



JYOTI STRUCTURES LIMITED



ANNUAL REPORT 2009-2010

FINANCIAL HIGHLIGHTS

Rs. in Million

	2009-10	2008-09	2007-08	2006-07	2005-06
SALES & EARNINGS :					
Gross Sales & Other Income	20,688	17,459	14,007	10,258	7,402
Profit before Taxes	1,444	1,264	1,203	875	462
Profit after Taxes	919	797	724	550	277
Equity Dividend	50%	45%	40%	30%	20%
ASSETS :					
Gross Block	2,389	1,740	1,085	938	868
(Including Capital W.I.P.)					
Net Block	1,716	1,219	645	563	546
Total Net Assets	8,816	7,286	5,742	4,430	2,903
REPRESENTED BY :					
Net Worth	5,028	4,155	3,395	2,734	1,200
Share Capital	164	163	162	161	138
Reserves & Surplus	4,869	4,004	3,250	2,597	1,063
Share Application Money / Share Warrants-Up Front Price	-	-	-	-	15
Borrowings	3,606	3,036	2,249	1,595	1,609
Deferred Tax Liability	177	83	81	77	78
Total Funds	8,816	7,286	5,742	4,430	2,903
OTHER HIGHLIGHTS :					
Foreign Exchange Earnings	4,577	6,920	3,557	810	989
(Including Deemed Exports & Sales through Export Houses)					
Foreign Exchange Outgo	695	233	47	53	119
INSTALLED CAPACITY AND PRODUCTION :					
Installed Capacity (M.T.p.a.)	110,000	110,000	95,800	76,000	76,000
Production (M.T.)	118,555	85,377	74,330	61,192	57,952
EARNING PER SHARE :					
EPS - Basic (In Rs.)	11.23	9.80	8.95	7.18	4.00
EPS - Diluted (In Rs.)	11.18	9.74	8.85	7.07	3.84

BOARD OF DIRECTORS

S. D. Kshirsagar	<i>Chairman</i>
A. J. Khan	
G. L. Valecha	
R. C. Rawal	
S. H. Mirchandani	
Prakash K. Thakur	<i>Executive Vice Chairman</i>
Santosh V. Nayak	<i>Managing Director</i>
K. R. Thakur	<i>Whole-time Director</i>

COMPANY SECRETARY

L. H. Khilnani

AUDITORS

R. M. Ajgaonkar & Associates, Chartered Accountants

BANKERS

Bank of India
Bank of Maharashtra
Canara Bank
Dena Bank
ICICI Bank
IDBI Bank
Indian Bank
Standard Chartered Bank
State Bank of Hyderabad
State Bank of India
State Bank of Indore
Syndicate Bank
UCO Bank
Union Bank of India
Vijaya Bank
Yes Bank

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENTS

Big Share Services Private Limited,
E/2, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (East), Mumbai - 400 072
Tel. : 2847 0652 / 2847 0653 / 2847 3747
Fax : 2847 5207
e-mail : bss@bigshareonline.com

35th ANNUAL GENERAL MEETING

Day : Wednesday
Date : 15th September, 2010
Time : 3.30 p.m.
Venue : M.C. Ghia Hall,
Bhogilal Hargovinddas Building,
18/20, Kaikhushru Dubash Marg,
Mumbai - 400 001.

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DIRECTORS' REPORT

Your Directors have pleasure in presenting the Thirty Fifth Annual Report on the business and operations of the company along with the Audited Statement of Accounts for the financial year ended 31st March, 2010.

FINANCIAL RESULTS

The performance of the company, on standalone basis, for the financial year ended 31st March, 2010 is as summarized below:

	(Rs. in Million)	
	2009-10	2008-09
Gross Turnover	20,633	17,385
Profit before tax	1,444	1,264
Provision for taxation including deferred tax	(525)	(466)
Profit after tax	919	798
Excess/(Short) Provision of Taxes for earlier years	(9)	0
Balance b/f from previous year	1,741	1,129
Balance in Profit & Loss A/c of Amalgamating company	6	0
Profit available for appropriation	2,657	1,927
Proposed dividend	82	74
Tax on proposed dividend	14	12
Transfer to General Reserve	100	100
Balance carried to Balance Sheet	<u>2,461</u>	<u>1,741</u>

During the year, the company recorded highest supply of towers and structures at 118,555 MT, as against 85,377 MT in the previous year.

Gross turnover for the year increased by 18.68% at Rs.20,633 million, as against Rs.17,385 million, during the previous year. The profit after tax grew by 15% to Rs.919.17 million, as against Rs.797.44 million, in the previous year.

Despite global economic challenges, your company has held out against the tide, and delivered reasonable performance. This was possible because of focused management approach, efficient project management, control of cost and prudent financial and human resource management.

Your company's efforts to maintain operational efficiencies and grow business through strategic ventures will continue. The order backlog at the end of the year was healthy at Rs.41,000 million, compared to Rs. 36,000 at the end of the previous year. With comfortable order book position, the company is well placed to manage its growth momentum.

DIVIDEND

Commensurate with the performance of the company, your Directors are pleased to recommend a dividend of Re.1 per Equity Share of Rs.2 each (Re.0.90 for the previous year) for the year ended 31st March, 2010.

Amalgamation of JSL Structures Limited with Jyoti Structures Limited

With a view to consolidate manufacturing facilities and for better administration, control and management your Directors had decided to amalgamate JSL Structures Limited, a wholly owned subsidiary of your company, with itself with effect from 1st April, 2009.

Your Directors wish to inform you that JSL Structures got amalgamated with the company pursuant to an order dated 30th April, 2010 passed by the Hon'ble High Court of Judicature at Bombay. The scheme of amalgamation was filed with the Registrar of Companies, Maharashtra, Mumbai on 11th May, 2010 and the scheme became effective. In view of the above, the audited accounts of the company comprises of the accounts of the merged entity.

CAPITAL

Pursuant to merger of JSL Structures Limited, the Authorised Capital of the company has increased to Rs.850 million divided into 175,000,000 Equity Shares of Rs.2 each and 5,000,000 Redeemable Preference shares of Rs.100 each.

During the year, there has been an increase in the capital by 332,575 Equity Shares of Rs.2 each on account of allotments made under Employees Stock Option Scheme to option holders exercising their right on vesting of options.

The company proposes to issue securities to the extent of Rs. 4,000 million to Qualified Institutional Buyers (QIBs) in accordance with SEBI (ICDR) Regulations, 2009, as per details provided in the accompanying notice.

SUBSIDIARY COMPANIES

For the year under review, no business was transacted in JSL Corporate Services Limited and Jyoti Energy Limited.

Jyoti Structures Africa (Pty) Limited

The company successfully completed the projects awarded by Eskom and Nam Power.

Gross turnover of the company stood at ZAR 219.97 million (equivalent to Rs. 1,302.22 million) and net loss was ZAR 18.64 million (equivalent to 110.35 million). The loss was mainly on account of extended period of execution of 765 kV Majuba Umfolozi Line Sec A, which was mainly due to working in tough terrains and hostile weather conditions including unprecedented heavy rains.

Ministry of Corporate Affairs, Government of India, vide order No. 47/222/2010 – CL – III dated 8th April, 2010, has accorded approval under Section 212 (8) of the Companies Act, 1956, exempting the company from attaching the accounts of the above subsidiary companies. However, the consolidated accounts are attached with the accounts of your company.

The copy of annual report of the above subsidiary companies and related information, will be made available free of cost to the shareholders, on request.

DIRECTORS

On 31st March, 2010, the term of Mr. K. R. Thakur as a Managing Director of the company concluded. At the instance of Mr. Thakur and on recommendation of the Remuneration Committee, the Board of Directors of the company at its meeting held on 26th March, 2010, subject to approval of the shareholders, effective 1st April, 2010 reorganized and appointed Mr. Prakash Thakur, as an Executive Vice Chairman, Mr. Santosh Nayak, as Managing Director and Mr. K. R. Thakur, as a Whole-time Director of the company, and revised the terms of appointment including remuneration payable to them. The Board places on record their sincere appreciation for the distinguished services rendered by Mr. K. R. Thakur, as a Managing Director of the company, since November, 1988.

Mr. R. C. Rawal was appointed as an additional director of the company, effective 25th January, 2010. In terms of Section 260 of the Companies Act, 1956, he shall hold office upto the date of the ensuing Annual General Meeting. The company has received requisite notice in writing from a member proposing his candidature for the office of Director.

Mr. P. A. Sethi, has resigned from the Board, effective 6th February, 2010. The Board places on record its sense of appreciation for the contribution made by Mr. P. A. Sethi during his tenure as a Director of the company.

In accordance with the provisions of the Companies Act, 1956, Mr. A. J. Khan and Mr. S. H. Mirchandani, Directors of the company, retire by rotation and being eligible, offer themselves for re-appointment.

The Board of Directors recommends the appointment / re-appointments of all the above Directors at the ensuing general meeting.

AUDITORS AND AUDITORS' REPORT

M/s. R. M. Ajgaonkar & Associates, statutory auditors of the company retire and offer themselves for re-appointment as the statutory auditors of the company, pursuant to Section 224 of the Companies Act, 1956.

Auditors comments on your company's accounts for the year ended 31st March, 2010 are self explanatory in nature and do not require any explanation as per provisions of Section 217 (3) of the Companies Act, 1956.

JYOTI STRUCTURES LIMITED

DEPOSITS

The company has not accepted any deposits within the meaning of Section 58 A of the Companies Act, 1956, during the year under review.

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 to be 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 Discussions 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 Annexure.

CODE OF CONDUCT

Your company is committed to conducting its business in accordance with the applicable laws, rules and regulations and 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.

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, 2010 under the 'Jyoti Structures Limited Employees Stock Option Scheme' form part of this report, as Annexure.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in section 217 (2AA) of the Companies Act, 1956, your Directors subscribe to the 'Directors Responsibility Statement' and confirm that:

- 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

The Directors wish to place on record their sincere appreciation for the continued support and co-operation by all stakeholders including customers, shareholders, suppliers, bankers and financial institutions.

Your Directors also acknowledge and thank the employees of the company at all levels for their valuable contribution and dedicated efforts in steering the company to deliver passable performance for yet another year in succession, despite tough market conditions.

For and on behalf of the Board

Mumbai; 18th August, 2010

S. D. KSHIRSAGAR
Chairman

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, 2010, are set out below for the information of shareholders and investors of the company.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The 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 the 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

The composition of Board of Directors is in compliance with the provisions of Listing Agreement with the Stock Exchanges and the Companies Act, 1956.

In keeping with the commitment of the management towards the 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 the independence of the Board, and to separate the Board's functions of governance and management. Accordingly, the Board of Directors of the company comprises of eminent persons having versatile experiences in diversified fields, including Finance, Technical, Management and Administration. Mr. S. D. Kshirsagar is a Non-Executive Chairman. One-third of the Directors are independent and non-executive directors.

None of the Directors on the company's Board is a director in more than 15 public companies and a member of more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which they are Directors. All the Directors have made necessary disclosures regarding Committee positions occupied by them.

During the financial year ended 31st March, 2010, eight (8) Board Meetings were held on 15th May, 2009, 27th July, 2009, 25th August, 2009, 27th October, 2009, 8th January, 2010, 25th January, 2010, 15th February, 2010 and 26th March, 2010. The interval between any two meetings was not more than four calendar months.

The last Annual General Meeting (AGM) was held on 25th August, 2009. 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, 2010 are tabulated below:

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

* Resigned with effect from 6th February, 2010

Appointed with effect from 25th January, 2010

JYOTI STRUCTURES LIMITED

COMMITTEES OF THE BOARD

The Board has constituted committees of Directors to take informed decisions in the best interest of the company. The committees monitor the activities falling within their terms of reference. The composition of committees including the number of meetings held during the financial year and the related attendance, are provided below:

A. Audit Committee

The company had constituted an Audit Committee in the year 2000. The scope of the 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. The terms of reference of Audit Committee broadly include various matters in conformity with the 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 the deliberation 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 the meeting of the Board.

During the financial year under review, four meetings of the Committee were held on the following dates: 15th May, 2009, 27th July, 2009, 27th October, 2009 and 25th January, 2010. The composition of the Audit Committee and the details of meetings attended by the members of the Audit Committee as on 31st March, 2010, are given below:

Name of the Director	Designation	Category	No. of meetings during the year 2009-10	
			Held	Attended
Mr. S. D. Kshirsagar	Chairman	Independent Non Executive	4	4
Mr. S. H. Mirchandani	Member	Non-Independent Non Executive	4	2
Mr. P. A. Sethi *	Member	Independent Non Executive	4	3
Mr. A. J. Khan @	Member	Independent Non Executive	4	2
Mr. R. C. Rawal #	Member	Independent Non Executive	1	1

* Resigned with effect from 6th February, 2010

@ Appointed with effect from 15th May, 2009

Appointed with effect from 25th January, 2010

Audit Committee meetings are also attended by Executive Directors, Vice President (Accounts & Taxation) 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 the 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, 2010, 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 and Mr. R. C. Rawal. Mr. P. A. Sethi ceased to be a member of the Committee, consequent to his resignation as a Director of the company, effective 6th February, 2010. Mr. R. C. Rawal was nominated as a member of the Committee with effect from 25th January, 2010.

Details of investors' grievances and their redressal during the year ended 31st March, 2010 are as under:

Received	Cleared	Pending
Direct	17	-
Through SEBI	-	-
Through Stock Exchange(s)	-	-

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 the 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. R. C. Rawal, Member (since 25th January, 2010). Mr. P. A. Sethi was also a Member of the Remuneration Committee till the date of his resignation from the Board.

During the year, the Remuneration Committee met once on 26th March, 2010 in which all the members were present.

Details of Remuneration for 2009-10

(Rs. in million)

Name of Director	Sitting fees for Board & Audit Committee Meetings	Salaries and Perquisites	Allowance in lieu of Commission
Managing Director / Whole Time Director			
K. R. Thakur	Nil	11.43	31.88
P. K. Thakur	Nil	10.52	3.92
S. V. Nayak	Nil	9.01	5.42
Non Executive Director			
S. D. Kshirsagar	0.060	Nil	Nil
S. H. Mirchandani	0.040	Nil	Nil
A. J. Khan	0.035	Nil	Nil
G. L. Valecha	0.035	Nil	Nil
P. A. Sethi *	0.035	Nil	Nil
R. C. Rawal #	0.020	Nil	Nil

* Resigned with effect from 6th February, 2010

Appointed with effect from 25th January, 2010

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 Scheme-2005.

The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Mr. A. J. Khan, Member, Mr. R. C. Rawal, Member (since 25th January, 2010) and Mr. P. A. Sethi, Member (upto 25th January, 2010).

During the year, the Committee granted 27,800 options and allotted 332,575 Equity Shares of Rs. 2 each under Employees Stock Option Scheme.

JYOTI STRUCTURES LIMITED

Note on Directors appointment / re-appointment

Name of the Director	A. J. Khan	S. H. Mirchandani	R. C. Rawal	S.V. Nayak	P. K. Thakur	K. R. Thakur
Date of Birth	1 st July, 1936	7 th March, 1965	5 th November, 1944	15 th December, 1959	28 th February, 1969	13 th November, 1942
Date of Appointment as Director	1 st April, 2003	29 th May, 1991	25 th January, 2010	26 th July, 2007	26 th July, 2007	1 st April, 2007
Qualification	B.E (Electrical)	B.E (Mech.), MBA (Finance)	B.Sc (Engg.) Mechanical	M.Com, MBA (Finance)	BE (Civil), MBA (Finance)	B.E. (Mech.)
Relation	None	None	None	None	Mr. P. K. Thakur is the son of Mr. K. R. Thakur	Mr. K. R. Thakur is the father of Mr. P. K. Thakur
Experience and Expertise in Specific functional area	Mr. A. J. Khan retired as a 'Technical Director' after having worked with Maharashtra State Electricity Board for 34 years. During his tenure he served on various national committees of the Central Electricity Authority of the Government of India and the Bureau of Indian Standards. He was also associated and acquired valuable experience in planning, design and execution of EHV projects during the course of his tenure	Mr. S. H. Mirchandani has over 20 years experience in real estate development and investments, as a business owner and director.	Mr. R. C. Rawal has an 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.	Mr. S. V. Nayak has a comprehensive experience spanning over three decades in various facets of corporate management such as finance, accounting, audit, taxation and corporate affairs and also has rich experience in marketing in India as well as overseas and knowledge in areas of corporate governance and project control.	Mr. P. K. Thakur possesses over 18 years of experience in the power transmission line industry. His experience encompasses areas of creation of strategic alliances, business development, and strategic planning. Prior to his induction on the board, as a President he played a lead role in achieving improved performance and, setting new records. He has been instrumental in establishing ventures in UAE and South Africa and taking the company's operations on a global scale.	Mr. K R Thakur has been associated with the 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 No. Equity Shares of Rs. 2 each	550	450,815	NIL	260,091	4,000,000	3,807,926
Other Directorships	None	- Mirchandani Infrastructure Pvt. Ltd. - Seagull Solutions Ltd.	None	- JSL Corporate Services Ltd. - Jyoti Energy Ltd. - Gulf Jyoti International LLC - Jyoti Structures Africa(Pty.) Ltd.	- Gulf Jyoti International LLC - Jyoti Structures Africa(Pty.) Ltd.	- JSL Corporate Services Ltd. - Jyoti Energy Ltd.

SUBSIDIARY COMPANIES

None of the subsidiary companies is covered under the term “material non-listed Indian subsidiary company”. The Minutes of the Board Meetings of the subsidiary companies are placed before the Board Meetings of the company at regular intervals.

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 Dubhas Marg, Mumbai- 400 001, as per details below:

Date	Time	Details of Special Resolution	Relevant Section
28 th June, 2007	11:30 A.M	i) Re-appointment of Managing Director	269, 311 read with Schedule XIII
		ii) Appointment of Branch Auditors	228
13 th June, 2008	3.00 P.M	i) Appointment of Mr. Prakash Thakur	257
		ii) Appointment of Mr. Santosh Nayak	257
		iii) Appointment of Branch Auditors	228
25 th August, 2009	3.00 P.M	i) Appointment of Branch Auditors	228

Resolution passed through Postal Ballot:

Members approval has been obtained by way of Postal Ballot to the following ordinary resolutions:

- Authorization for borrowings under section 293(1)(d) of the Companies Act, 1956;
- Authorization for creation of securities under section 293(1)(d) of the Companies Act, 1956.

Pursuant to the authority of the Board of Directors, Mr. Santosh Nayak, Managing Director conducted the Postal Ballot and M/s. S. S. Rauthan & Associates, Company Secretaries was appointed as Scrutinizer.

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.

- Though there is no formal Whistle Blower Policy, the company takes cognizance of the complaints made and suggestions given by the employees and others.
- All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the company.
- Certificate from Mr. S. 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, 2010 was placed before the Board of Directors of the company.

JYOTI STRUCTURES LIMITED

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. The 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 Economic Times and Maharashtra Times.

All vital information relating to the management, business operations, shareholding pattern and finances of the company are made available at the website of the company www.jsl.co.in

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

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.co.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 : Wednesday, 15th September, 2010 at 3.30 p.m
Venue : M.C. Ghia Hall, Bhogilal Hargovinddas Building,
18/20, Kaikhushru Dubash Marg, Mumbai - 400 001.

B. Financial Calendar

: April to March (financial year)
First Quarter Results - 4th week of July
Second Quarter Results - 4th week of October
Third Quarter Results - 4th week of January
Annual Audited Results - 3rd week of May

C. Book Closure

: Wednesday, 1st September, 2010 to Wednesday,
15th September, 2010 (both days inclusive)

D. Dividend Payment Date

: On or After 21st September, 2010

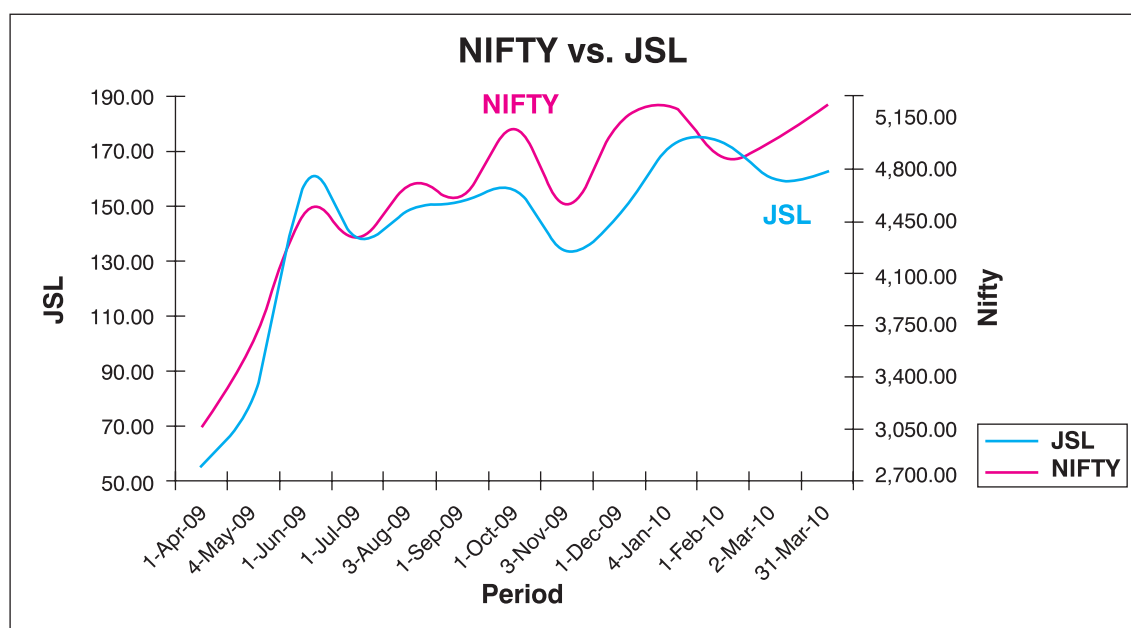
E. Listing at Stock Exchanges:

NAME OF STOCK EXCHANGE	ISIN No.	STOCK CODE NO.	CODE ON SCREEN
The Bombay Stock Exchange Limited	INE	513250	JYOTIST
The National Stock Exchange of India Ltd.	197A01024	-	JYOTISTRUC

The company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2010 – 2011.

F. Market Price Data:

MONTH	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April-09	86.55	55.15	87.05	54.90
May-09	143.85	80.50	144.65	80.20
June-09	163.65	120.05	164.40	120.25
July-09	167.80	123.85	166.90	123.50
Aug-09	153.20	133.95	153.05	132.10
Sept-09	166.50	141.55	166.20	141.65
Oct-09	159.20	132.40	158.60	132.35
Nov-09	150.85	133.25	151.15	133.45
Dec-09	174.50	143.95	174.40	143.75
Jan-10	195.15	161.10	195.45	161.85
Feb-10	174.00	153.55	173.65	153.60
Mar-10	170.70	159.35	171.20	159.25



Graph plots JSL share prices with the Nifty for the financial year ended 31st March, 2010

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:

Big Share Services Pvt. Ltd.

(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 / info@bigshareonline.com

Tel no. : 022 28470652 / 022 40430200

Fax. No. : 022 28475207

JYOTI STRUCTURES LIMITED

Share Transfer System:

The company's shares, being in compulsory dematerialized (Demat) list, are transferable through the depository system. The shares in physical mode are processed by the Registrar and Share Transfer Agent: Big Share Services Pvt. Ltd. and approved by the Share Transfer & Finance Committee of the Board, which meets at regular intervals.

H. Distribution of shareholding and shareholding pattern as of 31st March, 2010

Distribution of Shareholding

Range	No. of shareholders	% of shareholdings	Shares held in each class (in Rupees)	% of shares
1 - 5000	25,684	97.12	1,24,43,878	7.59
5001 - 10000	348	1.31	26,01,078	1.59
10001 - 20000	158	0.60	23,10,554	1.41
20001 - 30000	44	0.17	11,26,260	0.68
30001 - 40000	32	0.12	11,05,074	0.67
40001 - 50000	17	0.06	7,88,292	0.48
50001 - 100000	31	0.12	21,43,726	1.31
100001 and above	131	0.50	14,14,89,968	86.27
Total	26,445	100.00	16,40,08,830	100.00

Shareholding Pattern as on 31st March, 2010

Category of shareholders	No. of Shares	% of shares
Promoters - Individuals	1,56,68,472	19.12
- Bodies Corporate	63,16,120	7.70
Other Bodies Corporate	45,69,007	5.57
NRIs/FIIs	1,61,19,270	19.65
Financial Institutions/Banks/Mutual Fund	2,87,43,314	35.05
Indian Public	1,05,88,232	12.91
Total	8,20,04,415	100.00

I. Dematerialization of Shares:

As on 31st March, 2010, 99.07% 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 or any convertible instruments.

K. Plant Locations:

Nasik Factory:

52A/53A, D. Road,
Satpur Industrial Complex,
Nasik - 422 007 (Maharashtra)
Tel : (91-253)2351091-4
Fax : (91-253) 2351134

Tower Testing Station:

Ghoti, Igatpuri,
Dist - Nasik - 422 002
(Maharashtra)
Tel : (91-2553) 282211
Fax : (91-2553) 282212

Raipur Factory:

1037/1056, Sarora Ring Road,
Urla Industrial Complex,
Raipur-493 221 (Chhattisgarh)
Tel : (91-771) 2324567/2325569
Fax: (91-771) 2324767/2325567

L. Address for Correspondence:

Jyoti Structures Limited
6th Floor, Valecha Chambers,
New Link Road, Andheri (West),
Mumbai 400 053
Tel No: 4091 5000
Fax No: 4091 5014/5015
E-mail: investor@jsl.co.in

DECLARATION – CODE OF CONDUCT

All Board Members and senior management personnel have, for the year ended 31st March, 2010, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered with the Stock Exchanges.

For Jyoti Structures Limited

Place: Mumbai
Date : 18th August, 2010

Santosh Nayak
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

About the Company

The company is engaged in business related to power transmission with three main lines of operation in the areas of transmission lines, sub-stations and distribution networks and 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 the few engineering, procurement and construction (EPC) service providers worldwide, which possess the capabilities to execute turnkey projects in all areas of power transmission business.

Economy & Industry Overview

State of infrastructure is drag on the economy and India is paying the price for the earlier under-investment in infrastructure including power sector. A growing economy and ambitious plans for the future are putting pressure on India's power infrastructure.

Economic growth goes hand in hand with rising demand for electricity and power sector in India is experiencing continuous growth in line with growth of Indian economy.

Development of infrastructure and focus on infrastructure spending by the government is vital for growth story of India in the long term. Government having acknowledged, have given priority to investment in the country's power generation capacity, transmission and distribution infrastructure.

The Indian Government is on the path towards reaching its ambitious target of providing reliable and quality power for the entire country by 2012 at optimum cost. With this endeavor, the Ministry of Power has set several goals including making power industry commercially viable by closely monitoring T & D losses, producing sufficient power to achieve growth rate of 8% and to bring power to all homes in the next few years.

Opportunities

The company has presence in every aspect of post generation power supply chain and offers its customers complete range of solutions like pre-engineering, feasibility studies, survey, engineering, design, fabrication, erection, construction, project management, testing and commissioning of entire transmission and distribution network.

With strong and growing economy, continued investment in power sector and other infrastructure projects and political will to achieve adequate power generation capacity, transmission development in a phased manner commensurate with generation & load growth, upgrading and uprating of existing transmission network, opportunities in transmission industry are expected to be buoyant and are likely to remain so in the foreseeable future.

Government policy to attract private sector participation in developing major power transmission projects and to permit private developers to become transmission service provider on a "Build, Own and Operate" (BOO) basis will take the power sector to next level of evaluation.

Central Electricity Regulatory Commission has accorded approval to Power Grid to develop nine High Capacity Power Transmission Corridors (HCPTC), for evacuation of power in tandem with completion of power generation projects, being set up by independent power producers.

Development trend in the transmission industry is likely to be sustained in the coming years as the country endeavours to enhance generation capacity and strengthen the existing transmission corridors. Outlook for the company continues to be positive with comfortable order backlog, high manufacturing capacities and focused management approach.

In line with the Government of India's Mission 2012 'Power for All' the company is poised to contribute with its proven capabilities and demonstrated operating track record in every aspect of post generation supply chain.

Threats, Risks & Concerns

Competition from new local players can impact the profit margins of the company. Considering the entry barriers for high voltage transmission lines and with projected growth in transmission line industry, competition is neutralized in the long term and there exist ample opportunities for all the players.

Delay in tendering of the projects in the event of overall slowdown in the economy may impact the growth impetus. The management perceives that with sound order book position the company should be in a position to maintain growth drive.

Export contracts being firm price, increase in input cost, currency fluctuation with open exposure and delay in execution can have negative impact on profitability. By making use of available hedging mechanism and closely monitoring project mile stones during execution, the company mitigates risk to the extent possible.

Execution of EPC Contracts on turnkey basis is subject to issues relating to right of way & forest clearance. Stoppage of work arising due to these reasons could delay the execution of the projects. Similarly, availability of appropriate mix of skilled & unskilled manpower and timely payment could also impact the execution of the project. The management mitigates these risks, with its expertise in project execution and by monitoring each mile stone meticulously.

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. The performance of the company has been dealt with in the Directors' Report.

Outlook

The company intends to pursue the growth opportunities presented by the power sector by growing its transmission network including strengthening of existing network, by participating in government's ambitious plan to bring power to every corner of the country.

Government initiatives towards launching of power transmission projects on BOO basis and Power Grid's plan to set up HCPTC, at an estimated cost of Rs. 580 million, will not only create new avenues but is likely to change the outlook of the companies operating in transmission line industry.

Internal Controls

The company has in place an adequate and appropriate system of internal control, commensurate with its size and nature of business to ensure efficacy of operations and compliance with applicable legislations.

The company has comprehensive budgetary control system and the management regularly reviews actual performance. The company has well defined organisation structure, clear authority levels and detailed internal guidelines for conducting business transactions. To ensure adequacy of the control systems, adherence to management guidelines and compliance, exhaustive internal audits are conducted at regular intervals by independent external auditors in close co-ordination with company's own internal audit department. Internal audit also conducts and reports follow up reviews to ensure implementation of commitments made by auditees, audit observations, recommendations and suggestions made. Besides this, the company has Audit Committee of the Board which periodically review the audit plans, evaluates the observations and recommendations of the internal and external auditors with reference to significant risk areas and adequacy of the internal control systems.

Material Developments & Human Resources

company believes in investing in people to develop and expand their capability. Training, Safety, Health and Environment continue to be focus areas. In line with this focus 'Gurukul' training centre has been set up at Nasik.

Keeping in line with the business growth and needs of the customers, the company invested significantly in various training and development activities to better equip Team Jyoti by enhancing their competencies to meet future challenges.

JYOTI STRUCTURES LIMITED

Employee relations throughout the year were supportive of business performance. As on March 31, 2010, the employee strength was 1,902.

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, abrupt currency fluctuations, economic developments within the country and such other factors.

For and on behalf of the Board

Mumbai; 18th August, 2010

S. D. KSHIRSAGAR
Chairman

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, 2010 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 as stipulated in the said clause. 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 Directors and Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the clause 49 of 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

Firm Registration No.117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No 31927

Place: Mumbai

Date : 14th August, 2010

AUDITORS' REPORT

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

1. We have audited the attached Balance Sheet of JYOTI STRUCTURES LIMITED as at 31st March, 2010 and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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 the branches not visited by us;
 - (iii) The audit reports on the accounts of company's overseas branch offices at Ethiopia, Tunisia and Uganda for the year ended on 31st March, 2010 have been forwarded to the company by the respective branch auditors and those have been considered in preparing our report;
 - (iv) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (v) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (vi) On the basis of written representations received from the directors, as at 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (vii) *Attention is drawn to note no 14 of Schedule '23' regarding non provision of diminution in the value of investment in Gulf Jyoti International LLC. We are unable to comment on the same;*
 - (viii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and notes thereon give the information required by the Companies Act, 1956, 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 31st March, 2010;
 - (b) In the case of the Profit and Loss Account, 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.

For **R. M. AJGAONKAR & ASSOCIATES**
Firm Registration No.117247W
Chartered Accountants

R. M. AJGAONKAR
Partner

Membership No. 31927

Mumbai; 21st May, 2010

ANNEXURE TO AUDITORS' REPORT

[Referred to in the paragraph 3 of the Auditors' Report of even date to the members of Jyoti Structures Ltd. ("the Company") on the financial statements for the year ended 31st March, 2010]

- 1) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
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 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 explanation 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 explanation given to us, we are of the opinion that the Company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not material in relation to the size and operations of the Company.
- 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 paragraph 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. Therefore, the provisions of paragraph 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 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. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control system.
- 5) In our opinion and according to information and explanations given to us, 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 paragraph 4(v)(a) and 4(v)(b) of the order are not applicable to the Company.
- 6) As per the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA of the Companies Act and the rules framed there under are not applicable to the Company.
- 7) In our opinion, the Company has an Internal Audit System commensurate with its size and nature of its business.
- 8) On the basis of information and explanations given to us, the Central Government has not prescribed maintenance of cost accounting records under section 209 (1)(d) of the Companies Act, 1956 for the products manufactured by the Company.
- 9) a) The Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax,

JYOTI STRUCTURES LIMITED

service tax, custom duty, excise duty, cess and other statutory dues with the appropriate authorities. As per the information and explanations given to us, there are no undisputed arrears of statutory dues as at 31st March 2010, 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 dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess on account of any dispute are as follows:

Name of the Statute	Nature of dues	Period to which the amount relates	Forum where dispute is pending	Rs. in Million
The Sales Tax Act	Tax and Interest	Various years from 1996-97 to 1998-99 and 2000-01	High Court	1.30
	Tax and Interest	Various years from 2004-05 to 2005-06	Appellate Tribunal	1.89
The Central Excise Act, 1944	Duty and Penalty	2001-02	Appeal with CESTAT	51.56
Finance Act –1994	Service Tax Penalty	2004-05	Asst. Commissioner (Service Tax) Central Excise –Appeal	0.03

- 10) The Company does not have any accumulated losses as at 31st March, 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 11) 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 records produced before us, the Company has not granted 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 /Societies. Therefore, the provisions of paragraph 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 provisions of paragraph 4(xiv) of the order are not applicable to the Company.
- 15) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
- 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 were applied for the purposes for which they were 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 preferential allotment of shares to companies/firms/parties covered in the Register maintained u/s 301 of the Act. Therefore, the provisions of the paragraph 4(xviii) of the order are not applicable to the Company.

- 19) The Company did not have any outstanding debentures during the year. Therefore, the provisions of paragraph 4(xix) of the order are not applicable to the Company.
- 20) The Company has not raised any money by way of public issue during the year. Therefore, the provisions of paragraph 4(xx) of the order are not applicable to the Company.
- 21) According to information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010

JYOTI STRUCTURES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Share Capital	1	164.01	163.34
b) Share Application Money received		0.13	0.37
c) Reserves and Surplus	2	4,868.53	4,003.94
		<u>5,032.67</u>	<u>4,167.65</u>
2 Loan Funds			
a) Secured Loans	3	3,559.40	2,983.99
b) Unsecured Loans	4	46.21	51.94
		<u>3,605.61</u>	<u>3,035.93</u>
3 Deferred Tax Liability (Net)		177.54	82.41
TOTAL		<u>8,815.82</u>	<u>7,285.99</u>
APPLICATION OF FUNDS			
1 Fixed Assets	5		
Gross Block		2,361.31	1,688.06
Less : Depreciation		673.08	521.23
Net Block		<u>1,688.23</u>	<u>1,166.83</u>
Add : Capital work-in-progress		17.14	43.62
Add : Advances for capital expenditure		10.16	8.20
		<u>1,715.53</u>	<u>1,218.65</u>
2 Investments	6	202.12	230.73
3 Current Assets, Loans and Advances			
a) Inventories	7	2,345.80	1,459.59
b) Sundry Debtors	8	8,955.98	7,475.64
c) Cash and Bank Balances	9	422.05	296.71
d) Loans and Advances	10	1,638.66	1,767.00
		<u>13,362.49</u>	<u>10,998.94</u>
Less :			
Current Liabilities and Provisions			
a) Current Liabilities	11	6,191.70	4,885.40
b) Provisions	12	272.62	288.76
		<u>6,464.32</u>	<u>5,174.16</u>
Net Current Assets		6,898.17	5,824.78
4 Miscellaneous Expenditure	13	-	11.83
(to the extent not written off or adjusted)			
TOTAL		<u>8,815.82</u>	<u>7,285.99</u>
Significant Accounting Policies	22		
Notes forming part of the accounts	23		

The Schedules referred to above form an integral part of the Statement of Accounts

As per our report attached

For and on behalf of the Board

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
INCOME			
1 Gross Sales / Income from Operations	14	20,633.29	17,385.13
Less Excise Duty		501.93	214.55
Net Sales / Income from Operations		20,131.36	17,170.58
2 Other Income	15	54.99	73.46
		20,186.35	17,244.04
EXPENDITURE			
1 Cost of Materials	16	12,240.88	11,268.30
2 Erection and Sub-contracting Expenses	17	3,037.45	2,200.53
3 (Increase) / Decrease in stock of Finished / Semi-Finished Goods	18	101.16	(248.82)
4 Personnel Expenses	19	599.16	435.13
5 Operating and Other Expenses	20	1,809.00	1,556.31
6 Interest	21	786.16	682.61
7 Depreciation / Amortisation		169.18	86.38
Less : Transferred from Revaluation Reserve		0.24	-
		168.94	86.38
		18,742.75	15,980.44
8 Profit before taxes		1,443.60	1,263.60
9 Provision for Taxes :			
i) Current Tax		437.90	438.58
ii) Fringe Benefit Tax		-	25.90
iii) Deferred Tax (Net)		86.53	1.69
10 Net Profit after Tax		919.17	797.43
11 Excess / (Short) Provision of Taxes for earlier years		(9.10)	-
12 Profit after Tax & Prior Year Adjustments		910.07	797.43
13 Balance brought forward		1,740.63	1,129.26
14 Balance in Profit and Loss account of Amalgamating Company		6.26	-
15 Profit available for Appropriations		2,656.96	1,926.69
APPROPRIATIONS			
a Proposed Dividend - Equity Share		82.00	73.56
b Tax on Dividend		13.62	12.50
c Dividend and Dividend Distribution Tax for an earlier year		0.05	-
d Transferred to General Reserve		100.00	100.00
e Balance carried to Balance Sheet		2,461.29	1,740.63
		2,656.96	1,926.69
Nominal Value per Equity Share (In Rs.)		2.00	2.00
Earning Per Share (In Rs.)			
- Basic		11.23	9.80
- Diluted		11.18	9.74
Significant Accounting Policies	22		
Notes forming part of the accounts	23		

The Schedules referred to above form an integral part of the Statement of Accounts

As per our report attached

For and on behalf of the Board

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

		Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
I CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before Taxes and Extraordinary Items	[A]	1,443.60	1,263.60
ADJUSTMENTS FOR			
i) Depreciation		169.18	86.38
ii) Transferred from Revaluation Reserve		(0.24)	-
iii) Interest Paid		786.16	682.61
iv) (Gain) / Loss on Sale of Fixed Assets (Net)		(6.38)	0.09
v) Interest Received		(24.26)	(1.95)
vi) Employee Compensation Expense - ESOS		21.93	35.44
vii) Amortisation of Deferred Expenses		11.83	5.32
	[B]	958.22	807.89
Operating Profit before Working Capital changes	[A+B] = [C]	2,401.82	2,071.49
ADJUSTMENTS FOR			
i) Inventories		(876.11)	(674.15)
ii) Debtors, Loans & Advances and Other Current Assets		(1,139.73)	(1,949.74)
iii) Current Liabilities and Provisions		1,283.45	2,039.48
	[D]	(732.39)	(584.41)
Cash generated from Operations	[C+D] = [E]	1,669.43	1,487.08
i) Direct Taxes Paid (Net)		(481.21)	(647.37)
	[F]	(481.21)	(647.37)
Net Cash (used in) / from Operating Activities [I]	[E+F] = [G]	1,188.22	839.71
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Sale of Fixed Assets		10.42	1.24
ii) Purchase of Fixed Assets		(575.86)	(638.10)
iii) Decrease / (Increase) in Capital Work-in-Progress including Capital Advances		24.53	(23.74)
iv) Purchase of Investments		(45.11)	(70.99)
v) Interest Received		24.26	1.95
vi) Net Advances to Companies other than Subsidiaries		(219.95)	32.66
vii) Net Advances to Subsidiary Companies		12.50	(20.59)
Net Cash (used in) / from Investing Activities [II]		(769.21)	(717.57)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
III CASH FLOW FROM FINANCING ACTIVITIES		
i) Net Proceeds from Issue of Equity Share Capital (inclusive of Share Premium and after considering ESOS allotted to employees)	5.42	8.69
ii) Proceeds from Long Term Borrowings	492.78	594.53
iii) Repayment of Long Term Borrowings	(9.87)	(47.62)
iv) Net Increase / (Decrease) in Interest Free Sales Tax Defferal Loan	(5.74)	(14.08)
v) Net Increase / (Decrease) in Short Term Borrowings from Banks and Others	92.49	254.17
vi) Dividends Paid (including Dividend Distribution Tax)	(85.63)	(75.88)
vii) Dividend and Dividend Distribution Tax for earlier year	(0.05)	-
viii) Interest paid	(786.16)	(682.61)
Net Cash (used in) / from Financing Activities [III]	(296.76)	37.20
Net Increase / (Decrease) in Cash and Cash Equivalents [I+II+III]	122.25	159.34
Cash and Cash Equivalents at the beginning of the year	296.71	137.37
Add : Cash and Cash Equivalents on Amalgamation	3.09	-
Cash and Cash Equivalents at the end of the year	422.05	296.71

As per our report attached

For and on behalf of the Board

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010**L. H. KHILNANI**

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

		As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 1 : SHARE CAPITAL			
Authorised :			
175,000,000	Equity Shares of Rs. 2/- each (P.Y. 150,000,000 Equity Shares of Rs. 2/- each)	350.00	300.00
5,000,000	Redeemable Preference Shares of Rs. 100/- each (P.Y. 5,000,000 Preference Shares of Rs. 100/- each)	500.00	500.00
		850.00	800.00
Issued :			
82,019,675	Equity Shares of Rs. 2/- each (P.Y. 81,687,100 Equity Shares of Rs. 2/- each)	164.04	163.37
Subscribed & Paid-up :			
82,004,415	Equity Shares of Rs. 2/- each fully paid-up (P.Y. 81,671,840 Equity Shares of Rs. 2/- each)	164.01	163.34
TOTAL		164.01	163.34

Notes :

Of the above shares :

- 13,505 Equity Shares of Rs. 100/- each was the paid-up capital of the Company as on 31st March, 1986.
- 6,753 Equity Shares of Rs. 100/- each were allotted as fully paid up Bonus Shares by way of capitalisation of General Reserve in the year 1986-87.
- 25,387 Equity Shares of Rs. 100/- each were allotted as fully paid up for cash at par on Rights basis in the year 1986-87.
- 24,688 Equity Shares of Rs. 100/- each were allotted as fully paid up for cash at par on Rights basis in the year 1988-89.
- 920,000 Equity Shares of Rs. 10/- each were allotted as fully paid up for cash at a Premium of Rs. 5/- per share to the Public (including 40,000 Equity Shares allotted to the employees of the Company) in the year 1989-90.
- 1,651,330 Equity Shares of Rs. 10/- each were allotted as fully paid up for cash at a Premium of Rs. 25/- per share on Rights basis (including 28,000 Equity Shares allotted to the employees of the Company) in the year 1992-93.
- 1,637,330 Equity Shares of Rs. 10/- each were allotted as fully paid-up Bonus Shares by way of capitalisation out of Share Premium in the year 1994-95.
- 4,908,938 Equity Shares of Rs. 10/- each were allotted as fully paid-up for cash at a Premium of Rs. 25/- per share on Rights basis, (including 2,51,345 Equity Shares allotted to the employees of the company) in the year 2000-01.
- 2,000,000 Equity Shares of Rs. 10/- each were allotted as fully paid-up for cash at a Premium of Rs. 37/- per share on Private Placement in the year 2003-04.
- 2,000,000 Equity Shares of Rs. 10/- each were allotted as fully paid-up for cash at a Premium of Rs. 101/- per share on Private Placement in the year 2004-05.
- 1,550,000 Equity Shares of Rs. 10/- each were allotted as fully paid-up for cash at a Premium of Rs. 562/- per share on Private Placement in the year 2006-07.
- On 4th August, 2006 the Company sub divided one Equity share of the face value Rs. 10/- to five Equity Shares of Rs. 2/- each.

SCHEDULES FORMING PART OF THE ACCOUNTS

- m) 3,500,000 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 38.50 per share to the Promoters in the year 2006-07.
- n) 341,250 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 15/- per share to the eligible employees under the Employees Stock Option Scheme in the year 2006-07.
- o) 486,950 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 15/- per share to the eligible employees under the Employees Stock Option Scheme in the year 2007-08.
- p) 489,000 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 15/- per share to the eligible employees under the Employees Stock Option Scheme in the year 2008-09.
- q) 332,575 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 15/- per share to the eligible employees under the Employees Stock Option Scheme in the year 2009-10.

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 2 : RESERVES AND SURPLUS		
a) Capital Reserve		
As per last Balance Sheet	0.61	0.61
b) Revaluation Reserve*		
As per last Balance Sheet	-	-
Add : On Amalgamation	4.72	-
Less : Transferred to Profit and Loss Account	0.24	-
	4.48	-
c) Capital Redemption Reserve		
As per last Balance Sheet	30.00	30.00
d) Security Premium		
As per last Balance Sheet	1,526.94	1,489.34
Add : On Amalgamation	12.54	-
Add : Addition during the year arising on allotment of Equity Shares	39.25	37.60
	1,578.73	1,526.94
e) Employee Stock Option Outstanding	59.60	78.47
Less : Deferred Employee Compensation Expense	16.04	22.57
	43.56	55.90
f) General Reserve		
As per last Balance Sheet	649.86	549.86
Add : Transferred from Profit and Loss Account	100.00	100.00
	749.86	649.86
g) Profit and Loss Account	2,461.29	1,740.63
TOTAL	4,868.53	4,003.94

*Cumulative amount withdrawn from Revaluation Reserve of the Company and Revaluation Reserve of the amalgamating Company is Rs. 3.88 Million.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 3 : SECURED LOANS		
A. Term Loans		
a) Foreign Currency Loan from Bank Secured by a first charge on Company's immovable property situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti Nasik Dist. (Maharashtra).	900.60	509.16
b) Term Loans from Banks Secured by a first charge on Company's immovable property situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti Nasik Dist. (Maharashtra).	164.07	67.57
Secured by first mortgage and charge on flats situated at Andheri (W), Mumbai.	5.44	11.27
Secured by hypothecation of specific plant & machinery and vehicles.	4.25	0.16
c) Term Loans from Others Secured by hypothecation of specific plant & machinery and vehicles.	2.18	5.47
B. Working Capital Loan from Banks 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) and Ghoti Nasik Dist. (Maharashtra).	2,482.86	2,390.36
TOTAL	3,559.40	2,983.99
Interest accrued and due on all the above mentioned loans is Rs. NIL (P.Y. Rs. NIL) [Amount payable within One Year Rs. 2,651.90 Million (P.Y. Rs. 2,399.64 Million)]		

SCHEDULE 4 : UNSECURED LOANS

Interest Free Sales Tax Deferral Loan	46.21	51.94
TOTAL	46.21	51.94

[Amount payable within one year Rs. 1.16 Million (P.Y. Rs. 5.74 Million)]

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 5 : FIXED ASSETS AND DEPRECIATION

(Rs. In Million)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01/04/2009	Additions	Deletions/ Adjustments	As at 31/03/2010	As at 01/04/2009	For The Year	Deletions/ Adjustments	As at 31/03/2010	As at 31/03/2010	As at 31/03/2009
Tangible Assets:										
Freehold Land	10.96	0.86	-	11.82	-	-	-	-	11.82	10.96
Leasehold Land	8.13	-	-	8.13	1.15	0.09	-	1.24	6.89	6.98
Buildings	235.25	40.10	-	275.35	46.76	6.42	-	53.18	222.17	188.49
Plant & Machinery	1,178.64	451.51	40.43	1,589.72	338.80	111.51	37.46	412.85	1,176.87	839.84
Furniture & Fixtures	49.80	5.86	0.08	55.58	24.97	6.10	0.07	31.00	24.58	24.83
Computers and Office Equipments	116.18	13.30	0.40	129.08	70.67	7.61	0.23	78.05	51.03	45.51
Vehicles	178.63	52.91	3.90	227.64	50.94	23.67	3.02	71.59	156.05	127.69
Intangible Assets:										
Software	22.56	11.32	-	33.88	11.39	7.76	-	19.15	14.73	11.17
Goodwill on amalgamation	-	30.11	-	30.11	-	6.02	-	6.02	24.09	-
Sub-Total - (A)	1,800.15	605.97	44.81	2,361.31	544.68	169.18	40.78	673.08	1,688.23	1,255.47
Previous Year	1,056.44	638.10	6.48	1,688.06	440.00	86.38	5.15	521.23	1,166.83	616.44
Capital work-in-progress									17.14	43.62
Advances for capital expenditure									10.16	8.20
Sub-Total - (B)									27.30	51.82
TOTAL - (A+B)									1,715.53	1,307.29

Notes :-

- 1) Opening balances of Gross Block and Depreciation as at 01/04/2009 and Net Block as at 31/03/2009 in Schedule above include balances of amalgamating company. Therefore, the figures are not comparable with figures of previous year.
- 2) Gross Block includes Rs. 8.36 Million added on revaluation of building done by Amalgamating Company in the year 1993-94.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 6 : INVESTMENTS		
Long Term Investments (Trade)		
In Equity Shares - Unquoted, fully paid up (at cost)		
A) In Subsidiary Companies		
a) Jyoti Structures Africa (Pty.) Ltd. 70 (P.Y. 70) Shares of S.A. Rand 1/- each.	-	-
b) Jyoti Energy Ltd. (Wholly Owned Subsidiary Company) 50,000 (P.Y. 49,940) Shares of Rs. 10/- each.	0.50	0.50
c) JSL Corporate Services Ltd. (Wholly Owned Subsidiary Company) 3,500,000 (P.Y. 3,500,000) Shares of Rs. 10/- each.	35.00	35.00
d) JSL Structures Ltd. Nil (P.Y. 2,874,600) Shares of Rs. 10/- each.	-	28.75
	<u>35.50</u>	<u>64.25</u>
B) In Other Companies (at cost)		
a) Janakalyan Sahakari Bank Ltd. 63,455 (P.Y. 49,955) Shares of Rs. 10/- each.	0.64	0.50
b) Gulf Jyoti International LLC (A Joint Venture company) 12,930 (P.Y. 12,930) Shares of DHS 1,000/- each.	164.28	164.28
	<u>164.92</u>	<u>164.78</u>
In Units of Mutual Fund, fully paid up (at cost)		
a) SBI Blue Chip Fund (Growth Option) 20,000 (P.Y. 20,000) Units of Rs. 10/- each.	0.20	0.20
b) SBI Infrastructure Fund (Growth Option) 50,000 (P.Y. 50,000) Units of Rs. 10/- each.	0.50	0.50
c) SBI One India Fund (Growth Option) 50,000 (P.Y. 50,000) Units of Rs. 10/- each.	0.50	0.50
d) UTI Bond Fund 28,352.225 (P.Y. 28,352.225) Bonds of Rs. 10/- each.	0.50	0.50
[Net asset value of units of mutual funds as at year end Rs. 2.09 Million (P.Y. Rs. 1.42 Million)]	<u>1.70</u>	<u>1.70</u>
TOTAL	<u>202.12</u>	<u>230.73</u>

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 7 : INVENTORIES		
(As certified by Management)		
a) Raw Materials	1,420.04	708.20
b) Construction Materials at Site	289.32	119.52
c) Semi Finished Goods	104.78	105.57
d) Work-in-Progress	102.25	79.71
e) Finished Goods	212.43	336.07
f) Stores and Consumables	7.58	5.43
g) Tools and Tackles	197.86	100.61
h) Scrap	11.54	4.48
TOTAL	2,345.80	1,459.59

SCHEDULE 8 : SUNDRY DEBTORS

(Unsecured and considered good)

Trade Debtors

a) Outstanding for more than 6 months		
i) Dues from Subsidiaries	604.21	204.10
ii) Dues from Others	665.77	713.95
	1,269.98	918.05
b) Others		
i) Dues from Subsidiaries	76.02	577.32
ii) Dues from Others	7,609.98	5,980.27
	7,686.00	6,557.59
TOTAL	8,955.98	7,475.64

SCHEDULE 9 : CASH AND BANK BALANCES

a) Cash in Hand	5.86	10.96
b) Balance with scheduled banks in Current Accounts	289.99	213.61
c) Balance with non-scheduled banks in Current Accounts (Refer Note No 12 of Schedule '23')	6.56	5.50
d) Fixed Deposits with Scheduled Banks	119.64	66.64
TOTAL	422.05	296.71

SCHEDULE 10 : LOANS AND ADVANCES

(Unsecured and considered good unless otherwise stated)

a) Advances to Subsidiary Companies	60.14	103.85
b) Advances Recoverable in Cash or in kind or for value to be received	968.90	1,091.94
c) Deposits and balances with Government Authorities	609.62	571.21
TOTAL	1,638.66	1,767.00

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 11 : CURRENT LIABILITIES		
a) Acceptances	2,194.53	1,833.04
b) Sundry Creditors		
i) For goods/services :		
- Micro, Small and Medium Enterprises (Refer Note No. 28 of Schedule '23')	11.14	5.98
- Others	2,048.62	1,875.13
ii) Other Liabilities	247.74	168.54
c) Unclaimed Dividend (No amount is due for payment to the Investor Education and Protection Fund)	1.44	0.99
d) Advances received from Customers	1,688.23	1,001.72
TOTAL	6,191.70	4,885.40

SCHEDULE 12 : PROVISIONS

a) Provision for taxation (Net of Advance payment of taxes)	137.47	171.71
b) Proposed Dividend	82.00	73.56
c) Tax on Proposed Dividend	13.62	12.50
d) Provision for Leave Encashment	16.47	10.39
e) Provision for Gratuity	23.06	20.60
TOTAL	272.62	288.76

SCHEDULE 13 : MISCELLANEOUS EXPENDITURE

(to the extent not written off or adjusted)

As per last Balance Sheet	11.83	17.15
Less : Amortised during the year	11.83	5.32
TOTAL	-	11.83

SCHEDULES FORMING PART OF THE ACCOUNTS

	Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
SCHEDULE 14 : SALES / INCOME FROM OPERATIONS		
a) Sales / Erection of Towers, Structures and Components	20,433.59	17,216.10
b) Residuals and Scrap	199.70	169.03
TOTAL	20,633.29	17,385.13
SCHEDULE 15 : OTHER INCOME		
a) Interest Received (Gross) [TDS Rs. 1.74 Million (P.Y. Rs. 0.31 Million)]	24.26	1.95
b) Lease Rentals	30.69	71.50
c) Miscellaneous Income	0.04	0.01
TOTAL	54.99	73.46
SCHEDULE 16 : COST OF MATERIALS		
a) Opening Stock	711.01	383.00
b) Add : Purchases	12,949.91	11,593.50
	13,660.92	11,976.50
c) Less : Closing Stock	1,420.04	708.20
TOTAL	12,240.88	11,268.30
SCHEDULE 17 : ERECTION AND SUB-CONTRACTING EXPENSES		
a) Construction Materials and Stores Consumed	697.24	462.91
b) Tools and Tackles Consumed	60.01	45.68
c) Sub-contracting Expenses	2,050.41	1,557.60
d) Repairs to Construction Equipments / Machinery	11.55	6.01
e) Construction Transportation Charges	218.24	128.33
TOTAL	3,037.45	2,200.53
SCHEDULE 18 : (INCREASE) / DECREASE IN STOCK OF FINISHED AND SEMI-FINISHED GOODS		
a) Opening Stock		
i) Work in Progress / Semi Finished Goods	186.05	110.75
ii) Finished Goods	341.63	156.94
iii) Scrap	4.48	9.32
	532.16	277.01
b) Less : Closing Stock		
i) Work in Progress / Semi Finished Goods	207.03	185.28
ii) Finished Goods	212.43	336.07
iii) Scrap	11.54	4.48
	431.00	525.83
TOTAL	101.16	(248.82)
SCHEDULE 19 : PERSONNEL EXPENSES		
a) Salaries, Wages, Bonus, etc.	496.96	331.50
b) Employee Compensation Expense - ESOS	21.93	35.44
c) Contribution to provident fund, gratuity and other funds	55.32	50.49
d) Welfare Expenses	24.95	17.70
TOTAL	599.16	435.13

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
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SCHEDULE 20 : OPERATING AND OTHER EXPENSES

a) Excise Duty on Stocks (Net)	(4.61)	11.00
b) Stores and Consumables	44.36	29.32
c) Packing Materials	13.77	11.17
d) Power and Fuel	135.85	90.26
e) Conversion Expenses	273.42	271.99
f) Repairs to Buildings	15.18	4.84
g) Repairs to Plant and Machinery	28.69	26.78
h) Repairs to Others	11.93	9.10
i) Testing and Designing Expenses	30.12	10.00
j) Freight Outward	263.26	239.50
k) Rent	47.68	32.08
l) Rates and Taxes	3.68	3.68
m) Insurance	60.52	45.57
n) Travelling and Conveyance	106.21	80.62
o) Postage, Telephone and Fax	27.85	21.57
p) Printing and Stationery	18.20	13.95
q) Professional and Legal Fees	92.59	37.32
r) Service Charges	191.46	125.71
s) Levies and Taxes	173.94	101.97
t) Directors' Sitting Fees	0.23	0.14
u) Auditors' Remuneration	3.25	1.66
v) Bank Charges and Guarantee Commission	324.86	228.17
w) Brokerage and Commission	18.17	14.52
x) Licence and Tender Fees	5.58	8.04
y) Forex Fluctuation (Gain) / Loss (Net)	(123.25)	101.16
z) General Expenses	39.03	30.51
aa) Donations	1.58	0.27
ab) (Gain) / Loss on Sale of Fixed Assets (Net)	(6.38)	0.09
ac) Amortisation of Deferred Expenses	11.83	5.32
TOTAL	1,809.00	1,556.31

SCHEDULE 21 : INTEREST

a) On Term Loans	44.78	10.30
b) On Working Capital Loans	539.38	522.68
c) On Other Loans	202.00	149.63
TOTAL	786.16	682.61

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE - 22 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 accounting standards notified under sub section (3C) of section 211 of the Companies Act, 1956 and other relevant provisions to the extent applicable.

2. Revenue Recognition:

- a) Sale of goods is recognised on completion of supplies as per the terms of the contract and upon raising commercial invoices. 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 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) Leasing income is accounted as per principles of AS 19 'Accounting for Leases'.
- d) Interest income is accounted for on time proportion basis.
- e) The insurance claims are accounted for on accrual basis based on fair estimation of sanction by the insurance companies.

3. Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction, net of CENVAT / VAT credit as availed; including any cost attributable for bringing the asset to its working condition for its intended use and includes amount added on revaluation, less of 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 of the Companies Act, 1956 except on computer software and on Fixed Assets of Ethiopia, Abu Dhabi, Uganda and Tunisia 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 Ethiopia Branch, the depreciation is provided on Written Down Value Method and in Tunisia, Abu Dhabi and Uganda 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.
-

SCHEDULES FORMING PART OF THE ACCOUNTS

- b) Cost of inventories has been determined by using the weighted average cost formula.
- 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.

7. Tools and Tackles:

Tools and tackles are amortised over their estimated life.

8. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized 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 recognized 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 recognized 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.

10. Share issue expenses:

Expenses incurred for issue of Equity Shares made by the Company were written off over a period of 5 years in equal installments. However, from the current year, no such expenses are carried forward and the full balance is written off during the year.

11. Foreign Currency Transactions:

- a) Transactions 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 other than fixed assets denominated in a foreign currency are stated in terms of historical costs.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in Profit and Loss account.
- e) Financial Statements of Overseas Integral operations are translated as under :
 - a. 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.
 - b. 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.
 - c. The resultant exchange gains and losses are recognised in the Profit and Loss account.

SCHEDULES FORMING PART OF THE ACCOUNTS
f) Forward Exchange Contracts:

- a. 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.
- b. Exchange difference on such contracts is recognised in the Profit and Loss account in the year in which the exchange rates change.
- c. 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:

- i. Lease payments are recognized as expense in the Profit and Loss account on straight line basis over the term of the lease.
- ii. Asset given on operating lease are included in Fixed Assets. Lease income is recognized in the Profit and Loss account 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 in the period during which the services have been rendered.

b) Long term Employee Benefits:
a. Defined contribution plan:

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

b. 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 Profit and Loss account.

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.

SCHEDULES FORMING PART OF THE ACCOUNTS

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 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.

17. 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. Differences between the actual result and the estimates are recognized in the period in which the results are known /materialized.

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.

19. Employees Stock Option Scheme:

Stock option 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 options is recognised as deferred employee compensation and is charged to Profit and Loss account as employee costs, on straight line method over the vesting period of the options.

SCHEDULES FORMING PART OF THE ACCOUNTS**SCHEDULE - 23 NOTES FORMING PART OF THE ACCOUNTS****1. Outstanding Contracts - Capital Account:**

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) are Rs. 14.42 Million (P.Y. Rs. 197.89 Million). Advances paid Rs. 10.16 Million (P.Y. Rs. 8.20 Million).

2. Contingent Liabilities not provided for:

		2009-10 Rs. in Million	2008-09 Rs. in Million
i)	Outstanding Performance Guarantee given by banks.	8,039.42	6,264.01
ii)	Outstanding of Bills discounted.	13.45	120.97
iii)	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (Under Appeal).	54.78	34.29
iv)	Civil Suits.	124.20	124.66

The Company has given a letter of comfort for general banking facilities provided by State Bank of India to Jyoti Structures Africa (Pty.) Limited. The total loan outstanding from the bank to the said Company is ZAR 9.10 Million (P.Y. ZAR 15.73 Million) equivalent to Rs. 55.54 Million (P.Y. Rs. 87.30 Million) as on 31st March 2010.

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 17.02 Million (P.Y. AED 15.70 Million) equivalent to Rs. 208.48 Million (P.Y. Rs. 217.85 Million) as on 31st March 2010.

3. Managerial Remuneration:

(Included under the head Personnel Expenses)

	2009-10 Rs. in Million	2008-09 Rs. in Million
To Managing director, Dy Managing Director and Whole time Director.		
Salary.	24.90	22.20
Allowance in lieu of Commission.	41.22	35.71
Perquisites.	0.29	0.16
Contribution to provident fund and other funds. *	5.77	5.11
Total	72.18	63.18
Directors' Sitting fees – to Non-Executive Directors.	0.23	0.14

* Excludes provision for gratuity which is determined on the basis of actuarial valuation done on overall basis for the Company.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

Calculation of Net Profit Under Section 349 of the Companies Act, 1956 for the year ended on 31st March, 2010.

	2009-10 Rs. in Million	2008-09 Rs. in Million
Profit before Tax as per the Profit and Loss Account. (A)	1,443.60	1,263.60
Add:		
Directors Remuneration.	72.18	63.18
Depreciation / Amortisation (Net) (As per Accounts).	168.94	86.38
(Gain) / Loss on Sale of Fixed Assets (Net).	(6.38)	0.09
(B)	234.74	149.65
Less :		
Depreciation as per Section 350 of the Companies Act, 1956.	168.94	86.38
(Gain) / Loss on Sale of Fixed Assets (Net) as per Section 350 of the Companies Act, 1956.	(6.38)	0.09
(C)	162.56	86.47
Net Profit as per Section 349 of the Companies Act, 1956. (A+B-C)	1,515.78	1,326.78
Maximum permissible remuneration to whole time directors under section 198 of the Companies Act 1956 @10% of the profits computed above.	151.58	132.68
Restricted as per service agreements to:	72.18	63.18

4. The Gross Block of Fixed Asset includes Rs. 8.36 Million on account of revaluation of fixed assets carried out by the amalgamating Company in the year 1993-94. Consequent to the said revaluation, there is an additional charge of Rs. 0.24 Million on account of depreciation and an equivalent amount has been withdrawn from the revaluation reserve and credited to Profit and Loss account. This has no impact on the profit for the year.
5. Auditors' Remuneration:

	2009-10 Rs. in Million	2008-09 Rs. in Million
i) For Audit*	2.76	1.32
ii) For Other Services*	0.77	0.22
iii) For Ethiopia Branch (For Audit & Taxation Matters)	0.03	0.03
iv) For Tunisia Branch (For Audit & Taxation Matters)	0.07	0.07
v) For Uganda Branch (For Audit & Taxation Matters)	0.15	0.13
vi) For Abu Dhabi Branch (For Audit & Taxation Matters)	-	0.04
Total	3.78	1.81

*Figures are inclusive of Service Tax.

Professional Fees of an associate firm of Statutory Auditors, was Rs. 1.54 Million (P.Y. Rs. 0.77 Million).

6. a) Capacity and Production of Transmission Lines, Towers & Structures:

	As at 31/03/2010	As at 31/03/2009
i) Installed Capacity (MT p.a.)	110,000	110,000
ii) Production (MT)	118,555	85,377

The installed capacity as disclosed above is as certified by the management and the same has been relied upon by the Auditors, as this is a technical matter. The production includes production outsourced to various parties.

SCHEDULES FORMING PART OF THE ACCOUNTS

- b) Turnover, Opening and Closing Stock of Transmission Line Towers & Structures / Components and parts :

		2009-10		2008-09	
		MT*	Rs. in Million	MT*	Rs. in Million
i)	Turnover [@]	120,439	20,433.59	83,179	17,216.10
ii)	Residuals & Scrap	-	199.70	-	169.03
iii)	Opening Stock (Finished Goods)	5,844	341.63 [#]	3,553	156.95
iv)	Closing Stock (Finished Goods)	3,960	212.43	5,751	336.07

[@] It also includes turnover of Bought-out goods and Turnkey Projects.

* The Quantity MT indicated above is only for Steel Tower Parts and structures thereof.

[#] Stock Value mentioned above is after amalgamation.

- c) Consumption - Raw Materials / Bought -out Components etc.:

		2009-10		2008-09	
		MT	Rs. in Million	MT	Rs. in Million
i)	Steel	124,486	5,211.95	89,734	4,255.04
ii)	Zinc	5,228	529.77	3,786	349.41
iii)	Fasteners, ASCR Conductors / Accessories / Bought-out Towers & Structures / Components, etc.		6,499.16		6,663.85

7. CIF Value of Imports (Direct) :

		2009-10	2008-09
		Rs. in Million	Rs. in Million
a)	Capital Goods	22.77	101.10
b)	Raw Materials	1,374.32	1,013.63
c)	Spare parts	-	10.24

8. Value of Imported and Indigenous Raw Materials and Stores & components consumed:

		2009-10		2008-09	
		%	Rs. in Million	%	Rs. in Million
a)	Raw Materials:				
	i) Imported in India	12.74%	731.49	10.05%	462.80
	ii) Indigenous	87.26%	5,010.23	89.95%	4,141.65
b)	Stores & Spares				
	i) Imported in India	-	-	20.19%	10.24
	ii) Indigenous	100.00%	58.13	79.81%	40.49
c)	Components				
	i) Imported in India	8.05%	523.43	9.96%	663.62
	ii) Indigenous	91.95%	5,975.73	90.04%	6,000.23

JYOTI STRUCTURES LIMITED

9. Earnings and Expenditure in Foreign Currency:

		2009-10 Rs. in Million	2008-09 Rs. in Million
i)	Earnings in Foreign Currency: Export of goods / services (including Deemed Exports and sales through Export House)		
	At FOB Price	4,487.13	6,803.12
	At Invoice Value (Tower testing charges)	70.28	58.97
	Rent on Equipments	19.44	58.09
ii)	Expenditure in Foreign Currency:		
	Expenses of overseas projects (Including foreign taxes)	643.37	180.56
	Interest	29.78	39.26
	Professional Fees	12.41	5.08
	Others (Like Traveling, Bank Charges etc)	9.50	8.47

10. 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 Profit and Loss Account for the year:

		2009-10 Rs. in Million	2008-09 Rs. in Million
i.	Contribution to Provident Fund	19.19	13.96
ii.	Contribution to Employees' Superannuation Fund	13.01	9.87

Defined Benefit Plans:

Gratuity and Leave Encashment

(Rs. in Million)

Particulars	2009-10		2008-09	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1 Expenses recognised in Profit and Loss Account and included in Schedule -19 "Personnel Expenses"				
Current Service Cost	4.98	4.12	4.29	2.45
Interest Cost	3.38	0.87	2.64	0.62
Expected return on plan assets	(2.02)	-	(1.68)	-
Net actuarial losses / (gain)	11.86	5.03	1.75	(1.20)
Total Expenses	18.20	10.02	7.00	1.87

SCHEDULES FORMING PART OF THE ACCOUNTS

(Rs. in Million)

Particulars		2009-10		2008-09	
		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	40.98	10.39	36.47	8.52
	Current service cost	4.98	4.12	4.29	2.45
	Interest Cost	3.38	0.87	2.64	0.62
	Actuarial losses / (gain)	11.24	5.03	1.11	(1.20)
	Liabilities extinguished on settlements	-	-	-	-
	Benefits paid	(11.60)	(5.29)	(3.53)	-
	Closing balance of defined benefit obligation	48.98	15.12	40.98	10.39
3	Reconciliation of opening and closing balances of changes in fair value of plan assets:				
	Opening balance of plan assets	20.38	-	18.02	-
	Expected returns on plan assets	2.02	-	1.68	-
	Actuarial losses / (gain)	(0.62)	-	(0.64)	-
	Assets distributed on settlement	-	-	-	-
	Contribution by employer	7.00	-	2.75	-
	Benefits paid	(2.85)	-	(1.43)	-
	Closing balance of plan assets	25.93	-	20.38	-
4	Net liability recognised in the balance sheet:				
	Closing balance of defined benefit obligation	48.98	15.12	40.98	10.39
	Closing balance of fair value of plan assets	25.93	-	20.38	-
	Present value of unfunded obligation recognised as liability	23.05	15.12	20.60	10.39
5	Actual return on plan assets:	2.02	-	1.68	-
6	Actuarial Assumption:				
	Discount Rate	8.25%		7.25%	
	Expected rate of return on plan assets	9%		9%	
	Expected rate of salary increase	5.50%		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	

The above information is as per certificate of the actuary.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

11. Deferred Tax Liability (Net):

(Rs. in Million)

	Deferred Tax Liability / (Asset) as at 31/03/2009	Charge/(Credit) as per Finance Act 2009 Tax Rates	On account of change in rate of surcharge by Finance Act 2010	Deferred Tax Liability / (Asset) as at 31/03/2010
Deferred Tax Liabilities:				
On account of Difference between book and tax depreciation	116.71	53.65	(3.87)	166.49
Total	116.71	53.65	(3.87)	166.49
Deferred Tax Assets:				
On employee separation and retirement	(7.00)	(0.84)	0.18	(7.66)
On account of amount disallowed u/s 43B	(4.29)	(1.31)	0.12	(5.48)
On other timing differences	(14.41)	39.16	(0.56)	24.19
Total	(25.70)	37.01	(0.26)	11.05
Deferred Tax Liability / (Assets) (Net)	91.01	90.66	(4.13)	177.54
Previous Year	80.72	1.69	-	82.41

12. Particulars in regard to bank balances with non-scheduled banks:

(Rs. in Million)

Name of the Bank	Maximum Balances at any time during the year		Balances as on	
	2009-2010	2008-2009	31/03/2010	31/03/2009
State Bank of Tunisia	0.01	2.34	-	0.01
National Bank of Abu Dhabi, Dubai	0.37	98.74	0.37	0.36
Commercial Bank of Ethiopia	1.09	0.88	1.09	0.51
Bank Muscat SAOG Oman	0.03	0.13	0.03	0.03
Standard Chartered Bank (Uganda)	23.56	140.67	5.07	4.59
Bank of Bhutan	-	0.02	-	-
Total	25.06	242.78	6.56	5.50

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

	Share of Interest	
	2009-10 Rs. in Million	2008-09 Rs. in Million
a) Jointly Controlled Entities		
Gulf Jyoti International	30%	30%
b) Aggregate amount of assets, liabilities, income and expenditure related to Company's interest in jointly controlled entity :		
Assets :		
Fixed Assets	357.65	301.60
Cash and bank balances	46.65	15.13
Inventories	107.87	91.51
Trade and other receivables	173.46	71.16
Loans and Advances	84.33	3.86
Current Liabilities	372.18	272.28
Non-current liabilities	384.25	177.17
Income	399.81	204.35
Expenditure	419.47	291.88
Contingent Liability on account of Guarantees	428.19	510.77

SCHEDULES FORMING PART OF THE ACCOUNTS

14. The Company has invested an amount of AED 12.93 Million equivalent to Rs. 164.28 Million 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 December 2009 was AED 43.10 Million (P.Y. AED 43.10 Million). As against this capital, the total losses incurred during the year were AED 5.00 Million (P.Y. Loss AED 24.37 Million) and total accumulated losses as on 31st December 2009 were AED 39.56 Million (P.Y. AED 34.57 Million). 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.
15. Forward Exchange Contracts outstanding as at 31st March, 2010 which are entered into by the Company and which are not intended for trading or speculative purposes are given below:

Currency	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
Forward Exchange Contracts	497.50	62.56

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

Receivables :

Currency	As at 31/03/2010		As at 31/03/2009	
	Foreign Currency in Million	Rs. in Million	Foreign Currency in Million	Rs. in Million
USD	19.81	891.97	19.90	1,003.76
Euro	1.75	106.13	1.30	86.83
AED	15.10	185.14	31.41	413.03
ZAR	-	-	59.57	299.05
N\$	19.66	125.93	25.93	135.86

Payables :

Currency	As at 31/03/2010		As at 31/03/2009	
	Foreign Currency in Million	Rs. in Million	Foreign Currency in Million	Rs. in Million
US \$	14.07	633.76	4.32	222.37
Euro	2.42	146.76	1.03	70.75

17. Expenditure on account of premium of forward exchange contracts to be recognized in the Profit and Loss account of subsequent accounting periods amounts to Rs. 3.10 Million (P.Y. Rs. 1.07 Million).
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:

		2009-10 Rs. in Million	2008-09 Rs. in Million
1	Lease payments recognised in the Profit and Loss account for the year.	5.56	7.59
2	Future minimum payments under the agreements, which are non cancelable. (All the lease agreements are cancellable)	-	-

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

- b) Disclosures in respect of the agreement entered into after 1st April, 2007 for giving the plant and machineries and other fixed assets under operating leases are given below:

		2009-10 Rs. in Million	2008-09 Rs. in Million
1	Lease income recognised in the Profit and Loss account for the year.	30.69	71.50
2	Future minimum lease receipt under the agreements, which are non cancelable are as follows:		
i	Not later than one year.	8.03	8.88
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", issued by the Institute of Chartered Accountants of India are given below:

Relationships (During the year)

- (i) Subsidiary of the Company:

Jyoti Energy Ltd.
JSL Corporate Services Ltd.
Jyoti Structures Africa (Pty.) Ltd.
(JSL Structures Ltd. - Till 31st March 2009)

- (ii) Joint Venture:

Gulf Jyoti International LLC

- (iii) Key Management Personnel:

Shri K. R. Thakur
Shri Prakash Thakur
Shri Santosh Nayak

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

Sr.	Particulars	Type of Relationship	2009-10 Rs. in Million	2008-09 Rs. in Million
1	Purchase of Goods / Services.	(i)	-	151.69
2	Sale of Goods.	(i)	56.49	2,342.13
3	Net amount given / (taken) during the year.	(i)	(221.46)	(1,368.36)
4	Outstanding balance receivable / (payable) at the end of the year.	(i)	740.37	905.33
5	Investments at the end of the year.	(i)	35.50	64.25
6	Purchase of Goods / Services.	(ii)	829.12	364.49
7	Sale of Goods / Services.	(ii)	268.56	234.29
8	Lease Rentals.	(ii)	19.44	7.42
9	Outstanding balance receivable / (payable) at the end of the year.	(ii)	222.58	2.62
10	Investments at the end of the year.	(ii)	164.28	164.28
11	Remuneration paid.	(iii)	72.18	63.18

SCHEDULES FORMING PART OF THE ACCOUNTS

20. Information in accordance with the requirement of Accounting Standard - 7 (Revised) "Construction Contracts" issued by Institute of Chartered Accountants of India:

	2009-10 Rs. in Million	2008-09 Rs. in Million
Contract revenue recognised during the year.	4,910.57	3,631.38
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).	5,739.47	2,442.93
Advances received.	287.12	290.64
Retentions receivable.	96.50	90.93
Gross amount due from Customers. (Included under Schedule-'8' Sundry Debtors).	1,282.50	512.09
Gross amount due to Customers.(Included in Sundry Creditors under Schedule-'11' Current Liabilities).	287.12	290.64

21. Remittance in foreign currencies for dividend:

The Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittance, if any, of foreign currencies on account of dividends have been made by / on behalf of non-resident shareholders. The particulars of dividend payable to non-resident shareholders which was declared during the year are as under:

	2009-10	2008-09
i) Number of non-resident shareholders.	408	453
ii) Number of ordinary shares held by them.	19,056,987	23,916,175
iii) Gross amount of dividend. (Rs. in Million)	17.15	19.13

22. Employees Stock Option Scheme:

On 3rd August, 2005, the Company established Jyoti Structures Limited Employees Stock Option Scheme (ESOS) which was modified on 6th September, 2005, 9th October, 2006 and 31st March, 2008 respectively. Under the Scheme, the Company is authorised to issue upto 5,00,000 (Five lacs) options convertible into 25,00,000 (Twenty Five lacs) Equity Shares of Rs.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 at a grant price of Rs. 85/- each to be converted into 5 Equity shares of Rs. 2/- each at an exercise price of Rs. 17/- per Equity Share (being the exercise price adjusted after split of face value from Rs. 10/- to Rs. 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 Rs.59.60 Million (P.Y.Rs. 78.47 Million) in Employee Stock Option Outstanding account, represents discounts on the options outstanding.

An amount of Rs. 21.93 Million (P.Y. Rs.35.44 Million) debited to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been charged to the revenue account.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

The balance un-amortised portion of Rs. 16.04 Million (P.Y. Rs. 22.57 Million) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

	2009-10 (In Numbers)	2008-09 (In Numbers)
Options Granted and outstanding at the beginning of the year.	134,810	2,06,360
Options Granted during the year.	27,800	26,250
Options Lapsed and / or withdrawn during the year.	-	-
Options exercised during the year against which shares were allotted.	66,515	97,800
Options granted and outstanding at the end of the year of which:		
- Options Vested.	31,195	36,905
- Options yet to Vest.	64,900	97,905

23. Earnings Per Share (EPS) :

	2009-10	2008-09
i) Profit after Tax (Rs. in Million)	919.17	797.43
ii) Weighted Average Number of Ordinary Shares for Basic Earning per Share (In Nos.)	81,840,750	81,397,144
iii) Add : Equity Shares for no consideration arising on grant of stock options under ESOS.	382,095	452,855
iv) Weighted Average Number of Ordinary Shares for Diluted Earning per Share (In Nos.)	82,222,845	81,849,999
v) Nominal value of Ordinary Share	Rs. 2/-	Rs. 2/-
vi) Basic Earning Per Ordinary Share	Rs. 11.23	Rs. 9.80
vii) Diluted Earning Per Ordinary Share	Rs. 11.18	Rs. 9.74

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. JSL Structures Ltd. (JSLSL – The amalgamating Company), was engaged in the business of manufacturing of parts of transmission and telecom towers, sub-station structures and associated work, has been amalgamated with the Company, pursuant to the order passed by the Honorable High Court of Judicature at Mumbai, the certified copy of which was filed with The Ministry of Corporate Affairs on 11th May 2010. The appointed date of the scheme is 1st April 2009. In accordance with the said scheme and as per the approval of the Honorable High Court:

- The Assets and Liabilities of JSLSL are vested in the Company at their book value with effect from 1st April 2009.
- 4,374,600 number of equity shares of erstwhile JSLSL which were held by the Company have been cancelled.
- Shortfall of book value of net assets taken over by the Company over the cost of equity shares cancelled amounted to Rs. 30.11 Million and the same has been debited to Goodwill account on amalgamation.
- The amount equal to the balances lying in the Revaluation Reserves, Share Premium, Profit and Loss account and other reserves of JSLSL are credited to related accounts of the Company.

SCHEDULES FORMING PART OF THE ACCOUNTS

- e. The authorised share capital of the Company stands increased to Rs 850.00 Million consisting of 175,000,000 number of equity shares of Rs. 2/- each and 5,000,000 number of preference shares of Rs. 100/- each.
26. The Provision for Income Tax amounting to Rs. 137.47 Million (P.Y. Rs. 171.71 Million) as stated in the balance sheet is net of Advance tax, Tax Deducted at Source and other adjustments.
27. Sundry Creditors for goods / services include amounts payable beyond one year, consist of retentions of Rs. 120.48 Million (P.Y. Rs. 107.32 Million)
28. Sundry Creditors include 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.	Particulars	2009-10 Rs. in Million	2008-09 Rs. in Million
1	The Principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	11.14	5.98
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.	-	-

29. In the earlier years the Company was writing off expenses incurred for the issue of equity shares made by the Company over a period of five years in equal installments. During the current year, the management has decided to write off the full amount of unamortised expenses incurred in the earlier years for issue of such shares. Due to this change, the profit for the year has been reduced by Rs. 6.50 Million (P.Y. Rs. Nil).
30. 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 Statement.
31. Current assets and Current liabilities stating receivables and payables are subject to confirmation and subsequent adjustment if any.
32. Previous Year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

As per our report attached

For and on behalf of the Board

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010**L. H. KHILNANI**

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details

Registration No. : L45200MH1974PLC017494 State code : 11

Balance Sheet Date : 31 03 2010
Date Month Year

II. Capital raised during the year (Amount in Rs.Thousands)

Public Issue	Rights Issue
NIL	NIL
Share Application Money	Equity Issue
134	665

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Sources of Funds

Total Liabilities	Total Assets
8,815,814	8,815,814
Paid -up Capital	Share Application Money
164,009	134
Reserves & Surplus	Secured Loans
4,868,534	3,559,391
Unsecured Loans	Deferred Tax Liability
46,203	177,543

Application of Funds

Net Fixed Assets	Investments
1,715,529	202,112
Net Current Assets	Misc.Expenditure
6,898,173	-

IV. Performance of the Company (Amount in Rs.Thousands)

Turnover & Other Income	Total Expenditure
20,186,354	18,742,749
Profit before Tax	Profit after Tax
1,443,605	919,168
Earning Per Share in Rs.	Dividend rate %
11.23	50%

V. Generic Names of Three Principal Products/Services of the Company (as per monetary terms)

1) Item Code No. (ITC Code)	730890
2) Product Description	i) Transmission Tower & its parts and Sub-station Structures ii) Execution of turnkey Transmission Line Projects

For and on behalf of the board

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Mumbai; 21st May, 2010

Statement regarding subsidiary companies pursuant to Section 212 of the Companies Act, 1956

Sr. No.	Particulars	Name of subsidiary		
		JSL Corporate Services Ltd.	Jyoti Energy Ltd.	Jyoti Structures Africa (Pty) Ltd.
1	Financial Year of the Subsidiary ended on	31/03/2010	31/03/2010	28/02/2010
2	Shares of the Subsidiary held by the Company on the above date			
	a) Nos.	3,500,000	50,000	70
	b) Face Value per Share	Rs. 10/-	Rs. 10/-	ZAR1 Equivalent to Rs. 6/- to 70%
	c) Extent of Holding	100%	100%	
3	The Net aggregate amount of Profit / (Losses) of the Subsidiary for the above financial year so far as they concern members of the Company.			
	a) Dealt with in the Accounts of the Company for the year ended on 31 st March, 2010 (Rs. in Million)	Nil	Nil	Nil
	b) Not dealt with in the Accounts of the Company for the year ended on 31 st March, 2010 (Rs. in Million)	14.57	(0.27)	(77.83)
4	The Net aggregate amount of Profit / (Losses) of the Subsidiary for the previous financial years so far as they concern members of the Company.			
	a) Dealt with in the Accounts of the Company for the year ended on 31 st March, 2010 (Rs. in Million)	Nil	Nil	Nil
	b) Not dealt with in the Accounts of the Company for the year ended on 31 st March, 2010 (Rs. in Million)	(0.17)	(1.77)	4.42

JYOTI STRUCTURES LIMITED

Information on the Financials of the subsidiary companies

(As per the exemption Letter of the Ministry of Corporate Affairs, Government of India)

(Rs. in Million)

	JSL Corporate Services Ltd.	Jyoti Energy Ltd.	Jyoti Structures Africa (Pty.) Ltd.
a) Financial year ended on	31/03/2010	31/03/2010	28/02/2010
b) Capital	35.00	0.50	-
c) Reserves and Sulprus	14.40	(2.04)	(107.27)
d) Total Assets	52.31	0.08	811.19
e) Total Liabilities	2.91	1.62	918.46
f) Details of Investment (except of investment in the subsidiary Company)	-	-	-
g) Turnover	17.48	-	1,351.14
h) Profit before Taxation	17.47	(0.27)	(107.53)
i) Provision for Taxation	2.90	-	6.19
j) Profit after Taxation	14.57	(0.27)	(113.72)
k) Proposed Dividend	-	-	-

Notes :

- Please refer to consolidated financial statement and notes appearing thereon.
- The Ministry of Corporate Affairs vide its letter No 47/222/2010-CL-III dated 08/04/2010 granted approval to the company for not attaching the financials of subsidiary companies to the financials of the Company for the financial year 2009-10.
- The members if they desire, may write to the Company Secretary at the Regd. Office situated at Valecha Chambers, 6th Floor, New Link Road, Andheri (W), Mumbai 400053, to obtain a copy of the financials of its subsidiary companies.
- The Exchange Rate of Rs. 6.10 is considered for conversion of South Africa Rand to Indian rupee.
- The annual accounts of the subsidiary companies can be inspected by the members at the Regd. Office of the Company.

Auditors' report to the Board of Directors of Jyoti Structures Limited on the Consolidated Financial Statements of Jyoti Structures Limited and its Subsidiaries.

To the Board of Directors of Jyoti Structures Limited

1. We have audited the attached Consolidated Balance Sheet of JYOTI STRUCTURES LIMITED ('the Company') and its subsidiaries ('the Group') as at 31st March, 2010, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of Jyoti Structures Africa (Pty) Ltd., whose financial statements reflect total assets of Rs. 943.44 Million as at the year end, total revenue of Rs. 1,231.29 Million for the year and net cash inflow of Rs. 29.14 Million for the year. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us and our opinion is based solely on the report of the other auditors.
4. (a) *As referred to in Note no. 7 of Schedule '23' to the Consolidated Financial Statements, the Company has not included its share in assets, liabilities, incomes and expenditures of its joint venture 'Gulf Jyoti International LLC' while preparing the Consolidated Financial Statements as required by AS 27 "Financial Reporting of Interest in Joint Ventures". If the 30% share in assets, liabilities, income and expenditures of the Joint Venture would have been consolidated, then, the consolidated assets would have increased by Rs. 769.96 Million and consolidated liabilities would have increased by Rs. 756.43 Million, consolidated profit for the year would have been lower by Rs. 19.66 Million and the consolidated reserves would have been lower by Rs. 151.31 Million.*
 (b) *Attention is invited to Note no. 8 of Schedule '23' regarding non-provision of diminution in the value of investment in Gulf Jyoti International LLC.*
 (c) We report that, *subject to our observations in 4(a) above*, the consolidated financial statements of the Group for the year ended 31st March, 2010 have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 "Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.
5. On the basis of the information and explanations given to us and on the consideration of the audit reports of other auditors and financial statements of the Company and its subsidiaries approved by the Board of Directors, we are of the opinion that the Consolidated Financial Statements together with the notes thereon and attached thereto give, *subject to our observations in paragraph 4(a) of this report* and read with our observations in paragraph 4(b) of this report, 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 consolidated state of affairs of the Group as at 31st March, 2010;
 - b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations 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.

For **R. M. AJGAONKAR & ASSOCIATES**
 Firm Registration No. 117247W
Chartered Accountants

R. M. AJGAONKAR
Partner

Mumbai; 21st May, 2010

Membership No. 31927

JYOTI STRUCTURES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Share Capital	1	164.01	163.34
b) Share Application Money received		0.13	0.37
c) Reserves and Surplus	2	4,747.19	4,024.42
		4,911.33	4,188.13
2 Minority Interest		-	0.48
3 Loan Funds			
a) Secured Loans	3	3,643.52	3,073.16
b) Unsecured Loans	4	46.20	51.94
		3,689.72	3,125.10
4 Deferred Taxation Liability (Net)		177.54	91.01
TOTAL		8,778.59	7,404.72
APPLICATION OF FUNDS			
1 Fixed Assets	5		
Gross Block		2,438.13	1,901.12
Less : Depreciation		687.76	550.50
Net Block		1,750.37	1,350.62
Add : Capital Work-in-Progress		17.14	43.62
Add : Advances for capital expenditure		10.16	8.21
		1,777.67	1,402.45
2 Investments	6	166.61	166.61
3 Current Assets, Loans and Advances			
a) Inventories	7	2,471.66	1,533.73
b) Sundry Debtors	8	8,628.80	7,123.59
c) Cash and Bank Balances	9	542.18	390.88
d) Loans and Advances	10	1,844.72	2,274.40
		13,487.36	11,322.60
Less : Current Liabilities and Provisions			
a) Current Liabilities	11	6,371.48	5,209.30
b) Provisions	12	281.57	289.73
		6,653.05	5,499.03
Net Current Assets		6,834.31	5,823.57
4 Miscellaneous Expenditure	13	-	12.09
(to the extent not written off or adjusted)			
TOTAL		8,778.59	7,404.72
Significant Accounting Policies	22		
Notes forming part of the accounts	23		

The Schedules referred to above form an integral part of the Statement of Accounts

As per our report attached

For and on behalf of the Board

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
INCOME			
1 Gross Sales / Income from Operations	14	21,799.61	18,614.84
Less Excise Duty		501.92	221.23
Net Sales / Income from Operations		21,297.69	18,393.61
2 Other Income	15	63.46	56.43
		<u>21,361.15</u>	<u>18,450.04</u>
EXPENDITURE			
1 Cost of Materials	16	12,471.22	12,329.80
2 Erection and Sub-contracting Expenses	17	3,780.91	2,200.53
3 (Increase) / Decrease in stock of Finished / Semi-Finished Goods	18	33.75	(288.97)
4 Personnel Expenses	19	719.45	460.85
5 Operating and Other Expenses	20	2,005.78	1,616.21
6 Interest	21	795.71	687.75
7 Depreciation / Amortisation		178.61	99.60
Less : Transferred from Revaluation Reserve		0.24	0.24
		<u>178.37</u>	<u>99.36</u>
		<u>19,985.19</u>	<u>17,105.53</u>
8 Profit before Taxes		1,375.96	1,344.51
9 Provision for Taxes :			
i) Current Tax		446.42	448.98
ii) Fringe Benefit Tax		-	25.94
iii) MAT Credit		-	(4.66)
iv) Deferred Tax (Net)		86.53	23.13
10 Profit after Taxes		<u>843.01</u>	<u>851.12</u>
11 Minority Interest		-	-
12 Profit after Taxes and Minority Interest		843.01	851.12
13 Excess / (Short) Provision of Taxes for earlier years		(9.10)	(0.15)
14 Profit after Tax and Prior Year Adjustments		<u>833.91</u>	<u>850.97</u>
15 Balance brought forward from previous year		1,741.67	1,076.76
16 Adjustment on Amalgamation		13.29	-
17 Profit available for Appropriations		<u>2,588.87</u>	<u>1,927.73</u>
APPROPRIATIONS			
a Proposed Dividend - Equity Share		82.00	73.56
b Tax on Dividend		13.62	12.50
c Dividend and Dividend Distribution Tax for an earlier year		0.05	-
d Transferred to General Reserve		100.00	100.00
e Balance carried to Balance Sheet		<u>2,393.20</u>	<u>1,741.67</u>
		<u>2,588.87</u>	<u>1,927.73</u>
Nominal Value per Equity Share (In Rs.)		2.00	2.00
Earning Per Share (In Rs.)			
- Basic		10.30	10.46
- Diluted		10.25	10.40
Significant Accounting Policies	22		
Notes forming part of the accounts	23		

The Schedules referred to above form an integral part of the Statement of Accounts

As per our report attached

For and on behalf of the Board

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

		Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
I CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before Taxes and Extraordinary Items	[A]	1,375.96	1,344.51
ADJUSTMENTS FOR			
i) Depreciation		178.61	99.60
ii) Transferred from Revaluation Reserve		(0.24)	(0.24)
iii) Interest Paid		795.71	687.75
iv) (Gain) / Loss on Sale of Fixed Assets (Net)		(6.73)	0.01
v) Interest Received		(24.26)	(4.92)
vi) Employee Compensation Expense - ESOS		21.93	35.44
vii) Foreign Currency Translation Reserve		(53.27)	-
viii) Amortisation of Deferred Expenses		12.09	5.42
ix) Amortisation of Preliminary Expenses		-	0.01
	[B]	923.84	823.07
Operating Profit before Working Capital changes	[A+B] = [C]	2,299.80	2,167.58
ADJUSTMENTS FOR			
i) Inventories		(937.93)	(740.98)
ii) Debtors, Loans & Advances and Other Current Assets		(321.80)	(2,610.53)
iii) Current Liabilities and Provisions		1,178.26	2,345.75
	[D]	(81.47)	(1,005.76)
Cash generated from Operations	[C+D] = [E]	2,218.33	1,161.82
ADJUSTMENTS FOR			
i) Direct Taxes Paid (Net)		(489.73)	(653.30)
	[F]	(489.73)	(653.30)
Net Cash from Operating Activities [I]	[E+F] = [G]	1,728.60	508.52
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Sale of Fixed Assets		19.74	2.39
ii) Purchase of Fixed Assets		(578.74)	(768.17)
iii) Decrease / (Increase) in Capital Work-in-Progress including Capital Advances		24.53	(20.29)
iv) Purchase of Investments		(1.99)	(70.99)
v) Interest Received		24.26	4.92
vi) Net Advances to Companies Other than Subsidiaries		(753.73)	473.32
Net Cash (used in)/from Investing Activities [II]		(1,265.93)	(378.82)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
III CASH FLOW FROM FINANCING ACTIVITIES		
i) Net Proceeds from Issue of Equity Share Capital (inclusive of Share Premium and after considering ESOS allotted to employees)	5.42	8.69
ii) Proceeds from Long Term Borrowings	492.78	606.88
iii) Repayment of Long Term Borrowings	(22.21)	(47.63)
iv) Net Increase / (Decrease) in Interest Free Sales Tax Defferal Loan	(5.74)	(14.13)
v) Net Increase / (Decrease) in Short Term Borrowings from Banks & Others	99.77	331.02
vi) Dividends Paid (including Dividend Distribution Tax)	(85.63)	(75.88)
vii) Dividend and Dividend Distribution Tax for earlier year	(0.05)	-
viii) Interest paid	(795.71)	(687.75)
Net Cash (used in) / from Financing Activities [III]	(311.37)	121.20
Net Increase / (Decrease) in Cash and Cash Equivalents [I + II + III]	151.30	250.90
Cash and Cash Equivalents at the beginning of the year	390.88	139.98
Cash and Cash Equivalents at the end of the year	542.18	390.88

As per our report attached

For and on behalf of the Board

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010**L. H. KHILNANI**

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

		As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 1 : SHARE CAPITAL			
Authorised :			
175,000,000	Equity Shares of Rs. 2/- each (P.Y. 150,000,000 Equity Shares of Rs. 2/- each)	350.00	300.00
5,000,000	Redeemable Preference Shares of Rs. 100/- each (P.Y. 5,000,000 Preference Shares of Rs. 100/- each)	500.00	500.00
		<u>850.00</u>	<u>800.00</u>
Issued :			
82,019,675	Equity Shares of Rs. 2/- each (P.Y. 81,687,100 Equity Shares of Rs. 2/- each)	164.04	163.37
Subscribed & Paid-up :			
82,004,415	Equity Shares of Rs. 2/- each fully paid-up (P.Y. 81,671,840 Equity Shares of Rs. 2/- each)	164.01	163.34
	TOTAL	<u>164.01</u>	<u>163.34</u>

Notes :

Of the above shares :

- a) 13,505 Equity Shares of Rs. 100/- each was the paid-up capital of the Company as on 31st March, 1986.
- b) 6,753 Equity Shares of Rs. 100/- each were allotted as fully paid up Bonus Shares by way of capitalisation of General Reserve in the Notes year 1986-87.
- c) 25,387 Equity Shares of Rs. 100/- each were allotted as fully paid up for cash at par on Rights basis in the year 1986-87.
- d) 24,688 Equity Shares of Rs. 100/- each were allotted as fully paid up for cash at par on Rights basis in the year 1988-89.
- e) 920,000 Equity Shares of Rs. 10/- each were allotted as fully paid up for cash at a Premium of Rs. 5/- per share to the Public (including 40,000 Equity Shares allotted to the employees of the Company) in the year 1989-90.
- f) 1,651,330 Equity Shares of Rs. 10/- each were allotted as fully paid up for cash at a Premium of Rs. 25/- per share on Rights basis (including 28,000 Equity Shares allotted to the employees of the Company) in the year 1992-93.
- g) 1,637,330 Equity Shares of Rs. 10/- each were allotted as fully paid-up Bonus Shares by way of capitalisation out of Share Premium in the year 1994-95.
- h) 4,908,938 Equity Shares of Rs. 10/- each were allotted as fully paid-up for cash at a Premium of Rs. 25/- per share on Rights basis, (including 2,51,345 Equity Shares allotted to the employees of the company) in the year 2000-01.
- i) 2,000,000 Equity Shares of Rs. 10/- each were allotted as fully paid-up for cash at a Premium of Rs. 37/- per share on Private Placement in the year 2003-04.
- j) 2,000,000 Equity Shares of Rs. 10/- each were allotted as fully paid-up for cash at a Premium of Rs. 101/- per share on Private Placement in the year 2004-05.
- k) 1,550,000 Equity Shares of Rs. 10/- each were allotted as fully paid-up for cash at a Premium of Rs. 562/- per share on Private Placement in the year 2006-07.
- l) On 4th August, 2006 the Company sub divided one Equity share of the face value Rs. 10/- to five Equity Shares of Rs. 2/- each.
- m) 3,500,000 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 38.50 per share to the Promoters in the year 2006-07.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

- n) 341,250 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 15/- per share to the eligible employees under the Employees Stock Option Scheme in the year 2006-07.
- o) 486,950 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 15/- per share to the eligible employees under the Employees Stock Option Scheme in the year 2007-08.
- p) 489,000 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 15/- per share to the eligible employees under the Employees Stock Option Scheme in the year 2008-09.
- q) 332,575 Equity Shares of Rs. 2/- each were allotted as fully paid-up for cash at a Premium of Rs. 15/- per share to the eligible employees under the Employees Stock Option Scheme in the year 2009-10.

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 2 : RESERVES AND SURPLUS		
a) Capital Reserve		
As per last Balance Sheet	0.61	0.61
b) Revaluation Reserve*		
As per last Balance Sheet	-	-
Add : Adjustment on Amalgamation	4.73	-
Less : Transferred to Profit and Loss Account	0.24	-
	4.49	-
c) Capital Reserve arising on Consolidation		
As per last Balance Sheet	9.60	9.60
Less : Adjustment on Amalgamation	(9.60)	-
	-	9.60
d) Capital Redemption Reserve		
As per last Balance Sheet	30.00	30.00
e) Foreign Currency translation Reserve		
As per last Balance Sheet	-	-
Add : Addition during the year	(53.27)	-
	(53.27)	-
f) Security Premium		
As per last Balance Sheet	1,538.95	1,501.88
Add : Addition during the year arising on allotment of Equity Shares	39.25	37.60
Less : Minority Interest	-	(0.53)
Add : Adjustment on Amalgamation	0.53	-
	1,578.73	1,538.95
g) Employee Stock Option Outstanding	59.60	78.47
Less : Deferred Employee Compensation Expense	16.04	22.57
	43.56	55.90
h) General Reserve		
As per last Balance Sheet	647.69	547.69
Add : Adjustment on Amalgamation	2.18	-
Add : Transferred from Profit and Loss Account	100.00	100.00
	749.87	647.69
i) Profit and Loss Account	2,393.20	1,741.67
TOTAL	4,747.19	4,024.42

*Cumulative amount withdrawn from Revaluation Reserve Rs. 3.88 Million.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 3 : SECURED LOANS		
A. Term Loans		
a) Foreign Currency Loan from Bank Secured by a first charge on Company's immovable property situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti Nasik Dist. (Maharashtra).	900.60	509.16
b) Term Loans from Banks Secured by a first charge on Company's immovable property situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti Nasik Dist. (Maharashtra).	164.07	67.57
Secured by first mortgage and charge on flats situated at Andheri (W), Mumbai.	5.44	11.27
Secured by hypothecation of specific plant & machinery and vehicles.	4.26	12.50
c) Term Loans from Others Secured by hypothecation of specific plant & machinery and vehicles.	2.18	5.47
B. Working Capital Loan from Banks 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) and Ghoti Nasik Dist. (Maharashtra).	2,482.85	2,390.35
Secured by a first charge on all present and future monies receivable by Jyoti Structures Africa (Pty) Ltd.	84.12	76.84
TOTAL	3,643.52	3,073.16
Interest accrued and due on all the above mentioned loans is NIL (P.Y. NIL)		
[Amount payable within One Year Rs. 2,736.02 Million (P.Y. Rs. 2,488.83 Million)]		

SCHEDULE 4 : UNSECURED LOANS

Interest Free Sales Tax Deferral Loan	46.20	51.94
TOTAL	46.20	51.94

[Amount payable within one year Rs. 1.16 Million (P.Y. Rs. 5.74 Million)]

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE 5 : FIXED ASSETS AND DEPRECIATION

(Rs. In Million)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01/04/2009	Additions	Deletions/ Adjustments	As at 31/03/2010	As at 01/04/2009	For The Year	Deletions/ Adjustments	As at 31/03/2010	As at 31/03/2010	As at 31/03/2009
Tangible Assets:										
Freehold Land	10.96	0.86	-	11.82	-	-	-	-	11.82	10.96
Leasehold Land	8.13	-	-	8.13	1.15	0.09	-	1.24	6.89	6.98
Buildings	235.25	40.09	-	275.34	46.76	6.42	-	53.18	222.16	188.49
Plant & Machinery	1,231.33	451.78	46.36	1,636.75	342.30	115.44	37.83	419.91	1,216.84	889.03
Furniture & Fixtures	51.13	6.55	0.09	57.59	25.04	6.19	0.07	31.16	26.43	26.09
Computers and Office Equipments	118.55	15.25	0.39	133.41	70.88	7.98	0.23	78.63	54.78	47.67
Vehicles	223.20	52.89	7.52	268.57	52.98	28.71	3.22	78.47	190.10	170.22
Intangible Assets:										
Software	22.57	11.32	-	33.89	11.39	7.76	-	19.15	14.74	11.18
Goodwill on amalgamation		30.11	17.48	12.63		6.02	-	6.02	6.61	-
Sub-Total - (A)	1,901.12	608.85	71.84	2,438.13	550.50	178.61	41.35	687.76	1,750.37	1,350.62
Previous Year	1,140.58	768.17	7.63	1,901.12	456.13	99.60	5.23	550.50	1,350.62	684.45
Capital work-in-progress									17.14	43.62
Advances for capital expenditure									10.16	8.21
Sub-Total - (B)									27.30	51.83
TOTAL - (A+B)									1,777.67	1,402.45

Note : Gross Block includes Rs. 8.36 Million added on revaluation of building done by Amalgamating Company in the year 1993-94.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 6 : INVESTMENTS		
Long Term Investments (Trade)		
In Equity Shares - Unquoted, fully paid up (at cost)		
a) Janakalyan Sahakari Bank Ltd. 63,455 (P.Y. 63,455) Shares of Rs. 10/- each.	0.63	0.63
b) Gulf Jyoti International LLC (A Joint Venture company) 12,930 (P.Y.12,930) Shares of DHS 1,000/- each.	164.28	164.28
	<u>164.91</u>	<u>164.91</u>
In Units of Mutual Fund, fully paid up (at cost)		
a) SBI Blue Chip Fund (Growth Option) 20,000 (P.Y. 20,000) Units of Rs. 10/- each.	0.20	0.20
b) SBI Infrastructure Fund (Growth Option) 50,000 (P.Y. 50,000) Units of Rs. 10/- each.	0.50	0.50
c) SBI One India Fund (Growth Option) 50,000 (P.Y. 50,000) Units of Rs. 10/- each.	0.50	0.50
d) UTI Bond Fund 28,352.225 (P.Y. 28,352.225) Bonds of Rs. 10/- each. [Net asset value of units of mutual funds as at year end Rs. 2.09 Million (P.Y. Rs. 1.42 Million)]	0.50	0.50
	<u>1.70</u>	<u>1.70</u>
TOTAL	<u>166.61</u>	<u>166.61</u>
SCHEDULE 7 : INVENTORIES		
(As certified by Management)		
a) Raw Materials	1,420.04	711.01
b) Construction Materials at Site	312.00	147.79
c) Semi Finished Goods	104.79	106.34
d) Work-in-Progress	205.42	115.48
e) Finished Goods	212.43	341.63
f) Stores and Consumables	7.58	6.39
g) Tools and Tackles	197.86	100.61
h) Scrap	11.54	4.48
TOTAL	<u>2,471.66</u>	<u>1,533.73</u>
SCHEDULE 8 : SUNDRY DEBTORS		
(Unsecured and considered good)		
Trade Debtors		
a) Outstanding for more than 6 months	665.77	715.43
b) Others	7,963.03	6,408.16
TOTAL	<u>8,628.80</u>	<u>7,123.59</u>

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	As at 31/03/2010 Rs. in Million	As at 31/03/2009 Rs. in Million
SCHEDULE 9 : CASH AND BANK BALANCES		
a) Cash in Hand	6.16	11.09
b) Balance with scheduled banks in Current Accounts	290.01	216.80
c) Balance with non-scheduled banks in Current Accounts	126.37	96.35
d) Fixed Deposits with Scheduled Banks	119.64	66.64
TOTAL	542.18	390.88

SCHEDULE 10 : LOANS AND ADVANCES

(Unsecured and considered good unless otherwise stated)

a) Advances Recoverable in Cash or in kind or for value to be received	1,213.20	1,656.98
b) Deposits and balances with Government Authorities	631.46	612.38
c) Advance Payment of Taxes	0.06	5.04
TOTAL	1,844.72	2,274.40

SCHEDULE 11 : CURRENT LIABILITIES

a) Acceptances	2,194.53	1,833.04
b) Sundry Creditors		
i) For goods / services	2,205.78	2,184.39
ii) Other Liabilities	281.50	188.65
b) Unclaimed Dividend	1.44	0.99
c) Advances received from Customers	1,688.23	1,002.23
TOTAL	6,371.48	5,209.30

SCHEDULE 12 : PROVISIONS

a) Provision for Taxation (Net of Advance payment of Taxes)	146.42	171.70
b) Proposed Dividend	82.00	73.56
c) Tax on Proposed Dividend	13.62	12.50
d) Provision for Leave Encashment	16.47	11.15
e) Provision for Gratuity	23.06	20.82
TOTAL	281.57	289.73

SCHEDULE 13 : MISCELLANEOUS EXPENDITURE

(to the extent not written off or adjusted)

a) Share Issue Expenses	-	11.83
b) Deferred Expenditure	-	0.26
TOTAL	-	12.09

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
SCHEDULE 14 : SALES / INCOME FROM OPERATIONS		
a) Sales / Erection of Towers, Structures and Components	21,599.91	18,412.33
b) Residuals and Scrap	199.70	202.51
TOTAL	21,799.61	18,614.84
SCHEDULE 15 : OTHER INCOME		
a) Interest Received (Gross)	24.26	4.92
b) Lease Rentals	39.16	51.50
c) Miscellaneous Income	0.04	0.01
TOTAL	63.46	56.43
SCHEDULE 16 : COST OF MATERIALS		
a) Opening Stock	711.01	387.23
b) Add : Purchases	13,180.25	12,653.58
	13,891.26	13,040.81
c) Less : Closing Stock	1,420.04	711.01
TOTAL	12,471.22	12,329.80
SCHEDULE 17 : ERECTION AND SUB-CONTRACTING EXPENSES		
a) Construction Materials and Stores Consumed	777.58	462.91
b) Tools and Tackles Consumed	60.00	45.68
c) Sub-contracting Expenses	2,652.04	1,557.60
d) Repairs to Construction Equipments / Machinery	11.55	6.01
e) Construction Transportation Charges	279.74	128.33
TOTAL	3,780.91	2,200.53
SCHEDULE 18 : (INCREASE) / DECREASE IN STOCK OF FINISHED AND SEMI-FINISHED GOODS		
a) Opening Stock		
i) Work in Progress / Semi Finished Goods	221.82	112.69
ii) Finished Goods	341.63	156.95
iii) Scrap	4.48	9.32
	567.93	278.96
b) Less : Closing Stock		
i) Work in Progress / Semi Finished Goods	310.21	221.82
ii) Finished Goods	212.43	341.63
iii) Scrap	11.54	4.48
	534.18	567.93
TOTAL	33.75	(288.97)
SCHEDULE 19 : PERSONNEL EXPENSES		
a) Salaries, Wages, Bonus, etc.	609.65	355.00
b) Employee Compensation Expense - ESOS	21.93	35.44
c) Contribution to provident fund, gratuity and other funds	55.32	52.21
d) Welfare Expenses	32.55	18.20
TOTAL	719.45	460.85

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	Year Ended 31/03/2010 Rs. in Million	Year Ended 31/03/2009 Rs. in Million
SCHEDULE 20 : OPERATING AND OTHER EXPENSES		
a) Excise Duty on Stocks (Net)	(4.61)	11.66
b) Stores and Consumables	44.37	38.65
c) Packing Materials	13.76	12.58
d) Power and Fuel	137.34	119.32
e) Conversion Expenses	273.42	161.65
f) Repairs to Buildings	15.18	5.56
g) Repairs to Plant and Machinery	33.09	30.28
h) Repairs to Others	22.51	10.01
i) Testing and Designing Expenses	30.12	10.09
j) Freight	263.26	239.52
k) Rent	157.78	16.00
l) Rates and Taxes	3.97	6.63
m) Insurance	67.51	51.78
n) Travelling and Conveyance	115.82	87.81
o) Postage, Telephone and Fax	33.64	24.47
p) Printing and Stationery	18.92	15.11
q) Professional and Legal Fees	125.35	67.04
r) Service Charges	205.55	134.46
s) Levies and Taxes	173.94	101.98
t) Directors' Fees	0.23	0.14
u) Auditors' Remuneration	5.41	3.86
v) Bank Charges and Guarantee Commission	326.51	229.61
w) Brokerage and Commission	18.17	14.52
x) Licence and Tender Fees	5.59	8.03
y) Forex Fluctuation (Gain) / Loss	(129.89)	160.85
z) General Expenses	41.87	44.31
aa) Donations	1.61	0.27
ab) Claims Paid	-	4.58
ac) (Gain) / Loss on Sale of Fixed Assets (Net)	(6.73)	0.01
ad) Amortisation of Deferred Expenses	12.09	5.42
ae) Amortisation of Preliminary Expenses	-	0.01
TOTAL	2,005.78	1,616.21

SCHEDULE 21 : INTEREST

a) On Term Loans	44.78	10.30
b) On Bank Loans	548.93	527.78
c) On Others	202.00	149.67
TOTAL	795.71	687.75

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE - 22 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED ACCOUNTS

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 Accounting:

- i. The accounts have been prepared on historical cost convention. The Group follows accrual basis of accounting. The financial statements of Jyoti Structures Africa (Proprietary) Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of South Africa 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 are considered for consolidation:

Name of the Company	Percentage Holding (%)		Country of Incorporation
	2009-10	2008-09	
JSL Structures Ltd. (Till 31 st March, 2009)	N.A.	98.57%	India
JSL Corporate Services Ltd.	100.00%	100.00%	India
Jyoti Energy Ltd.	100.00%	99.88%	India
Jyoti Structures Africa (Pty.) Ltd.	70.00%	70.00%	South Africa

- iii. The financial statements of the Company and its Subsidiaries are prepared up to 31st March, 2010 other than that of Jyoti Structures Africa (Pty.) Ltd. where it is drawn up to 28th February, 2010. Further, as per the report of the management of Jyoti Structures Africa (Pty.) Ltd., there are no significant transactions or other events which have occurred during the period up to 31st March, 2010 which required adjustment to the financial statements drawn up to 28th February, 2010. The auditors have relied on above referred report of the management.

B. Principles of Consolidation:

- i. The financial statements of the Company and its Subsidiary Companies 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.

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 upon raising commercial invoices. Sales include excise duty and adjustment for price variation and are net of claims accepted.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

- b) In case of construction / erection contracts, revenue is recognised based on 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) Leasing income is accounted as per principles of AS 19 'Accounting for Leases'.
- d) Interest income is accounted for on time proportion basis.
- e) The insurance claims are accounted for on accrual basis based on fair estimation of sanction by the insurance companies.

2. Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction, net of CENVAT / VAT credit as availed; including any cost attributable for bringing the asset to its working condition for its intended use and includes amount added on revaluation, less of accumulated depreciation and impairment loss, if any.

3. Depreciation / Amortisation:

- a) Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 except on computer software and on Fixed Assets of Ethiopia, Abu Dhabi, Uganda and Tunisia 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 Ethiopia Branch, the depreciation is provided on Written Down Value Method and in Tunisia, Abu Dhabi and Uganda 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.

4. Investments:

Long term investments other than in subsidiaries are stated at cost, except where there is a diminution in value, other than temporary, in which case the carrying value is reduced to recognise the decline.

5. Inventories:

- a) Raw Materials, Construction materials, Components and Stores & Spares are valued at lower of cost or net realisable value.
- b) Cost of inventories has been 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.
- 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.

6. Tools and Tackles:

Tools and tackles are amortised over their estimated life.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

7. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized 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 recognized as expenses in the period in which they are incurred.

8. 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 recognized 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.

9. Share issue expenses:

Expenses incurred for issue of Equity Shares made by the Company were written off over a period of 5 years in equal installments. However, from the current year, no such expenses are carried forward and the full balance is written off during the year.

10. Foreign Currency Transactions:

- a) Transactions 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 other than fixed assets denominated in a foreign currency are stated in terms of historical costs.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in Profit and Loss account.
- 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 rate at which the assets are translated.
 - iii. The resultant exchange gains and losses are recognised in the Profit and Loss account.
- f) Financial Statements of Overseas Non 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. Depreciation is accounted at the same rate at which assets are translated.
 - ii. 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:
 - 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 Profit and Loss account 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.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS
11. 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.

12. Leased Assets:

Operating Lease :

- i. Lease payments are recognized as expense in the Profit and Loss account on straight line basis over the term of the lease.
- ii. Asset given on operating lease are included in Fixed Assets. Lease income is recognized in the Profit and Loss account on straight line basis over the term of the lease.

13. Employees' retirement and other benefits:**a) Short term employee benefits :**

Short term employee benefits are recognised in the period during which the services have been rendered.

b) Long term Employee Benefits :**a. Defined contribution plan :**

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

b. 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 Profit and Loss account.

14. 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.

15. 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.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

16. 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 result and the estimates are recognized in the period in which the results are known /materialized.

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.

18. Employees Stock Option Scheme:

Stock option 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 options is recognised as deferred employee compensation and is charged to Profit and Loss account as employee costs, on straight line method over the vesting period of the options.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS**SCHEDULE - 23 NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS**

1. Outstanding Contracts - Capital Account :

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) are Rs. 14.42 Million (P.Y. Rs. 197.91 Million). Advances paid Rs. 10.16 Million (P.Y. Rs. 8.21 Million)

2. Contingent Liabilities not provided for :

		2009-10 Rs. in Million	2008-09 Rs. in Million
1	Outstanding Performance Guarantee given by banks.	8,039.42	6,264.01
2	Outstanding of Bills discounted.	13.45	120.97
3	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (Under Appeal).	54.78	34.29
4	Civil Suits.	124.20	124.66
5	Other Claims.	-	36.04

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 17.02 Million (P.Y. AED 15.69 Million) equivalent to Rs 208.48 Million (P.Y. Rs. 217.85 Million) as on 31st March 2010.

3. Managerial Remuneration:

	2009-10 Rs. in Million	2008-09 Rs. in Million
To the Managing Director, Dy. Managing Director and Whole Time Director.		
Salary.	24.90	22.20
Allowance in lieu of Commission.	41.22	35.71
Perquisites.	0.29	0.16
Contribution to provident fund and other funds. *	5.77	5.11
Total	72.18	63.18
Directors' Sitting fees – to Non-Executive Directors.	0.23	0.14

* Excludes provision for gratuity which is determined on the basis of actuarial valuation done on overall basis for the Company.

4. The Gross Block of Fixed Asset includes Rs. 8.36 Million on account of revaluation of fixed assets carried out by a Group Company in the year 1993-94. Consequent to the said revaluation, there is an additional charge of Rs. 0.24 Million on account of depreciation and an equivalent amount has been withdrawn from the revaluation reserve and credited to Profit and Loss account. This has no impact on the profit for the year.
5. Disclosure as required by Accounting Standard 15 (revised 2005) "Employee benefits".:

Defined contribution plans:

- Provident fund
- Superannuation fund

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

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 Profit and Loss Account for the year:

		2009-10 Rs. in Million	2008-09 Rs. in Million
i.	Contribution to Provident Fund.	19.19	14.58
ii.	Contribution to Employees' Superannuation Fund.	13.01	9.94

Defined Benefit Plans:

Particulars		2009-10 Rs. in Million		2008-09 Rs. in Million	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Expenses recognised in Profit and Loss Account and included in Schedule-19 "Personnel Expenses".				
	Current Service Cost.	4.98	4.12	4.37	2.71
	Interest Cost.	3.38	0.87	2.69	0.64
	Expected return on plan assets.	(2.02)	-	(1.68)	-
	Net actuarial losses / (gain).	11.86	5.03	1.65	(0.92)
	Total Expenses.	18.20	10.02	7.03	2.43
2	Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation:				
	Opening balance of defined benefit obligation.	40.98	10.39	37.07	8.78
	Current service cost.	4.98	4.12	4.37	2.71
	Interest Cost.	3.38	0.87	2.69	0.64
	Actuarial losses / (gain).	11.24	5.03	1.01	(0.92)
	Liabilities extinguished on settlements	-	-	-	-
	Benefits paid.	(11.60)	(5.29)	(3.53)	(0.07)
	Closing balance of defined benefit obligation.	48.98	15.12	41.61	11.14
3	Reconciliation of opening and closing balances of changes in fair value of plan assets:				
	Opening balance of plan assets.	20.38	-	18.02	-
	Expected returns on plan assets.	2.02	-	1.68	-
	Actuarial losses / (gain).	(0.62)	-	(0.64)	-
	Assets distributed on settlement.	-	-	-	-
	Contribution by employer.	7.00	-	2.75	-
	Benefits paid.	(2.85)	-	(1.43)	-
	Closing balance of plan assets.	25.93	-	20.38	-

	Particulars	2009-10 Rs. in Million		2008-09 Rs. in Million	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
4	Net liability recognised in the balance sheet.				
	Closing balance of defined benefit obligation.	48.98	15.12	41.61	11.14
	Closing balance of fair value of plan assets	25.93	-	20.38	-
	Present value of unfunded obligation recognised as liability	23.04	15.12	21.23	11.14
5	Actual return on plan assets	2.02	-	1.68	-
6	Actuarial Assumption				
	Discount Rate	8.25%		7.25%	
	Expected rate of return on plan assets	9%		9%	
	Expected rate of salary increase	5.50%		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	

6. Deferred Tax Liability (Net) :

(Rs. in Million)

	Deferred Tax Liability / (Asset) as at 31/03/2009	Charge/(Credit) as per Finance Act 2009 Tax Rates	On account of change in rate of surcharge by Finance Act 2010	Deferred Tax Liability/ (Asset) as at 31/03/2010
Deferred Tax Liabilities:				
On account of Difference between book and tax depreciation.	116.71	53.65	(3.87)	166.49
Total	116.71	53.65	(3.87)	166.49
Deferred Tax Assets:				
On employee separation and retirement.	(7.00)	(0.84)	0.18	(7.66)
On account of amount disallowed u/s 43B.	(4.29)	(1.31)	0.12	(5.48)
On other timing differences.	(14.41)	39.16	(0.56)	24.19
Total	(25.70)	37.01	(0.26)	11.05
Deferred Tax Liability / (Assets) (Net)	91.01	90.66	(4.13)	177.54
Previous Year	67.88	23.13	-	91.01

In Jyoti Structures Africa (Pty.) Limited, due to uncertainty of future profits, the recoverability of the deferred tax assets is assessed as not certain and therefore it is not raised as an asset.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

7. Disclosures in respect of Joint Ventures under the Accounting Standard 27 “Financial Reporting of Interest in Joint Ventures” :

	Share of Interest	
	2009-10 Rs. in Million	2008-09 Rs. in Million
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	357.65	301.60
Cash and bank balances	46.65	15.13
Inventories	107.87	91.51
Trade and other receivables	173.46	71.16
Loans and Advances	84.33	3.86
Current Liabilities	372.18	272.28
Non-current liabilities	384.25	177.17
Income	399.81	204.35
Expenditure	419.47	291.88
Contingent Liability on account of Guarantees	428.19	510.77

The Company's investment in the Joint Venture being less than 50%, the management is of the view not to consider its share of assets, liabilities, income, and expenditure while preparing its consolidated financial statements. Had this been considered, the consolidated asset would have been increased by Rs. 769.96 Million and consolidated liability would have increased by Rs. 756.43 Million, profit for the year would have been lower by Rs.19.66 Million and reserves would have been lower by Rs. 151.31 Million.

8. The Company has invested an amount of AED 12.93 Million equivalent to Rs. 164.28 Million 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 December 2009 was AED 43.10 Million (P.Y. AED 43.10 Million). As against this capital, the total losses incurred during the year were AED 5.00 Million (P.Y. AED 24.37 Million) and total accumulated losses as on 31st December 2009 were AED 39.56 Million (P.Y. AED 34.57 Million). 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.
9. Forward Exchange Contracts outstanding as at 31st March, 2010 which are entered into by the Company and which are not intended for trading or speculative purposes are given below:

(Rs. in Million)		
Currency	As at 31/03/2010	As at 31/03/2009
Forward Exchange Contracts	497.50	62.56

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

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

Receivables :

Currency	As at 31/03/2010		As at 31/03/2009	
	Foreign Currency in Million	Rs. in Million	Foreign Currency in Million	Rs. in Million
USD	19.81	891.97	19.90	1,003.76
Euro	1.75	106.13	1.30	86.83
AED	15.10	185.14	31.41	413.03
ZAR	Nil	Nil	59.57	299.05
N\$	19.66	125.93	25.93	135.86

Payables :

Currency	As at 31/03/2010		As at 31/03/2009	
	Foreign Currency in Million	Rs. in Million	Foreign Currency in Million	Rs. in Million
USD	14.07	633.76	4.32	222.37
Euro	2.42	146.76	1.03	70.75

11. Expenditure on account of premium of forward exchange contracts to be recognized in the Profit and Loss account of subsequent accounting periods amounts to Rs. 3.10 Million (P.Y. Rs. 1.07 Million)

12. 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:

		2009-10 Rs. in Million	2008-09 Rs. in Million
1	Lease payments recognised in the Profit and Loss account for the year.	5.56	7.59
2	Future minimum payments receipt under the agreements, which are non cancelable. (All the lease agreements are cancellable)	-	-

b) Disclosures in respect of the agreements entered into after 1st April, 2007 for giving the plant and machineries and other fixed assets under operating leases are given below:

		2009-10 Rs. in Million	2008-09 Rs. in Million
1	Lease income recognised in the Profit and Loss account for the year.	30.69	71.50
2	Future minimum lease receipt under the agreements, which are non cancelable are as follows:		
i	Not later than one year.	8.03	8.88
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.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

13. Related Party Disclosures:

Related party disclosures as required by Accounting Standard 18, "Related Party disclosures", issued by the Institute of Chartered Accountants of India are given below:

1 Relationships (During the year)

(i) Key Management Personnel:

Shri Prakash Thakur

Shri Santosh Nayak

Shri K. R. Thakur

Shri L. H. Khilnani*

* no transactions during the year in the Company in which he is a related party

(ii) Joint Venture:

Gulf Jyoti International LLC

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

Sr. No.	Particulars	Type of Relationship	2009-10 Rs. in Million	2008-09 Rs. in Million
1	Remuneration paid.	1 (i)	72.18	63.18
2	Purchase of Goods / Services.	1 (ii)	829.12	364.49
3	Sale of Goods / Services.	1 (ii)	268.56	234.30
4	Lease Rentals received.	1 (ii)	19.44	7.42
5	Investments at the end of the year.	1 (ii)	164.28	164.28
6	Outstanding balance receivable / (payable) at the end of the year.	1 (ii)	222.58	2.62

14. Information in accordance with the requirement of Accounting Standard - 7 (Revised) "Construction Contracts" issued by Institute of Chartered Accountants of India :-

	2009-10 Rs. in Million	2008-09 Rs. in Million
Contract revenue recognised during the year	6,133.39	6,753.07
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).	7,163.98	5,595.74
Advances received.	287.12	290.64
Retentions receivable.	304.18	139.50
Gross amount due from Customers.(Included under Schedule-'8' Sundry Debtors)	1,427.87	874.39
Gross amount due to Customers.(Included in Sundry Creditors under Schedule-'11' Current Liabilities)	287.12	290.64

15. Employees Stock Option Scheme :

On 3rd August, 2005, the Company established Jyoti Structures Limited Employees Stock Option Scheme (ESOS) which was modified on 6th September, 2005, 9th October, 2006 and 31st March, 2008 respectively. Under the Scheme, the Company is authorised to issue upto 5,00,000 (Five lacs) options convertible into 25,00,000 (Twenty Five lacs) Equity Shares of Rs.2/- each to employees. A Compensation Committee has been constituted by the Board of Directors of the Company to administer the Scheme.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

Each option is at a grant price of Rs. 85/- each to be converted into 5 Equity shares of Rs. 2/- each at an exercise price of Rs. 17/- per Equity Share (being the exercise price adjusted after split of face value from Rs. 10/- to Rs. 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 Rs.59.60 Million (P.Y.Rs.78.47) in Employee Stock Option Outstanding account, represents discounts on the options outstanding.

An amount of Rs. 21.93 Million (P.Y. Rs.35.44 Million), debited to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been charged to the revenue account.

The balance un-amortised portion of Rs. 16.04 Million (P.Y. Rs. 22.57 Million) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

	2009-10 (In Numbers)	2008-09 (In Numbers)
Options Granted and outstanding at the beginning of the year.	134,810	206,360
Options Granted during the year.	27,800	26,250
Options Lapsed and / or withdrawn during the year.	-	-
Options exercised during the year against which shares were allotted.	66,515	97,800
Options granted and outstanding at the end of the year of which:		
- Options Vested.	31,195	36,905
- Options yet to Vest.	64,900	97,905

16. Earnings Per Share (EPS):

		2009-10	2008-09
i)	Profit / (Loss) after Tax. (Rs. in Million)	843.01	851.12
ii)	Weighted Average Number of Ordinary Shares for Basic Earning per Share (In Nos.)	81,840,750	81,397,144
iii)	Add : Equity Shares for no consideration arising on grant of stock options under ESOS.	382,095	452,855
iv)	Weighted Average Number of Ordinary Shares for Diluted Earning per Share (In Nos.)	82,222,845	81,849,999
v)	Nominal value of Ordinary Share.	Rs. 2/-	Rs. 2/-
vi)	Basic Earning Per Ordinary Share.	Rs. 10.30	Rs. 10.46
vii)	Diluted Earning Per Ordinary Share.	Rs. 10.25	Rs. 10.40

17. 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.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

18. The Provision for Income Tax amounting to Rs. 146.42 Million (P.Y. Rs. 171.70 Million) as stated in the balance sheet is net of Advance tax, Tax Deducted at Source and other adjustments.
19. Sundry Creditors for goods / services include amounts payable beyond one year consisting of retentions of Rs. 120.48 Million, (P.Y. Rs. 107.32 Million).
20. In the earlier years, the Group was writing off deferred expenses / share issue expenses over a period of five years in equal installments. During the current year, the management has decided to write off the full amount of unamortised expenses incurred in the earlier years. Due to this change, the profit for the year of the Group has been reduced by Rs. 6.67 Million (P.Y. Rs. Nil).
21. 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, management and their legal advisers have not been able to determine the extent of legal costs nor the outcome of the current proceedings.
22. 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 segment 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 segment 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:

	2009-10 Rs. in Million	2008-09 Rs. in Million
Sales within India	17,244.91	11,978.34
Sales outside India	4,052.78	6,415.27
Total	21,297.69	18,393.61

Details of carrying amount of segment assets by geographical locations:

	2009-10 Rs. in Million	2008-09 Rs. in Million
Within India	13,366.36	10,225.52
Outside India	2,065.22	2,661.10
Total	15,431.58	12,886.62

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

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:

	2009-10 Rs. in Million	2008-09 Rs. in Million
Within India	566.87	671.29
Outside India	17.45	117.16
Total	584.32	788.45

23. Current assets and Current liabilities stating receivables and payables are subject to confirmation.
24. Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with the parent Company's financial statements.
25. Previous Year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

As per our report of even date

For and on behalf of the Board

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

Firm Registration No. 117247W

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 21st May, 2010

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Executive Vice Chairman

S. D. KSHIRSAGAR

Chairman

Notes



JYOTI STRUCTURES LIMITED

Registered & Corporate Office:

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