



JYOTI STRUCTURES LIMITED



50 MWe Solar Thermal Power Plant
EPC contract executed by Jyoti in JV with Lauren

FINANCIAL HIGHLIGHTS

₹ in Lacs

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
SALES & EARNINGS :							
Gross Sales & Other Income	2,85,514	2,65,872	2,46,925	2,06,883	1,74,586	1,40,068	1,02,580
Profit before Taxes	9,793	12,857	16,736	14,436	12,636	12,026	8,751
Profit after Taxes	6,488	8,554	11,091	9,101	7,974	7,241	5,502
Equity Dividend	40%	55%	75%	50%	45%	40%	30%
ASSETS :							
Gross Block	32,490	31,534	26,887	23,886	17,399	10,700	9,381
(Including Capital W.I.P.)							
Net Block	19,669	21,049	18,390	17,155	12,187	6,164	5,615
Total Net Assets	2,81,433	2,45,236	1,80,721	1,52,796	1,24,601	90,492	72,331
REPRESENTED BY :							
Net Worth	72,061	66,420	60,131	50,281	41,555	33,950	27,343
Share Capital	4,145	1,644	1,643	1,640	1,633	1,624	1,614
Reserves & Surplus	70,454	64,816	58,531	48,685	40,039	32,498	25,967
Share Application Money / Share Warrants-Up Front Price	1	0	2	1	4	-	-
Borrowings	78,856	61,436	44,862	36,056	30,359	22,489	15,950
Other Liabilities	1,26,886	1,16,061	73,889	64,643	51,741	33,074	28,032
Deferred Tax Liability	1,092	1,279	1,796	1,770	824	807	768
Total Funds	2,81,433	2,45,236	1,80,721	1,52,796	1,24,601	90,492	72,331
OTHER HIGHLIGHTS :							
Foreign Exchange Earnings (Including Deemed Exports & Sales through Export Houses)	61,033	46,489	34,814	45,769	69,202	35,753	8,099
Foreign Exchange Outgo	5,631	6,606	3,479	6,827	2,334	205	296
INSTALLED CAPACITY AND							
PRODUCTION :							
Installed Capacity (M.T.p.a.)	1,16,160	1,16,160	1,16,160	1,10,000	1,10,000	95,800	76,000
Production (M.T.)	71,392	1,00,105	1,50,985	1,18,555	85,377	74,330	61,192
EARNING PER SHARE :							
EPS - Basic (In ₹)	7.89	10.41	13.52	11.23	9.80	8.95	7.18
EPS - Diluted (In ₹)	7.86	10.37	13.46	11.18	9.74	8.85	7.07
Book Value (In ₹)	87.60	80.79	73.22	61.31	50.88	41.82	33.88

BOARD OF DIRECTORS

S. D. Kshirsagar	Chairman
P. K. Thakur	Executive Vice-Chairman
S. V. Nayak	Managing Director
K. R. Thakur	Whole-time Director
A. J. Khan	
G. L. Valecha	
R. C. Rawal	
S. H. Mirchandani	
T. C. Venkat Subramanian	
V. M. Kaul	

COMPANY SECRETARY

L. H. Khilnani

STATUTORY AUDITORS

R. M. Ajaonkar & Associates, Chartered Accountants

LEGAL ADVISORS

Bharucha & Partners

BANKERS

Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Corporation Bank
DBS Bank
Dena Bank
ICICI Bank
IDBI Bank
Indian Bank
IndusInd Bank
South Indian Bank
Standard Chartered Bank
State Bank of Hyderabad
State Bank of India
Syndicate Bank
UCO Bank
Union Bank of India
Vijaya Bank

REGISTERED OFFICE

Valecha Chambers, 6th Floor, New Link Road,
Andheri (West), Mumbai - 400 053
Maharashtra State, India
Tel : +91 22 4091 5000
Fax : +91 22 4091 5014/15
Website : www.jsl.in
Email : investor@jsl.in

REGISTRARS & SHARE TRANSFER AGENTS

Bigshare Services Private Limited,
E/2, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (East), Mumbai – 400 072
Tel: +91 22 2847 0652 / 4043 0200
Fax: +91 22 2847 5207
e-mail: bss@bigshareonline.com

38TH ANNUAL GENERAL MEETING

Day	: Saturday
Date	: 27 th July, 2013
Time	: 3:00 p.m.
Venue	: M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001

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JYOTI STRUCTURES LIMITED

DIRECTORS' REPORT

Your Directors take pleasure in presenting the Thirty Eighth Annual Report on business and operations of the Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

Performance of the Company, on standalone basis, for the financial year ended 31st March, 2013 is as summarized below:

	(₹ in Lacs)	
	2012-13	2011-12
Gross Turnover	2,84,219	2,64,779
Profit before tax	9,793	12,857
Provision for taxation including deferred tax	(3,305)	(4,303)
Profit after tax	6,488	8,554
Dividend - Equity Shares	658	904
- Preference Shares	1	-
Dividend Tax	107	147
Transfer to General Reserve	650	864
Transfer to Debenture Redemption Reserve	418	-
Surplus in the statement of Profit and Loss	4,654	6,639

PERFORMANCE HIGHLIGHTS

- Gross turnover for the year under review was ₹ 2,84,219 Lacs, an increase of 7.34% as compared to ₹ 2,64,779 Lacs in the previous year.
- Profit after tax decreased by 24.15% at ₹ 6,488 Lacs against ₹ 8,554 Lacs in the previous year.
- Supply of towers and structures were 72,181 MT during the year as compared to 1,00,105 MT in the previous year.
- Order backlog at the end of the year was at ₹ 4,41,200 Lacs as compared to ₹ 4,34,831 Lacs at the end of the previous year.

With thrust on export marketing, following contracts have been secured, which are mostly funded by multilateral funding agencies.

(₹ in Lacs)			
S no.	Project Description	Location	Value
1.	400 and 220 kV Transmission Lines and Sub Stations	Kenya	48,242
2.	220 kV Transmission Lines	Uganda	18,660
3.	400 kV Transmission Line	Tanzania	37,868
4.	400 kV Transmission Line	Namibia	13,455
5.	132 kV Transmission Line	Nigeria	9,987
6.	500 kV Transmission Line	Egypt	13,055
7.	220 kV Sub Station	Tajikistan	3,118
8.	287 kV Tower Supply	Canada	2,160
9.	138 kV Tower Supply	Philippines	3,588

DIVIDEND

Your Directors recommend a dividend of

- ₹ 0.80 (₹ 1.10 Previous year) per share for the year ended 31st March, 2013 on 8,22,60,147 equity shares of ₹ 2 each; and
- ₹ 1 (Nil for Previous year) per share for the year ended 31st March, 2013 on 25,00,000 preference shares of ₹ 100 each.

SHARE CAPITAL AND LISTING OF SHARES

During the year under review, your Company allotted

- 46,250 equity shares of ₹ 2 each to its employees against exercise of options granted to them under Employee Stock Option Scheme; and
- 25,00,000 preference shares of ₹ 100 each on preferential basis to a strategic investor.

The equity of the Company are listed and traded in compulsory dematerialized form on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Your Company has paid Annual Listing fees to the Stock Exchanges and Depositories up-to-date.

DEBENTURES

Your Company allotted unlisted secured Redeemable Non-Convertible Debentures aggregating to ₹ 16.70 crore, on preferential basis.

JOINT VENTURE

During the year, Lauren Jyoti Private Limited, a Joint Venture company, successfully executed a 50 MWe Solar Thermal Power Plant at Village-Naukh, District-Jaisalmer, Rajasthan.

SUBSIDIARY COMPANIES

During the year, step down subsidiary companies namely Jyoti Structures Canada Limited and Jyoti Structures Namibia (Pty.) Limited were established in Canada and Namibia, respectively.

In view of the general exemption granted by the Ministry of Corporate Affairs from applicability of the provisions of Section 212 of the Companies Act, 1956 ('Act'), standalone audited financial statements of the subsidiary companies are not attached to this report.

The statement pursuant to Section 212 of the Act relating to subsidiary companies is attached and forms part of this report. Annual Accounts of subsidiary companies are available for inspection at the registered office of the Company. Copy of annual report of the subsidiary companies and related information, will be made available free of cost to the shareholders, on request.

The Audited Consolidated Financial Statements prepared in accordance with the prescribed accounting standards, forms part of this Annual Report.

DIRECTORS

The Board of Directors of the Company at its meeting held on 30th January, 2013, subject to approval of the shareholders, effective 1st April, 2013 have appointed Mr. K. R. Thakur, as a Whole-time Director of the Company.

In accordance with provisions of Section 260 of the Act, effective 22nd April, 2013, Mr. Vijay Mohan Kaul was co-opted as an additional director of the Company. The Company has received requisite notice in writing from a member proposing his candidature for the office of Director.

In accordance with the provisions of the Act and that of Articles of Association of the Company, Mr. R. C. Rawal and Mr. S. D. Kshirsagar, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

Brief profiles of Directors seeking appointment forms part of Report on Corporate Governance.

The Board of Directors recommends the appointment of all the above Directors at the ensuing general meeting.

AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 224 of the Companies Act, 1956, R. M. Ajgaonkar & Associates the retiring auditors of the Company offer themselves for re-appointment.

Auditors comments on your Company's accounts for the year ended 31st March, 2013 are self-explanatory in the nature and do not require any explanation as per provisions of Section 217 (3) of the Companies Act, 1956.

The Company has appointed Mr. Narhar Krishnaji Nimkar, Cost Accountant, as the Cost Auditor to audit the cost accounts of the Company for the financial year 2013-14. The cost audit report for the financial year 2011-12 which was due to be filed with the Ministry of Corporate Affairs on 28th February, 2013 was filed on 14th January, 2013.

DEPOSITS

During the year, the Company accepted deposits from the public and as on 31st March, 2013 fixed deposits stood at ₹ 98.24 crore. There were no deposits due for repayment on maturity which remained unclaimed by the depositors as on 31st March, 2013.

JYOTI STRUCTURES LIMITED

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

Pursuant to the provisions of

- a. Section 205A (5) and 205C of the Companies Act, 1956, relevant amounts which remain unpaid or unclaimed for a period of 7 years have been transferred to Investor Education and Protection Fund; and
- b. Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 23rd July, 2012 (date of last Annual General Meeting) on the website of the Company (www.jsl.in), as also on the Ministry of Corporate Affairs website.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

The information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forms part of this report. However, as per the provisions of Section 219 (1) (b) (iv) of the Act, the report and accounts are being sent excluding the statement containing the particulars of employees drawing remuneration as provided under Section 217 (2A) of the Act. Any member interested in obtaining such particulars may write to Company Secretary for a copy thereof.

A Statement pursuant to 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 forms part of this report, as Annexure.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Management's Discussion and Analysis, the Corporate Governance Report, together with Auditors' Certificate on compliance with the conditions of Corporate Governance as laid down, forms part of this report, as an Annexure.

CODE OF CONDUCT

Your company is committed to conducting its business in accordance with the applicable laws, rules and regulations and the highest standards of business ethics. In recognition thereof, the Board of Directors have implemented a Code of Conduct for adherence by the Directors and Senior Management Personnel of the Company. This helps in dealing with ethical issues and also in fostering a culture of accountability and integrity.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Occupational Health & Safety and Environmental Policy

Your Company is striving to achieve no accident across all locations. Several safety programmes were held during the year to increase awareness, improve standards and to inculcate safety leadership amongst line managers. Safety induction training for contract workers is now a regular practice at all sites.

During the year, Apex Safety Committee declared Indore Dahod transmission line project and Jabalpur sub-station project as "Best Safety Conscious site" and awarded rolling trophy to ingrain safety culture.

Social Welfare and Community Development

Your Company continues to engage with local communities around its operations and support social welfare and community development missions to make a positive difference in the communities in which we live and work.

During the year the Company;

- constructed a bore well, developed road for villagers and electrification of school in Malkangiri District, Orissa; and
- constructed a Temple in Kudus, Maharashtra

EMPLOYEES STOCK OPTION SCHEME

Pursuant to the provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended, the details of Stock Options as on 31st March, 2013 under the 'Jyoti Structures Limited Employees Stock Option Scheme' form part of this report, as Annexure.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- i in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii the Directors have 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 at the end of the financial year and of the profit or loss of the company for that period;
- iii the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding assets of the company and for preventing and detecting fraud and other irregularities;
- iv the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

Your Directors would like to acknowledge contribution and place on record their sincere appreciation for the continued support and co-operation received from all stakeholders, which has always been a source of strength for the Company.

The employee relations continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation to all employees for their commitment and continued contribution to the Company.

For and on behalf of the Board

Mumbai; 25th June, 2013

S. D. Kshirsagar
Chairman

JYOTI STRUCTURES LIMITED

ANNEXURE TO THE DIRECTORS' REPORT

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) guidelines, 1999 for the Financial Year 2012-13

S No.	Description	Details
1	Options Granted during F.Y. 2012-13	60,650
2	The Pricing formula	Under the Scheme, the employee is entitled to subscribe to equity shares at an exercise price of ₹17 for each Equity Share (inclusive of premium) of the face value of ₹ 2
3	Options Vested during F.Y. 2012-13	22,055
4	Options Exercised during F.Y. 2012-13	9,250
5	The Total number of Shares arising as a result of exercise of option	46,250
6	Options lapsed	23,150
7	Variation of terms of options	None
8	Money realized by exercise of options	₹ 7,86,250
9	Total Number of options in force	1,19,035
10	Employee wise details of options granted to i. Senior Managerial personnel ii. Any other Employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year iii. Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Options granted to all eligible employees None None
11	Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	₹ 7.86
12	The difference between the employee compensation cost computed under Intrinsic Value Method and the Employee compensation Cost that shall have been recognised if the Company had used the Fair Value Method and its impact on profits and on EPS of the Company.	₹ 1.17 Lacs Profits would have been Higher by ₹ 1.17 Lacs
13	Weighted-average exercised prices and weighted- average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock.	N.A.
14	Description of the method and significant assumptions used during the year to estimate the fair values of options: (i) Risk-free interest rate, (ii) Expected life, (iii) Expected volatility, (iv) Expected dividends, and (v) The price of the underlying share in market at the time of option grant.	Refer Annexure

ANNEXURE TO THE DIRECTORS' REPORT

Grant	I	II	III	IV	V	VI	VII	VIII	IX
(i) Risk-free interest rate	10%								
(ii) Expected life	2.10 years								
(iii) Expected volatility	53.30%	105.67%	191.73%	169.88%	179.57%	221.50%	211.42%	323.34%	306.62%
(iv) Expected dividends	Nil								
(v) The price of the underlying share in market at the time of option grant (₹ 2/- Each)	59.05	114.35	195.25	224.10	244.60	279.45	200.00	88.00	61.65

Grant	X	XI	XII	XIII	XIV	XV	XVI	XVII
(i) Risk-free interest rate	10%							
(ii) Expected life	2.10 years							
(iii) Expected volatility	132.41%	145.13%	203.49%	73.55%	58.54%	126.55%	138.75%	30.04%
(iv) Expected dividends	NIL							
(v) The price of the underlying share in market at the time of option grant (₹ 2/- Each)	84.95	162.35	151.80	146.35	145.90	91.55	84.85	46.95

Information pursuant to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

1 Conservation of Energy :

During the year under review, all possible efforts were made to ensure optimum consumption of electricity and fuel at the plants of the Company.

Consumption	2012-13		2011-12	
	Units	Amount (₹ in Lacs)	Units	Amount (₹ in Lacs)
Electricity (KWH)	36,96,342	267.62	39,35,646	234.20
Furnace Oil (KL)	2,229	929.59	2,958	1,125.83

2 Foreign Exchange Earnings & Outgo :

Earnings:

Export of goods / services
(including Deemed Exports
and sales through Export House)

At FOB Price	58,792.25	45,674.25
At Invoice Value		
(Tower testing Charges)	1,836.50	814.92
Rent on Equipments	404.10	59.17

Outgo :

Expenses of overseas projects (Including foreign taxes)	4,985.49	6,014.99
Interest	440.68	482.74
Professional Fees	114.57	Nil
Others (Like Traveling, Bank Charges etc)	90.01	108.32

3 Technology Absorption and Expenditure on Research and Development :

The R & D Centre and Tower Testing Station suitable for Testing of Double Circuit Towers upto 1,000 kV at Ghoti, Nasik Dist. was commissioned in the year 1998. During the year 26 Nos. of tower proto types were tested and the operations of the centre are satisfactory.

CORPORATE GOVERNANCE REPORT

In compliance with corporate governance requirement as per the format prescribed by SEBI and incorporated under clause 49 of the Listing Agreement with the Stock Exchanges, the Company's policies on Corporate Governance and compliance thereof in respect of specific areas, as applicable for the year ended 31st March, 2013, are set out below for the information of shareholders and investors of the Company.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance philosophy of your Company stems from its belief that Corporate Governance is a key element in improving efficiency as well as enhancing investor confidence. Your Directors are committed to practice sound governance principles and believe that good governance is an ongoing process. We at Jyoti Structures are guided by core principles of governance like integrity, fairness, equity, transparency, accountability, disclosures, commitment to values and compliances to enhance the value for stakeholders' viz. customers, shareholders, employees, lenders, vendors including society of which the Company is a part. Jyoti Structures is committed to achieve and maintain the highest standard of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

BOARD OF DIRECTORS

Composition of Board of Directors of the Company is governed by the Companies Act, 1956 and is in conformity with the stipulation laid down in the code of Corporate Governance prescribed by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchanges.

Composition of Board of Directors of the Company consist of majority of Non-Executive Directors and fifty percent of the Board is independent. The Chairman of the Company is an Independent Non-Executive Director.

In keeping with commitment of the management towards principles of integrity and transparency in business operations for good Corporate Governance, your Company's policy is to have an appropriate blend of executive and independent directors to maintain independence of the Board and to separate the Board's functions of governance and management.

The Board consists of eminent persons with considerable professional expertise and experience in finance, legal, commercial, business administration and other related fields, who, not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board. The Board's role, functions, responsibilities and accountability are clearly defined. The day-to-day management of the Company is entrusted with the senior management personnel of the Company and is headed by the Managing Director who functions under the overall supervision, direction and control of the Board of Directors. The Board reviews and approves the strategy and oversees the actions and results of management to ensure that long term objectives of enhancing stakeholder's value are achieved.

All Directors have confirmed that they are not members of more than 10 Committees and do not act as the Chairman of more than 5 Committees across all the companies in which they are Directors.

The Board of Directors meets at least once in a quarter and the maximum time gap between two meetings is not more than four months. Board meetings are generally held at the Registered Office of the Company.

The Managing Director along with the Executive Directors are responsible for corporate strategy, planning, external contracts and Board matters. The senior management personnel heading respective divisions are responsible for day-to-day operations.

During the year ended 31st March, 2013, the Board met 6 (six) times on 25th May, 2012, 15th June, 2012, 23rd July, 2012, 30th July, 2012, 30th October, 2012 & 30th January, 2013.

Details of number of Board meetings attended by Directors, attendance at AGM, number of other directorships / committee memberships held by them during the year ended 31st March, 2013 are tabulated below:

Sr. No.	Name of Director	Category	No. of Board Meetings Held during their tenure	Board Attended	Attendance at last AGM	No. of other directorships	No. of other Committee memberships
1	S. D. Kshirsagar	Non-executive & Independent	6	6	Yes	1	Nil
2	P. K. Thakur	Executive & Non-Independent	6	4	Yes	8	Nil
3	S. V. Nayak	Executive & Non-Independent	6	6	Yes	10	Nil
4	K. R. Thakur	Executive & Non-Independent	6	6	Yes	4	Nil
5	A. J. Khan	Non-executive & Independent	6	6	Yes	Nil	Nil
6	G. L. Valecha	Non-executive & Non- Independent	6	4	Yes	Nil	Nil
7	R. C. Rawal	Non-executive & Independent	6	5	Yes	Nil	Nil
8	S. H. Mirchandani	Non-executive & Non-Independent	6	2	Yes	6	Nil
9	T. C. Venkat Subramanian	Non-executive & Independent	6	6	Yes	7	4

Notes:

- 1) Only Audit Committees and Shareholders' Grievance Committees are considered for the purpose of committee positions as per the Listing Agreement.
- 2) Mr. Vijay Mohan Kaul has been appointed as an Additional Director with effect from 22nd April, 2013. Mr. Kaul is a Non-Executive & Independent Director.

COMMITTEES OF THE BOARD

The Board has constituted committees comprising of non-executive and independent directors to focus on critical functions of the Company and also for smooth and efficient business operations. The Committees meet at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. Draft minutes of the proceedings of each committee meeting are circulated to the members of that Committee for their comments and thereafter, confirmed and signed by the Chairman of the respective Committee. The Board also takes note of minutes of the meetings of the Committees duly approved by their respective Chairman and the material recommendations / decisions of the Committees are placed before the Board for approval / information.

During the year, the Board had 4 Committees, viz.

- A. Audit Committee
- B. Finance, Share Transfer and Investors Grievance Committee
- C. Remuneration Committee
- D. Compensation Committee

A. Audit Committee

The Company had constituted an Audit Committee in the year 2000. Scope of activities of the Audit Committee is in compliance with Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956. Terms of reference of Audit Committee broadly includes various matters in conformity with statutory guidelines including the following:

"To ensure proper accounting policies, going concern assumption, compliance with accounting standards, significant adjustments, compliance with Stock Exchanges and other legal requirements and to look into the reasons for substantial defaults, if any, in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and review various matters related to statutory audit, internal audit, internal control, investigation and risk management policies, financial reporting process and disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible".

The Company continued to derive immense benefits from deliberations of the Audit Committee. The Committee comprises of Independent Directors and eminent professionals having vast experience and knowledge in accounts, finance and principles of good governance. Minutes of each audit committee meeting are placed and discussed in meetings of the Board.

During the financial year under review, four meetings of the Committee were held on the following dates: 25th May, 2012, 30th July, 2012, 30th October, 2012 & 30th January, 2013. Composition of the Audit Committee and the details of meetings attended by the members of the Audit Committee as on 31st March, 2013, are given below:

JYOTI STRUCTURES LIMITED

Name of the Director	Designation	Category	No. of meetings during the year 2012-13	
			Held	Attended
S. D. Kshirsagar	Chairman	Independent Non-Executive	4	4
A. J. Khan	Member	Independent Non-Executive	4	4
R. C. Rawal	Member	Independent Non-Executive	4	4
T. C. Venkat Subramanian	Member	Independent Non-Executive	4	4

Audit Committee meetings are also attended by Executive Vice-Chairman, Managing Director, Sr. Vice President (Internal Audit) and a representative of Auditors. The Company Secretary is the de-facto Secretary of the Committee.

B. Finance, Share Transfer and Investors' Grievance Committee

The Committee approves share transfers and transmission, issue of duplicate certificates and reviews investors' grievances and all other matters connected with securities. The Committee oversees performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investors' service. The Committee is also authorized to take decisions in day to day financial and banking matters. As on 31st March, 2013, no instruments of share transfer were pending.

The Committee comprises of three independent non-executive Directors - Mr. S. D. Kshirsagar, Chairman, Mr. A. J. Khan, Member and Mr. R. C. Rawal, Member.

During the year under review, the Company had received 55 complaints from shareholders and the same have been redressed to their satisfaction.

Mr. L. H. Khilnani, Vice President (Legal) & Company Secretary is the Compliance Officer of the Company.

C. Remuneration Committee

The Remuneration Committee has been entrusted with powers and authority to review and grant annual increments, vary and / or modify the terms and conditions of appointment / re-appointment including remuneration and perquisites, commission etc. payable to the Executive Directors within the limits approved by the members of the Company.

The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Mr. A. J. Khan, Member and Mr. T. C. Venkat Subramanian, Member.

Details of Remuneration paid/payable to the Directors during the year under review are as under:

(₹ in lacs)

Name of Director	Sitting fees for Board & Audit Committee Meetings	Salaries and Perquisites	Commission
Executive Directors			
K. R. Thakur	Nil	137.04	9.85
P. K. Thakur	Nil	157.40	13.97
S. V. Nayak	Nil	157.40	13.97
Non Executive Directors			
S. D. Kshirsagar	0.50	Nil	12.00
A. J. Khan	0.50	Nil	3.00
G. L. Valecha	0.20	Nil	Nil
R. C. Rawal	0.45	Nil	20.00
S. H. Mirchandani	0.10	Nil	Nil
T. C. Venkat Subramanian	0.50	Nil	12.00

No Stock Option has been granted to any of the Directors under Jyoti Structures Limited Employees Stock Option Scheme.

D. Compensation Committee

The Compensation Committee administers the Employee Stock Option Schemes.

The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Mr. A. J. Khan, Member and Mr. T. C. Venkat Subramanian, Member.

During the year, the Committee granted 60,650 options and allotted 46,250 Equity Shares of ₹ 2 each under Employees Stock Option Scheme.

Profile of directors seeking appointment :

Name of the Director	R. C. Rawal	S. D. Kshirsagar	V. M. Kaul	K. R. Thakur
Date of Birth	5 th November, 1944	4 th May, 1937	18 th March, 1952	13 th November, 1942
Date of Appointment as Director	25 th January, 2010	1 st April, 2003	22 nd April, 2013	7 th February, 1978
Qualification	B.Sc. (Engg.) Mechanical	P.G.D.I.A., (UK), M.A. (Economics)	Bachelor of Mechanical Engg., MBA (IGNOU)	B.E. (Mech.)
Relation - between Directors	None	None	None	Mr. K. R. Thakur is the father of Mr. P. K. Thakur
	Mr. R. C. Rawal has experience of more than four decades in the construction and commissioning of several atomic power projects in India. He also held the position of Principal Project Director (TAPP) in the grade of "Outstanding Scientist" at Nuclear Power Corporation of India Limited. He is associated with the All India Management Association, Indian Nuclear Society and Indian Society for Non-destructive Testing.	After working for numerous projects, in India as well as overseas, in Tata companies, Mr. S. D. Kshirsagar, headed the International Trading Division at Tata International Limited. He was associated with the S. P. Jain Institute of Management & Research, Mumbai in the capacity of professor and advisor to the Dean. He has over four decades of experience in various facets of international marketing, corporate affairs & governance, project management and project control. His knowledge area and competencies wrap around international business, business strategy & planning, marketing and project management. He has published several articles in research journals and financial papers.	Mr. Kaul has over 38 years of experience in premier Organizations like Engineers India Ltd., NTPC Ltd. & Power Grid Corporation of India Ltd. He was also on the Board of Nuclear Power Corporation, Power Trading Corporation & Power Links Transmission Ltd. Mr. Kaul has handled various multi-disciplinary functions like Contract Management, Project Management, Joint Venture & Quality Assurance & Inspection. He has worked on several super thermal power projects (2,100 MW capacity) from initial stage to commissioning and was also incharge of contracts for 12 gas based combined cycle power projects of 6,557 MW capacity. He was instrumental in setting up the ₹ 1,200 crore first Public Private Transmission Project in Joint Venture with Tata Power in India.	Mr. K. R. Thakur has been associated with transmission industry since 1980. Under his leadership, several prestigious turnkey EHV transmission projects, in India and abroad, including design, engineering, procurement, quality management have been implemented and commissioned. His experience also covers design, engineering, implementation and establishment of state-of-the-art manufacturing facilities and tower testing centre, for the transmission industry.
Shareholding as on 31st March 2013 - No. of Equity Shares of ₹ 2 each	NIL	3,200	NIL	46,46,426
Other Directorships	None	Unived Corporate Research Private Limited	Uttar Haryana Bijli Vitran Nigam Limited	- JSL Corporate Services Limited - Jyoti Energy Limited - Jyoti International Inc. - Surya India Fingrowth Private Limited

JYOTI STRUCTURES LIMITED

SUBSIDIARY COMPANIES

None of the subsidiary companies is covered under the term “material non-listed Indian subsidiary company”.

Minutes of Board Meetings of the subsidiary companies are placed before the Board of Directors of the Company on regular basis thereby bringing to their attention all significant transactions and arrangements entered into by the subsidiary companies.

GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001, as per details below:

Date	Time	Details of Special Resolutions	Relevant Section(s)
15 th September, 2010	3.30 P.M	1) Appointment of Mr. Prakash Thakur as an Executive Vice Chairman	198,269,309 read with Schedule
		2) Appointment of Mr. Santosh Nayak as a Managing Director	XIII of the Companies Act, 1956
		3) Appointment of Mr. K. R. Thakur as a Whole-time Director	
		4) Issue of securities up to an amount not exceeding ₹ 4,000 million by way of Qualified Institutions Placement (QIP)	81(1A)
25 th July, 2011	3.30 P.M	1) Payment of remuneration to the Non – Executive Directors of the Company	309
		2) Employees Stock Option Scheme 2011	81(1A)
23 rd July, 2012	3.30 P.M	Extension of coverage of ESOS 2011 to eligible employees of the subsidiary companies	81(1A)

Resolutions passed through Postal Ballot

The following resolutions were passed by way of Postal Ballot during the year 2012-13:

I. Ordinary Resolutions:

- Approval of the Members sought pursuant to Section 293(1)(d) of the Companies Act, 1956, for borrowings;
- Approval of the Members sought pursuant to Section 293(1)(a) of the Companies Act, 1956, for creation of securities.

II. Special resolution:

- Approval of the Members sought pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and all other applicable provisions, if any, to create, offer, issue and allot 50,00,000 Redeemable Preference Shares (RPS) at a price of ₹ 100 per RPS on a preferential basis, in one or more tranches.

Pursuant to the authority of the Board of Directors, Mr. Santosh V. Nayak, Managing Director conducted the Postal Ballot and S. S. Rauthan & Associates, Company Secretaries were appointed as Scrutinizers. The aforesaid resolutions were passed with the requisite majority.

DISCLOSURES

1. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

There are no transactions of material nature other than reported under “Related Party Disclosures” that have been entered into by the Company with the promoters, directors, their relatives and the management and in any Company in which they are interested and that may have potential conflict with the interest of the Company.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

2. INSTANCES OF NON-COMPLIANCE

There were no instances of non-compliances during the last three years by the Company on any matter related to capital market. Consequently, there were neither penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authorities.

3. Though there is no formal Whistle Blower Policy, the Company takes cognizance of complaints made and suggestions given by the employees and others.
4. All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
5. Certificate from Mr. Santosh V. Nayak, Managing Director in terms of Clause 49 (V) of the Listing Agreement with the Stock Exchanges for the financial year ended 31st March, 2013 was placed before the Board of Directors of the Company.

SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Audit confirms 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.

MEANS OF COMMUNICATION

Quarterly/Half Yearly/Yearly Financial Results of the Company are forwarded to The Bombay Stock Exchange Limited and National Stock Exchange of India Limited, where the Company's shares are listed. The results are published in the Economic Times and Maharashtra Times.

Management's Discussion & Analysis Report forms part of Directors' Report.

The Ministry of Corporate Affairs vide its Circular No. 18/2011 dated 29.04.2011 has allowed paperless compliance by companies under the Companies Act, 1956 through electronic mode. To enable your Company to support the Green Initiative in the Corporate Governance adopted by the Ministry of Corporate Affairs we request the members to register their email address with the Company or with the concerned depository.

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc. to all Stock Exchanges where shares of the Company are listed. Such information is also simultaneously displayed on the Company's website "www.jsl.in". The financial results, quarterly and annual results and other statutory information were communicated to the shareholders by way of advertisement in the Economic Times and Maharashtra Times as per the Listing requirements of the Stock Exchanges.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the same is posted on the Company's website "www.jsl.in". All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Managing Director has been obtained and is enclosed at the end of this report.

JSL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for prevention of Insider Trading. This Code of Conduct is applicable to all Board Members and Senior Officials of the Company.

SHAREHOLDERS' INFORMATION

A. Annual General Meeting

Day, Date and Time	:	Saturday, the 27 th July, 2013 at 3.00 p.m.
Venue	:	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20 Kaikhushru Dubash Marg, Mumbai – 400 001

B. Financial Calendar	:	April to March (financial year)
		First Quarter Results - 4 th week of July
		Second Quarter Results - 4 th week of October
		Third Quarter Results - 4 th week of January
		Annual Audited Results - 4 th week of May

C. Book Closure	:	Monday, 15 th July, 2013 to Wednesday, 24 th July, 2013 (both days inclusive)
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D. Dividend Payment Date	:	On or After 1 st August, 2013
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JYOTI STRUCTURES LIMITED

E Listing at Stock Exchanges:

Name of Stock Exchange	ISIN No.	Stock Code No.	Code on Screen
The Bombay Stock Exchange Limited	INE 197A01024	513250	JYOTIST
The National Stock Exchange of India Ltd.		-	JYOTISTRUC

The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2013-14.

F Market Price Data:

MONTH	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April - 12	45.95	42.80	46.10	42.80
May - 12	44.80	37.60	44.95	37.50
June - 12	41.80	38.30	41.65	38.40
July - 12	45.00	36.80	45.05	36.50
Aug - 12	40.05	37.35	40.05	37.10
Sept - 12	48.55	37.00	48.60	36.70
Oct - 12	51.05	43.90	51.10	43.85
Nov - 12	47.60	43.50	47.55	43.10
Dec - 12	48.70	44.10	48.65	44.15
Jan - 13	46.95	40.50	47.05	40.55
Feb - 13	41.25	32.50	41.45	32.80
Mar - 13	34.30	27.00	34.25	27.20

G. Registrar and Share Transfer Agent:

Shareholders should address their correspondence to the Registrar and Share Transfer Agents of the Company at the following address:

Bigshare Services Private Limited

(Unit - Jyoti Structures Ltd.)

E/2, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri (E), Mumbai – 400 072

website : www.bigshareonline.com

e-mail : bss@bigshareonline.com

Tel : +91 22 2847 0652 / 4043 0200

Fax : +91 22 2847 5207

Share Transfer System

The Company's equity shares which are in compulsory dematerialized (demat) form are transferable through the depository system. Equity shares in physical form are processed by the Registrar and Share Transfer Agents, Bigshare Services Private Limited and approved by the Finance, Share Transfer and Investors Grievance Committee of the Board of the Company, which meets at regular intervals.

H. Distribution of shareholding and shareholding pattern as on 31st March, 2013**Distribution of Shareholding**

Range			No. of shareholders	% of shareholding	Shares held in each class (in ₹)	% of shares
1	-	5000	42,811	96.49	2,51,89,354	15.31
5001	-	10000	805	1.81	59,46,790	3.61
10001	-	20000	381	0.86	56,50,032	3.43
20001	-	30000	119	0.27	29,73,204	1.81
30001	-	40000	58	0.13	21,01,066	1.28
40001	-	50000	33	0.07	15,52,018	0.94
50001	-	100000	67	0.15	47,97,468	2.92
100001	and above		97	0.22	11,63,10,362	70.70
Total			44,371	100.00	16,45,20,294	100.00

Shareholding Pattern as on 31st March, 2013

Category of Shareholders		No. of Shares	% of shares
Promoters	- Individuals	1,66,62,126	20.26
	- Bodies Corporate	61,99,765	7.54
Other Bodies Corporate		1,23,20,117	14.98
NRIs / FIIs		1,04,06,612	12.65
Financial Institutions/Banks/Mutual Fund		1,58,32,786	19.25
Indian Public		2,08,38,741	25.33
Total		8,22,60,147	100.00

I. Dematerialization of Shares:

As on 31st March, 2013, 99.24% of the total equity share capital of the Company is held in dematerialized form with NSDL and CDSL and the rest in physical form.

J. Outstanding GDRs/ADRs/Warrants or any convertible instruments:

There are no outstanding GDRs/ADRs/Warrants.

K. Plant Locations:**Nasik Factory (Plant - I):**

52A/53A, "D" Road,
M.I.D.C., Satpur,
Nasik - 422 007, Maharashtra
Tel : +91 253 2201 700 / 800
Fax : +91 253 2351 134

Nasik Factory (Plant - II):

E-60/61, "D" Road,
M.I.D.C., Satpur,
Nasik - 422 007, Maharashtra
Tel : +91 253 6603 225 / 227
Fax : +91 253 6603 226

Raipur Factory:

1037/1056, Sarora Ring Road,
Urla Industrial Complex,
Raipur - 493 221, Chhattisgarh
Tel : +91 771 4213 100 / 101
Fax: +91 771 2324 767 / 2325 567

L. Tower Testing Station:

Ubhade Shivar,
Village - Deole,
Ghoti, Igatpuri,
Dist. : Nasik - 422 402
Maharashtra.
Tel : +91 2553 282 211
Fax : +91 2553 282 212

M. Training Centre

"Gurukul", Plot No. H-37,
Shivaji Nagar, M.I.D.C.,
Satpur, Nasik - 422 007
Maharashtra.
Tel. : +91 253 2350 099

N. Address for Correspondence:

Jyoti Structures Limited
6th Floor, Valecha Chambers,
New Link Road,
Andheri (West), Mumbai 400 053
Tel : +91 22 4091 5000
Fax : +91 22 4091 5014 / 5015
E-mail : investor@jsl.in

JYOTI STRUCTURES LIMITED

DECLARATION – CODE OF CONDUCT

All Board Members and senior management personnel have, for the year ended 31st March, 2013, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered into with the Stock Exchanges.

For Jyoti Structures Limited

Mumbai; 29th May, 2013

Santosh Nayak
Managing Director

CERTIFICATE

We M/s. R. M. Ajgaonkar & Associates, Statutory Auditors of Jyoti Structures Limited hereby certify that, based on the records examined by us and the information and explanations given to us, Jyoti Structures Limited has implemented the Employees Stock Option Scheme, 2005 in accordance with:

- i. SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended;
- ii. Resolution passed at the Annual General Meeting of the company held on 3rd August, 2005.

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

Firm's Registration No. : 117247W

R. M. AJGAONKAR

Partner

Mumbai; 29th May, 2013

Membership No. 31927

Certificate of Compliance from Auditors as stipulated under Clause 49 of the Listing Agreement of the Stock Exchanges in India.

CERTIFICATE

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

We have examined the compliance of conditions of Corporate Governance by Jyoti Structures Limited, for the year ended 31st March, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s) in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 and based on the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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 affairs of the Company.

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

Firm's Registration No. : 117247W

R. M. AJGAONKAR

Partner

Mumbai; 29th May, 2013

Membership No. 31927

MANAGEMENT'S DISCUSSION AND ANALYSIS

About the Company

The Company is engaged in the business of setting up power transmission lines, sub-stations and distribution networks. It undertakes turnkey projects on a global scale, offering a complete range of services in design, engineering, tower testing, manufacturing, construction and project management. Having worked for customers in around 40 countries, the Company is amongst a few engineering, procurement and construction (EPC) service providers worldwide, that possess the capabilities to execute turnkey projects in the areas of power transmission and distribution segment.

Macro Industry overview

At the base level of the electrical energy requirement (EER) at 1,355 BUs, it is estimated that EER would increase at a compound annual growth rate of 8.55% by 2016-2017 and 7.17% by 2021-2022. The pattern of electricity consumption is expected to be similar level amongst the most of its segments, except a marginal decline in rural consumers.

The power generation segment has performed satisfactorily by adding a capacity of 54,964 MW in the Eleventh Five Year Plan. The draft Twelfth Five Year Plan has envisaged a capacity addition of 88,537 MW, an increase of about 60% over the achievement during the preceding plan.

However, the generation of power has been plagued with fuel shortages, the delays in award of contracts resulting in shortage of orders for the equipment manufacturers, ambiguity about the basis for bidding (BOO: build-own-operate against DBFOT: design-build-finance-operate-transfer) and tardy implementation of reforms.

At the end of the 2012-2013, the total transmission system consisting of central utilities, state utilities and private utilities together, was 2,74,588 ckt, km of line length and 4,73,216 MVA of transformer capacity at 220 kV and above voltage levels. The total network line length registered a compound annual growth rate of 7.87% during the Eleventh Plan period. The transmission line industry will have to gear itself to meet the ambitious targets envisaged in the Twelfth Plan, by making available power where it is consumed.

The Challenges

Though the transmission line segment is poised for rapid growth during the Twelfth Five Year Plan period, it currently faces major challenges, which will inhibit its progress.

The transmission line industry structure is characterized by a few dominant buyers mostly in the government sector, fragmented and small subcontractors, entry of increasing number of new players with not having requisite experience and probably no long term interest in the industry. Today, profitability of this industry has come under severe pressure mainly due to the following factors.

Firstly, lack of liquidity in the market accompanied by slow responses of the banking sector in making working capital available to the industry on time, has not only resulted in high interest cost but also cash crunch.

Secondly, transmission line projects by nature necessitate design and scope changes; slow decision making by buyers in making payments, granting legitimate cost increases and providing right of way on time have put additional burden on companies in this segment. As a result, projects are delayed and consumers of power suffer.

Company Strategy

The Company has proactively taken measures to mitigate the impact of adverse factors on its profitability. These are:

- (i) Management of cash inflow and outflow on daily basis;

- (ii) Strict control over costs, not only in difficult times but also in good times, all the times;
- (iii) Selection of customers with a focus on international markets;
- (iv) Building relationship with all the customers on a continuous basis;
- (v) Redefining measurement of performance and providing incentives through well thought out performance measurement system; and
- (vi) Transforming project managers into business managers by providing training.

With these measures, the Company is in a better position not only to face the current challenges but also to take advantage of better times ahead in the near future.

Threats, Risks & Concerns

The identification and mitigation of risks in the business of the Company is complex. Risks arise at four levels --- Global, especially in the markets in which it is operating, National, Industry and the Company. They arise across all the principal activities of the Company at different time viz., project acquisition, project implementation and project closure.

The Company has evolved hands-on process for identification and mitigation of risks on a continual basis. For example, a selection of customer prior to starting marketing efforts, mitigates project acquisition risks. The principal risk during construction is to get the "Right of Way" on time for execution of work. To give right of way to the EPC Contractors is the responsibility of the client/customer. However, delays take place, so also cost escalations for which payments are delayed.

Over the period of time, the Company has evolved a mechanism to identify and mitigate risks continuously throughout the life of all important projects.

Segment-wise performance and outcome

The Company is in the business of execution of projects relating to power transmission and distribution and hence operates in a single business segment. Performance of the Company has been dealt with in the Directors' Report.

Internal Controls

During the current year, the Company implemented SAP ERP software across all functions within the enterprise. This included automating all manufacturing units in India and all project sites. This will help to unify people, information, and processes across technological, organizational, and geographical boundaries.

The Internal Control System of the Company is well structured and is commensurate with the geographical spread, size, scale and complexity of its operations. It is constantly assessed and strengthened with new / modified standard operating procedures, tighter internal and information technology controls.

Internal Audit and Risk Management Department, based on risk assessment, continued to perform regular internal audits and checks to ensure that systems were in place and were being applied. Internal Audit is also conducted by the Auditors and periodical reports are placed before the Audit Committee of the Board to review the adequacy and efficacy of the internal systems and to give suggestions, directions for strengthening and improvement, wherever required. Similarly, cost accounting records and statements are audited by cost accountant and compliance report and cost audit reports are reviewed by the audit committee.

Human Resources

The Company is committed to provide a workplace that is safe, hygienic & humane and which upholds the dignity of employees considering their goals and aspirations and ensures that diversity in the workplace is embraced.

The Company recognizes the importance of protecting all of our human, financial, physical, informational, social, environmental, and reputational assets. In continuation of its emphasis on training, during the year 'Gurukul' training centre of the Company conducted various training programmes like Orientation Programme, Leadership Development Programme and Women's Empowerment Programme.

Special training program was conducted for female employees on stress management and medical checkup camp was organised at Raipur factory and Gurgaon office. During the year, 71 Training Programs were conducted and 1,146 employees attended the training.

The Company will always strive to build trust, deliver mutual advantage and demonstrate respect for human dignity and rights in all relationships it enters into, including respect for cultures, customs and values of individuals and groups. The Company will not tolerate human rights abuses, and will not engage or be complicit in any activity that solicits or encourages human rights abuse.

Cautionary Statement

Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statements. Important factors that could influence the Company's operations include cost of steel, aluminum and zinc, changes in government regulations, tax laws, interest rates, abrupt currency fluctuations, economic developments within the country and such other factors.

For and on behalf of the Board

Mumbai; 25th June, 2013

S. D. Kshirsagar
Chairman

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF JYOTI STRUCTURES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Jyoti Structures Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 Principles generally accepted in India including 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the 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 as required by law have been kept by the Company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
- c. The audit report on the accounts of the companies at overseas branch offices at Uganda, Bhutan, South Africa, Bangladesh and Kenya for the year ended 31.03.2013 have been forwarded to the company by the respective branch auditors and those have been considered in preparing our report.
- d. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from branches not visited by us];
- e. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956;
- f. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 117247W

Place: Mumbai

Date: 29th May, 2013

R. M. AJGAONKAR

Partner

Membership Number: 31927

ANNEXURE TO AUDITORS' REPORT

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

- 1)
 - a) The company has maintained proper records showing full particulars including the quantitative details and situation of fixed assets on the basis of available information.
 - b) The fixed assets have been physically verified by the management in a phased periodic manner during the year, which in our opinion is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
 - c) The company has not disposed off any substantial part of its fixed assets during the year.
- 2)
 - a) The inventories have been physically verified by the management at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, 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) On the basis of our examination of the records of inventories and according to the information and explanations given to us, we are of the opinion that the Company has maintained proper book records of inventories. As explained to us, the discrepancies noticed on verification of inventories between the physical stocks and book records have been properly dealt in the books of accounts.
- 3)
 - a) As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii)(a), 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the Order are not applicable to the Company.
 - b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii)(e), 4(iii)(f) and 4(iii)(g) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, there is generally adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventories and fixed assets and for sale of goods and services, *except for timely billing from certain sites which needs improvement*. During the course of our audit, we have observed that the Company has installed and implemented SAP software but the same is not fully stabilized as yet.
- 5) According to the information and explanations given to us, in our opinion there are no contracts or arrangements, particulars of which are needed to be entered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(v)(a), 4(v)(b) of the Order are not applicable to the Company.
- 6) The Company has accepted the deposits from public during the year and as per the information and explanation given to us and based on the records examined by us, we are of the opinion that the directives issued by Reserve Bank of India and the provisions of section 58A and 58AA of the Companies Act, 1956 and other provisions of the Act and rules framed thereunder was applicable have been complied with.
- 7) In our opinion the Company has an internal audit system commensurate with its size and nature of the business.
- 8) We have broadly reviewed the cost records maintained by the company pursuant to the company's Cost Accounting Records Rules, 2011 prescribed by the Central Government section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have however, not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- 9)
 - a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, and other applicable statutory dues with the appropriate authorities except Income Tax, *where in there are certain delays*. As per the information and explanations given to us, there are no undisputed arrears of statutory dues as at 31st March 2013, which are outstanding for more than six months from the date they became payable.

- b) As explained to us and according to the records of the Company, the outstanding disputed statutory dues are as follows: (₹ in Lacs)

Name of the Statute	Nature of Dues dispute is pending	Forum where to which the amount relates	Financial Year	Amount
The Sales Tax Act	Tax and Interest	Orissa High Court	1996-97 to 1998-99 and 2000-01	32.68
	Tax and Interest	Appellate Tribunal	2004-05, 2005-06, 2006-07	89.20
The Central Excise Act, 1944	Duty and penalty	Appeal with CESTAT	2001-02	515.59

- 10) The Company does not have any accumulated losses as at March 31st, 2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 11) Based on our Audit procedures and according to the information and explanations given to us and based on the documents and the books and records examined by us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- 12) According to the information and explanations given to us and based on the records produced before us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the Company is not a Chit Fund/ Nidhi/ Mutual benefit Fund/ Society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- 14) According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provision of clause 4(xiv) of the Order is not applicable to the Company.
- 15) According to the information and explanations given to us, the Company has given corporate guarantees for loans taken by two of its subsidiaries and a joint venture company from banks. We are of the opinion that the term and condition there of are not prima facie prejudicial to the interest of the company.
- 16) According to the information and explanations given to us and on the basis of examination of the relevant records, prima facie, it appears that the term loans are applied for the purpose for which they are obtained.
- 17) According to the information and explanations given to us and an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short- term basis have been used for long-term investments.
- 18) During the year the Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained u/s 301 of the Companies Act, 1956. Therefore, the provisions of the clause 4(xviii) of the Order are not applicable to the Company.
- 19) As per the information and explanation given to us and records examined by us, no securities or charge has been created in respect of debentures issued. However as informed to us, the same could be created in within the required period.
- 20) The Company has not raised any money by way of public issue during the year. Therefore, the provisions of clause 4(xx) the Order are not applicable to the Company.
- 21) According to the information and explanation given by the management, we report that no material fraud on or by the Company has been noticed or reported during the year or has been informed to us by the management.

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 117247W

R. M. AJGAONKAR

Partner

Place: Mumbai

Date: 29th May, 2013

Membership Number: 31927

JYOTI STRUCTURES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

	Note	As at 31-Mar-2013 ₹ in Lacs	As at 31-Mar-2012 ₹ in Lacs
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	1	4,145.20	1,644.28
b) Reserves and Surplus	2	70,453.56	64,816.18
		74,598.76	66,460.46
2) Share Application Money Pending Allotment	3	0.92	0.39
3) Non Current Liabilities			
a) Long Term Borrowings	4	17,107.58	20,268.56
b) Deferred Tax Liabilities (Net)	5	1,091.65	1,278.55
c) Other Long Term Liabilities	6	13,257.55	10,703.06
d) Long Term Provisions	7	680.18	481.02
		32,136.96	32,731.19
4) Current Liabilities			
a) Short Term Borrowings	8	61,748.47	41,164.23
b) Trade Payables	9	66,832.81	56,298.83
c) Other Current Liabilities	10	43,740.07	43,094.63
d) Short Term Provisions	11	2,374.52	5,486.43
		1,74,695.87	1,46,044.12
TOTAL		2,81,432.51	2,45,236.16
II ASSETS			
1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	12	18,345.57	19,802.64
ii) Intangible Assets	12	1,215.59	361.82
iii) Capital Work-in-Progress		107.51	62.53
iv) Intangible Assets Under Development		-	822.11
		19,668.68	21,049.10
b) Non Current Investments	13	8,655.45	8,655.45
c) Long Term Loans and Advances	14	698.90	710.19
d) Other Non Current Assets	15	4,209.41	5,645.22
2) Current Assets			
a) Inventories	16	22,324.96	26,569.78
b) Trade Receivables	17	1,83,981.07	1,55,814.11
c) Cash and Bank Balances	18	3,299.07	3,974.43
d) Short Term Loans and Advances	19	38,593.29	22,800.66
e) Other Current Assets	20	1.69	17.22
		2,48,200.08	2,09,176.20
TOTAL		2,81,432.51	2,45,236.16
Significant Accounting Policies	30		
Other Notes to Financial Statements	31		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For and on behalf of the Board

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

R. M. AJGAONKAR

Partner

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

Membership No. 31927

Mumbai; 29th May, 2013

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

	Note	Year Ended 31-Mar-2013 ₹ in Lacs	Year Ended 31-Mar-2012 ₹ in Lacs
I INCOME			
Revenue from Operations (Gross)	21	2,84,219.36	2,64,780.73
Less: Excise duty		4,032.47	5,535.87
Revenue from Operations (Net)		2,80,186.89	2,59,244.86
Other Income	22	1,294.63	1,091.24
Total Revenue		2,81,481.52	2,60,336.10
II EXPENSES			
Cost of Materials Consumed	23	1,72,480.27	1,43,164.99
Erection and Sub-contracting Expense	24	44,603.36	59,232.51
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	565.84	(6,457.71)
Employee Benefits Expense	26	8,492.70	7,947.05
Finance Costs	27	16,872.93	14,101.83
Depreciation and Amortization Expense (Net)	28	2,515.01	2,133.51
Other Expenses	29	26,158.64	27,357.09
Total Expenses		2,71,688.75	2,47,479.27
III Profit Before Tax (I-II)		9,792.77	12,856.83
IV Tax Expense:			
Current Tax		3,492.00	4,819.99
Deferred Tax (Net)		(186.90)	(517.19)
		3,305.10	4,302.80
V Profit for the year (III-IV)		6,487.67	8,554.03
VI Earnings Per Equity Share (In ₹)			
[Nominal value of share ₹ 2]			
1) Basic		₹ 7.89	₹ 10.41
2) Diluted		₹ 7.86	₹ 10.37
Significant Accounting Policies	30		
Other Notes to Financial Statements.	31		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For and on behalf of the Board

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

R. M. AJGAONKAR

Partner

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

Membership No. 31927

Mumbai; 29th May, 2013

JYOTI STRUCTURES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

		Year Ended 31-Mar-2013 ₹ in Lacs	Year Ended 31-Mar-2012 ₹ in Lacs
I CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Taxes and Extraordinary Items [A]		9,792.77	12,856.83
ADJUSTMENTS FOR			
i) Depreciation and Amortisation		2,517.43	2,135.93
ii) Transferred from Revaluation Reserve		(2.42)	(2.42)
iii) Finance Cost		16,872.93	14,101.83
iv) (Gain)/Loss on Sale of Fixed Assets (Net)		10.49	(0.54)
v) Interest Received		(890.53)	(1,032.07)
vi) Employee Compensation Expense - ESOS		(83.99)	96.22
[B]		18,423.91	15,298.95
Operating Profit before Working Capital changes [A+B] = [C]		28,216.68	28,155.78
ADJUSTMENTS FOR			
i) Inventories		4,244.83	(4,421.61)
ii) Trade Receivable & Other Receivable, Loans & Advances, Other Current Assets		(33,022.49)	(51,497.91)
iii) Current Liabilities and Provisions		12,045.78	27,069.80
[D]		(16,731.88)	(28,849.72)
Cash Generated from Operations [C+D] = [E]		11,484.80	(693.94)
i) Direct Taxes Paid (Net)		(6,354.84)	(4,399.04)
[F]		(6,354.84)	(4,399.04)
Net Cash (used in) / from Operating Activities [I] [E+F] = [G]		5,129.96	(5,092.98)
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Proceeds from Sale of Fixed Assets		62.41	20.37
ii) Purchase of Fixed Assets [After adjustment of (Increase)/ Decrease in Capital Work-in-Progress]		(1,209.89)	(4,778.01)
iii) Investments in Subsidiary Company		-	(1,150.05)
iv) Investment in Other Companies		-	(500.00)
v) Interest Received		890.53	1,032.07
vi) Net Advances to Subsidiary Companies		(8,377.19)	(1,132.07)
vii) Net Advances to Companies other than Subsidiaries		(2,467.48)	(2,206.53)
Net Cash (used in) / from Investing Activities [II]		(11,101.62)	(8,714.22)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Year Ended 31-Mar-2013 ₹ in Lacs	Year Ended 31-Mar-2012 ₹ in Lacs
III CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Issue of Equity Shares (inclusive of Share Premium and after considering ESOS allotted to employees)	8.39	14.46
ii) Proceeds from Issue of Preference Share	2,500.00	-
iii) Proceeds from issue of Non Convertible Debentures	1,670.00	-
iv) Repayment of Non Convertible Debentures	(12,086.41)	-
v) Proceeds from Long Term Borrowings	12,972.61	12,387.82
vi) Repayment of Long Term Borrowings	(3,847.19)	(2,397.73)
vii) Net Increase/(Decrease) in Interest Free Sales Tax Defferal Loan	(14.90)	(54.41)
viii) Proceeds from Short Term Borrowings from banks	20,584.24	20,349.93
ix) Proceeds from Asset Finance from Banks	150.12	-
x) Repayment of Asset Finance from Banks	(83.71)	(4.87)
xi) Repayment of Asset Finance from others	(7.74)	(12.37)
xii) Dividends Paid	(899.54)	(1,225.11)
xiii) Dividend and Dividend Distribution Tax for earlier year	(0.13)	(0.50)
xiv) Net Corporate Dividend Tax Paid	(146.71)	(199.84)
xv) Finance Cost	(16,872.93)	(14,101.83)
Net Cash (used in) / from Financing Activities [III]	3,926.10	14,755.55
Net Increase/(Decrease) in Cash and Cash Equivalents [I + II + III]	(2,045.56)	948.35
Cash and Cash Equivalents at the beginning of the year	3,957.35	3,009.00
Cash and Cash Equivalents at the end of the year	1,911.79	3,957.35
Note: Cash and Cash Equivalents includes ₹ 29.71 Lacs (P.Y. ₹ 24.90 Lacs) on account of Unclaimed Dividend, which are not available for the use by the Company.		

As per our report attached

For and on behalf of the Board

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Membership No. 31927
Mumbai; 29th May, 2013

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

1 SHARE CAPITAL	31-Mar-2013		31-Mar-2012	
	Number	₹ in Lacs	Number	₹ in Lacs
Authorised :				
Equity Shares of ₹ 2/- each	17,50,00,000	3,500.00	17,50,00,000	3,500.00
Redeemable Preference Shares of ₹ 100/- each	50,00,000	5,000.00	50,00,000	5,000.00
TOTAL	18,00,00,000	8,500.00	18,00,00,000	8,500.00
Issued :				
Equity Shares of ₹ 2/- each	8,22,75,407	1,645.51	8,22,29,157	1,644.58
Redeemable Preference Shares of ₹ 100/- each	25,00,000	2,500.00	-	-
TOTAL	8,47,75,407	4,145.51	8,22,29,157	1,644.58
Subscribed and Paid-up :				
Equity Shares of ₹ 2/- each fully paid up	8,22,60,147	1,645.20	8,22,13,897	1,644.28
Redeemable Preference Shares of ₹ 100/- each fully paid up	25,00,000	2,500.00	-	-
TOTAL	8,47,60,147	4,145.20	8,22,13,897	1,644.28
a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity Shares				
At the beginning of the period	8,22,13,897	1,644.28	8,21,26,115	1,642.52
Issued during the period - ESOS	46,250	0.92	87,100	1.75
Issued during the period against Share Warrants	-	-	682	0.01
Outstanding at the end of the period	8,22,60,147	1,645.20	8,22,13,897	1,644.28
b) Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting period				
Preference Shares				
At the beginning of the period	-	-	-	-
Issued during the period	25,00,000	2,500.00	-	-
Outstanding at the end of the period	25,00,000	2,500.00	-	-
	Number	%	Number	%
c) Names of Equity shareholders holding more than 5 % shares				
1) Valecha Infrastructure Ltd.	54,31,400	6.60%	54,31,400	6.61%
2) Prakash K Thakur	52,48,235	6.38%	52,48,235	6.38%
3) K. R. Thakur	46,46,426	5.65%	46,46,426	5.65%
4) Reliance Capital Trustee Ltd.	46,14,900	5.61%	41,75,800	5.08%
d) Names of preference shareholders holding more than 5 % shares				
1) Amtek India Limited	15,00,000	60.00%	-	-
2) Amtek Auto Limited	10,00,000	40.00%	-	-
e) Shares reserved for issue under options				
Employee Stock Options Scheme (ESOS)				
1) Under ESOS 2005, eligible employees on grant of option and on vesting shall be entitled to apply for five equity shares of ₹. 2/- each at an exercise price of ₹. 17/- per equity share for each option.	5,95,175		6,41,425	
2) Under ESOS 2011, eligible employees on grant of option and on vesting shall be entitled to apply for one equity share of ₹ 2/- each at an exercise price of ₹. 25/- per equity share for each option.	25,00,000		25,00,000	
f) The Company has equity shares having a par value of ₹ 2/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.				
g) The Company has Preference shares having a par value of ₹ 100/- each. The share carries dividend @ 1%. In the event of liquidation, the shareholders will have preference in repayment over equity shareholders.				

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
2 RESERVES AND SURPLUS		
a. Capital Reserve		
As per last Balance Sheet	6.06	6.06
b. Capital Redemption Reserve		
As per last Balance Sheet	300.00	300.00
c. Securities Premium Reserve		
As per last Balance Sheet	16,087.95	15,961.07
Add: On Allotment of Equity Shares	52.80	126.88
	16,140.75	16,087.95
d. Debenture Redemption Reserve		
As per last Balance Sheet	6,044.00	6,044.00
Add: Transferred from surplus in the Statement of Profit and Loss	417.50	-
Less: Transferred to General Reserve	6,044.00	-
	417.50	6,044.00
e. Revaluation Reserve*		
As per last Balance Sheet	40.00	42.42
Less: Transferred from the Statement of Profit and Loss as Reduction from Depreciation	2.42	2.42
	37.58	40.00
f. Employee Stock Option Outstanding [Note No. 31 (22)]	387.36	524.82
Less: Deferred Employee Compensation Expense	84.10	91.71
	303.26	433.11
g. General Reserve		
As per last Balance Sheet	9,562.64	8,698.64
Add: Transferred from Debenture redemption reserve	6,044.00	-
Add: Transferred from surplus in the Statement of Profit and Loss	650.00	864.00
	16,256.64	9,562.64
h. Surplus in Statement of Profit and Loss		
As per last Balance Sheet	32,342.42	27,028.94
Less: Tax adjustment for an earlier year including interest	-	1,324.99
Less: (Excess)/Short Provision of Taxes for earlier year	4.42	-
	32,338.00	25,703.95
Add: Profit for the year	6,487.67	8,554.03
Less: Appropriations		
Proposed Dividend - Equity Shares [amount per share ₹ 0.80/-[(P.Y.: ₹ 1.10/-)]	658.08	904.35
Tax on Dividend	106.96	146.71
Dividend and Dividend Distribution Tax for an earlier year	0.13	0.50
Preference Share Dividend	1.23	-
Transfer to Debenture Redemption Reserve	417.50	-
Transfer to General Reserve	650.00	864.00
	1,833.90	1,915.56
Net Surplus in the Statement of Profit and Loss	36,991.77	32,342.42
TOTAL	70,453.56	64,816.18

*Cumulative amount withdrawn from Revaluation Reserve is ₹ 46.04 Lacs (P.Y. ₹ 43.62 Lacs)

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013 ₹ In Lacs	31-Mar-2012 ₹ In Lacs
3 SHARE APPLICATION MONEY PENDING ALLOTMENT		
Share Application Money Pending Allotment		
For Equity Shares	0.92	0.39
Number of Shares proposed to be allotted	5425	2300
Amount of Premium, if any	0.81	0.35
Terms and Conditions of shares proposed to be issued		
Option Grantees, in accordance with the Employees Stock Option Scheme have an option to exercise their rights to apply for 5 Equity shares for each options held, at an exercise price of ₹ 17 per Share within the vesting period		
Date by which the shares shall be allotted	15-Apr-2013	15-Apr-2012
Whether sufficient authorised share capital to cover allotment of shares out of such share application money	YES	YES
The period overdue from the proposed date of allotment	NA	NA

	Non-current		Current	
	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
4 LONG TERM BORROWINGS				
Secured Loans				
Non Convertible Debenture	1,670.00	-	-	12,086.41
Term Loan				
From Bank	2,719.24	11,901.01	12,771.90	3,489.72
From Other	-	4.90	4.90	7.74
TOTAL - A	4,389.24	11,905.91	12,776.80	15,583.87
Unsecured Loans				
Term Loan				
From Bank	5,220.26	7,985.32	3,260.21	1,227.98
From Other				
Deferred Payment Liabilities	362.43	377.33	30.30	30.30
Deposits	7,135.65	-	2,688.60	-
TOTAL - B	12,718.34	8,362.65	5,979.11	1,258.28
Amount disclosed under the head				
"Other Current Liabilities" (Note No. 10)	-	-	(18,755.91)	(16,842.15)
TOTAL - A + B	17,107.58	20,268.56	-	-

Nature of Securities for Secured Loan

Debenture

- ₹ 1,670.00 Lacs (P.Y. Nil) Non-Convertible Debentures Mortgage over identified immovable property of the subsidiary company.
- ₹ Nil (P.Y. ₹ 12,086.41 Lacs) Non-Convertible Debentures Hypothecation on Company's moveable assets including moveable machinery, machinery spares, stocks, tools and accessories both present and future. Mortgage on Company's immoveable properties except CSIDCL Raipur properties.

Term Loan from bank

- ₹ 3,707.79 Lacs (P.Y. ₹ 6,054.46 Lacs) Secured by i) first charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. ii) second charge on current assets of the company and iii) exclusive charge on specific machinery and equipment;
- ₹ 148.97 Lacs (P.Y. ₹ 637.21 Lacs) Secured by i) first charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. and ii) hypothecation on specific Plant & Machinery

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

4 LONG TERM BORROWINGS (Contd.....)

- c) ₹ 508.90 Lacs (P.Y. ₹ Nil) Secured by hypothecation on specific Plant & Machinery
- d) ₹ 10,960.00 Lacs (P.Y. ₹ 8,600.00 Lacs) Secured by Pari pasu charges on stock and receivables of the contract and Escrow of receivable of the Project.
- e) ₹ 170.38 Lacs (PY. ₹ 111.70 Lacs) Secured by hypothecation of specific Plant and Machinery and vehicles.

	Maturity Profile			₹ in Lacs
	1-2 Years	2-3 Years	3-4 Years	4-5 Years
Maturity Profile of Unsecured Term Loans is as below :				
Term Loans - From Banks	2,610.13	2,610.13	-	-
Deposits	943.70	6,191.95	-	-

Redemption of Secured Non Convertible Debenture is as below :

14.00 % Debentures	-	-	-	650.00
12.50 % Debentures	-	1,020.00	-	-

5 DEFERRED TAX LIABILITIES (NET)

	Deferred Tax Liability/ (Asset) as at 31-Mar-2012 ₹ in Lacs	Current Year Liability/ (Asset) ₹ in Lacs	Deferred Tax Liability /(Asset) as at 31-Mar-2013 ₹ in Lacs
Deferred Tax Liabilities			
On Account of difference in Book and Tax Depreciation	1,993.40	175.86	2,169.26
Deferred Tax Assets			
Disallowance under the Income Tax Act, 1961	(714.85)	(362.76)	(1,077.61)
TOTAL	1,278.55	(186.90)	1,091.65

6 OTHER LONG TERM LIABILITIES	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
Trade Payables*	8,079.38	7,176.35
Others (Advances received from Customers)	5,178.17	3,526.71
TOTAL	13,257.55	10,703.06

*Amount payable beyond one year

7 LONG TERM PROVISIONS

Provision for Gratuity	432.37	323.89
Provision for Compensated Absences	247.81	157.13
TOTAL	680.18	481.02

8 SHORT TERM BORROWINGS

Secured Loan

Loans repayable on Demand		
From Banks	59,602.55	38,992.82
Unsecured Loan		
From Banks	2,145.92	2,171.41
TOTAL	61,748.47	41,164.23

Secured Loan from Bank

₹ 59,602.55 Lacs (PY. ₹ 38,992.82 Lacs) Secured by a first charge on all present and future current assets, monies receivable and claims, except assets for which an exclusive charge has been created and secured by a charge which is second and subservient to the charge created in favour of IDBI and Standard Chartered Bank, by way of deposit of Title Deeds in respect of the Company's immovable property in M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh), Ghoti Dist. Nashik (Maharashtra), Malvan Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai.

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013	31-Mar-2012
	₹ in Lacs	₹ in Lacs

9 TRADE PAYABLES

Trade Payables (Including Acceptances)*	66,832.81	56,298.83
TOTAL	66,832.81	56,298.83

* (Refer Note No. 31 (25) for details of due to Micro, Small and Medium Enterprises)

10 OTHER CURRENT LIABILITIES

a) Current Maturities of Long Term Borrowings (Note No. 4)	18,755.91	16,842.14
b) Interest Accrued But Not Due on Borrowings	555.28	134.12
c) Advances from Customers	17,044.11	16,363.39
d) Unclaimed Dividend*	29.71	24.90
e) Other Payables (Including expenses)	6,148.86	9,092.81
f) Statutory Liabilities	1,206.20	637.27
TOTAL	43,740.07	43,094.63

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2013. These amounts shall be paid to the fund as and when they became due.

11 SHORT TERM PROVISIONS

a) Provision for Employee Benefits	190.16	157.64
b) Proposed Dividend	658.08	904.35
c) Provision for Income Tax on Proposed Dividend	106.96	146.71
d) Provision for Tax*	1,419.32	4,277.73
TOTAL	2,374.52	5,486.43

* The Provision for Income Tax amounting to ₹ 1,419.32 Lacs (P.Y. ₹ 4,277.73 Lacs) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other adjustments.

12 FIXED ASSETS

(₹ In Lacs)

PARTICULARS	GROSS BLOCK			As at 31/03/2013	DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 01/04/2012	Additions	Deletions/ Adjustments		As at 01/04/2012	For The Year	Deletions/ Adjustments	As at 31/03/2013	As at 31/03/2013	As at 31/03/2012
Tangible Assets: Ownership										
Freehold Land	118.18	-	6.16	112.02	-	-	-	-	112.02	118.18
Leasehold Land	81.33	107.48	-	188.82	14.15	3.09	-	17.24	171.58	67.18
Buildings	2,831.06	24.23	25.08	2,830.21	673.22	72.06	2.60	742.69	2,087.52	2,157.84
Plant & Machinery	19,762.62	498.88	65.03	20,196.46	6,701.98	1,571.06	33.07	8,239.98	11,956.49	13,060.63
Furniture & Fixtures	668.88	35.95	8.31	696.51	418.83	38.99	8.31	449.51	247.00	250.05
Computer & Office										
Equipments	1,594.24	63.97	80.88	1,577.33	947.63	124.05	80.32	991.36	585.98	646.62
Vehicles	3,196.34	172.84	68.40	3,300.78	1,123.90	319.89	56.67	1,387.12	1,913.66	2,072.44
TOTAL - A	28,252.65	903.35	253.87	28,902.13	9,879.72	2,129.15	180.97	11,827.89	17,074.24	18,372.93
Tangible Assets :										
On Operating Lease										
Plant & Machinery	162.08	-	-	162.08	2.00	12.03	-	14.03	148.05	160.07
Vehicles	1,294.03	-	-	1,294.03	24.39	146.35	-	170.75	1,123.28	1,269.64
TOTAL - B	1,456.11	-	-	1,456.11	26.40	158.38	-	184.78	1,271.33	1,429.71
TOTAL - C = A+B	29,708.76	903.35	253.87	30,358.24	9,906.11	2,287.53	180.97	12,012.67	18,345.57	19,802.64
Intangible Assets :										
Software	639.92	1,083.67	-	1,723.59	398.55	169.68	-	568.23	1,155.37	241.37
Goodwill on Amalgamation	301.13	-	-	301.13	180.68	60.23	-	240.90	60.23	120.45
TOTAL - D	941.04	1,083.67	-	2,024.72	579.22	229.90	-	809.13	1,215.59	361.82
TOTAL - C+D	30,649.80	1,987.03	253.87	32,382.96	10,485.34	2,517.43	180.97	12,821.80	19,561.16	20,164.46
Previous Year	26,784.64	4,032.72	167.56	30,649.80	8,497.14	2,135.94	147.74	10,485.34	20,164.46	18,287.50

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

13 NON CURRENT INVESTMENTS

	Subsidiary / Associate / Joint Venture	Face Value	No. of Shares / Units		Amount	
			31-Mar-2013	31-Mar-2012	31-Mar-2013	31-Mar-2012
			Nos	Nos	In Lacs	In Lacs
Trade Investments						
Investment in Equity Instruments						
Unquoted - At Cost						
JSL Corporate Services Ltd. - Eq. Shares	Subsidiary	₹ 10 Each	35,00,000	35,00,000	350.00	350.00
Jyoti Energy Ltd. - Eq. Shares	Subsidiary	₹ 10 Each	50,000	50,000	5.00	5.00
Jyoti Structures Africa (pty.) Ltd. - Eq. Shares	Subsidiary	Rand 1 Each	70	70	-	-
Jyoti International Inc. - Eq. Shares	Subsidiary	\$ 0.01 Each	100	100	6,000.65	6,000.65
Jyoti Structures FZE. - Eq Share	Subsidiary	AED 10,00,000 Each	1	1	134.18	134.18
Gulf Jyoti International LLC - Eq. Shares	Joint Venture	AED 1000 Each	12,930	12,930	1,642.77	1,642.77
Lauren Jyoti Pvt Ltd. - Eq Shares	Joint Venture	₹ 10 Each	50,00,000	50,00,000	500.00	500.00
Jankalyan Sahakari Bank Ltd. - Eq. Shares	Other	₹ 10 Each	49,955	49,955	5.85	5.85
					8,638.45	8,638.45

Other Investments**Investment in Mutual Fund****Quoted - At Cost**

SBI Blue Chip Fund	Mutual Fund	₹ 10 Each	20,000	20,000	2.00	2.00
SBI Infrastructure Fund	Mutual Fund	₹ 10 Each	50,000	50,000	5.00	5.00
SBI One India Fund	Mutual Fund	₹ 10 Each	50,000	50,000	5.00	5.00
UTI Bond Fund	Mutual Fund	₹ 10 Each	28,352	28,352	5.00	5.00
					17.00	17.00
TOTAL					8,655.45	8,655.45

Book value of Unquoted Investments is ₹ 8,638.45 Lacs (P.Y. ₹ 8,638.45 Lacs)

Book value of Quoted Investments is ₹ 17 Lacs (P.Y. ₹ 17 Lacs)

Market value of Quoted Investments is ₹ 40.32 Lacs (P.Y. ₹ 20.80 Lacs)

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
14 LONG TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Capital Advances	-	10.22
b) Security and Other Deposits	641.84	638.35
c) Other Loans and Advances (Loan to Employees)	57.06	61.62
TOTAL	698.90	710.19

15 OTHER NON CURRENT ASSETS

Unsecured, considered good

Trade Receivables	4,209.41	5,645.22
TOTAL	4,209.41	5,645.22

16 INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

a) Raw Materials		
i) In Stock	6,283.62	8,349.74
ii) In Transit	589.47	463.58
b) Construction Materials at Site	2,592.81	4,178.52
c) Semi Finished Goods	537.06	305.64
d) Work-in-Progress	6,570.34	7,076.03
e) Finished Goods	3,272.38	3,523.99
f) Stores and Consumables	381.53	98.67
g) Tools and Tackles	2,015.08	2,450.98
h) Scrap	82.67	122.63
TOTAL	22,324.96	26,569.78

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
17 TRADE RECEIVABLES		
Unsecured, considered good		
a) Trade Receivables (overdue more than six months)	9,476.49	26,569.07
b) Other Trade Receivables	1,74,504.58	1,29,245.04
TOTAL	1,83,981.07	1,55,814.11

18 CASH AND BANK BALANCES

Cash and Cash Equivalents

a) Balances with Banks	1,567.46	3,225.80
b) Fixed Deposit with original maturity for less than 3 months	265.99	656.12
c) Unpaid Dividend	29.71	24.90
d) Cash On Hand	48.63	50.53
	1,911.79	3,957.35
Other Bank Balances		
a) Margin Money	1,387.28	-
b) Fixed Deposit with original maturity for more than 3 months but less than 12 months	-	17.08
	1,387.28	17.08
TOTAL	3,299.07	3,974.43

19 SHORT TERM LOANS AND ADVANCES

Unsecured and considered good

a) Loan and Advances to Related Parties [Note No. 31(19)]	18,356.28	7,511.60
b) Other Loans and Advances		
i) Prepaid Expenses	4,671.87	3,809.47
ii) Loans to Employees	20.24	17.57
iii) Balances With Statutory/Government Authorities	9,404.21	6,156.29
iv) Advances to Supplier	3,943.74	3,441.49
v) Sundry Deposits	443.86	977.87
vi) Other Advances and Claim Receivables	1,753.09	886.37
TOTAL	38,593.29	22,800.66

20 OTHER CURRENT ASSETS

Unsecured and considered good

Interest Accrued But Not Due on Fixed Deposits	1.69	17.22
TOTAL	1.69	17.22

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
21 REVENUE FROM OPERATIONS		
a) Sale of Products	2,76,867.79	2,56,322.59
b) Sale of Services	3,262.40	3,815.75
c) Other Operating Revenues	4,089.17	4,642.39
Revenue from Operations (Gross)	2,84,219.36	2,64,780.73
Less: Excise Duty	4,032.47	5,535.87
Revenue from Operations (Net)	2,80,186.89	2,59,244.86
22 OTHER INCOME		
a) Lease Rentals	404.10	59.17
b) Interest on Fixed Deposits	26.50	192.37
c) Interest Others	864.03	839.70
TOTAL	1,294.63	1,091.24
23 COST OF MATERIAL CONSUMED		
Cost of Material Consumed	1,72,480.27	1,43,164.99
TOTAL	1,72,480.27	1,43,164.99
24 ERECTION AND SUB-CONTRACTING EXPENSE		
a) Construction Materials and Stores Consumed	11,397.27	17,123.64
b) Tools and Tackles Consumed	1,436.68	1,280.46
c) Sub-contracting Expenses	27,788.79	36,923.19
d) Repairs to Construction Equipments/Machinery	114.61	161.85
e) Construction Transportation Charges	3,866.01	3,743.37
TOTAL	44,603.36	59,232.51
25 CHANGES IN INVENTORIES		
a) Opening Stock		
i) Work in Progress/Semi Finished Goods	7,381.67	2,708.67
ii) Finished Goods	3,523.99	1,678.06
iii) Scrap	122.63	183.85
	11,028.29	4,570.58
b) Less: Closing Stock		
i) Work in Progress/Semi Finished Goods	7,107.40	7,381.67
ii) Finished Goods	3,272.38	3,523.99
iii) Scrap	82.67	122.63
	10,462.45	11,028.29
TOTAL	565.84	(6,457.71)
26 EMPLOYEE BENEFITS EXPENSE		
a) Salaries, Wages and Bonus, etc.	7,116.75	6,527.72
b) Leave Encashment	152.49	119.10
c) Employee Compensation Expense - ESOS	(83.99)	96.22
d) Contribution to Provident and Other Fund	877.96	811.99
e) Welfare Expenses	429.49	392.02
TOTAL	8,492.70	7,947.05

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
27 FINANCE COSTS		
a) Interest Expense	15,429.07	13,282.38
b) Other Borrowing Costs	1,258.03	539.45
c) Net (gain)/loss on foreign currency transactions and translation on borrowing cost	185.83	280.00
TOTAL	16,872.93	14,101.83
28 DEPRECIATION AND AMORTIZATION EXPENSE		
a) Depreciation of Tangible Assets (Note No. 12)	2,287.53	1,972.54
b) Amortization of Intangible Assets (Note No. 12)	229.90	163.39
	2,517.43	2,135.93
c) Less : Transfer from Revaluation Reserve	(2.42)	(2.42)
TOTAL	2,515.01	2,133.51
29 OTHER EXPENSES		
a) Stores and Consumables	623.93	535.98
b) Packing Materials	127.19	119.17
c) Power and Fuel	1,804.17	2,235.83
d) Conversion Expenses	2,230.34	2,582.96
e) Service Charges	2,989.17	2,835.70
f) Repairs to Buildings	70.02	85.52
g) Repairs to Plant and Machinery	271.46	292.46
h) Repairs to Others	313.45	228.29
i) Testing and Designing Expenses	286.00	154.15
j) Excise Duty on Stocks (Net)	(73.41)	179.04
k) Rent	227.14	195.04
l) Rates and Taxes	3,069.82	2,879.27
m) Insurance	830.13	793.74
n) Travelling and Conveyance	1,414.96	1,347.31
o) Postage, Telephone and Fax	360.39	334.69
p) Printing and Stationery	214.07	211.05
q) Professional and Legal Fees	922.80	645.31
r) Directors' Sitting Fees	2.25	1.95
s) Payment to auditors	68.98	54.67
t) Net (gain)/loss on foreign currency transactions and translation.	200.10	1,328.16
u) Licence and Tender Fees	83.60	53.58
v) Donations	11.51	8.46
w) Freight Outward	2,900.58	4,233.27
x) Brokerage and Commission	421.39	301.41
y) Bank Charges	5,348.67	5,105.47
z) (Gain)/Loss on Sale of Fixed Assets (Net)	10.49	(0.54)
aa) Bad Debts	790.54	-
ab) General Expenses	638.90	615.15
TOTAL	26,158.64	27,357.09

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2013**NOTE - 30 Statement of significant accounting policies****1. Basis of Preparation of Financial Statements:**

The financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting, except for certain fixed assets which are revalued in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956. They are prepared in accordance with the accounting standards notified under sub section (3C) of Section 211 of the Companies Act, 1956 and other relevant provisions to the extent applicable.

2. Use of Estimates:

The presentation of financial statements requires estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognised in the period in which the results are known/materialised.

3. Revenue Recognition:

- a) Sale of goods is recognised on completion of supplies as per the terms of the contract and on transfer of risk and reward. Sales include excise duty and adjustment for price variation and are net of claims accepted.
- b) In case of construction/erection contracts, revenue is recognised based on the stage of completion determined as per the terms of the contract. Sales/income are booked on the basis of running account bills based on completed work and are net of claims accepted. Escalations and other claims which are not acknowledged by customers are not taken into account.
- c) Interest income is recognised on time proportion basis.
- d) The insurance claims are accounted for on accrual basis based on fair estimation of sanction by the insurance companies.

4. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction, net of recoverable taxes including any cost attributable for bringing the asset to its working condition for its intended use and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any.

5. Depreciation/Amortisation:

- a) Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except on computer software and on fixed assets of Uganda, Bhutan, Bangladesh and Kenya branches.
- b) Computer software is depreciated over a period of 3 to 6 years depending upon the expected useful life of the software.
- c) On the fixed assets of Uganda, Bangladesh Bhutan and Kenya branches, depreciation is provided on Straight Line Method. The applicable rates are based on the local laws and practices of the respective countries.
- d) Assets individually costing ₹ 0.05 Lacs or less are depreciated fully in the year of purchase.
- e) In case of revalued assets, the difference between the depreciation based on revaluation and the depreciation charged on historical cost is recouped out of the revaluation reserve.
- f) Leasehold Land is amortised over the period of lease.
- g) Goodwill arising on amalgamation is amortised over a period of 5 years.

6. Investments:

Long term investments are stated at cost. Provision for diminution in value of such investments is made only if such a decline is other than temporary.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2013

7. Inventories:

- a) Raw materials, Construction materials, Components and Stores and Spares are valued at lower of cost or net realisable value.
- b) Cost of inventories is determined by using the weighted average method.
- c) Material purchased for supply against specific contracts is valued at cost or net realisable value as per the contract, whichever is lower.
- d) Work-in-progress is valued at cost including material cost and attributable overheads. Provision is made when expected realisation is lesser than the carrying cost.
- e) Finished goods are valued at cost or net realisable value, whichever is lower and inclusive of excise duty.
- f) Scrap is valued at net realisable value.

8. Tools and Tackles:

Tools and tackles are amortised over their estimated useful life.

9. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expenses in the period in which they are incurred.

10. Impairment of Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any such indication exists, then recoverable amount of the asset is estimated. An impairment loss, if any, is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

The impairment loss recognised in a prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

11. Debenture / Preference Share Issue Expenses:

Expenses incurred for issue of secured debentures and preference share made by the Company, were written off as revenue expenditure during the year of issue.

12. Foreign Currency Transactions:

- a) Transactions denominated in foreign currencies are accounted for at the exchange rates prevailing on the dates of the transactions or that approximates the actual rate at the dates of transactions.
- b) Monetary items denominated in foreign currencies, remaining unsettled at the year end are restated at the year end rates.
- c) Non-monetary items denominated in a foreign currency are stated at costs.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in Statement of Profit and Loss.
- e) Financial Statements of Overseas Integral Operations are translated as under:
 - i) Assets and liabilities are translated at the rate prevailing at the end of the year. Income and expenditure are translated on the yearly average exchange rate prevailing during the year.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2013

- ii) Fixed assets are translated at the average rate prevailing on purchase/acquisition of assets. Depreciation is accounted at the same rate at which the assets are translated.
- iii) The resultant exchange gains and losses are recognised in the Statement of Profit and Loss.
- f) Forward Exchange Contracts:
 - i) In case of transactions covered by forward exchange contracts which are not intended for trading or speculation purposes, premium or discount is amortised as expense or income over the life of the contract.
 - ii) Exchange difference on such contracts is recognised in the Statement of Profit and Loss in the year in which the exchange rates change.
 - iii) Profit or loss arising on cancellation or renewal of such forward exchange contracts are recognised as income or expense for the year.

13. Excise Duty:

The excise duty in respect of closing inventory of finished goods is included as part of the inventory. The amount of Central Value Added Tax (CENVAT) credit in respect of materials consumed for sales is deducted from cost of materials consumed.

14. Leased Assets:

Operating Lease:

- i) Lease payments are recognised as expense in the Statement of Profit and Loss on straight line basis over the term of the lease.
- ii) Assets given on operating lease are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the term of the lease.

15. Employees Retirement and Other Benefits:**a) Short Term Employee Benefits:**

Short term employee benefits are recognised as expenses at the undiscounted amount in the period during which the services have been rendered.

b) Long Term Employee Benefits:**1) Defined Contribution Plan:**

The Company's contribution to Provident Fund and Superannuation Fund are charged to Statement of Profit and Loss on accrual basis.

2) Defined Benefit Plan:

- i) Gratuity: The company provides for gratuity based on actuarial valuation as per the Projected Unit Credit Method.
- ii) Leave Encashment: The company provides for liability at the year end on account of unavailed earned leave as per the actuarial valuation as per Projected Unit Credit Method.
- iii) The bonus and leave travel allowance applicable to employees is accounted for on accrual basis.
- iv) The cost of employee stock option attributable to current financial year is accounted for and charged to Statement of Profit and Loss.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2013

16. Taxes on Income:

a) Current Tax:

Provision for current Income Tax is made on the estimated taxable income using the applicable tax rates and tax laws.

b) Deferred Tax:

Deferred tax arising on the timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax asset is not recognised unless there is a virtual certainty as regards to the reversal of the same in future years.

17. Earnings Per Share:

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

18. Provisions and Contingencies:

- a) A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.
- b) A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- c) Contingent assets are neither recognised nor disclosed in the financial statement.

19. Employees Stock Option Scheme:

Stock options granted to the employees of the company, under the Employees Stock Option Scheme are evaluated as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. Accordingly, excess of market value of the stock option, as on date of grant over the exercise price of the option is recognised as deferred employee compensation and is charged to Statement of Profit and Loss as employee costs, on straight line method over the vesting period of the options.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE - 31 Notes Forming Part of the Financial Statements

1. Outstanding Contracts - Capital Account:

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) are ₹ Nil (P.Y. ₹ 10.55 Lacs). Advances paid ₹ Nil (P.Y. ₹ 10.22 Lacs).

2. Contingent Liabilities not provided for:

Sr. Particulars No	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
i) Outstanding of Bills Discounted	533.91	404.10
ii) Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	637.47	567.13
iii) Civil Suits	107.87	100.21

The Company has given a letter of comfort for general banking facilities provided by National Bank of Abu Dhabi to Gulf Jyoti International LLC. The total loan outstanding from the bank to the said Company is AED 100.98 Lacs (P.Y. AED 98.49 Lacs) equivalent to ₹ 1,498.52 Lacs (P.Y. ₹ 1,385.92 Lacs) as on 31st March, 2013.

3. The gross block of fixed asset includes ₹ 83.62 Lacs (P.Y. ₹ 83.62 Lacs) on account of revaluation of fixed assets carried out by the Company in the year 1993-94. Consequent to the said revaluation, there is an additional charge of ₹ 2.42 Lacs (P.Y. ₹ 2.42 Lacs) on account of depreciation and an equivalent amount has been withdrawn from the revaluation reserve and credited to Statement of Profit and Loss. This has no impact on the profit for the year.

4. Auditors' Remuneration:

Sr. Particulars No	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
i) For Audit*	34.83	34.83
ii) For Other Services*	10.11	6.74
iii) For Uganda Branch (For Audit and Taxation Matters)	2.36	2.40
iv) For Bhutan Branch (For Audit and Taxation Matters)	1.28	0.66
v) For Bangladesh Branch (For Audit and Taxation Matters)	0.67	0.63
vi) For Kenya Branch (For Audit and Taxation Matters)	1.07	N.A.
vii) For South Africa Branch (For Audit and Taxation Matters)	0.44	N.A.
Total	50.76	45.26

*Figures are inclusive of Service Tax.

Professional fees of an associate firm of Statutory Auditors is ₹ 11.24 Lacs (P.Y. ₹ 12.36 Lacs).

5. CIF Value of Imports (Direct):

Sr. Particulars No	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
i) Capital Goods	134.62	481.71
ii) Raw Materials and Components	39,984.78	20,707.92
iii) Spares and Others	1.56	23.02

6. Value of Imported and Indigenous Raw Materials and Stores & Components Consumed:

Sr. Particulars No.	2012-13		2011-12	
	%	₹ in Lacs	%	₹ in Lacs
a) Raw Materials and Components:				
i) Imported in India	24.43	39,984.78	15.62	22,362.75
ii) Indigenous	75.57	1,23,682.17	84.38	1,20,802.24
b) Stores & Spares:				
i) Imported in India	0.25	1.56	0.10	0.51
ii) Indigenous	99.75	622.37	99.90	535.47

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

7. Earnings and Expenditure in Foreign Currency:

Sr. Particulars Nb	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
i) Earnings in Foreign Currency:		
Export of goods/services(including deemed exports and sales through export house)		
At FOB Price	58,792.25	45,674.25
At Invoice Value (Tower testing charges)	1,836.50	814.92
Rent on Equipments	404.10	59.17
ii) Expenditure in Foreign Currency:		
Expenses of overseas projects (Including foreign taxes)	4,985.49	6,014.99
Interest	440.68	482.74
Professional Fees	114.57	Nil
Others	90.01	108.32

8. Disclosure as required by Accounting Standard 15 (revised 2005) "Employee Benefits":

Defined Contribution Plans:

- Provident Fund
- Superannuation Fund

The provident funds are operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the Trustees of the Jyoti Structures Limited Officers Superannuation Scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Sr. Particulars Nb	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
i) Contribution to Provident Fund	387.26	319.83
ii) Contribution to Other Fund	120.84	113.20
iii) Contribution to Employees' Superannuation Fund	97.05	211.68

Defined Benefit Plans:

Gratuity and Leave Encashment

(₹ in Lacs)

Sr. Particulars No.	2012-13		2011-12	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1 Expenses recognised in Statement of Profit and Loss and included in Note-26 "Employee Benefits Expense"				
Current Service Cost	113.30	109.21	85.32	99.92
Interest Cost	69.37	18.59	56.60	13.41
Expected Return on Plan Assets	(42.30)	-	(33.86)	-
Net Actuarial losses/(gain)	115.34	24.05	70.86	25.98
Total Expenses	255.71	151.85	178.92	139.31

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Gratuity and Leave Encashment (Contd.....)

(₹ in Lacs)

Sr. No.	Particulars	2012-13		2011-12	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
2	Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation:				
	Opening balance of defined benefit obligation.	840.88	225.33	665.94	157.72
	Current Service Cost	113.30	109.21	85.32	99.92
	Interest Cost	69.37	18.59	56.60	13.41
	Actuarial losses/(gain)	112.94	24.05	68.48	25.98
	Liabilities Extinguished on Settlements	-	-	-	-
	Benefits Paid	(58.13)	(58.32)	(35.46)	(71.71)
	Closing balance of defined benefit obligation	1,078.36	318.86	840.88	225.33
3	Reconciliation of opening and closing balances of changes in fair value of Plan Assets:				
	Opening balance of Plan Assets	427.54	-	356.45	-
	Expected Returns on Plan Assets	42.30	-	33.86	-
	Actuarial (losses)/gain	(2.40)	-	(2.38)	-
	Assets Distributed on Settlement	-	-	-	-
	Contribution by Employer	85.00	-	50.47	-
	Benefits Paid	(25.58)	-	(10.86)	-
	Closing balance of plan assets	526.86	-	427.54	-
4	Net liability recognised in the Balance Sheet				
	Closing balance of defined benefit obligation	1,078.35	318.86	840.88	225.33
	Closing balance of fair value of Plan Assets	526.87	-	427.54	-
	Present value of unfunded obligation recognised as liability	551.48	318.86	413.34	225.33
5	Actual Return on Plan Assets	39.90		31.48	
6	Actuarial Assumption				
	Discount Rate		8.25%		8.50%
	Expected Rate of Return on Plan Assets		9.25%		9.00%
	Expected Rate of Salary Increase		6.00%		5.50%
	Mortality	LIC (1994-96) published table of Mortality Rates		LIC (1994-96) published table of Mortality Rates	
	Withdrawal Rates	5% at younger ages and reducing to 1% at older ages according to graduated scale		5% at younger ages and reducing to 1% at older ages according to graduated scale	
	Retirement age	58 years		58 years	
	Actuarial Valuation Method	Project Unit Credit Method		Project Unit Credit Method	

Above information is as per certificates of the actuary.

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

9. Disclosures in Respect of Joint Ventures under the Accounting Standard 27 "Financial Reporting of Interest in Joint Ventures":

(₹ in Lacs)

Particulars	As at 31-Mar-2013	As at 31-Mar-2012
	Share of Interest	
a) Jointly Controlled Entities:		
Gulf Jyoti International LLC	30%	30%
b) Aggregate amount of assets, liabilities, income and expenditure related to Company's interest in jointly controlled entity:		

Assets:

Fixed Assets	4,178.90	4,501.32
Cash and Bank Balances	860.16	714.87
Inventories	2,083.84	2,428.40
Trade and Other Receivables	4,297.24	3,036.68
Loans and Advances	1,783.05	2,611.63
Current Liabilities	8,319.25	8,213.40
Non Current Liabilities	3,484.93	4,061.57
Income	11,287.46	8,847.90
Expenditure	10,881.53	8,394.87
Contingent Liability on account of Letter of Credit	5,700.20	1,211.57
Contingent Liability on account of Guarantees	17,664.53	14,202.52

10. Disclosures in Respect of Joint Ventures under the Accounting Standard 27 "Financial Reporting of Interest in Joint Ventures":

(₹ in Lacs)

Particulars	As at 31-Dec-2012	As at 31-Dec-2011
	Share of Interest	
a) Jointly controlled Entities: Lauren Jyoti Pvt Ltd.	50%	50%
b) Aggregate amount of assets, liabilities, income and expenditure related to Company's interest in jointly controlled entity : *		

Assets:

Fixed assets	187.14	15.42
Cash and Bank Balances	156.64	1,148.27
Inventories	21,346.40	435.57
Trade and Other Receivables	948.19	-
Loans and Advances	4,837.90	1,532.90
Current Liabilities	28,071.67	2,646.29
Non-Current Liabilities	5.55	-
Income	24,998.29	379.21
Expenditure	26,079.56	393.35
Contingent Liability on account of Guarantees	5,507.00	Nil
Capital Commitments	Nil	Nil

* These figures are reviewed by the management but are not audited by any auditors.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

11. The Company has invested an amount of AED 129.30 Lacs (P.Y. AED 129.30 Lacs) equivalent to ₹ 1,642.77 Lacs (P.Y. ₹ 1,642.77 Lacs) in its Joint Venture Company namely, Gulf Jyoti International LLC. That Company maintains its accounts on calendar year basis. The total paid up capital of the Company as on 31st March 2013 was AED 431.00 Lacs (P.Y. AED 431.00 Lacs). As against this capital, the total profit earned during the year was AED 102.74 Lacs (P.Y. Profit AED 104.47 Lacs) and total accumulated losses as on 31st March 2013 were AED 129.20 Lacs (P.Y. AED 221.67 Lacs). However, based on the orders in hand and the business outlook of the joint venture Company, the management is of the opinion that these accumulated losses are temporary in nature and will be recovered in the next couple of years. Due to this, the management believes that there is no diminution in value of the investment and therefore no provision for the same is made during the year.
12. The Company has invested an amount of ₹ 500 Lacs (P.Y. ₹ 500 Lacs) in its Joint Venture Company namely, Lauren Jyoti Pvt Ltd. That Company maintains its accounts on financial year basis. The total paid up capital of the Company as on 31st March 2013 was ₹ 1,000 Lacs (P.Y. ₹ 1,000 Lacs). The statutory audit is in progress hence as per management presentation total loss incurred during the year by the company was ₹ 2,162.52 Lacs (P.Y. ₹ 28.27 Lacs). However, based on the orders in hand and the business outlook of the Joint Venture Company, the management is of the opinion that there is no diminution in value of the investment and therefore no provision for the same is made during the year.
13. The company has invested an amount of USD 129.90 Lacs equivalent to ₹ 6,000.65 Lacs in its subsidiary company namely, Jyoti International Inc. That Company maintains its accounts on financial year basis. The company has incurred total loss of USD 57.48 Lacs equivalent to ₹ 3,022.01 Lacs (P.Y. USD 10.64 Lacs equivalent to ₹. 1,026.03 Lacs) during the year. Total accumulated losses as on 31st March 2013 are USD 68.12 Lacs (P.Y. USD 10.64 Lacs). However, based on the orders in hand and the business outlook of the company, the management is of the opinion that these accumulated losses are temporary in nature and will be recovered in the next few years. Due to this, the management believes that there is no other than temporary diminution in value of the investment in that company and therefore no provision for the same is made during the year.
14. During the year, the Company has capitalised interest of ₹ Nil (P.Y. ₹ 14.32 Lacs) on borrowings made for acquisition of qualifying assets.
15. Forward exchange contracts outstanding as at 31st March, 2013 which are entered into by the Company and which are not intended for trading or speculative purposes are given below:

(₹ in Lacs)

Particulars	As at	As at
	31-Mar-2013	31-Mar-2012
Forward Exchange Contracts	Nil	2,559.25

16. The year end net monetary foreign currency exposures that have not been hedged, are given below:

Receivables :

Currency	As at 31-Mar-2013		As at 31-Mar-2012	
	Foreign Currency in Lacs	₹ in Lacs	Foreign Currency in Lacs	₹ in Lacs
USD	307.98	16,740.40	243.17	12,446.91
EURO	4.95	344.82	36.45	2488.39
AED	188.13	2,783.28	238.78	3326.59
TND	2.11	71.69	2.67	91.78
UGX	9,003.15	187.90	18,867.11	378.29
BDT	437.96	299.81	955.66	587.10
Nu	2,022.43	2,022.43	2,572.36	2,572.36

Payables:

Currency	As at 31-Mar-2013		As at 31-Mar-2012	
	Foreign Currency in Lacs	₹ in Lacs	Foreign Currency in Lacs	₹ in Lacs
USD	11.94	652.85	31.50	1,643.65
EURO	-	-	2.62	182.73

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

17. Expenditure on account of premium of forward exchange contracts to be recognised in the Statement of Profit and Loss of subsequent accounting periods amounts to ₹ Nil (P.Y. ₹ 31.46 Lacs).

18. Disclosures for operating leases under Accounting Standard 19 – “Leases”:

- a) Disclosures in respect of the agreements entered into after 1st April, 2001 for taking on leave and license/under operating leases; the residential/office premises and warehouses, including furniture fittings therein, as applicable, and machinery, are given below:

Sr. Particulars No.	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
1 Lease payments recognised in the Statement of Profit and Loss for the year	149.86	210.03
2 Future minimum payments under the agreements, which are non-cancellable. (All the lease agreements are cancellable)	-	-

- b) Disclosures in respect of the agreements entered into after 1st April, 2001 for giving the plant and machineries and other fixed assets under operating leases are given below:

Sr. Particulars No.	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
1 Lease income recognised in the Statement Profit and Loss for the year	404.09	59.17
2 Future minimum lease receipt under the agreements, which are non-cancellable as follows:		
i) Not later than one year	Nil	Nil
ii) Later than one year and not later than five years	-	-

The agreements provide for early termination by either party with a notice period which varies from fifteen days to three months and they contain a provision for their renewal.

19. Related Party Disclosures:

Related party disclosures as required by Accounting Standard 18, “Related Party Disclosures”.

Relationships (during the year)

(a) Subsidiary of the Company:

- i) Jyoti Energy Ltd.
- ii) JSL Corporate Services Ltd.
- iii) Jyoti Structures Africa (Pty) Ltd.
- iv) Jyoti International Inc.
- v) Jyoti Americas LLC
- vi) Jyoti Structures Canada Ltd.
- vii) Jyoti Structures FZE
- viii) Jyoti Structures Namibia (Pty) Ltd.

(b) Joint Venture:

- i) Gulf Jyoti International LLC
- ii) Lauren Jyoti Pvt Ltd.

(c) Key Management Personnel:

- i) Mr. Prakash Thakur
- ii) Mr. Santosh Nayak
- iii) Mr. K. R. Thakur

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

The following transactions were carried out with the related parties in the ordinary course of business:

Sr. No.	Particulars	Type of Relationship	Related Party	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
1	Sale of Goods/ Services	(a)	(iii)	1,246.34	2,933.20
		(a)	(v)	551.87	62.31
		(b)	(i)	486.40	436.46
		(b)	(ii)	4,826.64	N.A.
2	Lease Rentals	(a)	(iii)	108.07	15.07
		(b)	(i)	296.02	44.04
3	Purchase of Goods/Services	(a)	(v)	4,072.13	24.11
		(a)	(vii)	517.38	N.A.
		(b)	(i)	5,468.61	16,587.41
4	Remuneration paid	(c)		489.64	642.84
5	Net amount given/(taken) during the year	(a)	(iii)	838.74	5.58
		(a)	(iv)	7,966.64	N.A.
		(a)	(v)	208.56	N.A.
		(a)	(vii)	47.58	N.A.
6	Investment during the year	(b)	(ii)	Nil	500.00
7	Investment at the end of the year	(a)	(i)	5.00	5.00
		(a)	(ii)	350.00	350.00
		(a)	(iii)	0.00*	0.00*
		(a)	(iv)	6000.65	6000.65
		(a)	(vii)	134.18	134.18
		(b)	(i)	1,642.77	1642.77
		(b)	(ii)	500.00	500.00
8	Outstanding balances [Net of receivables/ (payables)] at end of the year	(a)	(i)	38.78	5.67
		(a)	(ii)	(466.21)	(466.41)
		(a)	(iii)	1,196.12	7,928.75
		(a)	(iv)	259.62	1,686.17
		(a)	(v)	2,352.76	784.52
		(a)	(vii)	5.35	5.58
		(b)	(i)	7,091.00	(1,458.50)
		(b)	(ii)	3,953.94	39.38

* Investment at the end of the year in Jyoti Structures Africa (Pty) Ltd. is ₹ 419/- (P.Y. ₹ 419/-)

20. Information in accordance with the requirement of Accounting Standard - 7 (Revised) "Construction Contracts".

Particulars	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
Contract revenue recognised during the year	59,982.15	77,186.67
Method used to determine the contract revenue recognised and the stage of completion of contracts in progress	Percentage Completion Method	
Disclosure in respect of contracts in progress as at the year end: Aggregate amount of costs incurred and recognised profits (less recognised losses)	1,30,109.25	1,53,981.00
Advances received	6,952.88	4,084.55
Retentions receivable	14,484.52	6,922.30
Gross amount due from Customers (included under Note No. 17 Trade Receivable)	44,907.89	46,282.36
Gross amount due to Customers (included under Note No. 10 Advances from Customer under Other Current Liabilities)	6,952.88	4,084.55

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

21. Remittance in Foreign Currencies for Dividend:

SN Particulars	2012-13	2011-12
i) Number of non-resident shareholders	Nil	3
ii) Number of equity shares held by them on which dividend was paid	Nil	33,91,115
iii) Year ended to which the dividend related March 31	2011-12	2010-11
iv) Amount remitted (₹ in Lacs)	Nil	50.87

22. Employees Stock Option Scheme:

Under Jyoti Structures Limited Employees Stock Option Scheme 2005 (ESOS 2005) as amended, the Company is authorised to issue upto 5,00,000 (Five Lacs) stock options convertible into 25,00,000 (Twenty Five Lacs) Equity Shares of ₹ 2/- each to employees. A Compensation Committee has been constituted by the Board of Directors of the Company to administer the Scheme.

Each option is to be converted into 5 equity shares of ₹ 2/- each at an exercise price of ₹ 17/- per equity Share (being the exercise price adjusted after split of face value from ₹ 10/- to ₹ 2/-). Under the scheme, 30% of the options vest at the end of one year from the date of grant of options, 30% at the end of second year from the date of grant of options and the balance 40% at the end of third year from the date of grant of options.

The amount of ₹ (83.99) Lacs (P.Y. ₹ 96.22 Lacs) debited/(credited) to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been charged to the revenue account.

The amount of ₹ 387.36 Lacs (P.Y. ₹ 524.82 Lacs) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

The balance un-amortised portion of ₹ 84.10 Lacs (P.Y. ₹ 91.71 Lacs) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

Sr. Particulars No.	2012-13 (In Numbers)	2011-12 (In Numbers)
i) Options granted and outstanding at the beginning of the year	90,785	95,055
ii) Options granted during the year	60,650	13,150
iii) Options lapsed and/or withdrawn during the year	23,150	-
iv) Options exercised during the year against which shares were allotted	9,250	17,420
v) Options granted and outstanding at the end of the year of which:-		
- Options vested	39,860	50,205
- Options yet to vest	79,175	40,580

23. Earnings Per Share (EPS):

SN Particulars	2012-13	2011-12
i) Profit/(Loss) after Tax (Net of preference share dividend) (₹ in Lacs)	6,486.24	8,554.03
ii) Weighted Average Number of Ordinary Shares for Basic Earning per Share (In Nos.)	8,22,30,448	8,21,61,055
iii) Add: Equity shares for no consideration arising on grant of stock options under ESOS	2,89,450	2,92,625
iv) Weighted Average Number of Ordinary Shares for Diluted Earning per Share (In Nos.)	8,25,19,898	8,24,53,680
v) Nominal value of Ordinary Share	₹ 2/-	₹ 2/-
vi) Basic Earning Per Ordinary Share	₹ 7.89	₹ 10.41
vii) Diluted Earning Per Ordinary Share	₹ 7.86	₹ 10.37

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

24. The terms and conditions of various contracts being executed by the Company provide for clauses in respect of liquidated damages applicable for any delay in completion of the whole or a portion of the contracts. In case of a few contracts, where there have been such delays in completion of the contracts, the Company is currently negotiating with its customers for an extension of time for the delays attributable to the customers to complete the contracts. It is currently uncertain as to whether the customers would grant the required extension of time and hence, the quantum of liquidated damages is also uncertain. As per the past experience, where the delays are due to reasons beyond the control of the Company, the approvals for time extensions are normally received from customers, which sometimes take more than reasonable time. As such, no provision on this account has been made in the books of account.

25. Trade Payable includes dues to micro and small enterprises to whom the Company owes amounts outstanding for more than 45 days. The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

The details are as follows:

Sr. No	Particulars	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
1	The Principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	154.34	118.86
2	The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006	-	-

26. As the Company's principal business falls within the single segment i.e. power transmission and distribution wherein it manufactures, deals in various components/equipments and constructs infrastructure related to power transmission, there are no separate reportable or identifiable business segments as defined by Accounting Standard-17 "Segment Reporting". The information regarding Geographical Segment is provided under Notes to Consolidated Financial Statements.

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

27. The Ministry of Corporate Affairs, Government of India vide its notification no. 2/2011 dated 8th Feb, 2011 has granted a general exemption from compliance with section 212 of the Companies Act, 1956 subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled for the exemption. Necessary information relating to the subsidiaries have been included in the Consolidated Financial Statements.

28. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

The Notes referred to above form an integral part of the Financial Statements.

As per our report attached

For and on behalf of the Board

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 29th May, 2013

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

DETAILS OF SUBSIDIARY COMPANIES

Figures in Lacs

Sr. No.	Name of Subsidiary Company	JSL Corporate Services Ltd.	Jyoti Energy Ltd.	Jyoti Structures Africa (Pty.) Ltd.	Jyoti International Inc.	Jyoti Americas LLC	Jyoti Structures Canada Ltd.	Jyoti Structures FZE	Jyoti Structures Namibia (Pty.) Ltd.
Reporting Currency		INR	INR	SAR	INR	USD	INR	AED	INR
1	Capital	350.00	5.00	0.00	0.01	129.90	7,080.20	175.44	9,562.17
2	Reserves	139.58	(20.91)	14.98	88.38	(68.12)	(3,712.86)	-	-
3	Total Assets	489.93	34.81	1,799.10	10,614.67	489.44	26,676.78	451.19	24,592.06
4	Total Liabilities (excluding Capital and Reserves)	0.35	50.72	1,784.12	10,526.28	427.66	23,309.45	275.75	15,029.88
5	Details of Investment (except in case of Investment in the Subsidiaries)	-	-	-	-	-	-	-	-
6	Turnover	-	-	157.49	929.22	-	-	135.57	7,389.08
7	Profit before Taxation	(0.13)	(0.19)	3.09	18.24	(86.94)	(4,738.42)	(81.97)	(4,467.71)
8	Provision for Taxation	-	-	(0.40)	(2.35)	(29.46)	(1,605.61)	-	-
9	Profit after Taxation	(0.13)	(0.19)	3.49	20.59	(57.48)	(3,132.81)	(81.97)	(4,467.71)
10	Proposed Dividend	-	-	-	-	-	-	-	-

Notes:

i) Please refer to consolidated financial statement and notes appearing there on.

ii) The Exchange Rate of ₹ 5.900 is considered for conversion of South Africa Rand (SAR) to Indian Rupee (INR) and ₹ 54.505 is considered for conversion of US Dollar (USD) to Indian Rupee (INR) and ₹ 14.840 is considered for conversion of Arab Emirates Dirham (AED) to Indian Rupee (INR) and ₹ 5.80809 is considered for conversion of Namibian Dollar (NAD) to Indian Rupee (INR).

JYOTI STRUCTURES LIMITED

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Jyoti Structures Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Jyoti Structures Limited ('the Company') and its subsidiaries and joint ventures (collectively referred to as 'the group'), which comprise of the consolidated Balance Sheet as at March 31, 2013, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view 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 management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis of qualified opinion

- a) *The company has reported that it has provided for deferred tax asset of US\$.29.46 Lacs (₹ 1,564.08 Lacs) for the year in the consolidated Statement of Profit and loss and it has considered the deferred tax asset of US\$ 34.80 Lacs (₹ 1,896.96 Lacs) in the consolidated Balance Sheet. In light of AS-22 paragraph 17, deferred tax assets should be recognized only to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset will be realised. In the absence of convincing evidence of virtual certainty as required by AS – 22, we are of the opinion that the consolidated profits for the year are overstated by an amount of ₹ 1,564.08 Lacs (P.Y. Nil) and the consolidated reserves & surplus for the year ended 31.03.2013 is overstated by ₹ 1,896.96 Lacs (P.Y. Nil).*
- b) *In absence of audited financial statements of the Joint Venture Company namely Lauren Jyoti Pvt. Ltd. as on 31.03.2013, the company has not consolidated the financial statements of the said joint venture company with its financial statements. In this connection, we draw attention of the members to note no 31(7) of the Notes to consolidated financial statements. In absence of such consolidation and in absence of audited accounts for the year of the said subsidiary company, we are not able to comment as regards the effects of the same on the consolidated financial statements of the company for the year ended 31.03.2013.*

Opinion

Subject to our observations stated in 'basis of qualified opinion' above, in our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and joint ventures noted below, 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 the Group as at March 31, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

We did not audit the financial statements of the subsidiary companies namely Jyoti Structures Africa (Pty) Ltd., Jyoti Structures FZE along with its subsidiary Jyoti Structures Namibia (Pty) Ltd and Jyoti International INC. along with its subsidiaries Jyoti Americas LLC and Jyoti Structure Canada Ltd and joint venture company Gulf Jyoti International LLC along with its subsidiary GJILTunisie Sarl. whose financial statements reflect total assets of ₹ 51,586.27 Lacs as at 31st March, 2013 and total revenue of ₹ 29,539.79 Lacs; and net cash inflow of ₹ 256.70 Lacs for the year ended on that date. These financial statements and other financial information have been audited / reviewed by other auditors from whom the reports have been furnished to us and our opinion is based solely on the reports of the said other auditors.

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants
Firm's Registration Number: 117247W

Place: Mumbai
Date: 29th May, 2013

R. M. AJGAONKAR
Partner
Membership Number: 31927

JYOTI STRUCTURES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

	Note	As at 31-Mar-2013 ₹ in Lacs	As at 31-Mar-2012 ₹ in Lacs
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	1	4,145.20	1,644.28
b) Reserves and Surplus	2	66,723.63	63,521.74
		70,868.83	65,166.02
2) Share Application Money Pending Allotment	3	0.92	0.39
3) Minority Interest		61.95	119.17
4) Non Current Liabilities			
a) Long Term Borrowings	4	27,481.74	34,622.15
b) Deferred Tax Liabilities (Net)	5	1,091.65	1,278.55
c) Other Long Term Liabilities	6	14,903.89	18,901.97
d) Long Term Provisions	7	758.83	541.02
		44,236.11	55,343.69
5) Current Liabilities			
a) Short Term Borrowings	8	64,748.33	41,602.68
b) Trade Payables	9	65,313.89	59,188.94
c) Other Current Liabilities	10	54,037.62	46,031.73
d) Short Term Provisions	11	2,374.52	5,527.80
		1,86,474.36	1,52,351.15
TOTAL		3,01,642.17	2,72,980.42
II ASSETS			
1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	12	44,424.29	25,707.55
ii) Intangible Assets	12	1,237.97	377.12
iii) Capital Work-in-Progress		213.15	16,883.48
iv) Intangible Assets Under Development		675.72	908.55
		46,551.13	43,876.70
b) Non Current Investments	13	527.77	522.85
c) Deferred Tax Assets (Net)		1,902.85	6.73
d) Long Term Loans and Advances	14	698.90	710.19
e) Other Non Current Assets	15	4,209.41	5,645.22
2) Current Assets			
a) Inventories	16	28,103.92	31,878.70
b) Trade Receivables	17	1,88,670.61	1,59,982.86
c) Cash and Bank Balances	18	5,353.87	6,111.05
d) Short Term Loans and Advances	19	25,622.02	23,855.01
e) Other Current Assets	20	1.69	391.11
		2,47,752.11	2,22,218.73
TOTAL		3,01,642.17	2,72,980.42
Significant Accounting Policies	30		
Other Notes to Financial Statements.	31		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For and on behalf of the Board

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

R. M. AJGAONKAR

Partner

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

Membership No. 31927

Mumbai; 29th May, 2013

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

	Note	Year Ended 31-Mar-2013 ₹ in Lacs	Year Ended 31-Mar-2012 ₹ in Lacs
I INCOME			
Revenue from Operations (Gross)	21	3,05,301.77	2,82,142.94
Less: Excise duty		4,032.47	5,535.87
Revenue from Operations (Net)		3,01,269.30	2,76,607.07
Other Income	22	499.49	818.87
Total Revenue		3,01,768.79	2,77,425.94
II EXPENSES			
Cost of Materials Consumed	23	1,78,013.11	1,48,481.36
Erection and Sub-contracting Expense	24	49,294.63	63,643.19
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	(90.19)	(7,469.44)
Employee Benefits Expense	26	15,532.03	10,722.10
Finance Costs	27	18,213.33	14,779.03
Depreciation and Amortization Expense (Net)	28	3,556.52	2,490.16
Other Expenses	29	31,724.42	30,720.84
Total Expenses		2,96,243.85	2,63,367.24
III Profit Before Tax (I-II)		5,524.94	14,058.70
IV Tax Expense:			
Current Tax		1,927.92	4,819.99
Deferred Tax (Net)		(186.90)	(522.20)
		1,741.02	4,297.79
V Profit for the year (III-IV)		3,783.92	9,760.91
VI Minority Interest		(57.23)	119.17
VII Profit for the year after Minority Interest (V-VI)		3,841.15	9,641.74
VIII Earnings Per Equity Share (In ₹)			
[Nominal value of share ₹ 2]			
1) Basic		₹ 4.67	₹ 11.74
2) Diluted		₹ 4.65	₹ 11.69
Significant Accounting Policies	30		
Other Notes to Financial Statements.	31		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For and on behalf of the Board

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Membership No. 31927
Mumbai; 29th May, 2013

JYOTI STRUCTURES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

		Year Ended 31-03-13 ₹ In Lacs	Year Ended 31-03-12 ₹ In Lacs
I CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Taxes and Extraordinary Items	[A]	5,524.94	14,058.70
ADJUSTMENTS FOR			
i) Depreciation and Amortisation		3,570.55	2,492.59
ii) Transferred from Revaluation Reserve		(2.42)	(2.42)
iii) Finance Cost		18,213.33	14,779.03
iv) (Gain)/Loss on Sale of Fixed Assets (Net)		15.93	(0.54)
v) Interest Received		(292.28)	(642.57)
vi) Employee Compensation Expense - ESOS		(83.99)	96.22
vii) Effect of Exchange Rate Change		(428.52)	2,077.17
	[B]	20,992.60	18,799.48
Operating Profit before Working Capital changes	[A+B] = [C]	26,517.54	32,858.18
ADJUSTMENTS FOR			
i) Inventories		3,774.78	(7,198.38)
ii) Trade Receivable & Other Receivable, Loans & Advances, Other Current Assets		(32,735.96)	(58,072.32)
iii) Current Liabilities and Provisions		13,804.04	31,217.32
	[D]	(15,157.14)	(34,053.38)
Cash Generated from Operations	[C+D] = [E]	11,360.40	(1,195.20)
i) Direct Taxes Paid (Net)		(6,354.83)	(4,399.04)
	[F]	(6,354.83)	(4,399.04)
Net Cash (used in) / from Operating Activities [I]	[E+F] = [G]	5,005.57	(5,594.24)
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Proceeds from Sale of Fixed Assets		126.69	1,488.97
ii) Purchase of Fixed Assets [After adjustment of (Increase)/ Decrease in Capital Work-in-Progress]		(6,386.26)	(23,236.37)
iii) Investments in Other than Subsidiary Company		(4.92)	(500.00)
iv) Interest Received		292.28	642.57
v) Net Advances to Companies other than Subsidiaries		(1,989.15)	(2,206.40)
Net Cash (used in) / from Investing Activities [II]		(7,961.36)	(23,811.23)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Year Ended 31-03-13 ₹ In Lacs	Year Ended 31-03-12 ₹ In Lacs
III CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Issue of Equity Shares (inclusive of Share Premium and after considering ESOS allotted to employees)	8.40	14.46
ii) Proceeds from Issue of Preference Share	2,500.00	-
iii) Proceeds from issue of Non Convertible Debentures	1,670.00	-
iv) Repayment of Non Convertible Debentures	(12,086.41)	-
v) Proceeds from Long Term Borrowings	13,066.96	25,926.74
vi) Repayment of Long Term Borrowings	(8,266.40)	(3,609.79)
vii) Net Increase/(Decrease) in Interest Free Sales Tax Defferal Loan	(14.90)	(54.41)
viii) Proceeds from Short Term Borrowings from Banks	23,145.67	21,730.04
ix) Proceeds from Asset Finance from Banks	150.12	-
x) Repayment of Asset Finance from Banks	(83.71)	(4.87)
xi) Repayment of Asset Finance from Others	(7.74)	(12.37)
xii) Dividends Paid	(899.55)	(1,225.11)
xiii) Dividend and Dividend Distribution Tax for earlier year	(0.13)	(0.50)
xiv) Net Corporate Dividend Tax Paid	(146.71)	(199.84)
xv) Finance Cost	(18,213.33)	(14,779.03)
Net Cash (used in) / from Financing Activities [III]	822.27	27,785.32
Net Increase/(Decrease) in Cash and Cash Equivalents [I + II + III]	(2,133.52)	(1,620.15)
Cash and Cash Equivalents at the beginning of the year	5,935.24	7,555.39
Cash and Cash Equivalents at the end of the year	3,801.72	5,935.24

Note: Cash and Cash Equivalents includes ₹ 29.71 Lacs (P.Y. ₹ 24.90 Lacs) on account of Unclaimed Dividend, which are not available for the use by the Company.

As per our report attached

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Membership No. 31927
Mumbai; 29th May, 2013

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

1 SHARE CAPITAL	31-Mar-2013		31-Mar-2012	
	Number	₹ in Lacs	Number	₹ in Lacs
Authorised :				
Equity Shares of ₹ 2/- each	17,50,00,000	3,500.00	17,50,00,000	3,500.00
Redeemable Preference Shares of ₹ 100/- each	50,00,000	5,000.00	50,00,000	5,000.00
TOTAL	18,00,00,000	8,500.00	18,00,00,000	8,500.00
Issued :				
Equity Shares of ₹ 2/- each	8,22,75,407	1,645.51	8,22,29,157	1,644.58
Redeemable Preference Shares of ₹ 100/- each	25,00,000	25,00.00	-	-
TOTAL	8,47,75,407	4,145.51	8,22,29,157	1,644.58
Subscribed and Paid-up :				
Equity Shares of ₹ 2/- each fully paid up	8,22,60,147	1,645.20	8,22,13,897	1,644.28
Redeemable Preference Shares of ₹ 100/- each fully paid up	25,00,000	2,500.00	-	-
TOTAL	8,47,60,147	4,145.20	8,22,13,897	1,644.28

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares				
At the beginning of the period	8,22,13,897	1,644.28	8,21,26,115	1,642.52
Issued during the period - ESOS	46,250	0.92	87,100	1.75
Issued during the period against Share Warrant	-	-	682	0.01
Outstanding at the end of the period	8,22,60,147	1,645.20	8,22,13,897	1,644.28

b) Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting period

Preference Shares				
At the beginning of the period	-	-	-	-
Issued during the period	25,00,000	2,500.00	-	-
Outstanding at the end of the period	25,00,000	2,500.00	-	-
	Number	%	Number	%

c) Names of Equity shareholders holding more than 5 % shares

1) Valecha Infrastructure Ltd.	54,31,400	6.60%	54,31,400	6.61%
2) Prakash K Thakur	52,48,235	6.38%	52,48,235	6.38%
3) K. R. Thakur	46,46,426	5.65%	46,46,426	5.65%
4) Reliance Capital Trustee Ltd.	46,14,900	5.61%	41,75,800	5.08%

d) Names of preference shareholders holding more than 5 % shares

1) Amtek India Limited	15,00,000	60.00%	-	-
2) Amtek Auto Limited	10,00,000	40.00%	-	-

**e) Shares reserved for issue under options
Employee Stock Options Scheme (ESOS)**

1) Under ESOS 2005, eligible employees on grant of option and on vesting shall be entitled to apply for five equity shares of ₹. 2/- each at an exercise price of ₹. 17/- per equity share for each option.	5,95,175	6,41,425
2) Under ESOS 2011, eligible employees on grant of option and on vesting shall be entitled to apply for one equity share of ₹ 2/- each at an exercise price of ₹. 25/- per equity share for each option.	25,00,000	25,00,000

f) The Company has equity shares having a par value of ₹ 2/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

g) The Company has Preference shares having a par value of ₹ 100/- each. The Share carries dividend @ 1%. In the event of liquidation, the shareholders will have preference in repayment over equity shareholders

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

2 RESERVES AND SURPLUS	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
a. Capital Reserve		
As per last Balance Sheet	6.06	6.06
b. Capital Redemption Reserve		
As per last Balance Sheet	300.00	300.00
c. Foreign Currency Translation Reserve		
As per last Balance Sheet	557.02	(1,520.15)
Add: During the year	(440.12)	2,077.17
Add: FCTR on Fixed assets	11.60	-
	128.50	557.02
d. Securities Premium Reserve		
As per last Balance Sheet	16,087.95	15,961.07
Add: On Allotment of Equity Shares	52.80	126.88
	16,140.75	16,087.95
e. Debenture Redemption Reserve		
As per last Balance Sheet	6,044.00	6,044.00
Add: Transferred from surplus in the Statement of Profit and Loss	417.50	-
Less: Transferred to General Reserve	6,044.00	-
	417.50	6,044.00
f. Revaluation Reserve*		
As per last Balance Sheet	40.00	42.42
Less: Transferred from surplus in the Statement of Profit and Loss as Reduction from Depreciation	2.42	2.42
	37.58	40.00
g. Employee Stock Option Outstanding [Note No. 31 (16)]	387.35	524.82
Less: Deferred Employee Compensation Expense	84.10	91.72
	303.25	433.10
h. General Reserve		
As per last Balance Sheet	9,562.64	8,698.64
Add: Transferred from Debenture redemption reserve	6,044.00	-
Add: Transferred from surplus in the Statement of Profit and Loss	650.00	864.00
	16,256.64	9,562.64
i. Surplus in Statement of Profit and Loss		
As per last Balance Sheet	30,490.97	23,914.97
Add: Tax adjustment for an earlier year including interest	276.26	(1,324.99)
Less: (Excess)/Short Provision of Taxes for earlier year	4.42	-
	30,762.81	22,589.98
Add: Profit for the year	3,841.15	9,641.74
Add: Previous Year Adjustment	363.29	174.81
Less: Appropriations		
Proposed Dividend - Equity Shares [amount per share ₹ 0.80/- (P.Y.: ₹ 1.10/-)]	658.08	904.35
Tax on Dividend	106.96	146.71
Dividend and Dividend Distribution Tax for an earlier year	0.13	0.50
Preference Share Dividend	1.23	-
Transfer to Debenture Redemption Reserve	417.50	-
Transfer to General Reserve	650.00	864.00
	1,833.90	1,915.56
Net Surplus in the Statement of Profit and Loss	33,133.35	30,490.97
TOTAL	66,723.63	63,521.74

*Cumulative amount withdrawn from Revaluation Reserve is ₹ 46.04 Lacs (P.Y. ₹ 43.62 Lacs)

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

		31-Mar-2013	31-Mar-2012
		₹ In Lacs	₹ In Lacs
3	SHARE APPLICATION MONEY PENDING ALLOTMENT		
	Share Application Money Pending Allotment		
	For Equity Shares	0.92	0.39
	Number of Shares proposed to be allotted	5,425	2,300
	Amount of Premium, if any	0.81	0.35
	Terms and Conditions of shares proposed to be issued		
	Option Grantees, in accordance with the Employees Stock Option Scheme have an option to exercise their rights to apply for 5 Equity shares for each options held, at an exercise price of ₹ 17 per Share within the vesting period		
	Date by which the shares shall be allotted	15-Apr-2013	15-Apr-2012
	Whether sufficient authorised share capital to cover allotment of shares out of such share application money	YES	YES
	The period overdue from the proposed date of allotment	NA	NA

		Non-current		Current	
		31-Mar-2013	31-Mar-2012	31-Mar-2013	31-Mar-2012
		₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
4	LONG TERM BORROWINGS				
	Secured Loans				
	Non Convertible Debenture	1,670.00	-	-	12,086.41
	Term Loan				
	From Bank	13,011.72	26,254.60	18,111.49	4,787.42
	From Other	-	4.90	4.90	7.74
	TOTAL - A	14,681.72	26,259.50	18,116.39	16,881.57
	Unsecured Loans				
	Term Loan				
	From Banks	5,220.26	7,985.32	3,260.21	1,227.98
	From Other				
	Deferred Payment Liabilities	362.43	377.33	30.30	30.30
	Others	81.68	-	-	-
	Deposits	7,135.65	-	2,688.60	-
	TOTAL - B	12,800.02	8,362.65	5,979.11	1,258.28
	Amount disclosed under the head				
	"Other Current Liabilities" (Note No. 10)	-	-	(24,095.50)	(18,139.85)
	TOTAL - A + B	27,481.74	34,622.15	-	-

Nature of Securities for Secured Loan

Debentures

- ₹ 1,670.00 Lacs (P.Y. Nil) Non-Convertible Debentures Mortgage over identified immovable property of the subsidiary company;
- ₹ Nil (P.Y. ₹ 12,086.41 Lacs) Non-Convertible Debentures Hypothecation on Company's moveable assets including moveable machinery, machinery spares, stocks, tools and accessories both present and future. Mortgage on Company's immoveable properties except CSIDCL Raipur properties.

Term Loan from banks

- ₹ 3,707.79 Lacs (P.Y. ₹ 6,054.46 Lacs) Secured by i) first charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. ii) second charge on current assets of the company and iii) exclusive charge on specific machinery and equipment;
- ₹ 148.97 Lacs (P.Y. ₹ 637.21 Lacs) Secured by i) first charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. and ii) hypothecation on specific Plant & Machinery

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

4 LONG TERM BORROWINGS (Contd.....)

- c) ₹ 508.90 Lacs (P.Y. ₹ Nil) Secured by hypothecation on specific Plant & Machinery
- d) ₹ 10,960.00 Lacs (P.Y. ₹ 8,600.00 Lacs) Secured by Pari pasu charges on stock and receivables of the contract and Escrow of receivable of the Project.
- e) ₹ 170.38 Lacs (P.Y. ₹ 111.70 Lacs) Secured by hypothecation of specific Plant and Machinery and vehicles.
- f) Term Loan is secured by first priority lines on all property and equipment of Jyoti International Inc. (present and future), including but not limited to, equipment, real estate, leases and intangible assets and second lien on all current (present and future).

	Maturity Profile			(₹ in Lacs)
	1-2 Years	2-3 Years	3-4 Years	4-5 Years
Maturity Profile of Unsecured Term Loans are as below :				
Term Loans - From Banks	2,610.13	2,610.13		
Deposits	943.70	6,191.95		

Redemption of Secured Non Convertible Debentures are as below :

14.00 % Debentures	-	-	-	650.00
12.50 % Debentures	-	1,020.00	-	-

5 DEFERRED TAX LIABILITIES (NET)

	Deferred Tax Liability /(Asset) as at 31-Mar-2012 ₹ in Lacs	Current Year Liability/ (Asset) ₹ in Lacs	Deferred Tax Liability/ (Asset) as at 31-Mar-2013 ₹ in Lacs
Deferred Tax Liabilities			
On Account of difference in Book and Tax Depreciation	1,993.40	175.86	2,169.26
Deferred Tax Assets			
Disallowance under the Income Tax Act, 1961	(714.85)	(362.76)	(1,077.61)
TOTAL	1,278.55	(186.90)	1,091.65

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
6 OTHER LONG TERM LIABILITIES		
Trade Payables*	9,725.72	15,375.26
Others (Advances received from Customers)	5,178.17	3,526.71
TOTAL	14,903.89	18,901.97

*Amount payable beyond one year

7 LONG TERM PROVISIONS

Provision for Gratuity	511.02	383.89
Provision for Compensated Absences	247.81	157.13
TOTAL	758.83	541.02

8 SHORT TERM BORROWINGS

Secured Loan

Loans repayable on Demand

From Banks	60,838.30	39,431.27
Unsecured Loan		
From Banks	2,145.92	2,171.41
From Others	1,764.11	-
TOTAL (A+B)	64,748.33	41,602.68

Secured Loan from Bank

₹ 60,838.30 Lacs (P.Y. ₹ 39,431.27 Lacs) Secured by a first charge on all present and future current assets, monies receivable and claims, except assets for which an exclusive charge has been created and secured by a charge which is second and subservient to the charge created in favour of IDBI and Standard Chartered Bank, by way of deposit of Title Deeds in respect of the Company's immovable property in M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh), Ghoti Dist. Nasik (Maharashtra), Malvan Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

9 TRADE PAYABLES	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
Trade Payables (Including Acceptances)	65,313.89	59,188.94
TOTAL	65,313.89	59,188.94

10 OTHER CURRENT LIABILITIES

a) Current Maturities of Long Term Borrowings (Note No. 4)	24,095.50	18,139.85
b) Interest Accrued But Not Due on Borrowings	621.54	186.48
c) Advances from Customers	17,071.69	16,363.39
d) Unclaimed Dividend*	29.71	24.90
e) Other Payables	10,668.76	10,676.92
f) Statutory Liabilities	1,550.42	640.19
TOTAL	54,037.62	46,031.73

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2013. These amount shall be paid to the fund as and when they became due.

11 SHORT TERM PROVISIONS

a) Provision for Employee Benefits	190.16	199.01
b) Proposed Dividend	658.08	904.35
c) Provision for Income Tax on Proposed Dividend	106.96	146.71
d) Provision for Tax*	1,419.32	4,277.73
TOTAL	2,374.52	5,527.80

* The Provision for Income Tax amounting to ₹ 1,419.32 Lacs (P.Y. ₹ 4,277.73 Lacs) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other adjustments.

12 FIXED ASSETS

(₹ In Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01/04/2012	Additions	Deletions/ Adjustments	As at 31/03/2013	As at 01/04/2012	For The Year	Deletions/ Adjustments	As at 31/03/2013	As at 31/03/2013	As at 31/03/2012
Tangible Assets : Ownership										
Freehold Land	1,110.34	1,094.70	6.16	2,198.88	-	-	-	-	2,198.88	1,110.34
Leasehold Land	81.33	107.48	-	188.81	14.15	3.09	-	17.24	171.57	67.18
Buildings	5,544.48	7,838.41	25.08	13,357.81	1,000.94	405.61	2.60	1,403.95	11,953.86	4,543.54
Plant & Machinery	21,926.52	12,407.55	65.03	34,269.04	6,991.46	2,164.21	33.07	9,122.60	25,146.44	14,935.06
Furniture & Fixtures	876.17	207.84	78.02	1,005.99	437.73	63.10	12.64	488.19	517.80	438.44
Computer & Office										
Equipments	1,757.23	226.86	83.55	1,900.54	994.41	158.53	80.32	1,072.62	827.92	762.81
Vehicles	3,595.77	303.36	68.40	3,830.73	1,175.31	375.59	56.67	1,494.23	2,336.50	2,420.47
TOTAL - A	34,891.84	22,186.20	326.25	56,751.80	10,614.01	3,170.12	185.29	13,598.84	43,152.96	24,277.84
Tangible Assets :										
On Operating Lease										
Plant & Machinery	162.08	-	-	162.08	2.00	12.03	-	14.03	148.05	160.07
Vehicles	1,294.03	-	-	1,294.03	24.39	146.35	-	170.75	1,123.28	1,269.64
TOTAL - B	1,456.11	-	-	1,456.11	26.40	158.38	-	184.78	1,271.33	1,429.71
TOTAL - C = A+B	36,347.95	22,186.20	326.25	58,207.90	10,640.40	3,328.50	185.29	13,783.61	44,424.29	25,707.55
Intangible Assets :										
Software	662.61	1,103.19	0.30	1,765.50	405.94	181.82	-	587.76	1,177.74	256.67
Goodwill on Amalgamation	301.13	-	-	301.13	180.68	60.23	-	240.90	60.23	120.45
TOTAL - D	963.74	1,103.19	0.30	2,066.63	586.62	242.04	-	828.66	1,237.97	377.12
TOTAL - C+D	37,311.69	23,289.39	326.55	60,274.53	11,227.02	3,570.55	185.29	14,612.27	45,662.25	26,084.67
Previous Year	32,317.72	6,519.97	1,526.00	37,311.69	9,082.30	2,545.60	400.88	11,227.02	26,084.67	23,235.42

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

13 NON CURRENT INVESTMENTS

	Subsidiary / Associate / Joint Venture	Face Value	No. of Shares / Units		Amount	
			31-Mar-2013	31-Mar-2012	31-Mar-2013	31-Mar-2012
			Nos	Nos	₹ In Lacs	₹ In Lacs
Trade Investments						
Investment in Equity Instruments						
Unquoted - At Cost						
Lauren Jyoti Pvt Ltd. - Eq Share	Joint Venture	₹ 10 Each	50,00,000	50,00,000	500.00	500.00
TAQA Jyoti Energy Ventures Private Limited	Other	₹ 10 Each	25,000	-	2.50	-
GJIL Tunisie Sarl.	Other	TND 100 Each	245	-	2.42	-
Jankalyan Sahakari Bank Ltd. - Eq. Shares	Other	₹ 10 Each	49,955	49,955	5.85	5.85
					510.77	505.85

Other Investments**Investment in mutual fund****Quoted - At Cost**

SBI Blue Chip Fund	Mutual Fund	₹ 10 Each	20,000	20,000	2.00	2.00
SBI Infrastructure Fund	Mutual Fund	₹ 10 Each	50,000	50,000	5.00	5.00
SBI One India Fund	Mutual Fund	₹ 10 Each	50,000	50,000	5.00	5.00
UTI Bond Fund	Mutual Fund	₹ 10 Each	28,352	28,352	5.00	5.00
					17.00	17.00
TOTAL					527.77	522.85

Book value of Unquoted Investments is ₹ 510.77 Lacs (P.Y. ₹ 505.85 Lacs)

Book value of Quoted Investments is ₹ 17 Lacs (P.Y. ₹ 17 Lacs)

Market value of Quoted Investments is ₹ 40.32 Lacs (P.Y. ₹ 20.80 Lacs)

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
14 LONG TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Capital Advances	-	10.22
b) Security and Other Deposits	641.84	638.35
c) Other Loans and Advances (Loan to Employees)	57.06	61.62
TOTAL	698.90	710.19

15 OTHER NON CURRENT ASSETS

Unsecured, considered good

Trade Receivables	4,209.41	5,645.22
TOTAL	4,209.41	5,645.22

16 INVENTORIES

(VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

a) Raw Materials		
i) In Stock	8,700.50	11,128.14
ii) In Transit	589.47	463.58
b) Construction Materials at Site	4,263.05	4,178.52
c) Semi Finished Goods	537.06	305.64
d) Work-in-Progress	7,177.16	7,787.77
e) Finished Goods	4,137.28	5,298.18
f) Stores and Consumables	601.65	143.26
g) Tools and Tackles	2,015.08	2,450.98
h) Scrap	82.67	122.63
TOTAL	28,103.92	31,878.70

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
17 TRADE RECEIVABLES		
Unsecured, considered good		
a) Trade Receivables (overdue more than six months)	9,476.49	26,569.07
b) Other Trade Receivables	179,194.12	133,413.79
TOTAL	188,670.61	159,982.86
18 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
a) Balances with Banks	3,367.58	5,115.42
b) Fixed Deposit with original maturity for less than 3 months	349.14	739.56
c) Unpaid Dividend	29.71	24.90
d) Cash On Hand	55.29	55.36
	3,801.72	5,935.24
Other Bank Balances		
a) Margin Money	1,552.15	158.73
b) Fixed Deposit with original maturity for more than 3 months but less than 12 months	-	17.08
	1,552.15	175.81
TOTAL	5,353.87	6,111.05
19 SHORT TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Loan and Advances to Related Parties	4,667.02	7,070.38
b) Other Loans and Advances		
i) Advance income-tax (net of provision for taxation)	0.58	0.58
ii) Prepaid Expenses	4,905.89	3,888.00
iii) Loans to Employees	20.77	17.57
iv) Balances With Statutory/Government Authorities	9,467.80	6,460.77
v) Advances to Supplier	4,088.63	4,453.05
vi) Sundry Deposits	533.31	1,031.67
vii) Other Advances and Claim Receivables	1,938.02	932.99
TOTAL	25,622.02	23,855.01
20 OTHER CURRENT ASSETS		
Unsecured and considered good		
Interest Accrued But Not Due on Fixed Deposit	1.69	391.11
TOTAL	1.69	391.11

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
21 REVENUE FROM OPERATIONS		
a) Sale of Products	2,96,483.12	2,73,312.94
b) Sale of Services	4,182.93	4,106.98
c) Other Operating Revenues	4,635.72	4,723.02
Revenue from Operations (Gross)	3,05,301.77	2,82,142.94
Less: Excise Duty	4,032.47	5,535.87
Revenue from Operations (Net)	301,269.30	2,76,607.07
22 OTHER INCOME		
a) Lease Rentals	207.21	172.35
b) Interest on Fixed Deposits	145.57	308.71
c) Interest Others	146.71	337.81
TOTAL	499.49	818.87
23 COST OF MATERIAL CONSUMED		
Cost of Material Consumed	178,013.11	148,481.36
TOTAL	178,013.11	148,481.36
24 ERECTION AND SUB-CONTRACTING EXPENSE		
a) Construction Materials and Stores Consumed	12,151.01	18,238.57
b) Tools and Tackles Consumed	1,461.52	1,281.89
c) Sub-contracting Expenses	30,007.30	39,640.76
d) Repairs to Construction Equipments/Machinery	114.61	288.83
e) Construction Transportation Charges	5,560.19	4,193.14
TOTAL	49,294.63	63,643.19
25 CHANGES IN INVENTORIES		
a) Opening Stock		
i) Work in Progress/Semi Finished Goods	8,093.41	3,337.11
ii) Finished Goods	5,298.18	2,523.82
iii) Scrap	122.63	183.85
	13,514.22	6,044.78
b) Less: Closing Stock		
i) Work in Progress/Semi Finished Goods	7,714.21	8,093.41
ii) Finished Goods	5,807.53	5,298.18
iii) Scrap	82.67	122.63
	13,604.41	13,514.22
TOTAL	(90.19)	(7,469.44)
26 EMPLOYEE BENEFITS EXPENSE		
a) Salaries, Wages and Bonus, etc.	13,887.37	9,101.52
b) Leave Encashment	158.80	131.36
c) Employee Compensation Expense - ESOS	(83.99)	96.22
d) Contribution to Provident and Other Fund	946.15	852.70
e) Welfare Expenses	623.70	540.30
TOTAL	15,532.03	10,722.10

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	31-Mar-2013 ₹ in Lacs	31-Mar-2012 ₹ in Lacs
27 FINANCE COSTS		
a) Interest Expense	16,699.18	13,929.77
b) Other Borrowing Costs	1,340.23	582.78
c) Net (gain)/loss on foreign currency transactions and translation on borrowing cost	173.92	266.48
TOTAL	18,213.33	14,779.03
28 DEPRECIATION AND AMORTIZATION EXPENSE		
a) Depreciation of Tangible Assets (Note No. 12)	3,205.23	2,323.67
b) Amortization of Intangible Assets (Note No. 12)	353.71	168.91
	3,558.94	2,492.60
c) Less : Transfer from Revaluation Reserve	(2.42)	(2.42)
TOTAL	3,556.52	2,490.16
29 OTHER EXPENSES		
a) Stores and Consumables	977.10	592.96
b) Packing Materials	167.54	137.46
c) Power and Fuel	2,056.12	2,397.92
d) Conversion Expenses	2,295.41	2,675.90
e) Service Charges	3,798.92	2,944.30
f) Repairs to Buildings	74.75	85.52
g) Repairs to Plant and Machinery	340.72	346.60
h) Repairs to Others	440.19	368.25
i) Testing and Designing Expenses	294.87	154.99
j) Excise Duty on Stocks (Net)	(73.41)	179.04
k) Rent	678.18	587.14
l) Rates and Taxes	3,531.96	3,290.46
m) Insurance	1,112.48	956.79
n) Travelling and Conveyance	2,074.99	1,683.66
o) Postage, Telephone and Fax	518.65	414.53
p) Printing and Stationery	236.27	232.82
q) Professional and Legal Fees	1,554.56	1,047.27
r) Directors' Sitting Fees	2.25	1.95
s) Payment to auditors	75.28	68.52
t) Net (gain)/loss on foreign currency transactions and translation.	200.55	1,284.59
u) Licence and Tender Fees	148.18	118.85
v) Donations	16.35	8.46
w) Freight Outward	3,186.57	4,233.27
x) Brokerage and Commission	483.63	629.07
y) Bank Charges	5,605.65	5,348.26
z) (Gain)/Loss on Sale of Fixed Assets (Net)	15.93	(0.54)
aa) Bad Debts	813.93	-
ab) General Expenses	1,066.15	910.51
ad) Amortisation of Deferred Expenses	30.65	22.29
TOTAL	31,724.42	30,720.84

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE-30 Statement of Significant Accounting Policies of the Consolidated Financial Statements

I. Basis of Consolidation:

The consolidated financial statements relate to Jyoti Structures Limited (the 'Company'), and its subsidiaries (the 'Group'). The consolidated financial statements have been prepared in accordance with Accounting Standard 21 "Consolidated Financial Statements" specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in terms of Section 211 (3C) of the Companies Act, 1956.

A. Basis of Preparation:

- i. The Financial Statements have been prepared on historical cost convention. The Group follows accrual basis of accounting. The financial statements of Jyoti Structures Africa (Pty) Limited and Jyoti Structures Namibia (Pty) Ltd. have been prepared in accordance with International Financial Reporting Standards (IFRS) and for the requirements of the Companies Act of South Africa and Namibia. The financial statements of Jyoti International Inc, Jyoti Americas LLC, Jyoti Structures Canada Ltd., Jyoti Structures FZE, Gulf Jyoti International LLC and GJIL Tunisie Sarl. have also been prepared in accordance with International Financial Reporting Standards (IFRS) and they are modified to the extent necessary and practicable to make them uniform with the policies of the parent company.
- ii. The following subsidiaries and Joint Venture are considered for consolidation:

Name of the Company	Percentage Holding (%)		Country of Incorporation
	2012-13	2011-12	
JSL Corporate Services Ltd.	100	100	India
Jyoti Energy Ltd.	100	100	India
Jyoti International Inc.	100	100	USA
Jyoti Americas LLC	100	100	USA
Jyoti Structures Canada Ltd.	100	N.A.	Canada
Jyoti Structures FZE	100	100	Dubai
Jyoti Structures Africa (Pty) Ltd.	70	70	South Africa
Jyoti Structures Namibia (Pty) Ltd.	70	N.A.	Namibia
Gulf Jyoti International LLC along with its Subsidiary Company GJIL Tunisie Sarl., Tunisia	30	30	Dubai

- iii. The financial statements of the Company, its subsidiaries and a Joint Venture are prepared up to 31st March, 2013,

B. Principles of Consolidation:

- i. The financial statements of the Company, its subsidiary companies and a joint venture have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses; after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions as per Accounting Standard 21.
- ii. The excess of cost to the Company of its investments in the subsidiary companies is recognised in the financial statements as goodwill, which is tested for impairment on every balance sheet date. The excess of Company's share of equity and reserves of the subsidiary companies over the cost of acquisition is treated as capital reserve.
- iii. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible and practicable, in the same manner as the Company's separate financial statements.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

II. Other Significant Accounting Policies

1. Revenue Recognition:

- a) Sale of goods is recognised on completion of supplies as per the terms of the contract and on transfer of risk and reward. Sales include excise duty and adjustment for price variation and are net of claims accepted.
- b) In case of construction/erection contracts, revenue is recognised based on the stage of completion determined as per the terms of the contract. Sales/Income are booked on the basis of running account bills based on completed work and are net of claims accepted. Escalations and other claims which are not acknowledged by customers are not taken into account.
- c) Interest income is recognised on time proportion basis.
- d) The insurance claims are accounted for on accrual basis based on fair estimation of sanctions by the insurance companies.

2. Use of Estimates:

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and the estimates are recognised in the period in which the results are known / materialised.

3. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction, net of recoverable taxes including any cost attributable for bringing the asset to its working condition for its intended use and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any.

4. Depreciation / Amortisation:

- a) Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, except on computer software and on fixed assets of Uganda, Bhutan, Bangladesh and Kenya branches.
- b) Computer software is depreciated over a period of 3 to 6 years depending upon the expected useful life of the software.
- c) On the fixed assets of Uganda, Bhutan, Bangladesh and Kenya branches, depreciation is provided on Straight Line Method. The applicable rates are based on the local laws and practices of the respective countries.
- d) In case of revalued assets, the difference between the depreciation based on revaluation and the depreciation charged on historical cost is recouped out of the Revaluation Reserve.
- e) Leasehold land is amortised over the period of lease.
- f) Goodwill arising on amalgamation is amortised over a period of 5 years.

5. Investments:

Long term investments are stated at cost. Provision for diminution in value of such investments is made only if such a decline is other than temporary.

6. Inventories:

- a) Raw materials, Construction materials, Components and Stores & Spares are valued at lower of cost or net realisable value.
- b) Cost of inventories is determined by using the weighted average cost formula, except that of Jyoti Structures Africa (Pty) Ltd., in which case the same has been done on FIFO basis.
- c) Material purchased for supply against specific contracts is valued at cost or net realisable value as per the contract, whichever is lower.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

- d) Work-in-progress is valued at cost including material cost and attributable overheads. Provision is made when expected realisation is lesser than the carrying cost.
- e) Finished goods are valued at cost or net realisable value, whichever is lower and inclusive of excise duty.
- f) Scrap is valued at net realisable value.

7. Tools and Tackles:

Tools and tackles are amortised over their estimated useful life.

8. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expenses in the period in which they are incurred.

9. Impairment of Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any such indication exists, then recoverable amount of the asset is estimated. An impairment loss, if any, is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

The impairment loss recognised in a prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

10. Debenture / Preference Share Issue Expenses:

Expenses incurred for issue of secured debentures and preference shares made by the Group were written off as revenue expenditure during the year of issue.

11. Foreign Currency Transactions:

- a) Transactions denominated in foreign currencies are accounted for at the exchange rates prevailing on the dates of the transactions or that approximates the actual rate at the dates of transactions.
- b) Monetary items denominated in foreign currencies, remaining unsettled at the year end are restated at the closing rates.
- c) Non-monetary items denominated in a foreign currency are stated at costs.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in Statement of Profit and Loss.
- e) Financial Statements of Overseas Integral Operations are translated as under:
 - i. Assets and liabilities are translated at the rate prevailing at the end of the year. Income and expenditure are translated on the yearly average exchange rate prevailing during the year.
 - ii. Fixed assets are translated at the average rate prevailing on purchase/acquisition of assets. Depreciation is accounted at the same exchange rate at which the assets are translated.
 - iii. The resultant exchange gains and losses are recognised in the Statement of Profit and Loss.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

- f) Financial Statements of Overseas Non Integral Operations are translated as under:
- Assets and liabilities are translated at the rate prevailing at the end of the year. Income and expenditure are translated on the yearly average exchange rate prevailing during the year. Depreciation is accounted at the same rate at which assets are translated.
 - Exchange differences arising on translation of non integral foreign operations are accumulated in the foreign currency translation reserve until the disposal of such operations.
- g) Forward Exchange Contracts:
- In case of transactions covered by forward exchange contracts which are not intended for trading or speculation purposes, premium or discount is amortised as expense or income over the life of the contract.
 - Exchange difference on such contracts is recognised in the Statement of Profit and Loss in the year in which the exchange rates change.
 - Profit or loss arising on cancellation or renewal of such forward exchange contracts are recognised as income or expense for the year.

12. Excise Duty:

The excise duty in respect of closing inventory of finished goods is included as part of the inventory. The amount of Central Value Added Tax (CENVAT) credit in respect of materials consumed for sales is deducted from cost of materials consumed.

13. Leased Assets:

Operating Lease:

- Lease payments are recognised as expense in the Statement of Profit and Loss on straight line basis over the term of the lease.
- Assets given on operating lease are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the term of the lease.

14. Employees' Retirement and Other Benefits:

a) Short Term Employee Benefits:

Short term employee benefits are recognised as expenses at the undiscounted amount in the period during which the services have been rendered.

b) Long Term Employee Benefits:

I. Defined Contribution Plan:

The Company's contribution to Provident Fund and Superannuation Fund are charged to Statement of Profit and Loss on accrual basis.

II. Defined Benefit Plan:

- Gratuity: The company provides for the applicable gratuity based on actuarial valuation as per the Projected Unit Credit Method.
- Leave Encashment: The company provides for the applicable liability at the year end on account of unavailed earned leave as per the actuarial valuation as per Projected Unit Credit Method.
- The bonus and leave travel allowance applicable to employees is accounted for on accrual basis.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

- iv. The cost of employee stock option attributable to current financial year is accounted for and charged to Statement of Profit and Loss.

15. Taxes on Income:**a. Current Tax:**

Provision for current Income Tax is made on the estimated taxable income using the applicable tax rates and tax laws.

b. Deferred Tax:

Deferred tax arising on the timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is a virtual certainty as regards to the reversal of the same in future years.

16. Earnings Per Share:

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earning per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

17. Provisions and Contingencies:

- a. A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.
- b. A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- c. Contingent assets are neither recognised nor disclosed in the financial statements.

18. Employees Stock Option Scheme:

Stock options granted to the employees of the Company, under the Employees Stock Option Scheme are evaluated as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. Accordingly, excess of market value of the stock option, as on date of grant over the exercise price of the option is recognised as deferred employee compensation and is charged to Statement of Profit and Loss as employee costs, on straight line method over the vesting period of the options.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE- 31 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Outstanding Contracts - Capital Account:

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) are ₹ Nil (P.Y. ₹ 10.55 Lacs). Advances paid ₹ Nil (P.Y. ₹ 10.22 Lacs).

2. Contingent Liabilities not provided for:

Sr. Particulars No.	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
1 Outstanding of Bills Discounted	533.91	404.10
2 Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	637.47	567.13
3 Civil Suits	107.87	100.21

The Group has given a letter of comfort for general banking facilities provided by National Bank of Abu Dhabi to Gulf Jyoti International LLC. The total loan outstanding from the bank to the said Company is AED 100.98 Lacs (P.Y. AED 98.49 Lacs) equivalent to ₹ 1,498.52 Lacs (P.Y. ₹ 1,385.93 Lacs) as on 31st March, 2013.

3. The gross block of fixed assets includes ₹ 83.62 Lacs (P.Y. ₹ 83.62 Lacs) on account of revaluation of fixed assets carried out by the Group in the year 1993-94. Consequent to the said revaluation, there is an additional charge of ₹ 2.42 Lacs (P.Y. ₹ 2.42 Lacs) on account of depreciation and an equivalent amount has been withdrawn from the revaluation reserve and credited to Statement of Profit and Loss. This has no impact on the profit for the year.

4. Disclosure as required by Accounting Standard 15 (revised 2005) "Employee Benefits". :

Defined Contribution Plans

- a) Provident Fund
- b) Superannuation Fund

The provident fund is operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the Trustees of Jyoti Structures Limited Officers Superannuation Scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax authorities.

The Group has recognised the following amounts in the Statement of Profit and Loss for the year:

Sr. Particulars No.	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
i) Contribution to Provident Fund	387.26	319.83
ii) Contribution to Other Fund	120.84	113.20
iii) Contribution to Employees' Superannuation Fund	97.05	211.68

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Defined Benefit Plans:

Gratuity and Leave Encashment

(₹ in Lacs)

Sr.	Particulars	2012-13		2011-12	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Expenses recognised in Statement of Profit and Loss and included in Note-26 "Employee Benefits Expense"				
	Current Service Cost	113.30	109.21	85.32	99.92
	Interest Cost	69.37	18.59	56.60	13.41
	Expected Return on Plan Assets	(42.30)	-	(33.86)	-
	Net Actuarial losses/(gain)	115.34	24.05	70.86	25.98
	Total Expenses	255.71	151.85	178.92	139.31
2	Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation:				
	Opening balance of defined benefit obligation.	840.88	225.33	665.94	157.72
	Current Service Cost	113.30	109.21	85.32	99.92
	Interest Cost	69.37	18.59	56.60	13.41
	Actuarial losses/(gain)	112.94	24.05	68.48	25.98
	Liabilities Extinguished on Settlements	-	-	-	-
	Benefits Paid	(58.13)	(58.32)	(35.46)	(71.71)
	Closing balance of defined benefit obligation	1,078.36	318.86	840.88	225.33
3	Reconciliation of opening and closing balances of changes in fair value of plan assets:				
	Opening balance of plan assets	427.54	-	356.45	-
	Expected Returns on Plan Assets	42.30	-	33.86	-
	Actuarial (losses)/gain	(2.40)	-	(2.38)	-
	Assets Distributed on Settlement	-	-	-	-
	Contribution by Employer	85.00	-	50.47	-
	Benefits Paid	(25.58)	-	(10.86)	-
	Closing balance of plan assets	526.86	-	427.54	-
4	Net liability recognised in the Balance Sheet				
	Closing balance of defined benefit obligation	1,078.35	318.86	840.88	225.33
	Closing balance of fair value of plan assets	526.87	-	427.54	-
	Present value of unfunded obligation recognised as liability	551.48	318.86	413.34	225.33
5	Actual Return on Plan Assets	39.90		31.48	
6	Actuarial Assumption				
	Discount Rate		8.25%		8.50%
	Expected Rate of Return on Plan Assets		9.25%		9.00%
	Expected Rate of Salary Increase		6.00%		5.50%
	Mortality	LIC (1994-96) published table of Mortality Rates		LIC (1994-96) published table of Mortality Rates	
	Withdrawal Rates	5% at younger ages and reducing to 1% at older ages according to graduated scale		5% at younger ages and reducing to 1% at older ages according to graduated scale	
	Retirement age	58 years		58 years	
	Actuarial Valuation Method	Project Unit Credit Method		Project Unit Credit Method	

Above information is as per certificates of a actuary.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

5. Disclosures in Respect of Joint Ventures under the Accounting Standard 27 "Financial Reporting of Interest in Joint Ventures":

(₹ in Lacs)

Particulars	As at 31-Mar-2013	As at 31-Mar-2012
	Share of Interest	
a) Jointly Controlled Entities : Gulf Jyoti International LLC	30%	30%
b) Aggregate amount of assets, liabilities, income and expenditure related to Company's interest in jointly controlled entity:		
Assets:		
Fixed Assets	4,178.90	4,501.32
Cash and Bank Balances	860.16	714.87
Inventories	2,083.84	2,428.40
Trade and Other Receivables	4,297.24	3,036.68
Loans and Advances	1,783.05	2,611.63
Current Liabilities:	8,319.25	8,213.40
Non Current Liabilities	3,484.93	4,061.57
Income	11,287.46	8,847.90
Expenditure	10,881.53	8,394.87
Contingent Liability on account of Letter of Credit	5,700.20	1,211.57
Contingent Liability on account of Guarantees	17,664.53	14,202.52

6. Disclosures in Respect of Joint Ventures under the Accounting Standard 27 "Financial Reporting of Interest in Joint Ventures":

(₹ in Lacs)

Particulars	31-Dec-2012	31-Dec-2011
	Share of Interest	
a) Jointly Controlled Entities : Lauren Jyoti Pvt Ltd.	50%	50%
b) Aggregate amount of assets, liabilities, income and expenditure related to Company's interest in jointly controlled entity: *		
Assets:		
Fixed assets	187.14	15.42
Cash and Bank Balances	156.64	1,148.27
Inventories	21,346.40	435.57
Trade and Other Receivables	948.19	-
Loans and Advances	4,837.90	1,532.90
Current Liabilities	28,071.67	2,646.29
Non-Current Liabilities	5.55	-
Income	24,998.29	379.21
Expenditure	26,079.56	393.35
Contingent Liability on account of Guarantees	5,507.00	Nil
Capital Commitments	Nil	Nil

* These figures are reviewed by the management but are not audited by any auditor.

The Group's Share of investment in the Joint Venture is 50% of the Capital Contribution. In absence of audited financial statements of the Joint Venture Company namely Lauren Jyoti Pvt. Ltd. as on 31.03.2013, the company has not consolidated the financial statements of the said joint venture company with its financial statements. Had this been considered, the consolidated assets would have increased by ₹ 27,476.27 Lacs and consolidated liability would have increased by ₹ 28,077.22 Lacs, profit for the year would have decreased by ₹ 1,081.26 Lacs and reserves would have been lower by ₹ 1,100.95 Lacs.

7. The Company has invested an amount of ₹ 500 Lacs (P.Y. ₹ 500 Lacs) in its Joint Venture Company namely, Lauren Jyoti Pvt Ltd. That Company maintains its accounts on financial year basis. The total paid up capital of the Company as on 31st March 2013 was ₹ 1,000 Lacs (P.Y. ₹ 1,000 Lacs) . The statutory audit is in progress hence as per management presentation total loss incurred during the year by the company was ₹ 2,162.52 Lacs (P.Y. ₹ 28.27 Lacs). However, based on the orders in hand and the business outlook of the Joint Venture Company, the management is of the opinion that there is no diminution in value of the investment and therefore no provision for the same is made during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

8. During the year, the Company has capitalised interest of ₹ Nil (P.Y. ₹ 14.32 Lacs) on borrowings made for acquisition of qualifying assets.
9. The company has consolidated the accounts of its two wholly owned subsidiary companies namely Jyoti International INC and Jyoti Americas LLC. The said companies have provided for deferred tax asset during the year amounting to US\$ 29,45,811 (P.Y. US\$ 5,34,524) and the total accumulated deferred tax assets as at 31.03.2013 is US\$ 34,80,355 (P.Y. US\$ 5,34,524). The said treatment is considered by the auditors of both companies.
10. Forward exchange contracts outstanding as at 31st March, 2013 which are entered into by the Company and which are not intended for trading or speculative purposes are given below:

(₹ in Lacs)

Particulars	As at 31-Mar-2013	As at 31-Mar-2012
Forward Exchange Contracts	Nil	2,559.25

11. The year end net monetary foreign currency exposures that have not been hedged, are given below:

Receivables

Currency	As at 31-Mar-2013		As at 31-Mar-2012	
	Foreign Currency in Lacs	₹ in Lacs	Foreign Currency in Lacs	₹ in Lacs
USD	307.98	16,740.40	243.17	12,446.91
EURO	4.95	344.82	36.45	2488.39
AED	188.13	2,783.28	238.78	3326.59
TND	2.11	71.69	2.67	91.78
UGX	9,003.15	187.90	18,867.11	378.29
BDT	437.96	299.81	955.66	587.10
Nu	2,022.43	2,022.43	2,572.36	2,572.36

Payables

Currency	As at 31-Mar-2013		As at 31-Mar-2012	
	Foreign Currency in Lacs	₹ in Lacs	Foreign Currency in Lacs	₹ in Lacs
USD	11.94	652.85	31.50	1,643.65
EURO	-	-	2.62	182.73

12. Expenditure on account of premium of forward exchange contracts to be recognised in the Statement of Profit and Loss of subsequent accounting periods amounts to ₹ Nil (P.Y. ₹ 31.46 Lacs).
13. Disclosures for operating leases under Accounting Standard 19 – “Leases”
- a) Disclosures in respect of the agreements entered into after 1st April, 2001 for taking on leave and license/under operating leases; the residential/office premises and warehouses, including furniture fittings therein as applicable, and machinery are given below:

Sr. No.	Particulars	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
1	Lease payments recognised in the Statement of Profit and Loss for the year	158.61	307.82
2	Future minimum payments receipt under the agreements, which are non cancellable. (All the lease agreements are cancellable)	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

- b) Disclosures in respect of the agreements entered into after 1st April, 2001 for giving the plant and machineries and other fixed assets under operating leases are given below:

Sr. No.	Particulars	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
1	Lease income recognised in the Statement of Profit and Loss for the year	207.21	172.35
2	Future minimum lease receipt under the agreements, which are non cancellable are as follows:		
i)	Not later than one year	Nil	Nil
ii)	Later than one year and not later than five years	Nil	Nil

The agreements provide for early termination by either party with a notice period which varies from fifteen days to three months and they contain a provision for their renewal.

14. Related Party Disclosures:

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures".

1 Relationships (during the year)

(i) Key Management Personnel:

Mr. Prakash Thakur

Mr. Santosh Nayak

Mr. K. R. Thakur

(ii) Joint Venture:

Gulf Jyoti International LLC

Lauren Jyoti Pvt Ltd.

2 The following transactions were carried out with the related parties in the ordinary course of business.

Sr. No.	Particulars	Type of Relationship	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
1	Remuneration Paid	1(i)	489.64	642.84
2	Purchase of Goods/Services	1(ii)	5,468.61	16,587.41
3	Sale of Goods/Services	1(ii)	5,313.04	436.46
4	Lease Rentals received	1(ii)	296.02	44.04
5	Investments at the end of the year	1(ii)	2,142.77	2,142.77
6	Outstanding balance receivable/(payable) at the end of the year.	1(ii)	11,044.95	(1,419.11)
7	Investment during the year	1(ii)	Nil	500.00

15. Information in accordance with the requirement of Accounting Standard - 7 (Revised) "Construction Contracts".

Particulars	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
Contract revenue recognised during the year	65,181.53	82,811.30
Method used to determine the contract revenue recognised and the stage of completion of contracts in progress	Percentage Completion Method	
Disclosure in respect of contracts in progress as at the year end:		
Aggregate amount of costs incurred and recognised profits (less recognised losses)	1,51,128.58	1,54,755.92
Advances received	8,639.33	5,922.23
Retentions receivable	15,657.68	7,955.23
Gross amount due from customers (Included under Note-17 Trade Receivable)	46,315.08	47,608.41
Gross amount due to customers (Included under Note No.10 Advances from Customer under Other Current Liabilities)	8,639.33	4,084.55

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**16. Employees Stock Option Scheme:**

Under Jyoti Structures Limited Employees Stock Option Scheme 2005 (ESOS 2005) as amended, the Company is authorised to issue upto 5,00,000 (Five lacs) stock options, convertible into 25,00,000 (Twenty Five lacs) equity shares of ₹ 2/- each to employees. A Compensation Committee has been constituted by the Board of Directors of the Company to administer the Scheme.

Each option is to be converted into 5 Equity shares of ₹ 2/- each at an exercise price of ₹17/- per equity share (being the exercise price adjusted after split of face value from ₹ 10/- to ₹ 2/-). Under the scheme, 30% of the options vest at the end of one year from the date of grant of options, 30% at the end of second year from the date of grant of options and the balance 40% at the end of third year from the date of grant of options.

The amount of ₹ (83.99) Lacs (P.Y. ₹ 96.22 Lacs), debited/(credited) to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been credited to the revenue account.

The amount of ₹ 387.35 (P.Y. ₹ 524.82 Lacs) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

The balance un-amortised portion of ₹ 84.10 Lacs (P.Y. ₹ 91.72 Lacs) being Deferred Employee Compensation

Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

Sr. No.	Particulars	2012-13 (In Numbers)	2011-12 (In Numbers)
i)	Options granted and outstanding at the beginning of the year	90,785	95,055
ii)	Options granted during the year	60,650	13,150
iii)	Options lapsed and/or withdrawn during the year	23,150	-
iv)	Options exercised during the year against which shares were allotted	9,250	17,420
v)	Options granted and outstanding at the end of the year of which:--		
-	Options vested	39,860	50,205
-	Options yet to vest	79,175	40,580

17. Earnings Per Share (EPS)

SN	Particulars	2012-13	2011-12
i)	Profit/(Loss) after Tax (Net of preference share dividend) (₹ in Lacs)	3,839.72	9,641.74
ii)	Weighted Average Number of Ordinary Shares for Basic Earning per Share (In Nos)	8,22,30,448	8,21,61,055
iii)	Add: Equity shares for no consideration arising on grant of stock options under ESOS	2,89,450	2,92,625
iv)	Weighted Average Number of Ordinary Shares for Diluted Earning per Share (In Nos)	8,25,19,898	8,24,53,680
v)	Nominal Value of Ordinary Share	₹ 2/-	₹ 2/-
vi)	Basic Earning Per Ordinary Share	₹ 4.67	₹ 11.74
vii)	Diluted Earning Per Ordinary Share	₹ 4.65	₹ 11.69

18. The terms and conditions of various contracts being executed by the Company provide for clauses in respect of liquidated damages applicable for any delay in completion of the whole or a portion of the contracts. In case of a few contracts, where there have been such delays in completion of the contracts, the Company is currently negotiating with its customers for an extension of time for the delays attributable to the customers to complete the contracts. It is currently uncertain as to whether the customers would grant the required extension of time and hence, the quantum of liquidated damages is also uncertain. As per the past experience, where the delays are due to reasons beyond the control of the Company, the approvals for time extensions are normally received from customers, which sometimes take more than reasonable time. As such, no provision on this account has been made in the books of account.

19. Jyoti Structures Africa (Pty) Limited is currently involved in a legal dispute with its service provider KRB Electrical Engineering Services (Pty) Limited. At the year end, the management and their legal advisers have not been able to determine the extent of legal costs nor the outcome of the current proceedings.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

20. The Group is operating in only one primary business segment of power transmission and distribution wherein it manufactures/deals in various components/equipments and constructs infrastructure related to power transmission. As such there are no separate primary reportable or identifiable business segments as defined by Accounting Standard – 17 “Segment Reporting”

Secondary Segment: Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located in India.
- Sales outside India include sales to customers located outside India. Information pertaining to Secondary Segment:

Details of Segment Revenue:

Particulars	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
Sales within India	2,20,885.27	2,24,394.89
Sales outside India	80,384.03	52,212.18
Total	3,01,269.30	2,76,607.07

Details of carrying amount of Segment Assets by geographical locations:

Particulars	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
Within India	2,19,375.46	2,15,704.88
Outside India	80,363.29	56,894.34
Total	2,99,738.75	2,72,599.22

Total cost incurred during the period to acquire segment assets (fixed assets including intangible assets) that are expected to be used during more than one period:

Particulars	2012-13 ₹ in Lacs	2011-12 ₹ in Lacs
Within India	1,831.58	3,260.32
Outside India	4,554.67	20,880.28
Total	6,386.25	24,140.60

21. Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with the parent Company's financial statements.

22. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

The Notes referred to above form an integral part of the Financial Statements.

As per our report attached

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Membership No. 31927
Mumbai; 29th May, 2013

Notes

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Notes

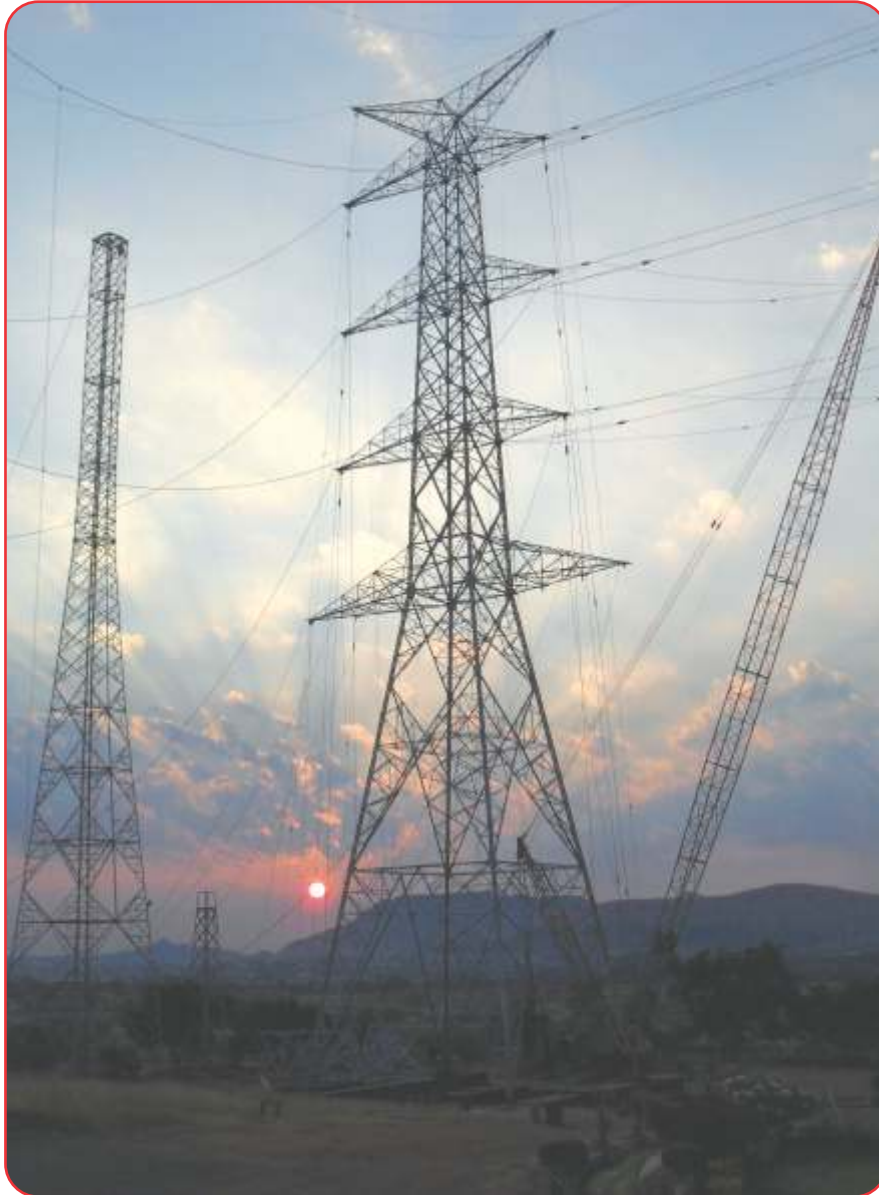
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Team Jyoti Americas LLC



First Despatch of Tower Parts from Jyoti Americas LLC



82 Meters Tall Multi Circuit Tower Weighing 135 MT - Designed & Tested by Jyoti for Eskom, South Africa



Parabolic Trough Solar Field at 50MWe Godavari Green Energy's Solar Thermal Power Plant in Rajasthan (EPC Contract by Lauren Jyoti Pvt. Ltd.)



Rural Electrification Project under Rajiv Gandhi Grameen Vidyutikaran Yojana



Building Road For Villagers in District Dharamnagar of Tripura



Taking Electricity to Rural Households in Malkangiri District of Orissa under Rajiv Gandhi Grameen Vidyutikaran Yojana



Engineering Training Programme conducted by Jyoti at Eskom, South Africa



Safety Day at Monachera Project, Assam



JYOTI STRUCTURES LIMITED