of Long Term debt-Net of repayment		279,106		274,429
Issue Proceeds from Qualified Institutions Placement		95,007		—
<u>Outflow</u>				
Interest & financial charges paid		(112,004)		(85,052)
Expenses on Qualified Institution Placement		(2,140)		—
Net cash in financing activities---'C'		259,969		189,377
Net increase/(Decrease) in cash or cash equivalent (A + B + C)		(13,214)		(130,843)
Cash & cash equivalent at the commencement of the year (Opening balance)		71,581		202,424
Cash & cash equivalent at the end of the year (closing balance)		58,367		71,581

- Cash and Cash Equivalents:
Cash-in-hand and Balances with Scheduled Banks in Rupees [including ₹ 178 Lakhs lying in Unpaid Dividend Account (Previous Year ₹191 Lakhs) which are not available for use by the Company].
- Previous year figures have been regrouped/rearranged, wherever necessary.

For and on behalf of the Board

FOR R. NAGPAL ASSOCIATES

CHARTERED ACCOUNTANTS
Firm Regn. No. 002626N

R. NAGPAL

Partner
M.No. 81594
Place: New Delhi
Dated: 27th April, 2013

R.K. Narang
Director

R.K. Porwal
Sr. General Manager (F & A)

Suren Jain
Managing Director & CFO

Y. K. Sharma
Vice President (F&A)

Sunil Kumar Sharma
Vice Chairman & CEO

M. M. Sibbal
Sr. General Manager &
Company Secretary

ANNEXURE TO THE BALANCE SHEET AS AT MARCH 31, 2013

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Company's Interest in the Subsidiary Company

S. No.	Name of Subsidiary Company	Sangam Power Generation Company Limited	Prayagraj Power Generation Company Limited	Jaypee Arunachal Power Limited	Jaypee Powergrid Limited	Jaypee Meghalaya Power Limited
		[A]	[B]	[C]	[D]	[E]
1	Financial Year of the Subsidiary Company ended on	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
2	Number of Shares held by Jaiprakash Power Ventures 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	551,977,200	1,538,189,800	200,000,000	300,000,000	7,920,000
	(ii) Preference Shares of ₹ 10/- each - fully paid up	—	—	27,950,000	—	—
	(iii) Extent of holding	100%	93.50%	100%	74%	100%
	(iv) Share Application Money (₹ in lacs)	—	—	—	—	—
3	Date from which it became Subsidiary Company	23.07.2009	23.07.2009	01.04.2009	30.01.2007	26.08.2010
4	The net aggregate of Profit/(Loss) of the Subsidiary Company as far as it concerns the members of the Holding Company: (₹ in lacs)					
	(i) Not dealt with in the Holding Company's Accounts:					
	(a) For the Financial Year of the Subsidiary	—	—	—	2,112	—
	(b) For the Previous Financial Years since it became the Holding Company's Subsidiary	(7)	(6)	(225)	(278)	(2)
	(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	—	—	—	—	—
5	Changes in the interest of Jaiprakash Power Ventures Limited between the end of the Subsidiary's Financial Year and 31st March, 2013					
	— Number of Shares acquired	N.A	N.A	N.A	N.A	N.A
	— Material changes between the end of the Subsidiary's Financial Year and 31st March, 2013					
	(i) Fixed Assets (Net Addition) (Capital Work-in-Progress)	N.A	N.A	N.A	N.A	N.A
	(ii) Investments	N.A	N.A	N.A	N.A	N.A
	(iii) Moneys lent by the Subsidiary	N.A	N.A	N.A	N.A	N.A
	(iv) Moneys borrowed by the Subsidiary Company other than for meeting Current Liabilities	N.A	N.A	N.A	N.A	N.A

Note : Except Jaypee Powergrid Limited, all the projects of subsidiaries are in implementation stage.

For and on behalf of the Board

FOR R. NAGPAL ASSOCIATES

 CHARTERED ACCOUNTANTS
 Firm Regn. No. 002626N

R. NAGPAL
 Partner
 M.No. 81594

R. K. Narang
 Director

Suren Jain
 Managing Director & CFO

Manoj Gaur
 Chairman

Sunil Kumar Sharma
 Vice Chairman & CEO

 Place : New Delhi
 Dated : 27th April, 2013

R.K. Porwal
 Sr. General Manager (F & A)

Y.K. Sharma
 Vice President (F & A)

M.M. Sibbal
 Sr. General Manager & Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF JAIPRAKASH POWER VENTURES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAIPRAKASH POWER VENTURES LIMITED AND ITS SUBSIDIARIES

The Board of Directors

JAIPRAKASH POWER VENTURES LIMITED

We have audited the accompanying consolidated Financial Statements of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries, which comprise the consolidated balance sheet as at 31st March, 2013, and the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year ended on that date and as summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedure selected depend on the auditor's judgement including the assessment of the risk of material misstatements of the financial statements, whether due to fraud and error. In making those risk assessment, the auditor consider internal control relevant to the companies preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 8,40,856 Lacs as at 31st March 2013, total revenue of Rs. 20,622 Lacs and total Net cash flows amounting to Rs. 11,390 Lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us. Our opinion is based solely on the report of the other auditors.

We report that the consolidated financial statements have been prepared by JAIPRAKASH POWER VENTURES LIMITED'S management in accordance with the requirements of Accounting Standards (AS) 21, 'Consolidated Financial Statements', and Accounting Standards (AS) 23, Accounting for Investments in Associates in 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries as at 31st March, 2013.
- (b) in the case of the Consolidated Statement of Profit & Loss, of the profit of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of **JAIPRAKASH POWER VENTURES LIMITED** and its subsidiaries for the year ended on that date.

For **R. NAGPAL ASSOCIATES**
Chartered Accountants
Firm Registration No.002626N

CA R. NAGPAL
Partner
M.No. 81594

Place : New Delhi
Dated : 27th April, 2013

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

(₹ in Lacs)

Particulars	Note No.	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	293,800	262,476
(b) Reserves and Surplus	4	352,222	283,430
(2) Minority Interest			
(a) Share Capital		17,800	7,592
(b) Reserves and Surplus		644	(29)
(3) Share application money pending allotment		–	–
(4) Deferred Revenue	5	48,716	39,207
(5) Non Current Liabilities			
(a) Long-term borrowings	6	2,074,824	1,567,898
(b) Deferred tax liabilities	7	17,428	12,424
(c) Other Long-term liabilities	8	29,849	6,267
(d) Long-term provisions	9	44,657	35,626
(6) Current Liabilities			
(a) Short-term borrowings	10	24,007	51
(b) Trade payables	11	169,078	120,458
(c) Other current liabilities	12	223,375	178,662
(d) Short-term provisions	13	17,876	36,564
TOTAL		3,314,276	2,550,626
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	14		
(i) Tangible assets	14 A	1,234,112	986,001
(ii) Intangible assets	14 B	–	–
(iii) Capital work-in-progress	14 C	1,512,362	956,533
(iv) Intangible assets under development		–	–
(b) Non-current investments	15	198,594	198,594
(c) Deferred tax assets		–	–
(d) Long-term loans and advances	16	141,219	207,582
(e) Other non-current assets	17	4,176	9,661
(2) Current assets			
(a) Current investments		–	–
(b) Inventories	18	13,662	4,901
(c) Trade receivables	19	52,273	43,036
(d) Cash and cash equivalents	20	90,016	91,925
(e) Short-term loans and advances	21	62,974	48,278
(f) Other current assets	22	4,888	192,255
TOTAL		3,314,276	2,550,626

Summary of significant accounting policies 2
The note nos. 1 to 48 are integral part of the financial statements
As per our report of even date attached to the Balance Sheet

For and on behalf of the Board

FOR R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 002626N

Manoj Gaur
Chairman

R. NAGPAL
Partner
M.No. 81594

R.K. Narang
Director

Suren Jain
Managing Director & CFO

Sunil Kumar Sharma
Vice Chairman & CEO

Place: New Delhi
Dated: 27th April, 2013

R.K. Porwal
Sr. General Manager (F & A)

Y. K. Sharma
Vice President (F & A)

M. M. Sibbal
Sr. General Manager &
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013

(₹ in Lacs)

Particulars	Note No.	Figures for the current reporting period, March 31, 2013	Figures for the previous reporting period, March 31, 2012
I. Revenue from operations	23	245,863	161,556
II. Other Income	24	3,839	7,074
III. Total Revenue (I+II)		249,702	168,630
IV. Expenses :			
Cost of operation and maintenance	25	39,081	4,936
Purchase of Stock-in-trade		-	-
Changes in inventories of finished goods work-in-progress and stock-in-trade		-	-
Employee benefits expense	26	6,004	4,329
Finance costs	27	121,258	85,945
Depreciation and amortization expense	28	37,649	23,118
Other expenses	29	4,934	4,116
Total expenses		208,926	122,444
V. Profit before minority interest, exceptional and extraordinary items and tax (III -IV)		40,776	46,186
VI. Exceptional items		-	-
VII. Profit before minority interest, extraordinary items and tax (V -VI)		40,776	46,186
VIII. Extraordinary items		-	-
IX. Profit before tax and minority interest (VII - VIII)		40,776	46,186
X. Tax Expense :			
(i) Current tax (MAT)		8,160	9,265
Less : MAT credit entitlement		8,160	9,265
Net Current Tax		-	-
(ii) Previous Year - Written Off		7	(124)
(iii) Deferred tax		5,004	6,208
XI. Profit/(loss) before minority interest (IX-X)		35,765	40,102
XII. Minority Interest		644	29
XIII. Profit/(loss) for the year (XI - XII)		35,121	40,073
XIV. Earnings per equity share :			
Before Extraordinary items			
(i) Basic		1.32	1.53
(ii) Diluted		1.30	1.47
After Extraordinary items			
(i) Basic		1.35	1.53
(ii) Diluted		1.30	1.47

 Accounting Policies and Notes to the Accounts
 The note nos. 1 to 48 are integral part of the financial statements

2

For and on behalf of the Board

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

FOR R. NAGPAL ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Registration No. 002626N

Manoj Gaur
 Chairman

R. NAGPAL
 Partner
 M.No. 81594

R.K. Narang
 Director

Suren Jain
 Managing Director & CFO

Sunil Kumar Sharma
 Vice Chairman & CEO

 Place: New Delhi
 Dated: 27th April, 2013

R.K. Porwal
 Sr. General Manager (F & A)

Y. K. Sharma
 Vice President (F & A)

M. M. Sibbal
 Sr. General Manager &
 Company Secretary

Consolidated Notes to the financial statements for the year ended March 31, 2013

Note 1 Basis of Preparation of Financial Statements

- (a) The accounts are prepared on the historical cost basis and on the principles of going concern.
- (b) Accounting policies not specifically referred to otherwise are being consistently followed and are in accordance with generally accepted accounting principles.

Note 2 Summary of significant accounting policies

(a) Basis of Preparation of Consolidated Financial Statements

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

(b) Principles of Consolidation

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

(c) Revenue Recognition

- (i) **(a) 300 MW Jaypee Baspa HEP** : Revenue from sale of electrical energy is accounted for on the basis of billing to Himachal Pradesh State Electricity Board (HPSEB) as per Tariff approved by Himachal Pradesh Electricity Regulatory Commission (HPERC) in accordance with the provisions of Power Purchase Agreement dated 4th June, 1997, Amendment No.1 dated 07.01.1998 executed between the Company and HPSEB.
- (b) 400 MW Jaypee Vishnuprayag HEP** : Revenue from sale of electrical energy is accounted for on the basis of billing to Uttar Pradesh Power Corporation Limited (UPPCL) as per Tariff approved by Uttar Pradesh Electricity Regulatory Commission (UPERC) in accordance with the provisions of Power Purchase Agreement dated 16.01.2007, executed between the Company and UPPCL.
- (c) 1000 MW Jaypee Karcham Wangtoo HEP** : Revenue from sale of electrical energy is accounted for on the basis of sale to various buyers as per short term/medium term Power Purchase Agreements executed with them and through Power Exchange.

- (d) 500 MW Jaypee Bina Thermal power Plant** : Revenue from sale of electrical energy is accounted for on the basis of, billing to Madhya Pradesh Power Management Company Limited (MPPMCL) as per Tariff approved by Madhya Pradesh Electricity Regulatory Commission in accordance with the provisions of Power Purchase Agreement dated 05.01.2011, executed between the Company and MPPMCL to the extent of 70% and balance on merchant basis.

- (ii) Revenue from sale of Verified Emission Reductions (VERs) is accounted for on receipt basis.
- (iii) Insurance claims are accounted for on receipt basis or as acknowledged by the Insurance company.
- (iv) Other Income and cost/ expenditure are accounted for on accrual basis as they are earned or incurred.
- (v) Advance against depreciation claimed/to be claimed as part of tariff in terms of PPA during the currency of loans to facilitate repayment installments is treated as 'Deferred Revenue'. Such Deferred Revenue shall be included in Sales in subsequent years.

(d) Fixed Assets

Fixed Assets are stated at Cost of acquisition or construction inclusive of freight, erection & commissioning charges, duties and taxes, expenditure during construction period, Interest on borrowings, financing cost and foreign exchange loss/gain, up to the date of commissioning.

(e) Depreciation

- (i) Premium on Leasehold Land is amortised over the period of lease.
- (ii) **(a) 300 MW Jaypee Baspa HEP** : Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works w.e.f. 24.5.2003 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act, 1956 vide their letter no. 45/1/2006-CL-III dated 26.6.2006.
- (b) 400 MW Jaypee Vishnuprayag HEP** : Depreciation has been provided @2.71% p.a. on straight line method on Hydro Electric Works w.e.f. 17.06.2006 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act, 1956 vide their letter no. 45/7/2006-CL-III dated 03.05.2007.
- (c) 1000 MW Jaypee Karcham Wangtoo HEP** : Depreciation has been provided @ 2.57% p.a. on straight line method on Hydro Electric Works w.e.f. 01.04.2011 as approved by the Ministry of Corporate Affairs, Government of India in exercise of the powers conferred under Section 205 (2) (c) of the Companies Act, 1956 vide their letter no. 45/6/2011-CL-III dated 09.08.2011.
- (iii) Fixed Assets other than Hydro Electric Works including Bina Thermal Power Plant are depreciated as per straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956.
- (iv) Depreciation on Assets of the ₹ 5,000 or less is provided at 100% irrespective of the actual period of use.

(f) Expenditure during Construction Period

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

(g) Foreign Currency Transactions

- (i) Transactions in Foreign Currency are recorded in the Books of Accounts in Indian Currency at the rate of exchange prevailing on the date of transaction.
- (ii) All loans and deferred credits repayable in Foreign Currency and outstanding at the close of the year are expressed in Indian Currency at the rate of exchange prevailing on the date of the Balance Sheet.
- (iii) Foreign Exchange gain/loss is being adjusted against the cost of assets in terms of the amendment to Accounting Standard (AS-11) issued vide Notification dated 31st March, 2009 and revised Notification dated 29th December, 2011 by Ministry of Corporate Affairs, Govt. of India.

(h) Investments

Investments are stated at Cost and where there is permanent diminution in the value of Investments a provision is made wherever applicable. Dividend will be accounted for as and when the Company has a right to receive the same on or before the Balance Sheet date.

(i) Inventories

- (a) Inventories of Stores & Spares are valued on the basis of Weighted Average Cost Method.
- (b) Material-in-transit is valued at cost.

(j) Retirement and other Employees Benefits

- (a) Provident Fund and Pension contribution as a percentage of salary/wages as per provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952.
- (b) Gratuity and Leave Encashment is defined benefit obligation. The liability is provided for on the basis on Projected Unit Credit Method adopted in the actuarial valuation made at the end of each financial year.

(k) Borrowing Costs

Borrowing costs attributable to the procurement/construction of fixed assets are capitalised as part of the cost of the respective assets up to the date of commissioning. Other borrowing costs are recognized as expense during the year in which they are incurred.

(l) Taxes on Income

Provision for current tax is being made after taking into consideration benefits admissible to the Company under the provisions of the Income Tax Act, 1961.

Deferred Tax Liability, if any is computed as per in accordance with Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are computed by applying rates and tax laws that have been enacted up to the Balance Sheet date.

(m) Provisions, Contingent Liabilities and Contingent Assets

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

(n) Earnings Per Share

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

(o) Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognised immediately as income in the profit and loss account.

(p) Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation on straight line basis from the date the assets are put for commercial use.

(q) Premium on Redemption of Debentures

Premium paid/payable on Redemption of Debentures are adjusted against Securities premium reserve/Surplus.

(r) Segment Reporting

Revenue, operating results, assets and liabilities have been identified to represent separate segments on the basis of their relationship to the operating activities of the segment. Assets, liabilities, revenue and expenses which are not allocable to separate segment on a reasonable basis, are included under "Unallocated".

Note 3 - Share Capital

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
	Number	₹	Number	₹
Authorised				
Equity shares of ₹ 10/- each	8,300,000,000	830,000	8,300,000,000	830,000
Preference shares of ₹ 100/- each	300,000,000	300,000	300,000,000	300,000
Total		1,130,000		1,130,000
Issued, Subscribed & Paid up				
Equity shares of ₹ 10/- each	2,938,003,084	293,800	2,624,757,123	262,476
Total	2,938,003,084	293,800	2,624,757,123	262,476

Note 3.1 - Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	2,624,757,123	262,476	2,095,680,200	209,568
Shares issued during the year	313,245,961	31,324	529,076,923	52,908
Shares brought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,938,003,084	293,800	2,624,757,123	262,476

An amount of ₹ 52,908 lacs was in share suspense account as on 31.03.2011, consisting of 52,90,76,923 equity shares of ₹ 10/-

each which were allotted during the previous year, consequent to amalgamation of erstwhile Jaypee Karcham Hydro Corporation Limited, (JKHCL) and erstwhile Bina Power Supply Company Limited, (BPSCL) with the Company from the appointed date i.e. 01.04.2010.

Note 3.2 The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has issued only one class of equity shares having a par value of Rs. 10/- per share which rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation, each share carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferential payments.

The Authorised Share Capital provides for Preference Share at a par value of ₹ 100/- each. The Company has so far not issued any Preference Share.

Note 3.3 Equity Shares in respect of each class in the Company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

1,78,30,00,600 Equity shares are held by Jaiprakash Associates Limited, the holding company.

12,56,47,637 Equity shares are held by Jaypee Infra Ventures (A Private Company with unlimited liability), associate company of Jaiprakash Associates Limited.

Note 3.4 Equity Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholder	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
	No. of equity shares held	% of holding	No. of equity shares held	% of holding
Jaiprakash Associates Limited	1,783,000,600	60.687	1,783,000,600	67.930
Jaypee Infra Ventures (A Private Company with unlimited liability)	125,647,637	4.277	214,622,624	8.177
JPVL Trust	344,076,923	11.711	344,076,923	13.109

Note 3.5 Equity shares reserved for issue under options and contracts/commitments for the sale of shares/ disinvestments, including terms and amounts

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCB) of US\$ 1 Lac each aggregating to US\$ 2000 Lacs at par on 12.02.2010. These Bonds are convertible at the option of the bond-holders into equity shares of ₹ 10/- each fully paid up at the conversion price of ₹ 85.8139 per share, subject to the terms of issue with a fixed exchange rate of ₹ 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

No conversion has taken place upto 31st March, 2013.

The bonds are redeemable at maturity on 13.02.2015 at a YTM of 7% p.a. inclusive of coupon rate of 5% p.a. [value as on 31.03.2013 in US\$ 1.06 Lacs (Previous year-US\$1.04 Lacs) for a principal amount of US\$ 1 Lac each]. A reserve aggregating to ₹ 6,875 Lacs up to 31.03.2013 (Previous year - ₹ 3,935 Lacs) has been created for the redemption premium.

No shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestments.

Note 3.6 Aggregate number and class of equity shares allotted as fully paidup pursuant to contract without payment being received in cash, allotment by way of bonus shares or shares bought back

Particulars	Year (Aggregate no. of shares)		
	2012-13	2011-12	2010-11
Fully paid up equity shares allotted for consideration other than cash in terms of Scheme of Amalgamation of erstwhile Jaiprakash Power Ventures Limited with Jaiprakash Hydro-Power Limited (renamed as Jaiprakash Power Ventures Limited) w.e.f 01.04.2009 (the appointed date), as sanctioned by Hon'ble High Court of Himachal Pradesh at Shimla vide Order dated 14.12.2009, effective from 14.12.2009.	1,604,679,600	1,604,679,600	1,604,679,600
Fully paid up equity shares allotted for consideration other than cash in terms of Scheme of Amalgamation of erstwhile Jaypee Karcham Hydro Corporation Limited and Bina Power Supply Company Limited with Jaiprakash Power Ventures Limited w.e.f 01.04.2010 (the appointed date), as sanctioned by Hon'ble High Court of Himachal Pradesh at Shimla vide Order dated 25.07.2011, effective from 26.07.2011. (In financial year 2010-11, these shares were in Share Suspense Account).	529,076,923	529,076,923	—
Fully paid up by way of bonus shares	—	—	—
Shares bought back	—	—	—

Note 3.7 Terms of any securities convertible into equity/ preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
	Number	₹	Number	₹
5% Foreign Currency Convertible Bonds (FCCB)	107,535,026	10,754	107,535,026	10,754

The Company had issued 2,000 Nos. 5% Foreign Currency Convertible Bonds (FCCB) of US\$ 1 Lac each aggregating to US\$ 2000 Lacs at par on 12.02.2010. These Bonds are convertible at the option of the bond-holders into equity shares of ₹ 10/- each fully paid up at the conversion price of ₹ 85.8139 per share, subject to the terms of issue with a fixed exchange rate of ₹ 46.14 equal to US\$ 1 at any time on or after 25.03.2010 and prior to the close of business on 06.02.2015.

Note 3.8 Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

There are no unpaid calls on shares including from directors and officers of the Company.

Note 3.9 Forfeited shares (amount originally paid up)

The Company has not forfeited any shares.

Note 4 Reserves and Surplus

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
1. Securities Premium Reserve		
Opening Balance	–	4,342
Add : Addition during the year	63,684	–
Less : Transfer to provision for Premium on Redemption of Debentures	27,844	4,342
Less : Expenses incurred on Qualified Institution Placement of shares	2,140	33,700
	33,700	–
2. Debenture Redemption Reserve		
Opening Balance	55,505	27,768
Add : Provisions for the year	10,191	27,737
Less : Transfer to surplus on redemption of debentures	35,123	30,573
	30,573	–
3. General Reserve		
Opening Balance	4,785	4,785
Add : Addition during the year	–	4,785
	–	–
4. Capital Reserve on Amalgamation		
Opening Balance	134,411	134,411
Add : Addition during the year	–	134,411
	–	–
5. Reserve for Premium on Foreign Currency Convertible Bonds		
Opening Balance	3,935	2,089
Add : Provisions for the year	2,940	6,875
	6,875	1,846
6. Surplus		
Opening Balance	84,765	80,767
Add : Profit After Tax during the year	35,765	40,102
Add : Debenture Redemption Reserve Written Back	35,123	–
Add : MAT credit for earlier years	–	23,201
Less : Deferred tax liability of earlier years	–	6,216
Less : Debenture Redemption Reserve for the year	10,191	27,736
Less : Provision for Premium on Redemption of Debenture	–	23,507
Less : Reserve for Premium on Foreign Currency Convertible Bonds	2,940	142,522
	142,522	1,846
	352,866	84,765
Less : Minority Share holders interest in Reserve and Surplus	644	283,401
	644	(29)
Total	352,222	283,430

Note 5 Deferred Revenue

Advance against depreciation		
Opening Balance	39,207	31,302
Addition during the year	9,509	48,716
	48,716	7,905
		39,207

As per accounting policy, the Advance against Depreciation amounting to ₹ 9,509 Lacs (Previous Year ₹ 7,905 Lacs) has been treated as Deferred Revenue.

Non Current Liabilities
Note 6 Long-term borrowings

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
"A" Secured Loans		
Bonds/Debentures		
Redeemable Non-Convertible Debentures	73,685	98,259
Term Loans		
Rupee Loan		
– from Financial Institutions	202,400	204,639
– from Banks	1,609,307	1,149,355
Foreign Currency Loan		
– from Banks	71,401	170
– from Financial Institutions	5,497	1,888,605
Working Capital - From Banks	–	600
Deferred payment liabilities		
Foreign Currency - Buyers' Credit	2,274	3,870
Total "A"	1,964,564	1,464,798
"B" Unsecured Loans		
– Foreign Currency Convertible Bonds	109,760	102,600
Others		
Govt. of Uttarakhand	500	500
Total "B"	110,260	103,100
Total "A + B"	2,074,824	1,567,898

Note 7 Deferred Tax Liabilities (Net)

Deferred tax liability		
On account of depreciation	28,775	16,450
Total 'A'	28,775	16,450
Deferred tax assets		
On account of unabsorbed loss	11,190	3,891
On account of employee benefits	157	135
Total 'B'	11,347	4,026
Total 'A - B'	17,428	12,424

Note 8 - Other Long Term Liabilities

Trade Payables (see note no. 33)	29,821	6,267
Others	28	–
Total	29,849	6,267

Note 9 - Long Term Provisions

a) Provision for employee benefits		
Gratuity	89	35
Leave Encashment	157	246
	246	172
b) Others		
Wealth Tax	3	3
Income Tax	14,397	10,305
Premium on redemption of debentures	30,011	44,411
	44,411	25,111
Total	44,657	35,626

Current Liabilities
Note 10 - Short-term borrowings

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Secured Loans		
Rupee Loan		
Working Capital - From Banks	24,007	51
Total	24,007	51

Note 11 - Trade Payables

Trade Payables (see note no. 33)	169,036	120,412
Others	42	46
Total	169,078	120,458

Note 12 - Other Current Liabilities

i) Current maturities of long-term debt			
"A" Secured Loans			
Bonds/Debentures			
Redeemable Non-Convertible Debentures	24,573		99,998
Term Loans			
– from Financial Institutions	48,068		3,821
– from Banks	105,217		65,991
Foreign Currency Loan			
– from Banks	144		134
– from Financial Institutions	1,691	155,120	395
From other parties			
Foreign Currency - Buyers' Credit		1,866	1,744
Working Capital Term Loan			
– from Banks		600	1,200
"B" Unsecured Loans			
a) Govt. of Uttarakhand		500	500
b) Financial Institutions		20,000	–
ii) Interest accrued but not due on borrowings		3,533	3,201
iii) Investors' Education & Protection Fund :			
(Appropriate amount shall be transferred to Investors' Education & Protection Fund, if and when due)			
– Unclaimed Dividend		178	191
iv) Other payables		17,005	1,487
Total		223,375	178,662

Note 13 - Short Term Provisions

a) Provision for employee benefits			
Gratuity	59		61
Leave Encashment	79		65
Bonus & Incentive	128	266	178
b) Others			
Income Tax	8,159		9,265
Wealth Tax	1		–
Premium on redemption of debentures	9,450	17,610	26,995
Total		17,876	36,564

Note 14 - Fixed Assets
Note 14A - Tangible Assets

(₹ in Lacs)

S. No.	Particulars	GROSS CARRYING AMOUNT					DEPRECIATION/AMORTIZATION					NET CARRYING AMOUNT	
		As on 1.04.2012	Additions during the Year	Disposals during the Year	Other Adjustments	As on 31.03.2013	Upto 31.03.2012	For the Year	Disposals during the Year	Other Adjustments	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
1	Goodwill on Consolidation	19	—	—	—	19	5	2	—	—	7	12	14
2	Land												
	— Lease Hold	4,234	(54)	—	—	4,180	859	55	—	—	914	3,266	3,375
	— Free Hold	18,471	303	—	—	18,774	—	—	—	—	—	18,774	18,471
3	Buildings	25,683	23,254	—	—	48,937	2,001	743	—	—	2,744	46,193	23,682
4	Plant & Machinery	1,017,665	260,822	—	922	1,279,409	78,969	36,916	—	—	115,885	1,163,524	938,696
5	Furniture & Fixture	357	347	—	—	704	141	123	—	—	264	440	216
6	Vehicles	1,096	182	10	—	1,268	325	105	10	—	420	848	771
7	Office Equipments	973	379	—	—	1,352	197	100	—	—	297	1,055	776
	Total	1,068,498	285,233	10	922	1,354,643	82,497	38,044	10	—	120,531	1,234,112	986,001
	PREVIOUS YEAR	380,145	686,331	13	2,035	1,068,498	59,025	23,481	9	—	82,497	986,001	

Note :

- Depreciation on Assets of Projects under implementation amounting to ₹ 395 Lacs (Previous Year ₹ 363 Lacs) has been charged to Pre-operative Expenses of New Projects pending Capitalisation.
- Other adjustment is on account of exchange fluctuation (profit)/loss on the valuation of Foreign Currency Loans for the purchase of Plant & Machinery at the exchange rate prevailing on the date of Balance Sheet.

Note 14 B - Intangible Assets

(₹ in Lacs)

S. No.	Particulars	GROSS CARRYING AMOUNT					DEPRECIATION/AMORTIZATION					NET CARRYING AMOUNT	
		As on 1.04.2012	Additions during the Year	Disposals during the Year	Other Adjustments	As on 31.03.2013	Upto 31.03.2012	For the Year	Disposals during the Year	Other Adjustments	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
1	Intangible Assets-Computer Software	3	—	—	—	3	3	—	—	—	3	—	—
	Total	3	—	—	—	3	3	—	—	—	3	—	—
	PREVIOUS YEAR	3	—	—	—	3	3	—	—	—	3	—	—

Note 14 C - Capital work in progress and Incidental expenditure during construction pending allocation

(₹ in Lacs)

Sl. No.	Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
A.	Direct cost of project under construction		
	Opening Balance	734,866	791,415
	Add : Addition during the year	703,607	482,872
	Less : Capitalisation during the year	204,025	539,421
	Balance Capital Work in Progress (A)	1,234,448	734,866
B.	Incidental Expenditure During Construction pending allocation		
	Opening Balance	221,667	241,014
	Add : Addition during the year		
	Employee Benefit Expense		
	Salary, Wages, Bonus and other benefit	2,680	3,397
	Contribution to Provident and Other Funds	65	80
	Gratuity	8	35
	Staff Welfare Expenses	196	205
	Directors' Remuneration	—	66
	Finance Costs		
	Interest on Loans	111,079	73,329
	Front end fee and other charges	386	4,810
	Depreciation and amortization expenses	395	363
	Other Expenses		
	Advertisement Expenses	18	108
	Bank Charges & Guarantee Commission	445	522
	Bidding expenses	—	1
	Bonus paid for early Commissioning	—	1,291
	Compensation for Land	—	1,310
	Compensation for Trees and Buildings	538	2,209
	Directors' Sitting Fee	—	5
Sl. No.	Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
	Environmental Management	—	7,630
	Plan Monitoring Cost	432	1,205
	Freight & Octroi Charges: Freight	326	1,327
	Insurance - Others	—	2
	Internal Auditors' Fee	—	—
	Legal & Professional & Consultancy Charges	2,175	4,007
	Licence and application fees	16	37
	Local Area Development	573	7,410
	Miscellaneous Expenses	2,374	1,991
	Overhead line connection charges	28	73
	Postage & Couriers Expense	1	2
	Power, Water & Electricity Charges	1,722	448
	Printing & Stationery Expenses	30	21
	Rates & Taxes	56	158
	Rehabilitation and resettlement expenses	38	37
	Rent	76	132
	Royalty paid	51	35
	Security & Medical charges	364	558
	Telephone Expenses	20	38
	Travelling Expenses	368	506
	Vehicle Running & Maintenance Expenses	245	328
	Expenses on Trial Run (net of infirm energy)	6,232	(754)
	Foreign exchange variation	2,799	12,264
	Auditor's Remuneration	—	—
	- Audit Fee	9	12
	- Reimbursement of expenses	—	1
	Less : Other income	18,936	42,914
	Interest Earned on Deposits	2,210	3,031
	Excess provision (previous years) written back	—	563
	Less : Capitalisation during the year	75,288	140,952
	Balance Incidental expenditure during construction pending allocation (B)	277,914	221,667
	Total A + B	1,512,362	956,533

Note 15 - Non-current investments

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Investments in Equity Instruments		
INVESTMENTS (AT COST)		
Investment in Beneficiary Trust (Unquoted)		
JPVL Trust	198,594	198,594
TOTAL	198,594	198,594

Note :

- Aggregate cost of :
Quoted Investments (Market Value Nil) (See Note No. 2)
Previous Year (Rs. Nil)
Unquoted
(Previous Year Rs. 1,98,594 Lacs) **198,594**
- Trust have been created on 03.06.11 for transfer of
 - Shares of Bina Power Supply Company Limited held by the Company
No. of shares 12,70,76,923 shares (Converted)
 - Shares of Jaypee Karcham Hydro Corporation Limited held by the Company - No. of shares 21,70,00,000 shares (Converted)
 - The JPVL Trust is holding shares of Jaiprakash Power Ventures Limited on merger of JKHCL & BPSCL, the sole beneficiary of which is the company.

Note 16 - Long-term loans and advances

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Secured Considered Good	—	—
Unsecured considered good		
Capital Advance	95,949	155,755
Security Deposits		
a) With Govt. Deptt.	8,379	9,806
b) With Related Parties	—	100
c) With Others	83	2,934
Loans and advances to related parties	15,783	19,320
Advances to suppliers, contractors, etc.	6,383	9,095
Advance Income Tax and TDS	14,642	10,572
Total	141,219	207,582

Note 17 - Other non-current assets

Unsecured considered good		
Long term trade receivables	2,657	3,542
Others		
Interest receivable from HPSEB	—	1,588
Pre-paid Expenses	1,519	4,531
Total	4,176	9,661

Current Assets
Note 18 - Inventories

(as per inventories taken, valued and certified by management) (₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
Raw Material - at weighted average cost	10,888	—
Stores and Spares - at weighted average cost	2,774	4,901
Total	13,662	4,901

Note 19 - Trade receivables

Secured considered good	—	—
Unsecured considered good		
Due for a period exceeding six months	21,536	5,056
Due for a period less than six months	30,737	37,980
Total	52,273	43,036

Note 20 - Cash and cash equivalents

Balances with Scheduled Banks		
(i) In Current Account	17,198	4,272
(ii) In Fixed Deposits		
(a) Having maturity of more than twelve months	—	7,230
(b) Other deposits	43,867	57,534
(iii) In Fixed Deposits pledged with Govt. Deptt./Banks having a maturity of less than twelve months	2,480	1,198
(iv) Trust & Retention account		
(a) In Current Account	9,938	11,182
(b) In Fixed Deposits having a maturity of less than twelve months	16,299	10,255
(v) In Unclaimed Dividend account	178	191
Cheques, draft on hand	2	2
Cash In hand	54	61
Total	90,016	91,925

Note 21 - Short-term loans and advances

Others		
Unsecured, considered Good		
Advances recoverable in cash or in kind or for value to be received		
Others	10,670	5,436
Related Parties (see note no. 36)	311	134
Staff Imprest & Advance	238	66
MAT credit entitlement	40,626	32,466
Advance Tax & Tax Deducted at Source	11,129	10,176
Total	62,974	48,278

Note 22 - Other current assets

Unsecured considered good		
Interest accrued on fixed deposits with Banks	732	1,355
Prepaid Expenses	4,156	2,760
Total	4,888	4,115

Note 23 - Revenue From Operations

(₹ in Lacs)

Particulars	Figures for the current reporting period, March 31, 2013	Figures for the previous reporting period, March 31, 2012
<u>Sale of Products</u>		
Sale of Electrical Energy (Net of advance against depreciation)	223,152	159,140
Less: Rebate for prompt payments	2,275 220,877	1,571 157,569
Transmission Income	20,605	—
<u>Other Operating Revenues</u>	—	—
Sale of Verified Emission Reduction (VERs)	4,381	3,987
Total	245,863	161,556

Note 24 - Other Income

Interest on deposits with banks	3,349	6,686
Interest on arrears	256	327
Dividend received on Mutual Funds	3	—
Other non-operating income	—	—
Excess provision written back	17	—
Profit on sale of Fixed Assets	1	1
Misc. Receipts	213 231	60 61
Total	3,839	7,074

Note 25- Cost of Operation and Maintenance

Cost of fuel	18,807	—
Stores and Spares Consumed	1,694	439
Repair & Maintenance - Buildings	118	141
Repair & Maintenance - Plant & Machinery	2,473	1,561
Operation and Maintenance Expenses	194	1,932
Transmission charges	13,938	—
Insurance - Plant	1,857	863
Total	39,081	4,936

Note 26 - Employee Benefit Expense

Salary, Wages & Bonus	4,817	3,357
Contribution to Provident and Other Funds	224	157
Gratuity	66	49
Leave Encashment	58	53
Workmen and Staff Welfare	249	176
Directors' Remuneration	590	537
Total	6,004	4,329

Note 27 - Finance Costs

Interest		
Foreign Currency Loan	308	338
Term Loans	114,147	81,147
Working Capital	1,768 116,223	304 81,789
Financial charges		
DPG Commission	95	112
Front end fee and other charges	4,930	2,635
Security & Trusteeship Fee	10 5,035	1,409 4,156
Total	121,258	85,945

Note 28 - Depreciation and amortization expenses

(₹ in Lacs)

Particulars	Figures for the current reporting period, March 31, 2013	Figures for the previous reporting period, March 31, 2012
Depreciation	37,606	23,013
Amortization of Lease Hold Land and miscellaneous expenditure	43	105
Total	37,649	23,118

Note 29 - Other Expenses

Advertisement	474	1,218
Consultancy, Legal & Professional Fee	1,018	756
Cost audit fees	1	—
Courier & Postage	15	47
Directors' Sitting Fee	19	15
Freight and Octroi	183	132
Power, Water and Electricity charges	1,446	540
Internal Auditors' Fee	25	11
Lease Rent of land	57	56
Listing & Custodial Fee	78	53
Miscellaneous Expenses	591	622
Printing & Stationery	59	57
Rent	14	43
Security Expenses	321	—
Taxes & Fees	76	163
Telephone and Telex	31	23
Travelling & Conveyance	331	251
Vehicle Running & Maintenance	142	84
<u>Auditors' Remuneration</u>		
For Audit	44	37
For Tax Audit	4	4
For Other Services	4	3
Re-imbursement of Expenses	1 53	1 45
TOTAL	4,934	4,116

Note 30 - Subsidiary

The Consolidated Financial Statements present the Consolidated Accounts of Jaiprakash Power Ventures Limited with its following Subsidiaries:

Sl. No.	Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest
[a]	Jaypee Powergrid Limited	India	74%
[b]	Prayagraj Power Generation Company Limited	India	93.5%
[c]	Sangam Power Generation Company Limited	India	100%
[d]	Jaypee Arunachal Power Limited	India	100%
[e]	Jaypee Meghalaya Power Limited	India	100%

Note 31

Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company

has disclosed such Policies and Notes in the individual financial statements, which fairly present the needed disclosures.

Note 32

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

Note 33

Disclosure as required under Notification No. G.S.R. 719 (E) dated 16th November, 2007 issued by the Ministry of Corporate Affairs (As certified by the Management):

(₹ in Lacs)			
Sl. No.	Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
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 suppliers beyond the appointed day.	Nil	Nil
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

Note 34 - Contingent Liabilities not provided for:

(a)	Outstanding amount of Bank Guarantee	23,643	21,027
	Margin Money against above	875	800
(b)	Claims against the Company not acknowledged as debts.	23,392	4,171
(c)	Income tax matters under appeal	2,533	795

(d) The Government of Himachal Pradesh has imposed entry tax on goods entering the state of Himachal Pradesh. This was challenged by the company before the Hon'ble High Court of Himachal Pradesh at Shimla. The Hon'ble High Court on 22.09.2010 in an interim order has held that tax paid by the petitioner would be treated as deposit and not as tax. The final decision of Hon'ble High Court is awaited. The total liability as at 31st March, 2013 (Baspa & Karcham Wangtoo HEPs) is Rs. 3,581.77 Lacs (Previous Year Rs.3,363.60 Lacs), against which Company has deposited Rs. 1,822.95 Lacs (Previous Year Rs.1,834.53 Lacs) and pledged banks FDRs of Rs.1,646.94 Lacs.

Note 35 Commitments;

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013	Figures as at the end of previous reporting period, March 31, 2012
(a) Outstanding amount of Letter of Credit	18,048	48,333
Margin Money against above	26	244
(b) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	INR 739,904 USD 11,305 Euro 5,979 JPY 228,675	1,027,077 3,075 3,103 284,152

Note 36

Related Party Disclosures, as required in terms of "Accounting Standard [AS] 18" are given below:

(1) Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

(a) Holding Company

Jaiprakash Associates Limited

(b) Fellow Subsidiary Companies:

- Jaypee Ganga Infrastructure Corporation Limited
- Himalyan Expressway Limited
- Jaypee Infratech Limited
- Jaypee Sports International Limited
- Jaypee Cement Corporation Limited (JCCL)
- Bhilai Jaypee Cement Limited
- Bokaro Jaypee Cement Limited
- Gujarat Jaypee Cement & Infrastructure Limited
- Jaypee Agra Vikas Limited
- Jaypee Fertilizers & Industries Limited
- Jaypee Assam Cement limited
- Himalayaputra Aviation Limited
- Jaypee Healthcare Limited (w.e.f. 30.10.2012)
- Jaypee Cement Cricket (India) Limited (w.e.f. 20.10.2012)
- Jaypee Cement Hockey (India) Limited (w.e.f. 05.11.2012)
- Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL w.e.f. 25.03.2013)

(c) Associate Companies/Concerns :

- Jaypee Infra Ventures (A Private Company with unlimited liability)
- Jaypee Development Corporation Limited (subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))

- (3) JIL Information Technology Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (4) Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited)
- (5) Indesign Enterprises Pvt. Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (6) GM Global Mineral Mining Private Limited (subsidiary of Indesign Enterprises Pvt. Limited)
- (7) Jaypee International Logistics Company Private Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (8) Tiger Hills Holiday Resort Private Limited (subsidiary of Jaypee Development Corporation Limited)
- (9) Anvi Hotels Private Limited [(subsidiary of Jaypee Infra Ventures (A Private Company with unlimited liability))]
- (10) Jaypee Uttar Bharat Vikas Private Limited
- (11) Kanpur Fertilisers and Cement limited (subsidiary of Jaypee Uttar Bharat Vikas Pvt. Limited)
- (12) RPJ Minerals Private Limited
- (13) Sarveshwari Stone Products Pvt. Ltd. (subsidiary of RPJ Minerals Private Limited)
- (14) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited)
- (15) Sonebhadra Minerals Private Limited
- (16) MP Jaypee Coal Limited
- (17) Madhya Pradesh Jaypee Minerals Limited
- (18) MP Jaypee Coal Fields Limited
- (19) Jaiprakash Kashmir Energy Limited
- (20) Jaypee Hotels Limited
- (21) Milestone Home Finance Company Private Limited (subsidiary of Jaypee Hotels Limited w.e.f. 28.09.2012)
- (22) Jaypee Mining Venture Private Limited
- (23) Ceekay Estate Private Limited.
- (24) Pac Pharma Drugs and Chemicals Private Limited
- (25) Akasva Associates Private Limited
- (26) Jaiprakash Exports Private Limited
- (27) Bhumi Estate Developers Private Limited
- (28) Jaypee Technical Consultants Private Limited
- (29) Andhra Cements Limited (subsidiary of Jaypee Development Corporation Limited)
- (30) Jaypee Jan Sewa Sansthan ('Not for profit' Private limited Company w.e.f. 12.06.2012)

(d) Key management Personnel:

(i) Jaiprakash Power Ventures Limited

- (1) Shri Manoj Gaur, Chairman
- (2) Shri Sunil Kumar Sharma, Vice Chairman and CEO
- (3) Shri Suren Jain, Managing Director and CFO
- (4) Shri R.K. Narang, Whole-time Director
- (5) Shri Suresh Chandra, Whole-time Director

- (6) Shri Parveen Kumar Singh, Whole-time Director
- (7) Shri Dharam Paul Goyal, Whole-time Director (up to 31.03.2013)
- (8) Shri Ravindra Mohan Chadha, Whole-time Director (up to 31.03.2013)

(ii) Jaypee Powergrid Limited

- (1) Shri H.K.Sharma, Managing Director
- (2) Shri Subhash Chandra Singh, Whole-time Director

(iii) Prayagraj Power Generation Company Limited

- (1) Shri H.K.Sharma, Managing Director

(iv) Sangam Power Generation Company Limited

- (1) Shri Siddheshwar Sen, Whole-time Director (up to 31.03.2013)

(v) Jaypee Arunachal Power Limited

- (1) Shri Pankaj Gaur, Managing Director

(2) Transactions carried out with related parties referred to above:
(₹ in Lacs)

Name of Transactions	Related Parties			
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
Expenses				
Hiring Charges	193	7	—	—
(Previous Year)	(191)	(—)	—	—
Rent	1	—	—	—
(Previous Year)	(17)	—	—	—
Cement	11,795	11	—	—
(Previous Year)	(9,772)	(—)	—	—
Repair of runners	793	—	—	—
(Previous Year)	(564)	—	—	—
Sale of Energy	25,984	—	—	—
(Previous Year)	(20,559)	—	—	—
Other Expenses	159	45	53	—
(Previous Year)	(77)	(152)	(101)	—
Consultancy	—	—	—	—
(Previous Year)	—	—	(1,125)	—
Salary & Perquisites	—	—	—	798
(Previous Year)	—	—	—	(857)
Services Availed	—	—	1,069	—
(Previous Year)	(2)	—	(527)	—
Capital Goods	185	113	—	—
(Previous Year)	(—)	(—)	—	—
Execution of Work	79,360	—	—	—
(Previous Year)	(101,953)	—	—	—
Outstandings				
- Payables				
Amount payable	70,095	124	374	38
(Previous Year)	(18,563)	(—)	(197)	(13)
Outstandings				
- Receivables				
Amount receivable	898	—	6,790	—
(Previous Year)	(9,284)	—	(6,390)	—

Guarantees given by the holding company on behalf of the Company and guarantee given by the Company on behalf of the holding company have been mentioned elsewhere in the Notes to Financial Statements.

Note 37

Earnings Per Share is computed in accordance with Accounting Standard –20 issued by the Institute of Chartered Accountants of India.

(₹ in Lacs)			
	Particulars	2012-13	2011-12
[a]	Net Profit for Basic Earnings Per Share as per Profit & Loss Account	35,121	40,073
	Adjustment for the purpose of Diluted Earnings Per Share	—	—
	Net Profit for Diluted Earnings Per Share	35,121	40,073
[b]	Weighted average number of equity shares for Earnings Per Share computation:		
[i]	Number of Equity Shares at the beginning of the year	2,624,757,123	2,095,680,200
[ii]	Number of Shares allotted on amalgamation	—	529,076,923
[iii]	Number of Equity Shares issued during the year	313,245,961	—
[iv]	Number of potential Equity Shares	107,535,026	107,535,026
[v]	Weighted average No. of Shares for calculating:		
	[a] Basic Earnings Per Share	2,653,936,199	2,624,757,123
	[b] Diluted Earnings Per Share	2,761,471,225	2,732,292,149
[c]	Earnings Per Share		
	[i] Basic (₹)	1.24	1.53
	[ii] Diluted (₹)	1.19	1.47
[d]	Face Value Per Share (₹)	10	10

Note 38

Provisions for Taxation have been made as per individual accounts of the Companies.

Note 39

(a) Jaiprakash Associates Limited (JAL), the holding company of Jaiprakash Power Ventures Ltd. (JPVL), has furnished Corporate Guarantees for the financial assistance outstanding as on 31.03.2013 amounting to ₹ 7,115.20 Lacs (Previous Year ₹ 10,289.42 Lacs) in respect of 300 MW Baspa II HEP to the Financial Institutions and Banks.

(b) JAL, the holding company has furnished Corporate Guarantees for financial assistance outstanding as on 31.03.2013 amounting to US\$ 130.99 Lacs (Previous Year US\$ 161.81Lacs) in respect of 400 MW Vishnuprayag HEP.

(c) JAL, the holding company has furnished letter of comfort to the holders of Non Convertible Debentures of ₹ 98,259 lacs (Previous Year ₹ 1,98,257 lacs).

(d) JAL, the holding company has pledged 6,291 Lacs (Previous Year 6,291 Lacs) equity shares of ₹ 10/- each of JPVL held by it for the

financial assistance given by banks and financial institutions in respect of Baspa-II HEP, Vishnuprayag HEP and Nigrie Project.

(e) JAL the holding company has pledged 1,206 Lacs (Previous Year 1,206 Lacs) equity shares of ₹ 10/- each of JPVL for the financial assistance given by banks and financial institutions in respect of 1000 MW Karcham wangtoo HEP.

(f) JAL the holding company has pledged 648.09 Lacs (Previous Year 648.09 Lacs) equity shares of ₹10/- each of JPVL for the financial assistance given by banks and financial institutions in respect of 500 MW Bina Thermal Power Plant.

(g) JAL the holding company has pledged 4,800 Lacs (Previous Year 5,279 Lacs) equity shares of ₹ 10/- each of JPVL for Corporate Loan of ₹ 1,00,000 Lacs from ICICI Ltd.

(h) (i) 900 Lacs equity shares of ₹ 10/- each fully paid (Previous Year 840 Lacs) held by the Company of Jaypee Powergrid Ltd. (Subsidiary Company) are pledged with IDBI Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Jaypee Powergrid Ltd.

(ii) 7,844.77 Lacs equity shares of ₹ 10/- each fully paid (Previous Year 3,535.27 Lacs) held by the Company of Prayagraj Power Generation Co. Ltd. (Subsidiary Company) are pledged with SBI Cap Trusteeship Services Ltd., as collateral security for the financial assistance granted by lenders to Prayagraj Power Generation Co. Ltd.

(i) (i) JAL, the Holding Company has furnished Performance Guarantees of ₹ 9,549.14 Lacs to Prayagraj Power Generation Company Limited in respect of E & C Contract given by them to JAL.

(ii) JAL, the Holding Company has furnished Performance Bank Guarantees of ₹ 15,000 Lacs to five Subsidiaries of UPPCL on behalf of Prayagraj Power Generation Company Limited in respect of Tariff based bidding process for sale of Power.

(iii) JAL, the Holding Company has furnished Performance Bank Guarantees of ₹ 9,900 Lacs to five Subsidiaries of UPPCL on behalf of Sangam Power Generation Company Limited in respect of Tariff based bidding process for sale of Power.

Note 40 Corporate Guarantee

The Company has given Corporate Guarantee of USD 1,500 Lacs (equivalent to ₹ 84,000 Lacs) in favour of State Bank of India, Hong Kong branch for the credit facilities granted by lenders to Jaiprakash Associates Limited.

Note 41

(a) A Power Purchase Agreement (PPA) for sale of 704 MW power, out of 1000 MW power from the Karcham Wangtoo HEP to Power Trading Corporation (India) Limited (PTC) was executed by erstwhile JKHCL (since merged with the Company) on 21st March, 2006 for a term of 35 years with the stipulation that the tariff for sale of power shall be as approved by Central Electricity Regulatory Commission (CERC) based on the completion cost to be approved by Central Electricity Authority (CEA)/Central Electricity Regulatory Commission. It was

subsequently found that the Electricity Act, 2003, does not provide for the determination of tariff for sale of power by a Generating Company to a Trading company and therefore based on the legal opinion the said PPA was considered to be void and PTC was informed accordingly. PTC had approached the Hon'ble High Court of Delhi with a prayer for restraining the Company from entering into agreement for sale of aforesaid power to any third party which was rejected. The PTC then filed a SLP in the Hon'ble Supreme Court against the order of Hon'ble High Court of Delhi, which is pending.

During the proceedings before Hon'ble High Court of Delhi, PTC invoked the arbitration clause of the PPA against Company's stand that the PPA was void and an Arbitral Tribunal consisting of three members was constituted. The Arbitral Tribunal, by its majority Award dated 28th April, 2011, dismissed the claim of PTC and declared the PPA to be void. PTC challenged the said Award before the Hon'ble High Court of Delhi. The Learned Single bench Judge of the Hon'ble High Court of Delhi vide its judgment and order dated 15th May, 2012 set aside the majority Award and concluded that the PPA is not void. Company filed an Appeal against the said judgment before the Division Bench of the Hon'ble High Court of Delhi which is pending.

- (b) The Haryana Power Generation Corporation Limited (HPGCL) with whom the PTC had entered into a Power Sale Agreement (PSA) for sale of 200 MW out of 704 MW power covered by the PPA has approached Haryana Electricity Regulatory Commission (HERC) to direct the company to supply 200 MW power to PTC for onward supply to HPGCL. The Company has taken a position that HPGCL has no privity of contract with the Company and HERC has no jurisdiction in the matter. HERC has however held that it has jurisdiction in the matter and therefore the Company has filed an Appeal before the Appellate Tribunal for Electricity (APTEL) against the order of HERC. APTEL vide its order dated 20th July, 2012 set aside the HERC's order and held that HERC has no jurisdiction in the matter. PTC has filed a Civil Appeal before Supreme Court of India with a prayer to set aside the APTEL Judgment dated 20th July, 2012 which is pending.

Note: 42

Sangam Power Generation Company Limited (SPGCL) a subsidiary of the Company is developing 1320 MW Power Project at Tehsil Karchana, Distt. Allahabad, Uttar Pradesh which is awarded by UPPCL on Build, Own, Operate and Maintain (BOOM) basis. As per the agreement, UPPCL has to provide 583 Ha. of land to the Company. UPPCL has since executed deed of conveyance for 512 Ha. (Approx.) of land. A few land owners had filed Writ Petition before Hon'ble High Court of Allahabad against the Government of Uttar Pradesh/ UPPCL.

The Court vide its order dated April 13, 2012 allowed the petitions of the farmers of Karchana and stalled the work given to the Company. The order is to be effective subject to deposit of compensation, if any, received by the farmers.

Hence, expenditure incurred during the construction and incidental to

setting up the project are carried forward as 'Capital Work in Progress'. Considering the current status, the Company does not envisage provision for impairment/ write off as at the Balance Sheet date.

Note 43

- (a) 400 Kv Quad Bundle Conductor Double Circuit transmission line from the pothead yard to Karcham Wangtoo HEP at Wangtoo to Abdullapur, measuring 213 Km laid by Jaypee Powergrid Limited, has been completed. The line was put under commercial operations with effect from 1st April, 2012 in accordance with CERC guidelines.
- (b) The Tariff for the Transmission Line between Karcham Wangtoo HEP in Himachal Pradesh to Abdullapur Sub Station in Haryana developed by Jaypee Powergrid Limited (JPL) has been approved by Central Electricity Regulatory Commission (CERC) on 14th June, 2012.

Powergrid Corporation of India Ltd. (PGCIL) collects transmission charges from the utilities and disburses tariff to transmission licensees (including JPL). As per the regulations, PGCIL updates the transmission charges for the new systems commissioned twice every year i.e. on 1st April and 1st October of each year, based on the Point of Connection (POC) charges. Any transmission line which comes into operation in the intervening period is loaded into the system for tariff collection from the beginning of next tariff period. In case of JPL, COD was declared w.e.f. 01.04.2012 and CERC approved JPL's tariff on 14.06.2012. The tariff for our transmission line has been loaded into the system on 01.10.2012, since the date of commissioning of the project. The disbursement of tariff to JPL has commenced from December, 2012 onwards.

Note 44

- (a) The Company has presently one operative segment i.e. Generation and Transmission of Power. The Company had commenced construction of Cement Grinding Unit at Jaypee Nigrie Super Thermal Power Plant, for gainful utilisation of dry fly ash and as mandated by Ministry of Environment and Forests. Accordingly, now the Company has two segments, Power Generation and Cement. As total assets employed in Cement Grinding Unit are less than 10% of the total assets of the Company, therefore, separate segment reporting is not applicable.
- (b) The operations of the Company are carried within the Country and therefore geographical segments are not applicable.

Note 45

The Central Government in exercise of the powers conferred by sub-section 8 of Section 212 of the Companies Act, 1956 has directed vide Ministry of Corporate Affairs General Circular no 2/2011, dated 08.02.2011 that the provisions contained in sub-section (1) of Section 212 of the Companies Act, 1956, requiring annual accounts of the Subsidiaries to be attached to the annual accounts of the Holding Company, shall not apply subject to, inter alia, presentation of audited consolidated financial statements in compliance with applicable Accounting Standards, Board of directors of the

Company has by Resolution given consent for not attaching the Balance Sheet of the Subsidiary companies and disclosure of following information:

Particulars	(₹ in Lacs)				
	Jaypee Power Grid Ltd.	Prayagraj Power Generation Co. Ltd.	Sangam Power Generation Co. Ltd.	Jaypee Arunachal Power Ltd.	Jaypee Meghalaya Power Ltd.
Capital (including Share Application Money)	30,000	153,819	55,198	22,795	792
Reserves	2,478	(6)	(7)	(225)	(2)
Total Assets	105,141	680,388	55,327	22,870	866
Total Liabilities (including Loans)	72,663	526,575	136	300	76
Investment details (including Share Application Money)	—	—	—	—	—
Turnover (including Other Income)	20,622	—	—	—	—
Profit before taxation	5,869	—	—	—	—
Provision for taxation	3,015	—	—	—	—
Profit/ (Loss) after taxation	2,854	—	—	—	—
Proposed Dividend [including Dividend Distribution Tax]	—	—	—	—	—

Note 46

In terms of 'Accounting Standard (AS) 28', the assets are not impaired because the recoverable amount of fixed assets collectively determined by the present value of estimated future cash flows is higher than its carrying value.

Note 47

Previous Year's figures have been regrouped/re-arranged, wherever considered necessary to make them conform to the figures for the current year.

Note 48

All the figures have been rounded off to the nearest rupees in lacs.

For and on behalf of the Board

For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No. 002626N

Manoj Gaur
Chairman

R. Nagpal
Partner
M.No.81594

R.K. Narang
Director

Suren Jain
Managing Director
& CFO

Sunil Kumar Sharma
Vice Chairman
& CEO

Place : New Delhi
Date : 27th April, 2013

R.K. Porwal
Sr. General
Manager (F&A)

Y.K.Sharma
Vice President
(F&A)

M.M. Sibbal
Sr. General Manager &
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(₹ in Lacs)

Particulars	Figures as at the end of current reporting period, March 31, 2013		Figures as at the end of previous reporting period, March 31, 2012	
A. Cash flow from operating activities				
Profit before taxation		40,776		46,186
<u>Add Back</u>				
Depreciation	37,649		23,118	
Deferred Revenue on account of advance against depreciation	9,509		7,905	
(Gain)/Loss on sale of Assets	(1)		3	
Interest & financial charges	121,257	168,414	85,945	116,971
Deduct:				
Interest Income (Interest on bank deposits)	(3,349)		(6,686)	
Interest Income (Interest on Arrears)	(256)		(327)	
Dividend Income (On Mutual Funds)	(3)		—	
Other Income	(213)	(3,821)	(60)	(7,073)
Operating profit before working capital changes		205,369		156,084
<u>Add:</u>				
(Increase)/Decrease in Trade Debtor	(9,237)		(27,470)	
(Increase)/Decrease in Inventories	(8,761)		589	
(Increase)/Decrease in Long Term/Short Term Loans and Advances and others Current Asses	67,349	49,351	(46,725)	(73,606)
Deduct:				
Increase (Decrease) in Current Liabilities & Other Long Term Liabilities excluding Current Maturities of Long Term Debts	87,710		77,126	
Increase (Decrease) in Provisions	—	87,710	241	77,367
Cash generated from Operations		342,430		159,845
<u>Adjustments for :</u>				
Income tax paid (net of refund)		(10,203)		(9,066)
Net cash inflow from operating activities — 'A'		332,227		150,779
B. Cash flow from Investing activities				
<u>Outflow</u>				
Investment in Fixed Assets/Capital Work in Progress		(841,584)		(612,113)
Sale of Assets	1		1	
Interest Income	5,816		7,128	
Other Income	216	6,033	60	7,189
Net cash used in investing activities — 'B'		(835,551)		(604,924)
C. Cash flow from Financing activities				
<u>Inflow</u>				
Issue Proceeds from Qualified Institutions Placement	95,007			
Increase in Share Capital-Minority Interest	10,208		1,092	
Increase in Long Term Borrowings & Current Maturities of Long Term debt-Net of repayment	519,265	624,480	407,171	408,263
<u>Outflow</u>				
Expenses on Qualified Institution Placement	(2,140)		—	
Interest & financial charges paid	(120,925)	(123,065)	(85,008)	(85,008)
Net cash in financing activities — 'C'		501,415		323,255
Net increase/(Decrease) in cash or cash equivalent (A + B + C)		(1,909)		(130,890)
Cash & cash equivalent at the commencement of the year (Opening balance)		91,925		222,815
Cash & cash equivalent at the end of the year (closing balance)		90,016		91,925

1. Cash and Cash Equivalents:

Cash-in-hand and Balances with Scheduled Banks in Rupees [including ₹ 178 Lakhs lying in Unpaid Dividend Account (Previous Year ₹ 191 Lakhs) which are not available for use by the Company].

2. Previous year figures have been regrouped/rearranged, wherever necessary.

For and on behalf of the Board

FOR R. NAGPAL ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Regn. No. 002626N

R. NAGPAL
 Partner
 M.No. 81594

 Place: New Delhi
 Dated: 27th April, 2013

R.K. Narang
 Director

R.K. Porwal
 Sr. General Manager (F & A)

Suren Jain
 Managing Director & CFO

Y. K. Sharma
 Vice President (F&A)

Sunil Kumar Sharma
 Vice Chairman & CEO

M. M. Sibbal
 Sr. General Manager &
 Company Secretary



JAIPRAKASH POWER VENTURES LIMITED

ATTENDANCE SLIP

Registered Office: JUIT Complex, Wagnaghat, P.O. Dumehar Bani, Kandaghat – 173 215, Distt. Solan (H.P.)
Corporate Office : Sector-128, Noida-201 304, Distt. Gautam Budh Nagar (U.P.)

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

I hereby record my presence at the 18th Annual General Meeting of the Company held at JUIT Complex, Wagnaghat, P.O. Dumehar Bani, Kandaghat – 173 215, Distt. Solan (H.P.) on Saturday, the 6th July, 2013 at 11.00 A.M.

SIGNATURE OF THE SHAREHOLDER / PROXY*

* Strike out whichever is not applicable

** Applicable for investors holding shares in electronic form.

Note: Please complete the Attendance Slip and hand it over at the entrance of the Meeting venue.

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JAIPRAKASH POWER VENTURES LIMITED

PROXY

Registered Office: JUIT Complex, Wagnaghat, P.O. Dumehar Bani, Kandaghat – 173 215, Distt. Solan (H.P.)
Corporate Office : Sector-128, Noida-201 304, Distt. Gautam Budh Nagar (U.P.)

I/We of

in the district of..... being a Member(s) of the above named

Company hereby appoint of in the district

of or failing him/her of in the district

of..... as my/our proxy to attend and vote for me/us on my/our behalf at the 18th Annual General Meeting

of the Company to be held at JUIT Complex, Wagnaghat, P.O. Dumehar Bani, Kandaghat – 173 215, Distt. Solan (H.P.)
on Saturday, the 6th July, 2013 at 11.00 A.M.

Signed at this..... day of..... 2013.

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

Affix
Re.1
Revenue
Stamp

* Applicable for investors holding shares In electronic form.

Notes: .

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

Downstream view of
1000 MW Karcham
Dam, Himachal
Pradesh



Machine Hall at 1000
MW Karcham-
Wangtoo Hydro
Electric Power Plant,
Himachal Pradesh



40 bed
hospital at
Sholtu,
Himachal
Pradesh



Jay Jyoti
School at
Sholtu,
Himachal
Pradesh



View of 500 MW
Bina TPP (Phase-I)
Madhya Pradesh



View of ESP, bunker
and boiler with
water reservoir in
foreground at Bina
TPP, Madhya
Pradesh



Work in progress
at 1980 MW
Bara
Supercritical TPP
(Phase-I) Uttar
Pradesh



Work in progress
at 2x660 MW
Jaypee Nigrie
Supercritical TPP,
Madhya Pradesh



Hospital at
Nigrie,
Madhya
Pradesh

440 KV
Transmission
Line of Bina
Thermal
Project-1



Sardar Patel
Uchchatar
Madhyamik
Vidyalaya
at Bina,
Madhya
Pradesh

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JAIPRAKASH
POWER VENTURES LIMITED

Corporate Office: Sector-128, Noida-201 304, Distt. Gautam Budh Nagar (U.P.) Tel. 91-120-4609000
Fax: 91-120-4609496 Website: www.jppowerventures.com