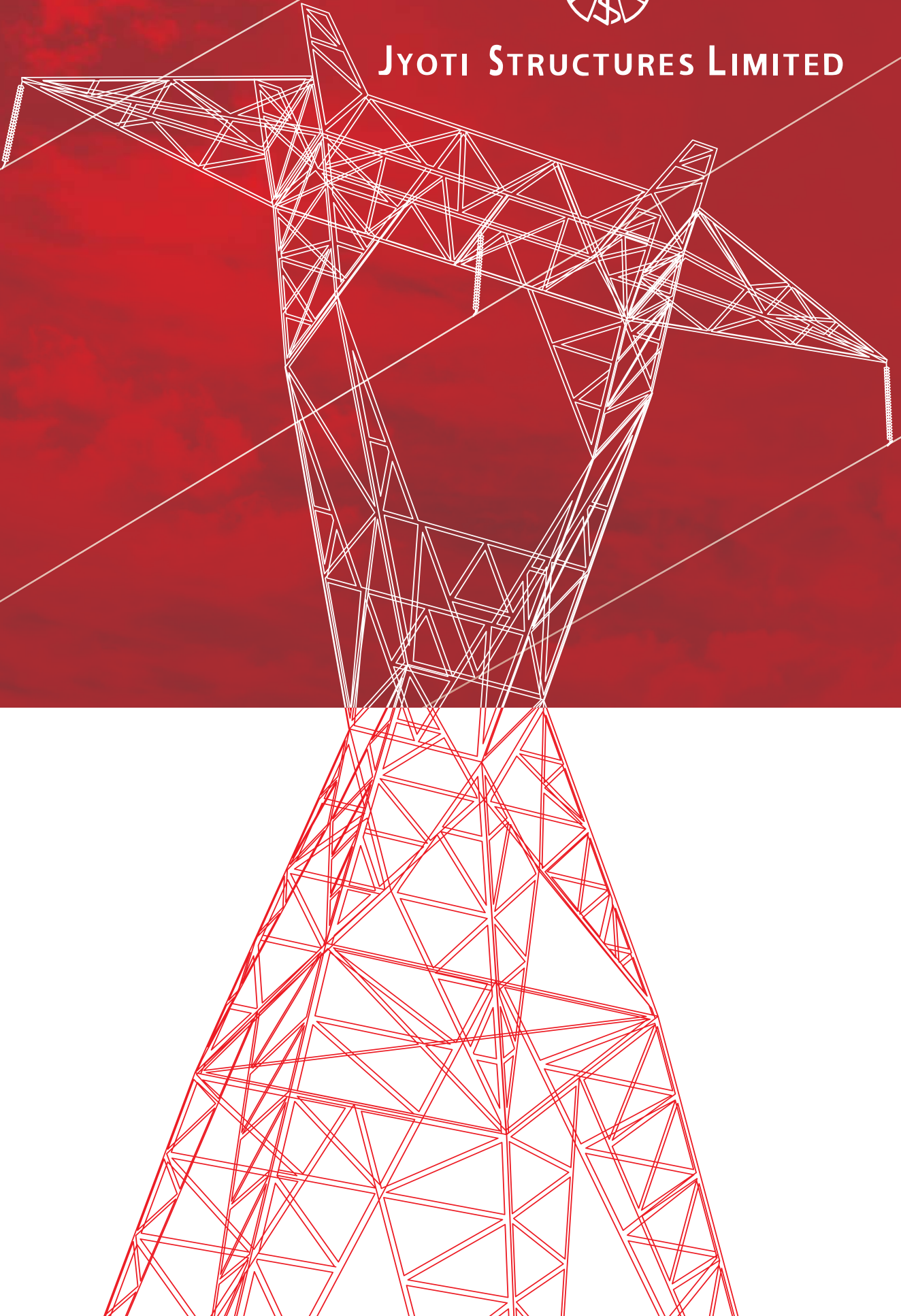




JYOTI STRUCTURES LIMITED



FINANCIAL HIGHLIGHTS

Rs.in Million

	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
SALES & EARNINGS :							
Gross Sales & Other Income	24,693	20,688	17,459	14,007	10,258	7,402	4,401
Profit before Taxes	1,674	1,444	1,264	1,203	875	462	181
Profit after Taxes	1,109	919	797	724	550	277	115
Equity Dividend	75%	50%	45%	40%	30%	20%	12%
ASSETS :							
Gross Block (Including Capital W.I.P.)	2,692	2,389	1,740	1,085	938	868	732
Net Block	1,843	1,716	1,219	645	563	546	441
Total Net Assets	10,964	8,816	7,286	5,742	4,430	2,903	2,132
REPRESENTED BY :							
Net Worth	6,013	5,028	4,155	3,395	2,734	1,200	942
Share Capital	164	164	163	162	161	138	138
Reserves & Surplus	5,853	4,869	4,004	3,250	2,597	1,063	806
Share Application Money / Share Warrants-Up Front Price		-	-	-	-	15	-
Borrowings	4,767	3,606	3,036	2,249	1,595	1,609	1,119
Deferred Tax Liability	180	177	83	81	77	78	69
Total Funds	10,964	8,816	7,286	5,742	4,430	2,903	2,132
OTHER HIGHLIGHTS :							
Foreign Exchange Earnings (Including Deemed Exports & Sales through Export Houses)	3,481	4,577	6,920	3,557	810	989	918
Foreign Exchange Outgo	348	695	233	47	53	119	114
INSTALLED CAPACITY AND							
PRODUCTION :							
Installed Capacity (M.T.p.a.)	116,160	110,000	110,000	95,800	76,000	76,000	52,000
Production (M.T.)	150,985	118,555	85,377	74,330	61,192	57,952	34,888
EARNING PER SHARE :							
EPS - Basic (In Rs.)	13.52	11.23	9.80	8.95	7.18	4.00	1.86
EPS - Diluted (In Rs.)	13.46	11.18	9.74	8.85	7.07	3.84	1.86
Book Value (In Rs.)	73.22	61.31	50.88	41.82	33.88	17.58	13.63

BOARD OF DIRECTORS

S. D. Kshirsagar	<i>Chairman</i>
A. J. Khan	
T. C. Venkat Subramanian	
R. C. Rawal	
G. L. Valecha	
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

STATUTORY AUDITORS

M/s. R. M. Ajgaonkar & Associates, Chartered Accountants

INTERNAL AUDITORS

M/s. Nirupam Haldar & Co., Chartered Accountants

M/s. S. R. Bhargave & Co., Cost & Management Accountants

BANKERS

Bank of Maharashtra
Bank of India
Canara Bank
Dena Bank
ICICI Bank
IDBI Bank
Indian Bank
Standard Chartered Bank
State Bank of Hyderabad
State Bank of India
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.in
Email : investor@jsl.in

LEGAL ADVISORS

Bharucha & Partners

REGISTRARS & SHARE TRANSFER AGENTS

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

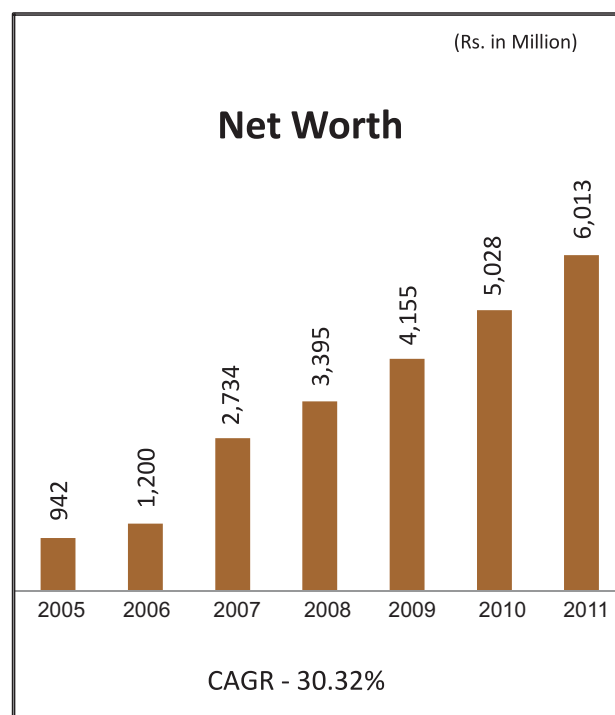
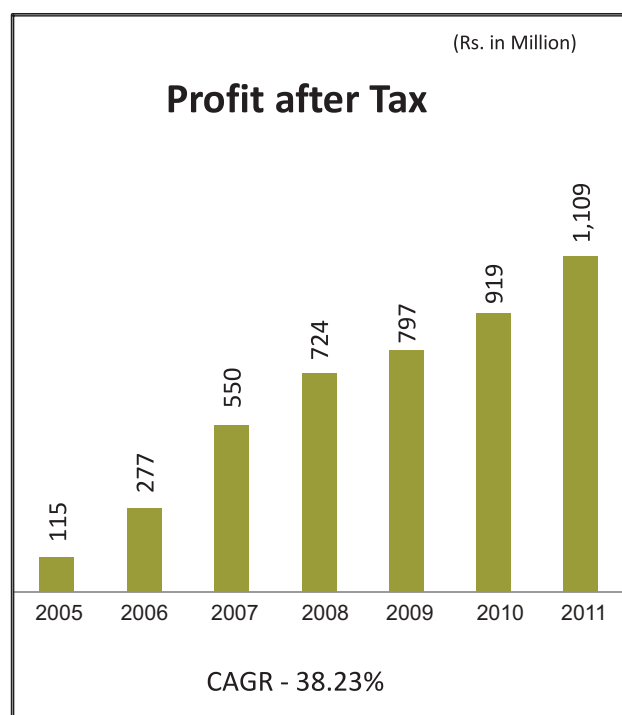
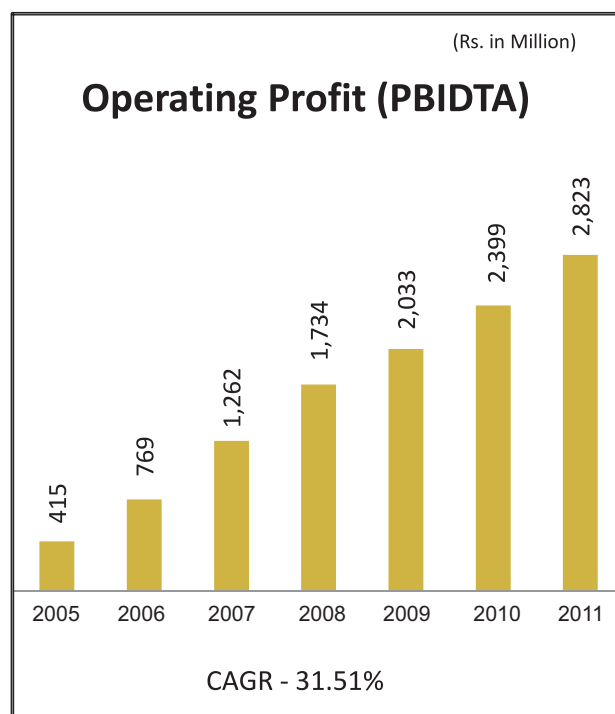
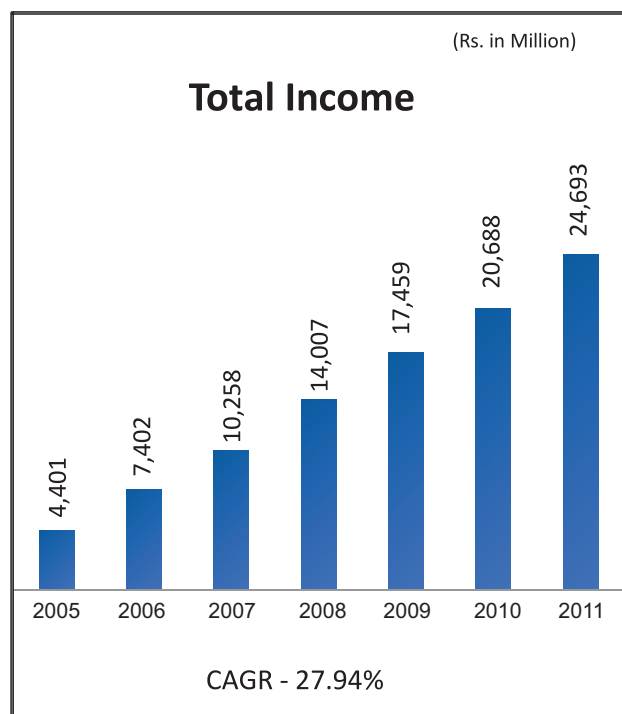
36TH ANNUAL GENERAL MEETING

Day	: Monday
Date	: 25 th July, 2011
Time	: 3:30 p.m.
Venue	: M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001

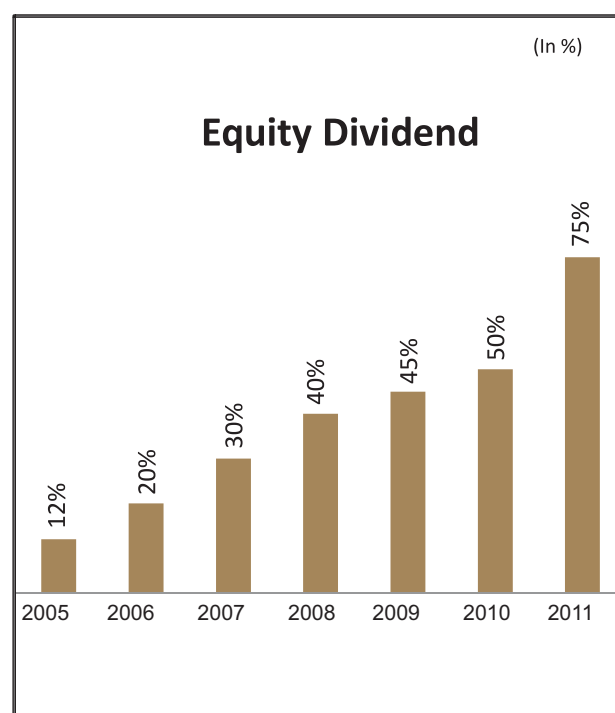
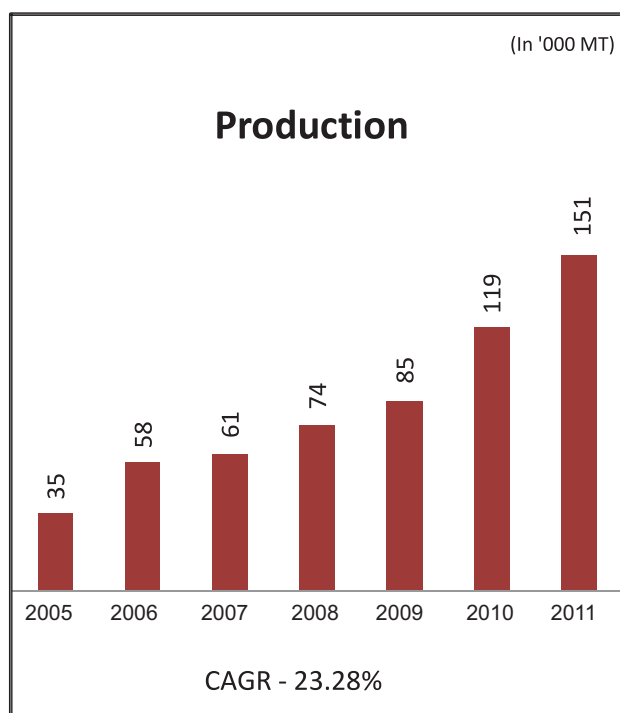
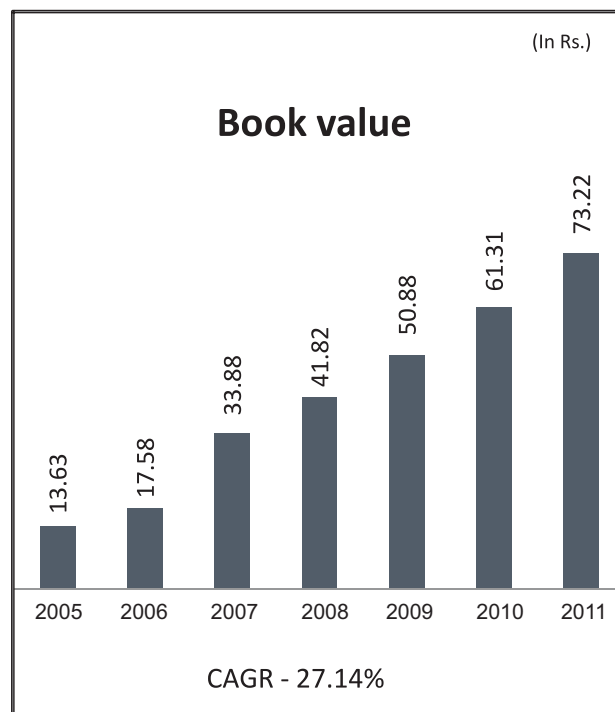
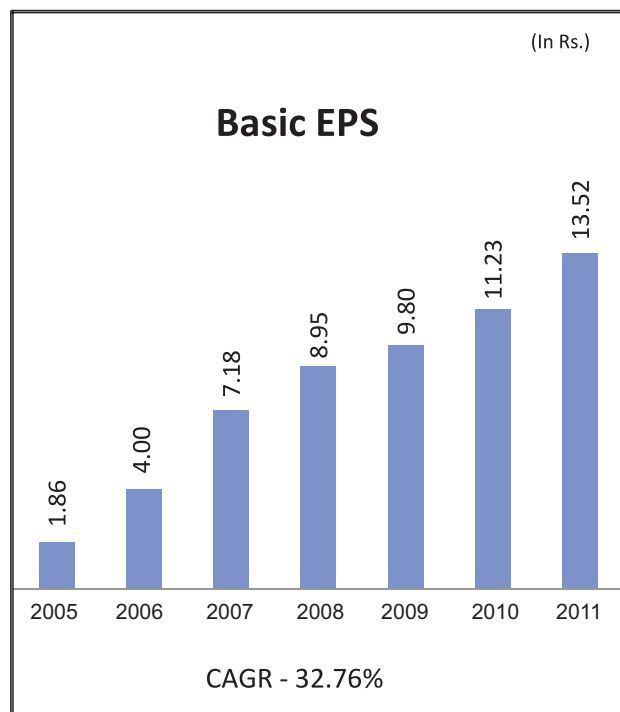
CONTENTS

	Pg. No.
Notice	4
Directors' Report	12
Corporate Governance Report	18
Management's Discussion and Analysis	27
Auditors Report	30
Balance Sheet	34
Profit and Loss Account	35
Cash Flow Statement	36
Schedules to Account	38
Details of Subsidiary companies	62
Consolidated Financial Statements	63

Key Performance Highlights...



Key Performance Highlights...



Note :

1. All the figures in this section are based on standalone financial statements.
2. CAGR represents 7 years Compounded Annual Growth Rate
3. Earning per Share (EPS) for F.Y. 2004-05 and F.Y. 2005-06 is adjusted to reflect the subdivision of Equity Sares. (From Rs. 10/- per share to Rs. 2/- per share).

NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Members of the company will be held on Monday, the 25th July, 2011 at 3:30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2011, the Balance Sheet as at that date and the Report of the Directors and the Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2011.
3. To appoint a Director in place of Mr. S. D. Kshirsagar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. G. L. Valecha who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint Auditors and in this connection, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the retiring auditors M/s. R. M. Ajgaonkar & Associates, Chartered Accountants, being eligible for reappointment, be and are hereby appointed to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, on a remuneration of such sum as may be fixed by the Board of Directors / any Committee of the Board of Directors, plus service tax and reimbursement of out of pocket expenses as may be incurred in the performance of their duties.”

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. T. C. Venkat Subramanian, who was appointed as an Additional Director of the company in a meeting of the Board of Directors held on 26th October, 2010 pursuant to Article 80 of the Articles of Association of the company and Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting, and in respect of whom the company has received a Notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the company, liable to retire by rotation.”

“RESOLVED FURTHER THAT each of the Directors and Company Secretary of the company be and are hereby jointly and severally authorized to do all such acts and things and deal with all such matters and take all such steps as may be required to give effect to this resolution”.

7. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:-

“RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956 (Act), the Board of Directors/any Committee of the Board of Directors be and are hereby authorized to appoint the company's Auditors and/or in consultation with the company's Auditors any person or persons qualified for appointment as Auditor or Auditors of the company under Section 226 of the Act so far as Branch Offices of the company in India are concerned and accountant or accountants duly qualified to act as Auditor or Auditors of the Branch Offices of the company situated in countries outside India, in accordance with the laws of the country in which the Branch Offices of the company are situated, to audit the accounts of the financial year 2011-12 of the company's Branch Offices in India and abroad respectively and to determine the respective terms and conditions of their appointment and remuneration.”

“RESOLVED FURTHER THAT each of the Directors and Company Secretary of the company be and are hereby jointly and severally authorized to do all such acts and things and deal with all such matters and take all such steps as may be required to give effect to this resolution”.

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

“RESOLVED THAT pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956 (Act) and in accordance with the Articles of Association of the company, a sum not exceeding one percent per annum of the net profits of the company calculated in accordance with the provisions of Sections 198, 349 and 350 read with Schedule XIII of the Act, be paid to and distributed amongst the Non-Executive Directors of the company or some or any of them (other than Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the company for each year of the period of five years commencing from 1st April, 2011 subject to changes, if any, prescribed by the statutory or regulatory authorities in this regard.”

“RESOLVED FURTHER THAT each of the Directors and Company Secretary of the company be and are hereby jointly and severally authorized to do all such acts and things and deal with all such matters and take all such steps as may be required to give effect to this resolution”.

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

“RESOLVED THAT pursuant to the provisions of Section 81(1A) as applicable to public companies and all other applicable provisions, if any of the Companies Act, 1956, the relevant Articles of the Articles of Association of the company, and provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999, (the “SEBI Guidelines”) and other applicable law, if any, (including any statutory modification(s) or re-enactment of the Act, the SEBI Guidelines or the applicable law for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee including the Compensation Committee which the Board may constitute in exercise of its powers, including the powers conferred by this resolution), consent of the company be and is hereby accorded to the Board to create, offer, issue and allot equity shares of face value of Rs.2 each not exceeding in the aggregate 25,00,000 in number and represented by a maximum of 25,00,000 Options to Eligible Employees of the company under the Employee Stock Option Scheme (ESOS), which Scheme is hereby approved, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the SEBI Guidelines or other provisions of the law as may be prevailing at that time, to or for the benefit of such employee(s) who are determined by the Board, from time to time.”

“RESOLVED FURTHER THAT the ESOS may also envisage the provision of any financial assistance to the employee to enable the employee to acquire, purchase or subscribe to the shares of the company on such terms or conditions as may be specified in the ESOS, or as may be acceptable to the Board, subject to applicable regulatory provisions.”

“RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the company pursuant to the ESOS in the manner aforesaid shall rank pari passu, (including rights in respect of dividend) in all respects with the existing fully paid up equity shares of the company.”

“RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues and others, if any additional equity shares are issued by the company to the Option Grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above ceiling of 25,00,000 equity shares shall be deemed to be increased to the extent of such additional equity shares issued.”

“RESOLVED FURTHER THAT in case the equity shares of the company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition of the equity shares by the aforesaid option grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the

same proportion as the present face value of Rs. 2 per equity share bears to the revised face value of the equity shares of the company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of the said new equity shares, the Board be and is hereby authorized on behalf of the company to evolve, decide upon and bring into effect the ESOS and to make any modifications, changes, variations, alterations or revisions in the ESOS from time to time or to suspend, withdraw or revive the ESOS from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things and to give such directions as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the company”.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxies to be effective should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting. A Proxy Form is sent herewith.
3. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 (Act), relating to the Special Businesses to be transacted at the meeting is annexed hereto.
4. The Register of Members and Share Transfer Registers of the company will remain closed from Tuesday, the 12th July, 2011 to Thursday, the 21st July, 2011, both days inclusive.
5. Subject to the provisions of Section 206A of the Act, dividend as declared at the meeting, will be payable on or after Saturday, the 30th July, 2011 to those members whose names appear on the Register of Members as on Tuesday, the 12th July, 2011. The dividend in respect of shares held in the electronic form will be payable to the beneficial owners of the shares as on Tuesday, the 12th July, 2011.
6. Members holding shares in electronic form may please note that: (a) the dividend, when declared, will be credited to their respective Bank Accounts as furnished to the Depository Participants through the National Electronic Clearing Service (NECS) where this facility is available; (b) in other cases, Bank details as furnished to the Depository Participants will be printed on the dividend warrants as per the applicable regulations. The company shall not entertain any direct communications for deletion of / change of such Bank details. Further, it may be noted that instructions, if any, already given by the members in respect of the shares held in physical form will not be automatically applicable to the dividend paid on their holding in electronic form.
7. Pursuant to Section 205A of the Act, all unclaimed / unpaid dividends upto and including the financial year ended on 31st March, 2001 have been transferred to the Investor Education and Protection Fund of the Central Government.
8. Pursuant to Section 205C of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the company's Unpaid Dividend Account, will be transferred, to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.
9. Those Members who have not received the dividends for the financial year 2004-05 and / or 2005-06 and / or 2006-07 and / or 2007-08 and / or 2008-09 and / or 2009-10 declared and paid by the company, are requested to write to the company's Registrar and Share Transfer Agents, Bigshare Services Private Limited.
10. As the equity shares of the company are compulsorily traded in demat form, members holding equity shares in

physical form are requested to get the shares converted in demat form.

11. Members holding equity shares in physical form are hereby requested to promptly notify the change of address/ dividend mandate, if any, to the company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd. quoting their folio number and Members holding equity shares in demat form shall have to intimate to their respective Depository Participants quoting their Client ID.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to register their e-mail addresses with Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agent of the company.
13. To avoid loss of dividend warrants in transit and undue delay in receipt thereof, members are advised to avail the facility for receipt of future dividends through National Electronic Clearing Service (NECS). The NECS facility is available at the locations identified by Reserve Bank of India from time to time which covers most of the cities and towns. Members holding shares in dematerialized mode are requested to contact their respective Depository Participant (DP) for availing NECS facility. Members holding shares in physical form and who have not submitted the NECS details and desirous of availing NECS facility are requested to send to the company or to the Share Transfer Agents the details such as: the name of the Shareholder, Bank through which account held, Bank Account number and MICR details immediately and wherever possible the request shall be acceded to.
14. Any member seeking further information on the Accounts at the meeting is requested to send their queries in writing to the company so as to reach at least one week in advance to enable the Management to keep the information ready. Replies will be provided only at the meeting.
15. Members are requested to make use of Nomination facility by filing Form 2B. In case of shares held in demat mode Form 2B has to be lodged with the respective DP and in case of the shares held in physical mode the same has to be lodged with the company or its Share Transfer Agents.
16. Members are requested to bring the copy of Annual Report to the Annual General Meeting.
17. Members/proxies should bring their Attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.

By order of the Board
For **Jyoti Structures Limited**

L. H. KHILNANI
Company Secretary

Mumbai; 27th May, 2011

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail id with Bigshare Services Private Limited (Registrar and Share Transfer Agents of the company) by sending a request letter duly signed by the first / sole shareholder.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

ITEM NO. 6

Mr. T. C. Venkat Subramanian was appointed as an Additional Director with effect from 1st November, 2010 by the Board of Directors of the company. By virtue of the provisions of Section 260 of the Companies Act, 1956 read with Articles of Association of the Company, Mr. T. C. Venkat Subramanian would hold office only upto the date of the ensuing Annual General Meeting.

As required under Section 257 of the Companies Act, 1956, the company has received notice from a member signifying his intention to propose the name of Mr. T. C. Venkat Subramanian as Director along with the requisite deposit.

Your Directors recommend the resolution at item no.6 for your approval.

Mr. T. C. Venkat Subramanian is interested in the resolution as it relates to his appointment. None of the other Directors of the company are concerned or interested in the resolution.

ITEM NO. 7

As the Members are aware that the company operates in the Engineering Procurement Construction (EPC) business in power transmission, distribution and substation sectors in India as well as outside India. To enable the directors to appoint Branch Auditors for the purpose of auditing accounts of the company's Branch Offices in India and abroad, the necessary authorization of the members of the company is being obtained in accordance with the provisions of Section 228 of the Companies Act, 1956.

Your Directors recommend the resolution at item no.7 for your approval.

None of the Directors of the company are concerned or interested in the resolution.

ITEM NO. 8

Taking into consideration the current competitive business environment, stringent accounting standards and corporate governance norms and the responsibilities of the Directors, it is proposed that in terms of Section 309(4) of the Act, the Directors (apart from the Managing Director (MD) and the Whole-time Directors (WTDs)) be paid for each of the five financial years of the company commencing from 1st April, 2011, remuneration not exceeding one percent per annum of the net profits of the company computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

Your Directors recommend the resolution at item no.8 for your approval.

All the Directors of the company except the MD and the WTDs of the company are concerned or interested in the Resolution at item no.8 of the Notice to the extent of the remuneration that may be received by them.

ITEM NO. 9

The company proposes to launch an Employees Stock Option Scheme – 2011 (**ESOS**) in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**SEBI Guidelines**) and issue Options to Employees of the company so as to attract and retain talent and remain competitive in the talent market and to strengthen interdependence between individual and organization prosperity.

Accordingly, the approval of the shareholders is sought by way of resolution for issue of Options. Your Directors recommend the passing of the resolution as Special Resolution.

Capitalized terms used in this Notice have the meaning given to them in the ESOS.

The ESOS is pursuant and subject to the SEBI Guidelines, the provisions of which shall prevail over any term of the ESOS that is inconsistent with the SEBI Guidelines.

The ESOS shall be administered by and be under the superintendence of the Compensation Committee.

a. Total Number of Options to be Granted

It is proposed to issue a maximum number of 25,00,000 Options, constituting less than 3.05 % of the present issued share capital of the company. Each Option shall entitle the Option Grantee to apply for and, subject to and in accordance with the terms of the ESOS, be allotted one equity share of face value of Rs.2 of the company.

Vested Options that lapse due to non-exercise or unvested Options that get cancelled due to resignation of the Employees or otherwise would be available for being re-granted at a future date.

b. Identification of Classes of Employees Entitled to participate under the Scheme of the company.

Employees who qualify for the issue of Options under the ESOS and fulfill the conditions as decided in the appraisal process by the Compensation Committee or who are otherwise nominated by the Compensation Committee at its sole discretion as being eligible for issue of Options shall be entitled to participate in the ESOS.

Such "Employees" being defined as:

- (i) any permanent employee of the company working in India or out of India; or
- (ii) an employee as defined in sub-clauses (i) of a subsidiary, in India or out of India, or of a holding company of the company.

Provided that an "Employee" shall not include an Employee who is a Promoter of the company or its subsidiary or holding companies, as the case may be, or belongs to the Promoter Group of the company or its subsidiary or holding companies, as the case may be, or a director of the company or its subsidiary, as the case may be, who either by himself or through his Relative or through anybody corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the company or its subsidiary or holding companies, as the case may be.

c. Vesting

Options granted to an employee would vest over a maximum period of three years with a minimum period of one year from the date of grant of such options. Vesting of options would be subject to continued employment with the company in the following manner:

- (i) Maximum of 30% of the total number of such options granted to the employee (rounded off to nearest 50), shall vest at the end of one year from the date of grant of options;
- (ii) Maximum of 30% of the total number of such options granted to the employee (rounded off to nearest 50), shall vest at the end of two years from the date of grant of options; and

(iii) The remaining options granted to the employee, shall vest at the end of three years from the date of grant of options.

The Compensation Committee may specify that the options would vest subject to elapse of time, or meeting certain performance parameters or a combination of both. The specific Vesting schedule and special conditions would be outlined in a separate communication to the employee (subject to periods prescribed above).

The maximum period within which the options are vested shall be three years.

d. Exercise Price

The Exercise Price for the options shall be Rs. 25 for each option, or such other price determined by the Compensation Committee at the time of grant of the options. The Compensation Committee may re-price the options by modifying the Exercise Price at which unexercised options may be exercised in compliance with the provisions of law including the SEBI Guidelines.

e. Exercise Period and Process

The Exercise Period shall be a period of 1 year from the date of vesting of the options.

To Exercise the option, the process shall be as follows:

- (1) The options may be exercised in one or more instances before the expiry of the exercise Period by the Eligible employee or his legal heir/ nominee, as the case may be.
- (2) The Eligible employee has to apply for a minimum of 100 shares in each instance of exercise of the options.
- (3) On Exercise of the options the eligible employee must pay the Exercise Price to the company.
- (4) The mode and manner of the exercise of the options will be communicated separately to the eligible employee by the company.

The options granted shall expire, if the eligible employee or his legal heir/nominee, as the case may be, do not exercise it within the Exercise Period.

If the options vested in an option grantee are not exercised within a period of 1 year from the date of vesting of such options, the right of the option grantees to apply for option / equity shares shall stand forfeited and such options shall forthwith lapse. In the event of lapse of any options pursuant to the provisions of the ESOS, the said lapsed options shall be available to the Compensation Committee for grant to such other employees as the Compensation Committee may deem fit.

f. Appraisal Process

The Compensation Committee shall meet from time to time to appraise the performance and track record of the Employees to determine eligibility of Employees for participation in this ESOS. The Compensation Committee shall, inter alia, take into account for the purpose of appraisal, such factors which it may, in its discretion, deem relevant for this purpose.

g. Maximum number of Options to be Granted to an Employee and in Aggregate

No Employee shall be granted options in excess of 10% of the total options granted pursuant to this ESOS. The aggregate number of equity shares to be issued by the company under this ESOS at any point of time shall not be more than 25,00,000 (being 3.05 % of the total paid up equity share capital of the company).

h. Accounting Policies

The company hereby formally undertakes and records that it shall conform to the accounting policies as specified in the SEBI Guidelines.

i. Method of Option Valuation

The company intends to use the intrinsic value method to calculate the Employee's compensation cost subject to applicable legal provisions.

- j.** In case the company, at any point of time, chooses to calculate the Employee compensation cost using the intrinsic value of the Options, the difference between the Employee compensation cost so computed and the Employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the company shall also be disclosed in the Directors' Report.

The company shall also make such disclosures and file such statements and documents as may be required by law with the prescribed authorities from time to time.

Your directors recommend the resolution at item no.9 for your approval.

By Order of the Board
For **Jyoti Structures Limited**

Mumbai; 27th May, 2011

L. H. KHILNANI
Company Secretary

JYOTI STRUCTURES LIMITED

DIRECTORS' REPORT

Your Directors take pleasure in presenting the Thirty Sixth Annual Report on business and operations of the company along with the Audited Statement of Accounts for the financial year ended 31st March, 2011.

FINANCIAL RESULTS

Performance of the company, on stand alone basis, for the financial year ended 31st March, 2011 is as summarized below:

(Rs. in Million)

	2010-11	2009-10
Gross Turnover	24,608	20,633
Profit before tax	1,674	1,444
Provision for taxation including deferred tax	(565)	(525)
Profit after tax	1,109	919
Excess/(Short) Provision of Taxes for earlier years	-	(9)
Balance b/f from previous year	2,461	1,741
Balance in Profit & Loss A/c of Amalgamating company	-	6
Profit available for appropriation	3,570	2,657
Proposed dividend	123	82
Tax on proposed dividend	20	14
Transfer to General Reserve	120	100
Transfer to Debenture Redemption Reserve	604	-
Balance carried to Balance Sheet	2,703	2,461

PERFORMANCE HIGHLIGHTS

- Gross turnover for the year under review increased by 19.26% to Rs.24,608 million, as against Rs.20,633 million, during the previous year.
- Profit after tax grew by 20.66% to Rs.1,109.09 million as against Rs.919.17 million, in the previous year.
- During the year, record supply of towers and structures at 150,985 MT, as against 118,555 MT in the previous year, was achieved by the company.
- Order backlog at the end of the year was at Rs.43,270 million as compared to Rs.41,000 million at the end of the previous year.
- The company is in the final stage of completing a 1,000 Km long, 500 kV High Voltage Direct Current transmission line project for a private sector client in India in a record time.
- Despite experiencing challenges in execution of the first contract in South Africa, company's subsidiary has secured two more contracts from the same customer. These contracts are progressing satisfactorily. The company is now on firm ground in this emerging African market.

DIVIDEND

Your Directors recommend a dividend of Rs.1.10 per share for the year ended 31st March, 2011 on 8,21,33,540 equity shares of Rs. 2 each.

In addition, your Directors also recommend a special dividend of Re.0.40 per share for the company crossing Rs.100 crores net profit for the first time. Thus, total dividend recommended for the year ended 31st March, 2011 is Rs.1.50 per share.

In the previous year, the company paid a dividend of Re.1 per equity share of Rs. 2 each.

SHARE CAPITAL AND LISTING OF SHARES

During the year under review, your company allotted 121,700 equity shares of Rs. 2 each to its employees against exercise of options granted to them under Employees Stock Option Scheme.

During the year, your company issued and allotted 10,072,005 Non-Convertible Debentures of face value of Rs.120 each aggregating to Rs.1,208.64 million with 20,144,010 Detachable Warrants on Rights basis.

The proceeds of the Rights Issue have been utilized towards the repayment / pre-payment of working capital loans obtained from banks.

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

SUBSIDIARY COMPANIES

During the year under review, your company has formed 100% wholly owned subsidiary company viz. Jyoti Holdings Inc. in United States of America and formed a step down subsidiary company viz. Jyoti Americas LLC. Jyoti Americas LLC is setting up an ultra-modern tower manufacturing facility near Houston, Texas. The facility will have a production capacity of 3,000 MT per month on two shift basis.

In view of the general exemption granted by the Ministry of Corporate Affairs from applicability of the provisions of Section 212 of the Companies Act, 1956 (Act), the stand alone audited financial statements of the subsidiary companies are not attached to this report. As per the general exemption, a statement containing brief financial details of the company's subsidiaries for the year ended 31st March, 2011 is included in the Annual Report.

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

Annual Accounts of the subsidiary companies are available for inspection at registered office of the company.

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

DIRECTORS

In accordance with provisions of Section 260 of the Act, effective 1st November, 2010 Mr. T. C. Venkat Subramanian was co-opted as an additional director of the company. The company has received requisite notice in writing from a member proposing his candidature for the office of Director.

In accordance with provisions of the Act and that of Articles of Association of the company, Mr. S. D. Kshirsagar and Mr. G. L. Valecha, Directors of the company, retire by rotation and being eligible, offer themselves for re-appointment.

Brief profiles of Mr. T.C. Venkat Subramanian and Directors seeking re-appointment form part of Report on Corporate Governance.

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 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, 2011 are self-explanatory in nature and do not require any explanation as per provisions of Section 217 (3) of the Companies Act, 1956.

DEPOSITS

The company has not accepted any deposits within the meaning of Section 58 A of the Act, 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's Discussion and Analysis, the Corporate Governance Report, together with Auditors' Certificate on compliance with the conditions of Corporate Governance as laid down, forms part of this report, as an Annexure.

CODE OF CONDUCT

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Occupational Health & Safety and Environmental Policy

Your company accords high priority to Environment, Health & Safety and have adopted 'Occupational Health & Safety' (OH&S) and 'Environmental' Policies

- to improve the safety of employees and contractors;
- to make the organisation a safe work place; and
- to comply with environmental standards and legislations.

All the manufacturing units have received certificate for ISO:1401:2004 and all units have been awarded OHSAS:18001:2007 certification for health and safety system.

Across all locations, safety standards and procedures are in place to ensure safety of man & machines.

Social Welfare and Community Development

Your company is committed to CSR and continues to support the following social welfare and community development measures:

- development of village roads;
- maintenance of parks;
- providing water supply connections to villagers;
- imparting training and providing employment to locals; and
- organizing blood donation camps.

EMPLOYEES STOCK OPTION SCHEME

Pursuant to the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended, the details of Stock Options as on 31st March, 2011 under the 'Jyoti Structures Limited Employees Stock Option Scheme' form part of this report, as Annexure.

To attract, reward, motivate, retain and to remain competitive in the talent market, your company plans to introduce 'Employees Stock Option Scheme - 2011'. Details of the scheme are provided in the accompanying notice.

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

Your Directors would like to acknowledge contribution and place on record their sincere appreciation of the continued support and co-operation received from all stakeholders including customers, shareholders, suppliers, bankers and financial institutions.

The Directors recognize and appreciate the efforts and hard work of all the employees of the company and their continued contribution to success of your company.

For and on behalf of the Board

S. D. KSHIRSAGAR
Chairman

Mumbai; 27th May, 2011

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail id with Bigshare Services Private Limited (Registrar and Share Transfer Agents of the company) by sending a request letter duly signed by the first / sole shareholder.

ANNEXURE TO THE DIRECTORS' REPORT

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) guidelines, 1999 for the Financial Year 2010-11

S No.	Description	Details
1	Options Granted during F.Y. 2010-11	23,300
2	The Pricing formula	Under the Scheme, the employee is entitled to subscribe to equity shares at an exercise price of Rs.17 for each Equity Share (inclusive of premium) of the face value of Rs.2
3	Options Vested during F.Y. 2010-11	33,275
4	Options Exercised during F.Y. 2010-11	24,340
5	The Total number of Shares arising as a result of exercise of option	121,700
6	Options lapsed	None
7	Variation of terms of options	None
8	Money realized by exercise of options	Rs. 2.07 Million
9	Total Number of options in force	95,055
10	Employee wise details of options granted to	
	i. Senior Managerial personnel	Options granted to all eligible employees
	ii. Any other Employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year	None
	iii. Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None
11	Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	Rs. 13.46
12	The difference between the employee compensation cost computed under Intrinsic Value Method and the Employee compensation cost computed under Intrinsic Value Method and the Employee compensation Cost that shall have been recognised if the Company had used the Fair Value Method and its impact on profits and on EPS of the Company.	Rs. 1.33 Million Profits would have been Lower by Rs. 1.33 Million
13	Weighted-average exercised prices and weighted- average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock.	N.A.
14	Description of the method and significant assumptions used during the year to estimate the fair values of options: (i) Risk-free interest rate, (ii) Expected life (iii) Expected volatility, (iv) Expected dividends, and (v) The price of the underlying share in market at the time of option grant	Refer Annexure

	Grant - I	Grant - II	Grant - III	Grant - IV	Grant - V	Grant - VI	Grant - VII
(i) Risk-free interest rate	10%	10%	10%	10%	10%	10%	10%
(ii) Expected life	2.10 years	2.10 years	2.10 years	2.10 years	2.10 years	2.10 years	2.10 years
(iii) Expected volatility	53.30%	105.67%	191.73%	169.88%	179.57%	221.50%	211.42%
(iv) Expected Dividend	Nil						
(v) The price of the underlying share in market at the time of option grant (Equity Shares of Rs. 2/- each)	59.05	114.35	195.25	224.10	244.60	279.45	200.00

	Grant - VIII	Grant - IX	Grant - X	Grant - XI	Grant - XII	Grant - XIII	Grant - XIV
(i) Risk-free interest rate	10%	10%	10%	10%	10%	10%	10%
(ii) Expected life	2.10 years	2.10 years	2.10 years	2.10 years	2.10 years	2.10 years	2.10 years
(iii) Expected volatility	323.34%	306.62%	132.41%	145.13%	203.49%	73.55%	58.54%
(iv) Expected Dividend	Nil						
(v) The price of the underlying share in market at the time of option grant (Equity Shares of Rs. 2/- each)	88.00	61.65	84.95	162.35	151.80	146.35	145.90

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

1 Conservation of Energy :

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

Consumption	2010-11		2009-10	
	Units	Amount (Rs in Million)	Units	Amount (Rs in Million)
Electricity (KWH)	3,672,973	17.99	3,323,607	16.38
Furnace Oil (KL)	3,242	89.62	3,229	80.32

2 Foreign Exchange Earnings and Outgo :

Earnings:

Export of goods / services

(including Deemed Exports

and sales through Export House)

At FOB Price

3,424.28

4,487.13

At Invoice Value

(Tower testing Charges)

57.14

70.28

Rent on Equipments

0.00

19.44

Outgo:

Expenses of overseas projects

(Including foreign taxes)

306.11

643.37

Interest

28.09

29.78

Professional Fees

4.31

12.41

Others

(Like Traveling, Bank Charges etc)

9.39

9.50

3 Technology Absorption and Expenditure :

The R & D Centre and Tower Testing Station suitable for Testing of Double Circuit Towers upto 1,000 KV at Ghoti, Nasik Dist.was commissioned in the year 1998. During the year 27 Nos. of tower proto types were tested and the operations of the centre are satisfactory.

CORPORATE GOVERNANCE REPORT

In compliance with corporate governance requirement as per the format prescribed by SEBI and incorporated under Clause 49 of the Listing Agreement with the Stock Exchanges, the company's policies on Corporate Governance and compliance thereof in respect of specific areas, as applicable for the year ended 31st March, 2011, are set out below for the information of shareholders and investors of the company.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

BOARD OF DIRECTORS

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

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

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

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

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

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

During the year ended 31st March, 2011, the Board met 8 (eight) times on 23rd April, 2010, 21st May, 2010, 27th July, 2010, 18th August, 2010, 15th September, 2010, 26th October, 2010, 6th December, 2010 and 28th January, 2011.

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, 2011 are tabulated below:

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

[#] Appointed with effect from 1st November, 2010

Note: Only Audit Committees and the Shareholders' Grievance Committees are considered for the purpose of committee positions as per the Listing Agreement.

COMMITTEES OF THE BOARD

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

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

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

A. Audit Committee

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

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

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

During the financial year under review, four meetings of the Committee were held on the following dates: 21st May, 2010, 27th July, 2010, 26th October, 2010 and 28th January, 2011. Composition of the Audit Committee and the details of meetings attended by the members of the Audit Committee as on 31st March, 2011, are given below:

JYOTI STRUCTURES LIMITED

Name of the Director	Designation	Category	No. of meetings during the year 2010-11	
			Held	Attended
S. D. Kshirsagar	Chairman	Independent Non-Executive	4	4
A. J. Khan	Member	Independent Non-Executive	4	4
R. C. Rawal	Member	Independent Non-Executive	4	2
S. H. Mirchandani *	Member	Non-Independent Non-Executive	3	2
T. C. Venkat Subramanian #	Member	Independent Non-Executive	1	1

* Ceased to be a member, with effect from 28th January, 2011, consequent to re-constitution of the Committee

Appointed with effect from 1st November, 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 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, 2011, 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.

During the year under review, the company had received 32 complaints from shareholders and the same have been redressed to their satisfaction.

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

C. Remuneration Committee

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

The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Mr. A. J. Khan, Member, Mr. T. C. Venkat Subramanian, Member (since 28th January, 2011) and Mr. R. C. Rawal (up to 28th January, 2011).

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

(Amount in Rs.)

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	11,486,904	13,617,400
P. K. Thakur	Nil	13,503,600	15,784,800
S. V. Nayak	Nil	13,503,600	15,784,800
Non-Executive Directors			
S. D. Kshirsagar	60,000	Nil	Nil
A. J. Khan	60,000	Nil	Nil
G. L. Valecha	40,000	Nil	Nil
R. C. Rawal	35,000	Nil	Nil
S. H. Mirchandani	35,000	Nil	Nil
T. C. Venkat Subramanian #	10,000	Nil	Nil

Appointed with effect from 1st November, 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 Employees Stock Option Scheme-2005.

The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Mr. A. J. Khan, Member, Mr. T. C. Venkat Subramanian, Member (since 28th January, 2011) and Mr. R. C. Rawal, Member (up to 28th January, 2011).

During the year, the Committee granted 23,300 options and allotted 1,21,700 Equity Shares of Rs. 2 each under Employees Stock Option Scheme.

Profile of directors seeking appointment / re-appointment :

Name of the Director	S. D. Kshirsagar	G. L. Valecha	T. C. Venkat Subramanian
Date of Birth	4 th May, 1937	8 th May, 1932	30 th October, 1949
Date of Appointment as Director	1 st April, 2003	26 th April, 2003	1 st November, 2011
Qualification	P.G.D.I.A., M.A. (Economics)	B.A.	B.E from Madras University and is a Certified Associate of Indian Institute of Bankers (CAIIB).
Relation - between Directors	None	None	None
Experience and Expertise in Specific functional area	After working for numerous projects, in India as well as overseas, in Tata companies, Mr. S. D. Kshirsagar, headed the International Trading Division at Tata International Limited. Presently, he is associated with the S. P. Jain Institute of Management & Research, Mumbai in the capacity of professor and advisor to the Dean. He has over four decades of experience in various facets of international marketing, corporate affairs & governance, project management and project control. His knowledge area & competencies wrap around international business, business strategy & planning, marketing and project management. He has published several articles in research journals and financial papers.	Mr. G. L. Valecha is an active partner in Lilaram Ramandas & Sons, a leading finance merchants firm. Before joining the Board, he was an active partner in Gopaldas Vasudev & Company, a pioneer construction company which was taken over by Valecha Bros (EC) Private Limited on February 3, 1988, of which he was a director until 1993. He brings with him rich and varied experience of more than five decades in businesses like construction services and has vast knowledge in accounting and project monitoring.	Mr. T. C. Venkat Subramanian has an experience of more than three decades in the financial sector and retired as the Chairman & Managing Director of Export Import Bank of India (Exim Bank). Before joining Exim Bank of India in 1982 he worked in Bank of India and Industrial Development Bank of India. As a consultant he helped setting up Exim Bank of Turkey (Turk Exim Bank). He also under took consultancy assignments in Armenia (for setting up Export Development Project) and in Ukraine (for designing export development schemes for Ukraine Exim Bank). He was the Hon. President of Global Network of Exim Banks and Development Finance Institutions (G-NEXID), Geneva, under the auspices of UNCTAD for three years (2006-09). He is well networked in the International financial sector and has been a regular speaker at various fora and conferences of the World Bank, African Development Bank, Asian Development Bank, OECD, UNCTAD and Afrexim Bank. He was conferred with "Outstanding CEO" award by Association of Development Finance Institutions of Asia Pacific (ADFIAP), Manila, Philippines in 2008. He has been recently nominated as a Member of Indian Council of World Affairs, Delhi (Think Tank on International Affairs sponsored by Govt. of India) for a three year term.
Shareholding : No. of Equity Shares of Rs. 2 each	3,200	1,58,000	NIL
Other Directorships	- Unived Corporate Research Private Ltd.	None	- LIC-Nomura MF Trustee Company Private Limited - Securities Trading Corporation of India Limited - Agricultural Finance Corporation Limited - IOT Infrastructure & Energy Services Limited - Foundation of Organisational Research & Education (FORE School of Management) Delhi (Trust) - Rolta India Limited - Investec Capital Services (India) Private Limited

JYOTI STRUCTURES LIMITED

SUBSIDIARY COMPANIES

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

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

GENERAL BODY MEETINGS:

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

Date	Time	Details of Special Resolution	Relevant Section
13 th June, 2008	3.00 P.M	1) Appointment of Mr. Prakash Thakur	257
		2) Appointment of Mr. Santosh Nayak	
		3) Appointment of Branch Auditors	228
25 th August, 2009	3.00 P.M	Appointment of Branch Auditors	228
15 th September, 2010	3.30 P.M	1) Appointment of Mr. Prakash Thakur as an Executive Vice Chairman	198,269,309
		2) Appointment of Mr. Santosh Nayak as a Managing Director	read with Schedule XIII
		3) Appointment of Mr. K. R. Thakur as a Whole-time Director	
		4) Issue of securities up to an amount not exceeding Rs.4,000 million by way of Qualified Institutions Placement (QIP)	81(1A)

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 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. Santosh V. Nayak, Managing Director in terms of Clause 49 (V) of the Listing Agreement with the Stock Exchanges for the financial year ended 31st March, 2011 was placed before the Board of Directors of the company.

SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

MEANS OF COMMUNICATION

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

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

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

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

CODE OF CONDUCT

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

JSL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

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

SHAREHOLDERS' INFORMATION**A. Annual General Meeting**

Day, Date and Time	: Monday, the 25 th July, 2011 at 3:30 p.m.
Venue	: M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20 Kaikhushru Dubash Marg, Mumbai – 400 001

B. Financial Calendar

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

C. Book Closure

: Tuesday, the 12 th July, 2011 to	
Thursday, the 21 st July, 2011 (both days inclusive)	

D. Dividend Payment Date

: On or after Saturday, the 30 th July, 2011	
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E. Listing at Stock Exchanges:

During the year, the company has allotted 10,072,005 Secured 7% Non-Convertible Debentures of face value of Rs.120 each (NCDs) at an issue price of Rs.120 per NCD along with 20,144,010 detachable warrants (Warrants) in accordance with the basis of allotment finalized in consultation with and approved by the Designated Stock Exchange to the successful applicants.

JYOTI STRUCTURES LIMITED

The company has received listing and trading permissions in respect of the aforesaid NCDs and Warrants from the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited with effect from 23rd February, 2011.

Sno.	Security Type	The Bombay Stock Exchange Limited		The National Stock Exchange of India Limited	ISIN No.
		Stock Code No.	Code on Screen	Code on Screen	
1	Equity Shares	513250	JYOTIST	JYOTISTRUC	INE197A01024
2	Secured 7% Non-Convertible Debentures	934808	JYOTISTNCD	JYOTISTRUC - N1	INE197A07021
3	Warrants	961698	JYOTISTWARR	JYOTISTRUC - W1	INE197A13011

The company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2011-12.

F. Market Price Data:

MONTH	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April-10	175.20	166.10	175.45	165.85
May-10	164.20	133.45	164.65	133.35
June-10	157.00	140.15	156.90	140.30
July-10	167.60	150.00	167.30	150.00
August-10	154.30	134.50	154.10	134.40
September-10	140.55	131.60	140.60	131.65
October-10	144.35	132.30	144.70	132.10
November-10	143.10	122.80	143.15	123.05
December-10	133.10	120.20	133.20	120.40
January-11	137.40	110.40	137.60	110.45
February-11	103.20	81.15	103.25	81.45
March-11	84.55	77.60	84.80	78.05

G. Registrar and Share Transfer Agent:

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

Bigshare Services Private Limited

(Unit- Jyoti Structures Ltd.)

E/2, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri (E), Mumbai – 400 072

website: www.bigshareonline.com

e-mail : bss@bigshareonline.com / info@bigshareonline.com

Tel no. : +91 22 2847 0652 / 4043 0200

Fax. No. : +91 22 2847 5207

Share Transfer System:

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

H. Distribution of shareholding and shareholding pattern as on 31st March, 2011**Distribution of Shareholding**

Range			No. of shareholders	% of shareholding	Shares held in each class (in Rs.)	% of shares
1	-	5000	39,740	97.60	18,795,380	11.44
5001	-	10000	491	1.21	3,648,004	2.22
10001	-	20000	213	0.52	3,165,456	1.93
20001	-	30000	61	0.15	1,519,890	0.93
30001	-	40000	38	0.09	1,339,056	0.82
40001	-	50000	19	0.05	889,792	0.54
50001	-	100000	41	0.10	2,963,866	1.80
100001 and above			115	0.28	131,930,786	80.32
Total			40,718	100.00	164,252,230	100.00

Shareholding Pattern as on 31st March, 2011

Category of Shareholders	No. of Shares	% of shares
Promoters - Individuals	16,468,472	20.05
- Bodies Corporate	6,199,765	7.55
Other Bodies Corporate	8,510,853	10.36
NRIs/FIIs	13,825,970	16.84
Financial Institutions/Banks/Mutual Fund	23,155,415	28.19
Indian Public	13,965,640	17.01
Total	82,126,115	100.00

I. Dematerialization of Shares:

As on 31st March, 2011, 99.15% of the total equity share capital of the company is held in dematerialized form with NSDL and CDSL and the rest is in physical form.

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

There are no outstanding GDRs/ADRs.

On exercise of Warrants, each Warrant can be converted into an Equity Share at a price of Rs.120 per Warrant within 18 months from the date of allotment i.e. 15th February, 2011, in accordance with the terms and conditions as stipulated in the offer document dated 5th January, 2011. Assuming full conversion of Warrants, the Equity Share Capital of the company will increase by 20,144,010 Equity Shares and the same shall be listed for trading on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited under the existing ISIN for fully paid Equity Shares.

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

52A/53A, D. Road,
Satpur Industrial Complex,
Nasik - 422 007 (Maharashtra)
Tel :+91 253 2201 700 / 800
Fax :+91 253 2351 134

Nasik Factory (Plant - II):

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

Raipur Factory:

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

L. Tower Testing Station:

Ghoti, Igatpuri,
Dist - Nasik - 422 002
Maharashtra.
Tel : +91 2553 282 211
Fax :+91 2553 282 212

M. Training Centre

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

N. Address for Correspondence:

Jyoti Structures Limited
6th Floor, Valecha Chambers,
New Link Road,
Andheri (West), Mumbai 400 053
Tel No: +91 22 4091 5000
Fax No: +91 22 4091 5014 / 5015
E-mail: investor@jssl.in

JYOTI STRUCTURES LIMITED

DECLARATION – CODE OF CONDUCT

All Board Members and Senior Management Personnel have, for the year ended 31st March, 2011, 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**

Mumbai; 27th May, 2011

Santosh Nayak
Managing Director

CERTIFICATE

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

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

For **R. M. Ajgaonkar & Associates**
Chartered Accountants

Mumbai; 27th May, 2011

R. M. Ajgaonkar
Partner
Membership No 31927

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

CERTIFICATE

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

We have examined the compliance of conditions of Corporate Governance by Jyoti Structures Limited, for the year ended 31st March, 2011 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 compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted affairs of the company.

For **R. M. Ajgaonkar & Associates**
Chartered Accountants

Mumbai; 27th May, 2011

R. M. Ajgaonkar
Partner
Membership No 31927

MANAGEMENT'S DISCUSSION AND ANALYSIS

About the Company

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

Economy & Industry Overview

As the Indian economy continues to surge ahead, its power sector has been expanding concurrently to support the growth rate. Demand for power is growing rapidly and the scope for growth of this sector is quite large.

The key development objective of the power sector is supply of electricity to all areas including rural areas. Both, the central government and state governments would jointly endeavour to achieve this objective at the earliest.

To accelerate capacity addition, several policy initiatives like optimization of capacity utilization, controlling the input cost, optimization of fuel mix, technology upgradation and utilization of non-conventional energy sources have been undertaken by the Ministry of Power.

The Ministry of Power has set a goal - Mission 2012: Power for All. In line with this mission, Government has initiated several reform measures to create a favourable environment for addition of new generating capacity, expansion of the transmission and distribution network in the country.

The transmission segment has a major role in achieving this mission as an efficient transmission capacity and network is essential to transfer power from generating stations to distribution networks. Government's emphasis on the transmission and distribution sector reforms and investments are creating good growth opportunities for the Indian power sector.

Distribution is the most critical segment of the electricity business chain. The real challenge of reforms in the power sector lies in restructuring and efficient management of the distribution sector.

To achieve distribution reforms, government has adopted distribution strategy with focus on system upgradation, loss reduction, theft control, consumer service orientation, quality power supply, commercialization, decentralized distributed generation and supply for rural areas.

Opportunities

In the recent past, power generation has been the key growth driver in the transmission network. In the 12th plan the Government of India is planning to add around 100,000 MW of generation capacity to the grid at an estimated investment of Rs.4,950 billion. (Source: CEA, Key Inputs for Accelerated Development of Indian Power Sector for 12th Plan & Beyond). Such investment in power generation will require increased investment in power transmission and distribution if the additional power is to be effectively disseminated among potential customers. The estimated investment in Transmission and Distribution (T&D) to be made in the Twelfth Five Year Plan is to tune of Rs.6,400 billion (Source: CEA, Key Inputs for XIIth Plan Financing of Power Sector).

In the United States, electricity transmission is receiving more attention than ever, not only to meet the nation's needs for reliable and affordable electricity in the 21st century, but also to evacuate renewable power from wind and solar farms. To tap business opportunities available in the western world, the company is in the process of setting up production capacity in The United States.

With increased infrastructure spending by Government of India coupled with numerous power projects anticipated in India and abroad, the EPC companies foresee sustainable growth opportunities in the years to come.

Threats, Risks & Concerns

While the growth outlook remains strong, in the near terms, there are a number of risks, challenges, concerns associated with business of the company, which can be enumerated as

- High rate of inflation;
- Rising interest costs;
- Variation in commodity prices and exchange fluctuation;
- Inflated global energy prices;
- Right of Way and environmental clearances;
- Availability of trained and skilled manpower required by the construction industry; and
- Stable government policies.

The company has established independent risk management department to identify, evaluate business risks and opportunities and to recommend and monitor risk management strategies.

To mitigate these risks, the risk management strategies adopted by the company are periodically reviewed by the Board.

Segment-wise performance and outcome

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

Outlook

Power Sector is experiencing continuous growth in line with growing Indian economy. The rapid growth of the economy places a heavy demand on electric power. Going forward, power sector outlook remains strong due to huge demand supply gap.

The long term outlook for the T&D industry continues to be bright given the high growth trajectory of the Indian economy and the growing demand from infrastructure sector. Speaking at a conference on 'Building Infrastructure: Challenges and Opportunities,' Prime Minister Manmohan Singh announced that investments in infrastructure had to expand to as much as \$1 trillion in the 12th Plan period (2012-2017). This will generate good opportunities for power generation as well as transmission companies.

The company is well poised to capture the growth opportunities in the T&D sector.

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. 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.

Human Resources

Employee competency and career development continued to be HR department's thrust area. The year under review was full of challenges both on recruitment and retention.

To attract & to retain talent and to remain competitive in the market, your company has undertaken various HR initiatives like employees stock option scheme, employee death relief scheme, family health insurance, human resource development and training programmes.

As on 31st March, 2011, there are about 2,087 employees in the company.

Cautionary Statement

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

For and on behalf of the Board

Mumbai; 27th May, 2011

S. D. KSHIRSAGAR
Chairman

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, 2011 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) 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 Tunisia, Uganda and Bhutan for the year ended on 31st March, 2011 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, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of sub-clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (vii) *As mentioned in note no. 15 of Schedule '22' for the reasons mention therein, no provision for diminution in the value of investment or any provision for loans or debt outstanding from Jyoti Structures Africa (Pty) Ltd. is made. 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 and *subject to para 4 (vii) of this report* 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, 2011;
 - (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

Mumbai; 27th May, 2011

Membership No. 31927

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, 2011]

- 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 the nature of its assets. No material discrepancies have been noticed on such verification.
c) The Company has not disposed off any substantial part of its fixed assets during the year.
- 2) a) The inventories have been physically verified by the management at reasonable intervals during the year.
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) On the basis of our examination of the records of inventories and according to the information and explanations given to us, we are of the opinion that the Company has maintained proper 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 weaknesses 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, 1956 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, 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 2011, 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, 1959	Tax and Interest	Various years from 1996-97 to 1998-99 and 2000-01	Orissa High Court	1.30
	Tax and Interest	Various years from 2004-05 to 2005-06	Appellate Authority	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, 2011 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 given corporate guarantee for loans taken by others from a bank. We are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the company.
- 16) According to the information and explanations given to us and on the basis of examination of the relevant records, prima facie, it appears that the term loans 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 Companies Act, 1956. Therefore, the provisions of the paragraph 4(xviii) of the Order are not applicable to the Company.
- 19) The Company has created securities/charges in respect of secured debentures issued.
- 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 the 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; 27th May, 2011

JYOTI STRUCTURES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Share Capital	1	164.25	164.01
b) Share Application Money received		0.16	0.13
c) Reserves and Surplus	2	5,853.11	4,868.53
		6,017.52	5,032.67
2 Loan Funds			
a) Secured Loans	3	4,058.76	3,559.40
b) Unsecured Loans	4	708.05	46.21
		4,766.81	3,605.61
3 Deferred Tax Liability (Net)		179.57	177.54
TOTAL		10,963.90	8,815.82
APPLICATION OF FUNDS			
1 Fixed Assets	5		
Gross Block		2,678.46	2,361.31
Less: Depreciation		849.71	673.08
Net Block		1,828.75	1,688.23
Add: Capital work-in-progress		10.27	17.14
Add: Advances for capital expenditure		3.67	10.16
		1,842.69	1,715.53
2 Investments	6	700.54	202.12
3 Current Assets, Loans and Advances			
a) Inventories	7	2,214.82	2,345.80
b) Sundry Debtors	8	11,040.38	8,955.98
c) Cash and Bank Balances	9	301.40	422.05
d) Loans and Advances	10	1,972.25	1,638.66
		15,528.85	13,362.49
Less:			
Current Liabilities and Provisions			
a) Current Liabilities	11	6,665.10	6,191.70
b) Provisions	12	443.08	272.62
		7,108.18	6,464.32
Net Current Assets		8,420.67	6,898.17
TOTAL		10,963.90	8,815.82
Significant Accounting Policies	21		
Notes forming part of the accounts	22		

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**

Chartered Accountants

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Membership No. 31927
Mumbai; 27th May, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 Rs. in Million
INCOME			
1 Gross Sales/Income from Operations	13	24,608.14	20,633.29
Less Excise Duty		811.11	501.93
Net Sales/Income from Operations		23,797.03	20,131.36
2 Other Operating Income	14	84.39	54.99
		23,881.42	20,186.35
EXPENDITURE			
1 Cost of Materials	15	13,392.89	12,240.88
2 Erection and Sub-contracting Expenses	16	4,507.70	3,037.45
3 (Increase)/Decrease in stock of Finished/Semi-Finished Goods	17	(26.06)	101.16
4 Personnel Expenses	18	717.97	599.16
5 Operating and Other Expenses	19	2,465.45	1,809.00
6 Interest	20	948.18	786.16
7 Depreciation/Amortisation		201.90	169.18
Less: Transferred from Revaluation Reserve		0.24	0.24
		201.66	168.94
		22,207.79	18,742.75
8 Profit before taxes		1,673.63	1,443.60
9 Provision for Taxes			
i) Current Tax		562.50	437.90
ii) Deferred Tax (Net)		2.03	86.53
10 Net Profit after Tax		1,109.10	919.17
11 Excess/(Short) Provision of Taxes for earlier years		0.27	(9.10)
12 Profit after Tax and Prior Year Adjustments		1,109.37	910.07
13 Balance brought forward	1	2,461.29	1,740.63
14 Balance in Profit and Loss Account of Amalgamated Company		-	6.26
15 Profit available for Appropriations		3,570.66	2,656.96
APPROPRIATIONS			
a Proposed Dividend - Equity Share		123.19	82.00
b Tax on Dividend		19.98	13.62
c Dividend and Dividend Distribution Tax for an earlier year		0.19	0.05
d Transfer to General Reserve		120.00	100.00
e Transfer to Debenture Redemption Reserve		604.40	-
f Balance carried to Balance Sheet		2,702.90	2,461.29
		3,570.66	2,656.96
Nominal Value Per Equity Share (In Rs.)		2.00	2.00
Earning Per Share (In Rs.)			
- Basic		13.52	11.23
- Diluted		13.46	11.18
Significant Accounting Policies	21		
Notes forming part of the accounts	22		

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**

Chartered Accountants

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Membership No. 31927
Mumbai; 27th May, 2011

JYOTI STRUCTURES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

		Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 Rs. in Million
I CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before Taxes and Extraordinary Items	[A]	1,673.63	1,443.60
ADJUSTMENTS FOR			
i) Depreciation		201.90	169.18
ii) Transferred from Revaluation Reserve		(0.24)	(0.24)
iii) Interest Paid		948.18	786.16
iv) (Gain)/Loss on Sale of Fixed Assets (Net)		1.71	(6.38)
v) Interest Received		(83.42)	(24.26)
vi) Employee Compensation Expense - ESOS		16.98	21.93
vii) Amortisation of Deferred Expenses		-	11.83
	[B]	1,085.11	958.22
Operating Profit before Working Capital changes	[A+B] = [C]	2,758.74	2,401.82
ADJUSTMENTS FOR			
i) Inventories		130.98	(876.11)
ii) Debtors, Loans & Advances and Other Current Assets		(2,286.86)	(1,139.73)
iii) Current Liabilities and Provisions		480.23	1,283.45
	[D]	(1,675.65)	(732.39)
Cash generated from Operations	[C+D] = [E]	1,008.12	1,669.43
i) Direct Taxes Paid (Net)		(446.53)	(481.21)
	[F]	(446.53)	(481.21)
Net Cash (used in) / from Operating Activities [I]	[E+F] = [G]	636.56	1,188.22
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Proceeds from sale of Fixed Assets		11.64	10.42
ii) Purchase of Fixed Assets [After adjustment of (Increase)/Decrease in capital work-in-progress and advance for capital expenditure]		(342.41)	(551.33)
iii) Investments in Subsidiary Company		(498.48)	(45.11)
iv) Proceeds from Redemption of Investments		0.06	-
v) Interest Received		83.42	24.26
vi) Net Advances to Companies other than Subsidiaries		(2.03)	(219.95)
vii) Net Advances to Subsidiary Companies		(129.10)	12.50
Net Cash (used in)/from Investing Activities [II]		(876.90)	(769.21)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 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)	2.10	5.42
ii) Proceeds from issue of Non convertible Debentures	1,208.64	-
iii) Proceeds from Long Term Borrowings	-	492.78
iv) Repayment of Long Term Borrowings	(161.17)	(9.87)
v) Net Increase/(Decrease) in Interest Free Sales Tax Defferal Loan	-	(5.74)
vi) Proceeds from Short Term Borrowings from Banks & Others	661.84	92.49
vii) Repayment of short term Borrowings	(554.56)	-
viii) Proceeds from Asset Finance from Banks	6.14	-
ix) Proceeds from Asset Finance from Financiers	0.32	-
x) Dividends Paid	(81.63)	(73.13)
xi) Dividend and Dividend Distribution Tax for earlier year	(0.19)	(0.05)
xii) Net Corporate Dividend Tax Paid	(13.62)	(12.50)
xiii) Interest paid	(948.18)	(786.16)
Net Cash (used in)/from Financing Activities [III]	119.69	(296.76)
Net Increase/(Decrease) in Cash and Cash Equivalents [I + II + III]	(120.65)	122.25
Cash and Cash Equivalents at the beginning of the year	422.05	296.71
Add: Cash and Cash Equivalents on Amalgamation	-	3.09
Cash and Cash Equivalents at the end of the year	301.40	422.05

Note: Cash and Cash Equivalents includes Rs. 1.81 Million (P.Y. Rs. 1.44 Million) on account of Unclaimed Dividend, which are not available for the use by the Company.

As per our report attached

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

For and on behalf of the Board

R. M. AJGAONKAR
Partner

Membership No. 31927
Mumbai; 27th May, 2011

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 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SCHEDULE - 1 SHARE CAPITAL		
Authorised :		
175,000,000 Equity Shares of Rs. 2/- each (P.Y. 175,000,000 Equity Shares of Rs. 2/- each)	350.00	350.00
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	850.00
Issued :		
82,141,375 Equity Shares of Rs. 2/- each (P.Y. 82,019,675 Equity Shares of Rs. 2/- each)	164.28	164.04
Subscribed and Paid-up :		
82,126,115 Equity Shares of Rs. 2/- each fully paid-up (P.Y. 82,004,415 Equity Shares of Rs. 2/- each)	164.25	164.01
TOTAL	164.25	164.01

Notes :

Of the above shares :

- 13,505 Equity Shares of Rs. 100/- each was the paid-up capital of the Company as on 31.3.1986.
- 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 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.
- 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 Promoters in the year 2006-07.
- 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.

SCHEDULES FORMING PART OF THE ACCOUNTS

- 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.
- r) 121,700 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 2010-11.

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 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	4.48	-
Add: On amalgamation	-	4.72
Less: Transferred to Profit and Loss Account	0.24	0.24
	4.24	4.48
c) Capital Redemption Reserve		
As per last Balance Sheet	30.00	30.00
d) Security Premium		
As per last Balance Sheet	1,578.73	1,526.94
Add: On amalgamation	-	12.54
Add: During the year arising on allotment of Equity Shares	17.38	39.25
	1,596.11	1,578.73
e) Employee Stock Option Outstanding	59.07	59.60
Less: Deferred Employee Compensation Expense	14.08	16.04
	44.99	43.56
f) General Reserve		
As per last Balance Sheet	749.86	649.86
Add: Transferred from Profit and Loss Account	120.00	100.00
	869.86	749.86
g) Debenture Redemption Reserve		
As per last Balance Sheet	-	-
Add: Transferred from Profit and Loss Account	604.40	-
	604.40	-
h) Profit and Loss Account	2,702.90	2,461.29
TOTAL	5,853.11	4,868.53

* Cumulative amount withdrawn from Revaluation Reserve is Rs. 4.12 Million.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SCHEDULE - 3 SECURED LOANS		
A. 7% Non Convertible Debentures	1,208.64	-
Hypothecation on Company's moveable assets including moveable machinery, machinery spares, stocks, tools and accessories both present and future. Mortgage on Company's immoveable properties except CSIDCL Raipur properties.		
B. Term Loans		
a) Foreign Currency Loan from Bank	793.15	900.60
Secured by first charge on company's immovable property situated at M. I. D. C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra).		
b) Term Loans from Banks	115.79	164.07
Secured by first charge on company's immovable property situated at M. I. D. C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra).		
Secured by first mortgage and charge on flats situated at Andheri (W), Mumbai.	-	5.44
Secured by hypothecation of Specific plant and machinery and vehicles.	10.39	4.25
c) Term Loans from Others	2.50	2.18
Secured by hypothecation of Specific plant and machinery and vehicles.		
C. Working Capital Loan from Banks	1,928.29	2,482.86
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 Nashik Dist. (Maharashtra).		
TOTAL	4,058.76	3,559.40
Interest accrued and due on all the above mentioned loans is Rs. Nil (P.Y. Rs. Nil) [Amount payable within one year Rs. 2,240.91 Million (P.Y.Rs. 2,653.18 Million)]		
SCHEDULE - 4 UNSECURED LOANS		
a) Interest Free Sales Tax Defferal Loan	46.21	46.21
b) Term Loan	661.84	-
TOTAL	708.05	46.21
[Amount payable within one year Rs. 121.86 Million (P.Y. Rs. 1.16 Million)]		

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE - 5 FIXED ASSETS AND DEPRECIATION

(Rs. in Million)

PARTICULARS	GROSS BLOCK			As at 31/03/2011	DEPRECIATION			NET BLOCK		
	As at 01/04/2010	Additions	Deletions/ Adjustments		As at 01/04/2010	For The Year	Deletions/ Adjustments	As at 31/03/2011	As at 31/03/2011	As at 31/03/2010
Tangible Assets:										
Freehold Land	11.82	-	-	11.82	-	-	-	-	11.82	11.82
Leasehold Land	8.13	-	-	8.13	1.24	0.09	-	1.33	6.80	6.89
Buildings	275.35	5.25	-	280.60	53.18	7.02	-	60.20	220.40	222.17
Plant & Machinery	1,589.72	272.36	24.72	1,837.36	412.85	136.05	14.50	534.40	1,302.96	1,176.87
Furniture & Fixtures	55.58	4.91	0.03	60.46	31.00	5.55	0.03	36.52	23.94	24.58
Computers and Office Equipments	129.08	23.44	5.36	147.16	78.05	11.94	4.51	85.48	61.68	51.03
Vehicles	227.64	28.08	8.51	247.21	71.59	24.84	6.23	90.20	157.01	156.05
Intangible Assets:										
Software	33.88	21.73	-	55.61	19.15	10.39	-	29.54	26.07	14.73
Goodwill on amalgamation	30.11	-	-	30.11	6.02	6.02	-	12.04	18.07	24.09
Sub-Total - (A)	2,361.31	355.77	38.62	2,678.46	673.08	201.90	25.27	849.71	1,828.75	1,688.23
Previous Year	1,800.15	605.97	44.81	2,361.31	544.68	169.18	40.78	673.08	1,688.23	1,255.47
Capital work-in-progress								10.27		17.14
Advances for capital expenditure								3.67		10.16
Sub-Total - (B)								13.94		27.30
TOTAL - (A+B)								1,842.69		1,715.53

Notes :- Gross Block includes Rs. 8.36 Million added on revaluation of building.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SCHEDULE - 6 INVESTMENTS		
Long Term Investments (Trade)		
A) In Equity Shares - Unquoted, fully paid up		
I) In Subsidiary Companies (at cost)		
a) Jyoti Structures Africa (Pty) Ltd. 70 (P.Y. 70) Shares of S. A. Rand 1/- each.	0.00	0.00
b) Jyoti Energy Ltd. (Wholly Owned Subsidiary Company) 50,000 (P.Y. 50,000) 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) Jyoti Holding Inc. (Wholly Owned Subsidiary Company) (Share Application Money)	498.48	-
II) In Other Companies (at cost)	533.98	35.50
a) Janakalyan Sahakari Bank Ltd. 58,500 (P.Y. 63,500) Shares of Rs. 10/- each.	0.58	0.64
b) Gulf Jyoti International LLC (A Joint Venture Company) 12,930 (P.Y.12,930) Equity Shares of DHS 1,000/- each.	164.28	164.28
	164.86	164.92
B) 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 10/- each.	0.20	0.20
b) SBI Infrastructure Fund (Growth Option) 50,000 (P.Y. 50,000) Units of 10/- each.	0.50	0.50
c) SBI One India Fund (Growth Option) 50,000 (P.Y. 50,000) Units of 10/- each.	0.50	0.50
d) UTI Bond Fund (Growth Option) 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. 1.81 Million (P.Y. 2.09 Million)]		
	1.70	1.70
TOTAL	700.54	202.12

Note: Total Book Value of Quoted Investment Rs. 1.70 Million (P.Y. Rs. 1.70 Million) and Unquoted Investments Rs. 698.84 Million (P.Y. Rs. 200.42 Million)

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SCHEDULE - 7 INVENTORIES		
a) Raw Materials	1,047.52	1,420.04
b) Construction Materials at Site	471.08	289.32
c) Semi Finished Goods	42.42	104.78
d) Work-in-Progress	228.45	102.25
e) Finished Goods	167.81	212.43
f) Stores and Consumables	10.76	7.58
g) Tools and Tackles	228.40	197.86
h) Scrap	18.38	11.54
TOTAL	2,214.82	2,345.80

SCHEDULE - 8 SUNDRY DEBTORS		
(Unsecured and considered good)		
Trade Debtors		
a) Outstanding for more than 6 months		
i) Dues from Subsidiary	529.57	604.21
ii) Dues from Others	1,035.36	665.77
	1,564.93	1,269.98
b) Others		
i) Dues from Subsidiary	23.94	76.02
ii) Dues from Others	9,451.51	7,609.98
	9,475.45	7,686.00
TOTAL	11,040.38	8,955.98

SCHEDULE - 9 CASH AND BANK BALANCES		
a) Cash in Hand	6.25	5.86
b) Balance with scheduled banks in Current Accounts	238.77	289.99
c) Balance with non-scheduled banks in Current Accounts (Refer Note No. 12 of Schedule '22')	3.20	6.56
d) Fixed Deposits with Scheduled Banks	53.18	119.64
TOTAL	301.40	422.05

SCHEDULE - 10 LOANS AND ADVANCES		
(Unsecured and considered good unless otherwise stated)		
a) Advances to Subsidiary Companies	189.24	60.14
b) Advances Recoverable in Cash or in kind or for value to be received	1,307.62	968.90
c) Deposits and balances with Government Authorities	475.39	609.62
TOTAL	1,972.25	1,638.66

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SCHEDULE - 11 CURRENT LIABILITIES		
a) Acceptances	2,519.18	2,194.53
b) Sundry Creditors		
i) For goods/services:		
- Micro, Small and Medium Enterprises (Refer Note No. 29 of Schedule '22')	14.53	11.14
- Others	2,362.52	2,048.62
ii) Other Liabilities	444.46	247.74
c) Unclaimed Dividend (No amount is payable to the Investor Education and Protection fund)	1.81	1.44
d) Advances received from Customers	1,322.60	1,688.23
TOTAL	6,665.10	6,191.70

SCHEDULE - 12 PROVISIONS		
a) Provision for Taxation (Net of Advance payment of taxes)	253.18	137.47
b) Proposed Dividend	123.19	82.00
c) Tax on Proposed Dividend	19.98	13.62
d) Provision for Leave Encashment	15.78	16.47
e) Provision for Gratuity	30.95	23.06
TOTAL	443.08	272.62

SCHEDULES FORMING PART OF THE ACCOUNTS

	Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 Rs. in Million
SCHEDULE - 13 SALES / INCOME FROM OPERATIONS		
a) Sales/Erection of Towers, Structures and Components	24,318.67	20,433.59
b) Residuals and Scrap	289.47	199.70
TOTAL	24,608.14	20,633.29
SCHEDULE - 14 OTHER OPERATING INCOME		
a) Lease Rentals	0.94	30.69
b) Interest Received (Gross)	83.42	24.26
[Tax Deducted Rs .0.19 Million (P.Y. Rs. 1.74 Million)]		
c) Miscellaneous Income	0.03	0.04
TOTAL	84.39	54.99
SCHEDULE - 15 COST OF MATERIALS		
a) Opening Stock	1,420.04	711.01
b) Add: Purchases	13,020.37	12,949.91
	14,440.41	13,660.92
c) Less: Closing Stock	1,047.52	1,420.04
TOTAL	13,392.89	12,240.88
SCHEDULE - 16 ERECTION AND SUB-CONTRACTING EXPENSES		
a) Construction Materials and Stores Consumed	1,229.27	697.24
b) Tools and Tackles Consumed	108.11	60.01
c) Sub-contracting Expenses	2,771.22	2,050.41
d) Repairs to Construction Equipments/Machinery	15.68	11.55
e) Construction Transportation Charges	383.42	218.24
TOTAL	4,507.70	3,037.45
SCHEDULE - 17 (INCREASE) / DECREASE IN STOCK OF FINISHED AND SEMI-FINISHED GOODS		
a) Opening Stock		
i) Work in Progress/Semi Finished Goods	207.03	186.05
ii) Finished Goods	212.43	341.63
iii) Scrap	11.54	4.48
	431.00	532.16
b) Less: Closing Stock		
i) Work in Progress/Semi Finished Goods	270.87	207.03
ii) Finished Goods	167.81	212.43
iii) Scrap	18.38	11.54
	457.06	431.00
TOTAL	(26.06)	101.16
SCHEDULE - 18 PERSONNEL EXPENSES		
a) Salaries, Wages and Bonus etc.	592.65	496.96
b) Employee Compensation Expense - ESOS	16.98	21.93
c) Contribution to Provident Fund, Gratuity and Other Funds	72.95	55.32
d) Welfare Expenses	35.39	24.95
TOTAL	717.97	599.16

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

	Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 Rs. in Million
SCHEDULE - 19 OPERATING AND OTHER EXPENSES		
a) Excise Duty on Stocks (Net)	(0.55)	(4.61)
b) Stores and Consumables	54.06	44.36
c) Packing Materials	15.71	13.77
d) Power and Fuel	168.15	135.85
e) Conversion Expenses	422.11	273.42
f) Repairs to Buildings	9.86	15.18
g) Repairs to Plant and Machinery	36.85	28.69
h) Repairs to Others	19.80	11.93
i) Testing and Designing Expenses	44.07	30.12
j) Freight Outward	410.24	263.26
k) Rent	16.68	47.68
l) Rates and Taxes	28.61	3.68
m) Insurance	77.54	60.52
n) Travelling and Conveyance	113.40	106.21
o) Postage, Telephone and Fax	31.90	27.85
p) Printing and Stationery	19.86	18.20
q) Professional and Legal Fees	65.72	92.59
r) Service Charges	221.13	191.46
s) Levies and Taxes	182.17	173.94
t) Directors' Sitting Fees	0.24	0.23
u) Auditors' Remuneration	3.64	3.25
v) Bank Charges and Guarantee Commission	420.42	324.86
w) Brokerage and Commission	26.26	18.17
x) Licence and Tender Fees	7.41	5.58
y) Forex Fluctuation (Gain)/Loss (Net)	(14.28)	(123.25)
z) General Expenses	44.07	39.03
aa) Donations	0.78	1.58
ab) (Gain)/Loss on Sale of Fixed Assets (Net)	1.71	(6.38)
ac) Debenture Issue Expenses	37.89	-
ad) Amortisation of Deferred Expenses	-	11.83
TOTAL	2,465.45	1,809.00
SCHEDULE - 20 INTEREST		
a) On Term Loans	36.45	44.78
b) On Working Capital and Other Loans	901.30	741.38
d) On Debentures	10.43	-
TOTAL	948.18	786.16

SCHEDULES FORMING PART OF THE ACCOUNTS**SCHEDULE-21 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Preparation of Financial Statements:**

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

2. Use of Estimates:

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

3. Revenue Recognition:

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

4. Fixed Assets:

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

5. Depreciation/Amortisation:

- a) Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except on computer software and on fixed assets of Uganda, Tunisia and Bhutan 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 Tunisia, Uganda and Bhutan branches, depreciation is provided on Straight Line Method. The applicable rates are based on the local laws and practices of the respective countries.
- d) Assets individually costing 0.005 Million or less are depreciated fully in the year of purchase.
- e) In case of revalued assets, the difference between the depreciation based on revaluation and the depreciation charged on historical cost is recouped out of the revaluation reserve.
- f) Leasehold Land is amortised over the period of lease.
- g) Goodwill arising on amalgamation is amortised over a period of 5 years.

SCHEDULES FORMING PART OF THE ACCOUNTS

6. Investments:

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

7. Inventories:

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

8. Tools and Tackles:

Tools and tackles are amortised over their estimated useful life.

9. Borrowing Cost:

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

10. Impairment of Assets:

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

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

11. Debenture issue expenses:

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

12. Foreign Currency Transactions:

- a) Transactions denominated in foreign currencies are accounted for at the exchange rates prevailing on the dates of the transactions or that approximates the actual rate at the dates of transactions.
- b) Monetary items denominated in foreign currencies, remaining unsettled at the year end are restated at the year end rates.
- c) Non-monetary items 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 recognised in Profit and Loss Account.

SCHEDULES FORMING PART OF THE ACCOUNTS

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) 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.

13. Excise Duty:

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

14. Leased Assets:

Operating Lease:

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

15. Employee Benefits:**a. Short Term Employee Benefits:**

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

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

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

2. Defined Benefit Plan:

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

SCHEDULES FORMING PART OF THE ACCOUNTS

16. Taxes on Income:

a. Current Tax:

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

b. Deferred Tax:

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

17. Earnings Per Share:

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

18. Provisions and Contingencies:

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

19. Employees Stock Option Scheme:

Stock 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 option 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-22 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. 7.25 Million (P.Y. Rs. 14.42 Million). Advances paid Rs. 3.67 Million (P.Y. Rs 10.16 Million).

2. Contingent Liabilities not provided for:

	2010-11 Rs. in Million	2009-10 Rs. in Million
i) Outstanding of Bills discounted	Nil	13.45
ii) Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	54.78	54.78
iii) Civil Suits	102.80	124.20

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 9.65 Million (P.Y. AED 17.01 Million) equivalent to Rs. 118.53 Million (P.Y. Rs. 208.48 Million) as on 31st March, 2011.

3. Managerial Remuneration:

(Included under the head Personnel Expenses)

	2010-11 Rs. in Million	2009-10 Rs. in Million
To Managing Director and Whole time Directors		
Salary	30.60	24.90
Allowance in lieu of Commission	45.19	41.22
Perquisites	0.34	0.29
Contribution to provident fund and other funds *	7.55	5.77
Total	83.68	72.18
Directors' Sitting fees – to Non-Executive Directors	0.24	0.23

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

Calculation of Net Profit Under Section 349 of the Companies Act, 1956 for the year ended on 31st March, 2011.

	2010-11 Rs. in Million	2009-10 Rs. in Million
Profit before Tax as per the Profit and Loss Account (A)	1,673.63	1,443.60
Add:		
Directors Remuneration	83.68	72.18
Depreciation/Amortisation (Net) (As per Accounts)	201.66	168.94
(Gain)/Loss on Sale of fixed assets (Net)	1.71	(6.38)
(B)	287.05	234.74
Less :		
Depreciation as per Section 350 of the Companies Act, 1956	201.66	168.94
(Gain)/Loss on Sale of fixed assets (Net) as per Section 350 of the Companies Act, 1956	1.71	(6.38)
(C)	203.37	162.56
Net Profit as per Section 349 of the Companies Act, 1956 (A+B-C)	1,757.31	1,515.78
Maximum permissible remuneration to whole time directors under Section 198 of the Companies Act, 1956 @10% of the profits computed above	175.73	151.58
Restricted as per service agreements to	83.68	72.18

SCHEDULES FORMING PART OF THE ACCOUNTS

4. The gross block of fixed asset includes Rs. 8.36 Million on account of revaluation of fixed assets carried out by the Company in the year 1993-94. Consequent to the said revaluation, there is an additional charge of Rs. 0.24 Million (P.Y. 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:

	2010-11 Rs. in Million	2009-10 Rs. in Million
i) For Audit*	3.09	2.76
ii) For Other Services*	0.78	0.77
iii) For Ethiopia Branch (For Audit and Taxation Matters)	-	0.03
iv) For Tunisia Branch (For Audit and Taxation Matters)	0.06	0.07
v) For Uganda Branch (For Audit and Taxation Matters)	0.23	0.15
vi) For Bhutan Branch(For Audit and Taxation Matters)	0.05	-
Total	4.20	3.78

*Figures are inclusive of Service Tax.

Professional fees of an associate firm of Statutory Auditors is Rs. 1.21 Million (P.Y. Rs. 1.54 Million).

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

	As at 31/03/2011	As at 31/03/2010
i) Installed Capacity (MT p.a.)*	116,160	110,000
ii) Production (MT)	150,985	118,555

*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.

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

	2010-11		2009-10	
	MT*	Rs. in Million	MT*	Rs. in Million
i) Turnover®	152,133	24,318.67	120,439	20,433.59
ii) Residuals & Scrap		289.47		199.70
iii) Opening Stock (Finished Goods)	3,960	212.43	5,844	341.63
iv) Closing Stock (Finished Goods)	2,812	167.81	3,960	212.43

® Includes turnover of bought-out goods and turnkey projects.

* The Quantity MT indicated above is only for steel tower parts and structures thereof.

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

	2010-11		2009-10	
	MT	Rs. in Million	MT	Rs. in Million
i) Steel	146,212	6,302.80	124,486	5,211.95
ii) Zinc	6,126	700.58	5,228	529.78
iii) Fasteners, ASCR Conductors/Accessories/ Bought-out Towers and Structures/Components, etc.		6,389.51		6,499.16

SCHEDULES FORMING PART OF THE ACCOUNTS

7. CIF Value of Imports (Direct):

	2010-11 Rs. in Million	2009-10 Rs. in Million
a) Capital Goods	107.07	22.77
b) Raw Materials, other	2,406.43	1,374.32

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

	2010-11		2009-10	
	%	Rs. in Million	%	Rs. in Million
a) Raw Materials:				
i) Imported in India	17.37%	1,216.42	12.74%	731.49
ii) Indigenous	82.63%	5,786.96	87.26%	5,010.23
b) Stores & Spares:				
i) Imported in India	-	-	-	-
ii) Indigenous	100%	54.06	100.00%	44.37
c) Components:				
i) Imported in India	21.66%	1,384.17	8.05%	523.43
ii) Indigenous	78.34%	5,005.34	91.95%	5,975.73

9. Earnings and Expenditure in Foreign Currency:

	2010-11 Rs. in Million	2009-10 Rs. in Million
i) Earnings in Foreign Currency:		
Export of goods/services (including deemed exports and sales through export house)		
At FOB Price	3,424.28	4,487.13
At Invoice Value (Tower testing charges)	57.14	70.28
Rent on Equipments	Nil	19.44
ii) Expenditure in Foreign Currency:		
Expenses of overseas projects (Including foreign taxes)	306.11	643.37
Interest	28.09	29.78
Professional Fees	4.31	12.41
Others (Like Travelling, Bank Charges etc)	9.39	9.50

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

Defined Contribution Plans:

- a) Provident Fund
- b) 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:

	2010-11 Rs. in Million	2009-10 Rs. in Million
i. Contribution to Provident Fund	26.07	19.19
ii. Contribution to Employees' Superannuation Fund	18.03	13.01

SCHEDULES FORMING PART OF THE ACCOUNTS

Defined Benefit Plans:

Gratuity and Leave Encashment

Rs. in Million

Particulars	2010-11		2009-10	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1 Expenses recognised in Profit and Loss Account and included in Schedule-19 "Personnel Expenses"				
Current Service Cost	7.11	4.62	4.98	4.12
Interest Cost	4.04	1.25	3.38	0.87
Expected Return on Plan Assets	(2.62)	-	(2.02)	-
Net Actuarial losses/(gain)	9.45	0.26	11.86	5.03
Total Expenses	17.98	6.13	18.20	10.02
2 Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation:				
Opening balance of defined benefit obligation.	48.98	15.12	40.98	10.39
Current Service Cost	7.11	4.62	4.98	4.12
Interest Cost	4.05	1.25	3.38	0.87
Actuarial losses/(gain)	10.14	0.26	11.24	5.03
Liabilities Extinguished on Settlements	-	-	-	-
Benefits Paid	(3.68)	(5.47)	(11.60)	(5.29)
Closing balance of defined benefit obligation	66.59	15.78	48.98	15.12
3 Reconciliation of opening and closing balances of changes in fair value of plan assets:				
Opening balance of plan assets	25.93	-	20.38	-
Expected Returns on Plan Assets	2.62	-	2.02	-
Actuarial (losses)/gain	0.68	-	(0.62)	-
Assets Distributed on Settlement	-	-	-	-
Contribution by Employer	10.09	-	7.00	-
Benefits Paid	(3.68)	-	(2.85)	-
Closing balance of plan assets	35.64	-	25.93	-
4 Net liability recognised in the Balance Sheet				
Closing balance of defined benefit obligation	66.59	15.78	48.98	15.12
Closing balance of fair value of plan assets	35.64	-	25.93	-
Present value of unfunded obligation recognised as liability	30.95	15.78	23.05	15.12
5 Actual Return on Plan Assets	3.30	-	1.40	-
6 Actuarial Assumption				
Discount Rate		8.25%		8.25%
Expected Rate of Return on Plan Assets		9.00%		9.00%
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.

SCHEDULES FORMING PART OF THE ACCOUNTS

11. Deferred Tax Liability (Net):

(Rs. in Million)

	Deferred Tax Liability / (Asset) as at 31/03/2010	Charge / (Credit) as per Finance Act 2010 Tax Rates	On account of change in rate of surcharge by Finance Act, 2011	Deferred Tax Liability / (Asset) as at 31/03/2011
Deferred Tax Liabilities:				
On account of difference between book and tax depreciation	166.49	23.93	(4.43)	185.99
Total	166.49	23.93	(4.43)	185.99
Deferred Tax Assets:				
On employee separation and retirement	(7.66)	(2.62)	0.24	(10.04)
On account of amount disallowed u/s 43B	(5.48)	0.23	0.12	(5.13)
On other timing differences	24.19	(15.23)	(0.21)	8.75
Total	11.05	(17.62)	0.15	6.42
Deferred Tax Liability/(Assets) (Net)	177.54	6.31	(4.28)	179.57
Previous Year	91.01	90.66	(4.13)	177.54

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	
	2010-2011	2009-2010	31/03/2011	31/03/2010
State Bank of Tunisia, Tunisia	16.25	0.01	0.13	Nil
National Bank of Abu Dhabi, Dubai	0.37	0.37	0.37	0.37
Commercial Bank of Ethiopia, Ethiopia	1.08	1.09	0.73	1.09
Bank Muscat, SAOG Oman	0.03	0.03	0.03	0.03
Standard Chartered Bank, Uganda	38.50	23.56	0.40	5.07
Bank of Bhutan, Bhutan	11.65	N.A.	1.54	N.A.
Total	67.88	25.06	3.20	6.56

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

(Rs. in Million)

	Share of Interest	
	2010-11	2009-10
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	377.54	357.65
Cash and Bank Balances	196.05	46.65
Inventories	143.13	107.87
Trade and Other Receivables	265.83	173.46
Loans and Advances	129.85	84.33
Current Liabilities	719.24	372.18
Non-current Liabilities	358.75	384.25
Income	410.89	399.81
Expenditure	389.27	419.47
Contingent Liability on account of Letter of Credit	108.03	69.84
Contingent Liability on account of Guarantees	270.72	428.19
Capital Commitments	Nil	7.49

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 2010 was AED 43.10 Million (P.Y. AED 43.10 Million). As against this capital, the total profit earned during the year was AED 5.76 Million (P.Y. Loss AED 5.00 Million) and total accumulated losses as on 31st December 2010 were AED 33.80 Million (P.Y. AED 39.56 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. The Company has invested an amount of 70 Rand equivalent to Rs. 0.00042 Million in its subsidiary company, namely Jyoti Structures Africa (Pty) Ltd. The said Company has prepared its accounts for the period of 13 months ending on 31st March, 2011. The paid up capital of the said company as on 31st March, 2011 is 100 Rand equivalent to Rs. 0.00060 Million, its loss for the period ended 31st March, 2011 is 12.17 Million Rand equivalent to Rs. 77.02 Million and its total accumulated losses as on 31st March, 2011 is 29.76 Million Rand equivalent to Rs. 197.72 Million. Further, the Company has given loans/advances to the subsidiary company totaling to Rs. 235.33 Million and amount outstanding against sales as at 31st March 2011, is Rs. 553.51 Million based on the orders in hand and business outlook of the subsidiary company, the management is of the opinion that these accumulated losses are temporary in nature and will be recovered over the next few years. Therefore the management believes that there is no permanent diminution in the value of investment in the said subsidiary company and there is no necessity of a provision for the loans or debts outstanding from the said company.
16. During the year, the Company has capitalised interest of Rs. 0.41 Million (P.Y. Rs. 1.39 Million) on borrowings made for acquisition of qualifying assets.
17. Forward exchange contracts outstanding as at 31st March, 2011 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 31/03/2011	As at 31/03/2010
Forward Exchange Contracts	225.53	497.50

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

Receivables :

Currency	As at 31/03/2011		As at 31/03/2010	
	In Foreign Currency in Million	Rs. in Million	In Foreign Currency in Million	Rs. in Million
USD	39.05	1,761.50	19.81	891.97
EURO	1.37	87.67	1.75	106.13
AED	26.96	331.02	15.10	185.14
N\$	Nil	Nil	19.66	125.93

Payables :

Currency	As at 31/03/2011		As at 31/03/2010	
	In Foreign Currency in Million	Rs. in Million	In Foreign Currency in Million	Rs. in Million
USD	14.49	654.94	14.07	633.76
EURO	5.65	362.28	2.42	146.76

SCHEDULES FORMING PART OF THE ACCOUNTS

19. Expenditure on account of premium of forward exchange contracts to be recognised in the Profit and Loss Account of subsequent accounting periods amounts to Rs. 1.89 Million (P.Y. Rs. 3.10 Million).

20. 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 lease and license/under operating leases; the residential/office premises and warehouses, including furniture fittings therein, as applicable, and machinery, are given below:

	2010-11 Rs. in Million	2009-10 Rs. in Million
1 Lease payments recognised in the Profit and Loss Account for the year	10.52	5.56
2 Future minimum payments under the agreements, which are non cancellable. (All the lease agreements are cancellable)	-	-

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

	2010-11 Rs. in Million	2009-10 Rs. in Million
1 Lease income recognised in the Profit and Loss Account for the year	0.94	30.69
2 Future minimum lease receipt under the agreements, which are non cancellable are as follows:		
i Not later than one year	Nil	8.03
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.

21. 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)

(a) Subsidiary of the Company:

- i) Jyoti Energy Ltd.
- ii) JSL Corporate Services Ltd.
- iii) Jyoti Structures Africa (Pty) Ltd.
- iv) Jyoti Holding Inc.
- v) Jyoti Americas LLC

(b) Joint Venture:

- i) Gulf Jyoti International LLC

(c) Key Management Personnel:

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

SCHEDULES FORMING PART OF THE ACCOUNTS

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

Sr.	Particulars	Type of Relationship	Related Party	2010-11 Rs. in Million	2009-10 Rs. in Million
1	Sale of goods	(a)	(i)	Nil	56.49
2	Net amount given/taken) during the year	(a)	(ii)	(3.34)	(221.46)
3	Outstanding balance receivable/(payable) at the end of the year	(a)	(iii)	788.84	740.37
4	Investments at the end of the year	(a)	(i)	0.50	0.50
		(a)	(ii)	35.00	35.00
		(a)	(iv)	498.48	Nil
5	Purchase of goods/services	(b)	(i)	1,197.63	829.12
6	Sale of goods/services	(b)	(i)	181.23	268.56
7	Lease rentals	(b)	(i)	Nil	19.44
8	Outstanding balance receivable/(payable) at the end of the year	(b)	(i)	224.61	222.58
9	Investments at the end of the year	(b)	(i)	164.28	164.28
10	Remuneration paid	(c)		83.68	72.18

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

	2010-11 Rs. in Million	2009-10 Rs. in Million
Contract revenue recognised during the year	5,654.14	4,910.57
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)	10,178.94	5,739.47
Advances received	196.04	287.12
Retentions receivable	606.88	96.50
Gross amount due from Customers.(Included under Schedule-'8' Sundry Debtors)	2,062.38	1,282.50
Gross amount due to Customers.(Included in Sundry Creditors under Schedule-'11' Current Liabilities)	196.04	287.12

23. 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:

	2010-11	2009-10
i) Number of non-resident shareholders	715	408
ii) Number of ordinary shares held by them	15,141,882	19,056,987
iii) Gross amount of dividend (Rs. in Million)	15.14	17.15

24. 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 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.59.07 Million (P.Y.Rs. 59.60 Million) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

An amount of Rs. 16.98 Million (P.Y. Rs. 21.93 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. 14.08 Million (P.Y. Rs. 16.04 Million) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

	2010-11 (In Numbers)	2009-10 (In Numbers)
Options granted and outstanding at the beginning of the year	96,095	134,810
Options granted during the year	23,300	27,800
Options Lapsed and/or withdrawn during the year	-	-
Options exercised during the year against which shares were allotted	24,340	66,515
Options granted and outstanding at the end of the year of which:		
- Options vested	41,795	32,860
- Options yet to vest	53,260	63,235

25. Earnings Per Share (EPS):

	2010-11	2009-10
i) Profit/(Loss) after Tax (Rs. In Million)	1,109.10	919.17
ii) Weighted Average Number of Ordinary Shares for Basic Earning per Share (In Nos)	82,057,677	81,840,750
iii) Add: Equity shares for no consideration arising on grant of stock options under ESOS	369,420	382,095
iv) Weighted Average Number of Ordinary Shares for Diluted Earning per Share (In Nos)	82,427,097	82,222,845
v) Nominal value of Ordinary Share	Rs. 2/-	Rs. 2/-
vi) Basic Earning Per Ordinary Share	Rs. 13.52	Rs. 11.23
vii) Diluted Earning Per Ordinary Share	Rs. 13.46	Rs. 11.18

26. 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.

27. The Provision for Income Tax amounting to Rs. 253.18 Million (P.Y. Rs. 137.47 Million) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other adjustments.

28. Sundry creditors for goods/services include amounts payable beyond one year, consist of retentions of Rs. 163.27 Million (P.Y. Rs. 120.48 Million).

SCHEDULES FORMING PART OF THE ACCOUNTS

29. Sundry creditors includes dues to micro and small enterprises to whom the Company owes amounts outstanding for more than 45 days. The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. The details are as follows:

Sr. Particulars	2010-11 Rs. in Million	2009-10 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	14.53	11.14
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	-	-

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. The Company has allotted 10,072,005 no. of 7% Non Convertible Debentures having face value of Rs. 120/- each at par during the year. The said debentures are redeemable at par on 14th May, 2012. The amount realised from the proceed of the issue is utilised for the re-payment/pre-payment of working capital loans and for meeting issue expenses as specified in the Letter of Offer.

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

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

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**
Chartered Accountants

R. M. AJGAONKAR
Partner
Membership No. 31927
Mumbai; 27th May, 2011

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details

Registration No.	:	L45200MH1974PLC017494	State code :	11
Balance Sheet Date	:	31 03 2011		
		Date Month Year		

II. Capital raised during the year

(Amount in Rs.Thousands)

Public Issue	Rights Issue
NIL	NIL
Share Application Money	Equity Issue
156	243

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

Sources of Funds

Total Liabilities	Total Assets
10,963,897	10,963,897
Paid -up Capital	Share Application Money
164,252	156
Reserves & Surplus	Secured Loans
5,853,103	4,058,765
Unsecured Loans	Deferred Tax Liability
708,047	179,574

Application of Funds

Net Fixed Assets	Investments
1,842,687	700,539
Net Current Assets	Misc.Expenditure
8,420,671	-
Turnover & Other Income	Total Expenditure
23,881,425	22,207,798
Profit /(Loss) before Tax	Profit /(Loss) after Tax
1,673,627	1,109,096
Earning Per Share in Rs.	Dividend rate %
13.52	75%

IV. Performance of the Company

(Amount in Rs.Thousands)

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
Mumbai; 27th May, 2011

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

JYOTI STRUCTURES LIMITED

Details of Subsidiary Companies

(Rs. in Million)						
Sr. No.	Name of Subsidiary Company	JSL Corporate Services Ltd.	Jyoti Energy Ltd.	Jyoti Structures Africa (Pty) Ltd.		Jyoti Holding Inc.
	Reporting Currency	INR	INR	SAR	INR	USD INR
1	Capital	35.00	0.50	0.00	Nil	10.93 493.66
2	Reserves	14.39	(2.05)	(29.76)	(197.72)	Nil Nil
3	Total Assets	52.31	0.08	95.46	634.22	10.94 493.86
4	Total Liabilities					
	(excluding Capital and Reserves)	2.92	1.63	125.22	831.94	0.01 0.20
5	Details of Investment					
	(except in case of Investment in the Subsidiaries)	Nil	Nil	Nil	Nil	Nil Nil
6	Turnover	Nil	Nil	36.36	241.55	Nil Nil
7	Profit before Taxation	(0.01)	(0.009)	(12.17)	(80.88)	Nil Nil
8	Provision for Taxation	Nil	Nil	Nil	Nil	Nil Nil
9	Profit after Taxation	(0.01)	(0.009)	(12.17)	(80.88)	Nil Nil
10	Proposed Dividend	Nil	Nil	Nil	Nil	Nil Nil

Notes:

- Please refer to consolidated financial statement and notes appearing thereon.
- The Exchange Rate of Rs. 6.644 is considered for conversion of South Africa Rand (SAR) to Indian Rupee and Rs. 45.159 is considered for conversion of US Dollar to Indian Rupee.

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 (collectively referred to as 'the Group') as at 31st March, 2011, and 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 the subsidiary namely Jyoti Structures Africa (Pty) Ltd., whose financial statements reflect total assets of Rs. 89.35 Million as at 31st March, 2011 and total revenue of Rs. 230 Million and net cash inflow of Rs. (90.21) Million for the year ended on that date. These financial statements and other financial information have been audited by other auditors from whom the reports have been furnished to us and our opinion is based solely on the reports of the other auditors.
4. We have relied on the unaudited consolidated financial statements of two subsidiaries namely Jyoti Holding Inc and Jyoti Americas LLC, whose financial statements reflect total assets of Rs.143.55 Million, total revenue of Rs. Nil, cash flows amounting to Rs. 342.62 Million for the year ended on 31st March, 2011. These unaudited financial statements have been furnished to us by the management and our report, in so far as it relates to the amounts included in respect of the subsidiaries, is based solely on such unaudited financial statements.
5. (a) *As referred to in Note 7 of Schedule '22' 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. 1,112.40 Million and consolidated liabilities would have increased by Rs. 1,077.99 Million, the consolidated profit for the year would have increased by Rs. 21.62 Million and the consolidated reserves would have been lower by Rs. 125.06 Million.*
 (b) We report that, *subject to our observations in 5(a) above*, the consolidated financial statements of the Group for the year ended 31st March, 2011 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.
6. On the basis of the information and explanations given to us and on the consideration of the audit reports of other auditors on the separate financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements together with the notes thereon and attached thereto give, *subject to our observations in paragraph 5(a) 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 state of affairs of the Group as at 31st March, 2011;
 - b) In the case of the Consolidated Profit and Loss Account, of the results of operations of the Group for the year ended as 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; 27th May, 2011

Membership No. 31927

JYOTI STRUCTURES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Share Capital	1	164.25	164.01
b) Share Application Money received		0.16	0.13
c) Reserves and Surplus	2	5,597.09	4,747.19
		5,761.50	4,911.33
2 Loan Funds			
a) Secured Loans	3	4,058.76	3,643.52
b) Unsecured Loans	4	708.05	46.21
		4,766.81	3,689.73
3 Deferred Tax Liability (Net)		179.57	177.54
TOTAL		10,707.88	8,778.60
APPLICATION OF FUNDS			
1 Fixed Assets	5		
Gross Block		2,829.98	2,438.13
Less: Depreciation		871.55	687.76
Net Block		1,958.43	1,750.37
Add: Capital work-in-progress		81.62	17.14
Add: Advances for capital expenditure		3.67	10.16
		2,043.72	1,777.67
2 Investments	6	166.56	166.62
3 Current Assets, Loans and Advances			
a) Inventories	7	2,306.87	2,471.66
b) Sundry Debtors	8	10,930.18	8,628.80
c) Cash and Bank Balances	9	673.99	542.18
d) Loans and Advances	10	1,804.77	1,844.72
		15,715.81	13,487.36
Less:			
Current Liabilities and Provisions			
a) Current Liabilities	11	6,775.14	6,371.48
b) Provisions	12	443.07	281.57
		7,218.21	6,653.05
Net Current Assets		8,497.60	6,834.31
TOTAL		10,707.88	8,778.60
Significant Accounting Policies	21		
Notes forming part of the accounts	22		

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**
Chartered Accountants

R. M. AJGAONKAR
Partner
Membership No. 31927
Mumbai; 27th May, 2011

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, 2011

	Schedule	Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 Rs. in Million
INCOME			
1 Gross Sales/Income from Operations	13	24,807.26	21,799.61
Less Excise Duty		811.11	501.92
Net Sales/Income from Operations		23,996.15	21,297.69
2 Other Operating Income	14	48.61	63.46
		24,044.76	21,361.15
EXPENDITURE			
1 Cost of Materials	15	13,466.10	12,471.22
2 Erection and Sub-contracting Expenses	16	4,594.67	3,780.91
3 (Increase)/Decrease in stock of Finished/Semi-Finished Goods	17	(14.93)	33.75
4 Personnel Expenses	18	767.80	719.45
5 Operating and Other Expenses	19	2,503.47	2,005.78
6 Interest	20	955.47	795.71
7 Depreciation/Amortisation		210.09	178.61
Less : Transferred from Revaluation Reserve		0.24	0.24
		209.85	178.37
		22,482.43	19,985.19
8 Profit before Taxes		1,562.33	1,375.96
9 Provision for Taxes			
i) Current Tax		562.50	446.42
ii) Deferred Tax (Net)		2.03	86.53
10 Net Profit after Tax		997.80	843.01
11 Prior Year Adjustment (Net)		-	-
12 Excess/(Short) Provision of Taxes for earlier years		(0.12)	(9.10)
13 Profit after Tax and Prior Year Adjustments		997.68	833.91
14 Balance brough forward	(1,996)	2,393.20	1,754.96
15 Profit available for Appropriations		3,390.88	2,588.87
APPROPRIATIONS			
a Proposed Dividend - Equity Share		123.19	82.00
b Tax on Dividend		19.98	13.62
c Dividend and Dividend Distribution Tax for an earlier year		0.19	0.05
d Transfer to General Reserve		120.00	100.00
e Transfer to Debenture Redemption Reserve		604.40	-
f Balance carried to Balance Sheet		2,523.12	2,393.20
		3,390.88	2,588.87
Nominal Value Per Equity Share (In Rs.)		2.00	2.00
Earning Per Share (In Rs.)			
- Basic		12.16	10.30
- Diluted		12.11	10.25
Significant Accounting Policies	21		
Notes forming part of the accounts	22		

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**

Chartered Accountants

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Membership No. 31927
Mumbai; 27th May, 2011

JYOTI STRUCTURES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

		Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 Rs. in Million
I CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before Taxes and Extraordinary Items [A]		1,562.33	1,375.96
ADJUSTMENTS FOR			
i) Depreciation		210.09	178.61
ii) Transferred from Revaluation Reserve		(0.24)	(0.24)
iii) Interest Paid		955.47	795.71
iv) (Gain)/Loss on Sale of Fixed Assets (Net)		2.98	(6.73)
v) Interest Received		(19.58)	(24.26)
vi) Employee Compensation Expense - ESOS		16.98	21.93
vii) Foreign Currency translation Reserve		(22.98)	(53.27)
viii) Amortisation of Deferred Expenses		-	12.09
[B]		1,142.72	923.84
Operating Profit before Working Capital changes [A+B] = [C]		2,705.05	2,299.80
ADJUSTMENTS FOR			
i) Inventories		164.79	(937.93)
ii) Debtors, Loans & Advances and Other Current Assets		(2,266.55)	(855.56)
iii) Current Liabilities and Provisions		404.83	1,178.26
[D]		(1,696.93)	(615.23)
Cash generated from Operations [C+D] = [E]		1,008.12	1,684.57
i) Direct Taxes Paid (Net)		(446.93)	(489.73)
[F]		(446.93)	(489.73)
Net Cash (used in)/from Operating Activities [I] [E+F] = [G]		561.19	1,194.84
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Proceed from Sale of Fixed Assets		14.29	19.74
ii) Purchase of Fixed Assets [After adjustment of (Increase)/Decrease in capital work-in progress & advance for capital expenditure]		(493.41)	(554.23)
iii) Investments in Subsidiary Company		-	(1.99)
iv) Proceeds from Redemption of Investments		0.06	-
v) Interest Received		19.58	24.26
vi) Net Advances to Companies other than Subsidiaries		8.60	(219.95)
Net Cash (used in)/from Investing Activities [II]		(450.88)	(732.17)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 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)	2.10	5.42
ii) Proceeds from issue of Non convertible Debentures	1,208.64	-
iii) Proceeds from Long Term Borrowings	-	492.78
iv) Repayment of Long Term Borrowings	(161.16)	(22.21)
v) Net Increase/(Decrease) in Interest Free Sales Tax Defferal Loan	-	(5.74)
vi) Proceeds from in Short Term Borrowings from Banks & Others	570.94	99.77
vii) Repaymant of Short Term Borrowings	(554.57)	-
viii) Proceeds from Asset Finance from Banks	6.14	-
ix) Proceeds from Asset Finance from Financiers	0.32	-
x) Dividends Paid	(81.63)	(73.14)
xi) Dividend and Dividend Distribution Tax for earlier year	(0.19)	(0.05)
xii) Net Corporate Dividend Tax Paid	(13.62)	(12.49)
xiii) Interest paid	(955.47)	(795.71)
Net Cash (used in)/from Financing Activities [III]	21.50	(311.37)
Net Increase/(Decrease) in Cash and Cash Equivalents [I + II + III]	131.81	151.30
Cash and Cash Equivalents at the beginning of the year	542.18	390.88
Cash and Cash Equivalents at the end of the year	673.99	542.18

Note: Cash and Cash Equivalents includes Rs. 1.81 Million (P.Y. Rs. 1.44 Million) on account of Unclaimed Dividend, which are not available for the use by the Company.

As per our report attached

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

For and on behalf of the Board

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

Membership No. 31927
Mumbai; 27th May, 2011

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SCHEDULE - 1 SHARE CAPITAL		
Authorised :		
175,000,000 Equity Shares of Rs. 2/- each (P.Y. 175,000,000 Equity Shares of Rs. 2/- each)	350.00	350.00
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	850.00
Issued :		
82,141,375 Equity Shares of Rs. 2/- each (P.Y. 82,019,675 Equity Shares of Rs. 2/- each)	164.28	164.04
Subscribed and Paid-up :		
82,126,115 Equity Shares of Rs. 2/- each fully paid-up (P.Y. 82,004,415 Equity Shares of Rs. 2/- each)	164.25	164.01
TOTAL	164.25	164.01

Notes :

Of the above shares :

- 13,505 Equity Shares of Rs. 100/- each was the paid-up capital of the Company as on 31.3.1986.
- 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 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.
- 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 Promoters in the year 2006-07.
- 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.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

- 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.
- r) 121,700 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 2010-11.

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 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	4.48	-
Add: On amalgamation	-	4.72
Less: Transferred to Profit and Loss Account	0.24	0.24
	4.24	4.48
c) Capital Redemption Reserve		
As per last Balance Sheet	30.00	30.00
d) Foreign Currency Translation		
As per last Balance Sheet	(53.27)	-
Addition During the Year	(22.98)	(53.27)
	(76.25)	(53.27)
e) Security Premium		
As per last Balance Sheet	1,578.73	1,538.95
Add: Addition on amalgamation	-	0.53
Add: Addition During the Year arising on allotment of Equity Shares	17.38	39.25
	1,596.11	1,578.73
f) Employee Stock Option Outstanding	59.07	59.60
Less: Deferred Employee Compensation Expense	14.08	16.03
	44.99	43.57
f) General Reserve		
As per last Balance Sheet	749.87	649.87
Add: Transferred from Profit and Loss Account	120.00	100.00
	869.87	749.87
g) Debenture Redemption Reserve		
As per last Balance Sheet		
Add: Transferred from Profit and Loss Account	604.40	-
	604.40	-
h) Profit and Loss Account	2,523.12	2,393.20
TOTAL	5,597.09	4,747.19

* Cumulative amount withdrawn from Revaluation Reserve is Rs. 4.12 Million.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SCHEDULE - 3 SECURED LOANS		
A. 7% Non Convertible Debentures	1,208.64	-
Hypothecation on Company's moveable assets including moveable machinery, machinery spares, stocks, tools and accessories both present and future. Mortgage on Company's immovable properties except CSIDCL Raipur properties.		
B. Term Loans		
a) Foreign Currency Loan from Bank	793.15	900.60
Secured by first charge on company's immovable property situated at M. I. D. C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra).		
b) Term Loans from Banks	115.79	164.07
Secured by first charge on company's immovable property situated at M. I. D. C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra).		
Secured by first mortgage and charge on flats situated at Andheri (W), Mumbai.	-	5.44
Secured by hypothecation of Specific plant and machinery and vehicles.	10.39	4.26
c) Term Loans from Others	2.50	2.18
Secured by hypothecation of Specific plant and machinery and vehicles.		
C. Working Capital Loan from Banks	1,928.29	2,482.85
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 Nashik Dist. (Maharashtra).		
Secured by a first charge on all present and future monies receivable by Jyoti Structures Africa (Pty) Ltd.	-	84.12
TOTAL	4,058.76	3,643.52
Interest accrued and due on all the above mentioned loans is Rs. Nil (P.Y. Rs. Nil)		

[Amount payable within one year Rs. 2,240.91 Million (P.Y.Rs. 2,737.30 Million)]

SCHEDULE - 4 UNSECURED LOANS		
a) Interest Free Sales Tax Defferal Loan	46.21	46.21
b) Term Loan	661.84	-
TOTAL	708.05	46.21

[Amount payable within one year Rs. 121.86 Million (P.Y. Rs. 1.16 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 01/04/2010	Additions	Deletions/ Adjustments	As at 31/03/2011	As at 01/04/2010	For The Year	Deletions/ Adjustments	As at 31/03/2011	As at 31/03/2011	As at 31/03/2010
Tangible Assets:										
Freehold Land	11.82	73.07	-	84.89	-	-	-	-	84.89	11.82
Leasehold Land	8.13	-	-	8.13	1.24	0.09	-	1.33	6.80	6.89
Buildings	275.34	5.25	-	280.59	53.18	7.02	-	60.20	220.39	222.16
Plant & Machinery	1,636.75	272.37	24.84	1,884.28	419.91	139.53	14.51	544.93	1,339.35	1,216.84
Furniture & Fixtures	57.59	5.51	0.25	62.85	31.16	5.67	0.06	36.77	26.08	26.43
Computers and Office Equipment	133.41	25.30	5.99	152.72	78.63	12.29	4.78	86.14	66.58	54.78
Vehicles	268.57	32.19	12.49	288.27	78.47	29.08	6.95	100.60	187.67	190.10
Intangible Assets :										
Software	33.89	21.73	-	55.62	19.15	10.39	-	29.54	26.08	14.74
Goodwill on amalgamation	12.63	-	-	12.63	6.02	6.02	-	12.04	0.59	6.61
Sub-Total - (A)	2,438.13	435.42	43.57	2,829.98	687.76	210.09	26.30	871.55	1,958.43	1,750.37
Previous Year	1,901.12	608.85	71.84	2,438.13	550.50	178.61	41.35	687.76	1,750.37	1,350.62
Capital work-in-progress									81.62	17.14
Advances for capital expenditure									3.67	10.16
Sub-Total - (B)									85.29	27.30
Grand Total - (A+B)									2,043.72	1,777.67

Notes :- Gross Block includes Rs. 8.36 Million added on revaluation of building.

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
SCHEDULE - 6 INVESTMENTS		
Long Term Investments (Trade)		
In Equity Shares - Unquoted, fully paid up		
a) Janakalyan Sahakari Bank Ltd. 58,500 (P.Y. 63,500) Shares of Rs. 10/- each.	0.58	0.64
b) Gulf Jyoti International LLC (A Joint Venture Company) 12,930 (P.Y.12,930) Equity Shares of DHS 1,000/- each.	164.28	164.28
	164.86	164.92
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 10/- each.	0.20	0.20
b) SBI Infrastructure Fund (Growth Option) 50,000 (P.Y. 50,000) Units of 10/- each.	0.50	0.50
c) SBI One India Fund (Growth Option) 50,000 (P.Y. 50,000) Units of 10/- each.	0.50	0.50
d) UTI Bond Fund (Growth Option) 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. 1.81 Million (P.Y. Rs. 2.09 Million)	0.50	0.50
	1.70	1.70
TOTAL	166.56	166.62

Note: Total Book Value of Quoted Investment Rs. 1.70 Million (P.Y. Rs. 1.70 Million) and Unquoted Investments Rs. 164.86 Million (P.Y. Rs. 164.92 Million)

SCHEDULE - 7 INVENTORIES		
a) Raw Materials	1,047.52	1,420.04
b) Construction Materials at Site	471.08	312.00
c) Semi Finished Goods	42.41	104.79
d) Work-in-Progress	320.51	205.42
e) Finished Goods	167.81	212.43
f) Stores and Consumables	10.76	7.58
g) Tools and Tackles	228.40	197.86
h) Scrap	18.38	11.54
TOTAL	2,306.87	2,471.66

SCHEDULE - 8 SUNDRY DEBTORS		
(Unsecured and considered good)		
Trade Debtors		
a) Outstanding for more than 6 months	1,035.36	665.77
b) Others	9,894.82	7,963.03
TOTAL	10,930.18	8,628.80

SCHEDULE - 9 CASH AND BANK BALANCES		
a) Cash in Hand	6.34	6.16
b) Balance with scheduled banks in Current Accounts	581.46	290.01
c) Balance with non-scheduled banks in Current Accounts	33.01	126.37
d) Fixed Deposits with Scheduled Banks	53.18	119.64
TOTAL	673.99	542.18

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	As at 31/03/2011 Rs. in Million	As at 31/03/2010 Rs. in Million
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	1,318.29	1,213.20
b) Deposits and balances with Government Authorities	486.42	631.46
c) Advance Payment of Taxes	0.06	0.06
TOTAL	1,804.77	1,844.72
SCHEDULE - 11 CURRENT LIABILITIES		
a) Acceptances	2,519.18	2,194.53
b) Sundry Creditors		
i) For goods/services	2,444.26	2,205.78
ii) Other Liabilities	487.29	281.50
c) Unclaimed Dividend	1.81	1.44
d) Advances received from Customers	1,322.60	1,688.23
TOTAL	6,775.14	6,371.48
SCHEDULE - 12 PROVISIONS		
a) Provision for Taxation (Net of Advance payment of taxes)	253.18	146.42
b) Proposed Dividend	123.19	82.00
c) Tax on Proposed Dividend	19.98	13.62
d) Provision for Leave Encashment	15.77	16.47
e) Provision for Gratuity	30.95	23.06
TOTAL	443.07	281.57

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 Rs. in Million
SCHEDULE - 13 SALES / INCOME FROM OPERATIONS		
a) Sales/Erection of Towers, Structures and Components	24,512.59	21,599.91
b) Residuals and Scrap	294.67	199.70
TOTAL	24,807.26	21,799.61
SCHEDULE - 14 OTHER OPERATING INCOME		
b) Interest Received (Gross)	19.58	24.26
a) Lease Rentals	29.00	39.16
c) Miscellaneous Income	0.03	0.04
TOTAL	48.61	63.46
SCHEDULE - 15 COST OF MATERIALS		
a) Opening Stock	1,420.04	711.01
b) Add: Purchases	13,093.58	13,180.25
	14,513.62	13,891.26
c) Less: Closing Stock	1,047.52	1,420.04
TOTAL	13,466.10	12,471.22
SCHEDULE - 16 ERECTION AND SUB-CONTRACTING EXPENSES		
a) Construction Materials and Stores Consumed	1,255.97	777.58
b) Tools and Tackles Consumed	108.11	60.00
c) Sub-contracting Expenses	2,812.73	2,652.04
d) Repairs to Construction Equipments/Machinery	15.68	11.55
e) Construction Transportation Charges	402.18	279.74
TOTAL	4,594.67	3,780.91
SCHEDULE - 17 (INCREASE)/DECREASE IN STOCK OF FINISHED AND SEMI-FINISHED GOODS		
a) Opening 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
b) Less: Closing Stock		
i) Work in Progress/Semi Finished Goods	362.92	310.21
ii) Finished Goods	167.81	212.43
iii) Scrap	18.38	11.54
	549.11	534.18
TOTAL	(14.93)	33.75

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	Year Ended 31/03/2011 Rs. in Million	Year Ended 31/03/2010 Rs. in Million
SCHEDULE - 18 PERSONNEL EXPENSES		
a) Salaries, Wages and Bonus etc.	641.78	609.65
b) Employee Compensation Expense - ESOS	16.98	21.93
c) Contribution to Provident Fund, Gratuity and Other Funds	72.95	55.32
d) Welfare Expenses	36.09	32.55
	767.80	719.45

SCHEDULE - 19 OPERATING AND OTHER EXPENSES		
a) Excise Duty on Stocks (Net)	(0.55)	(4.61)
b) Stores and Consumables	54.06	44.37
c) Packing Materials	15.71	13.76
d) Power and Fuel	168.15	137.34
e) Conversion Expenses	422.11	273.42
f) Repairs to Buildings	9.86	15.18
g) Repairs to Plant and Machinery	36.85	33.09
h) Repairs to Others	20.63	22.51
i) Testing and Designing Expenses	44.07	30.12
j) Freight Outward	410.24	263.26
k) Rent	16.68	157.78
l) Rates and Taxes	28.61	3.97
m) Insurance	80.32	67.51
n) Travelling and Conveyance	116.29	115.82
o) Postage, Telephone and Fax	33.79	33.64
p) Printing and Stationery	20.51	18.92
q) Professional and Legal Fees	76.84	125.35
r) Service Charges	224.04	205.55
s) Levies and Taxes	182.17	173.94
t) Directors' Sitting Fees	0.24	0.23
u) Auditors' Remuneration	3.78	5.41
v) Bank Charges and Guarantee Commission	421.57	326.51
w) Brokerage and Commission	26.32	18.17
x) Licence and Tender Fees	8.63	5.59
y) Forex Fluctuation (Gain)/Loss (Net)	(13.98)	(129.89)
z) General Expenses	54.89	41.87
aa) Donations	0.78	1.61
ab) (Gain)/Loss on Sale of Fixed Assets (Net)	2.98	(6.73)
ac) Debenture Issue Expenses	37.88	-
ad) Amortisation of Deferred Expenses	-	12.09
	2,503.47	2,005.78

SCHEDULE - 20 INTEREST		
a) On Term Loans	40.01	44.78
b) On Working Capital and Other Loans	905.03	750.93
d) On Debentures	10.43	-
	955.47	795.71

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE-21 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
	2010-11	2009-10	
JSL Corporate Services Ltd.	100.00%	100.00%	India
Jyoti Energy Ltd.	100.00%	100.00%	India
Jyoti Holding Inc.	100.00%	N.A.	USA
Jyoti Americas LLC	100.00%	N.A.	USA
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, 2011. The financial statements of Jyoti Structures Africa (Pty) Ltd. are prepared for the period of 13 months ending on 31st March, 2011.

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 on transfer of risk and reward. 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 the stage of completion determined as per the terms of the contract. Sales/Income are booked on the basis of running account bills based on completed work and are net of claims accepted. Escalations and other claims which are not acknowledged by customers are not taken into account.
- c) Interest income is recognised on time proportion basis.
- d) The insurance claims are accounted for on accrual basis based on fair estimation of sanction by the insurance companies.

2. Use of Estimates:

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

3. Fixed Assets:

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

4. Depreciation / Amortisation:

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

5. Investments:

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

6. Inventories:

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

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

- 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 useful life.

8. Borrowing Cost:

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

9. Impairment of Assets:

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

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

10. Debenture issue expenses:

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

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 recognised 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.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

- 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.

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 recognised as expense in the Profit and Loss Account on straight line basis over the term of the lease.
- ii. Assets given on operating lease are included in fixed assets. Lease income is recognised in the 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 as expenses at the undiscounted amount in the period during which the services have been rendered.

b) Long Term Employee Benefits:**I. Defined Contribution Plan:**

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

II. Defined Benefit Plan:

- i. Gratuity: The Company provides for the applicable gratuity based on actuarial valuation as per the Projected Unit Credit Method.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

- ii. Leave encashment: The Company provides for the applicable liability at the year end on account of unavailed earned leave as per the actuarial valuation as per Projected Unit Credit Method.
- 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.

b. Deferred Tax:

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

16. Earnings Per Share:

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

17. Provisions and Contingencies:

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

18. Employees Stock Option Scheme:

Stock 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 option 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 - 22 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. 7.25 Million (P.Y. Rs. 14.42 Million). Advances paid Rs. 3.67 Million (P.Y. Rs. 10.16 Million)

2. Contingent Liabilities not provided for:

	2010-11 Rs. in Million	2009-10 Rs. in Million
1 Outstanding of Bills discounted	Nil	13.45
2 Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	54.78	54.78
3 Civil Suits	102.80	124.20

The Group has given a letter of comfort for general banking facilities provided by National Bank of Abu Dhabi to Gulf Jyoti International LLC. The total loan outstanding from the bank to the said Company is AED 9.66 Million (P.Y. AED 17.02 Million) equivalent to Rs 118.53 Million (P.Y. Rs. 208.48 Million) as on 31st March 2011.

3. Managerial Remuneration to holding Company directors:

	2010-11 Rs. in Million	2009-10 Rs. in Million
To the Managing Director and Whole Time Directors		
Salary	30.60	24.90
Allowance in lieu of commission	45.19	41.22
Perquisites	0.35	0.29
Contribution to provident fund and other funds *	7.55	5.77
Total	83.68	72.18
Directors' Sitting fees – to Non-Executive Directors	0.24	0.23

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

4. The gross block of fixed assets includes Rs. 8.36 Million on account of revaluation of fixed assets carried out. Consequent to the said revaluation, there is an additional charge of Rs. 0.24 Million (P.Y. 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

- a) Provident Fund
- b) 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 Group has recognised the following amounts in the Profit and Loss Account for the year:

	2010-11 Rs. in Million	2009-10 Rs. in Million
i. Contribution to Provident Fund	26.07	19.19
ii. Contribution to Employees' Superannuation Fund	18.03	13.01

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

Defined Benefit Plans:

Gratuity and Leave Encashment

Particulars	2010-11 Rs. in Million		2009-10 Rs. in Million	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1 Expenses recognised in Profit & Loss Account and included in Schedule-19 "Personnel Expenses".				
Current Service Cost	7.11	4.62	4.98	4.12
Interest Cost	4.04	1.25	3.38	0.87
Expected Return on Plan Assets	(2.62)	-	(2.02)	-
Net Actuarial losses/(gain)	9.45	0.26	11.86	5.03
Total Expenses	17.98	6.13	18.20	10.02
2 Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation:				
Opening balance of defined benefit obligation	48.98	15.12	40.98	10.39
Current Service Cost	7.11	4.62	4.98	4.12
Interest Cost	4.04	1.25	3.38	0.87
Actuarial losses/(gain)	10.14	0.26	11.24	5.03
Liabilities Extinguished on Settlements	-	-	-	-
Benefits Paid	(3.68)	(5.47)	(11.60)	(5.29)
Closing balance of defined benefit obligation	66.59	15.78	48.98	15.12
3 Reconciliation of opening and closing balances of changes in fair value of plan assets:				
Opening Balance of Plan Assets	25.93	-	20.38	-
Expected Returns on Plan Assets	2.62	-	2.02	-
Actuarial losses/(gain)	0.68	-	(0.62)	-
Assets Distributed on Settlement	-	-	-	-
Contribution by Employer	10.09	-	7.00	-
Benefits Paid	(3.68)	-	(2.85)	-
Closing balance of plan assets	35.64	-	25.93	-
4 Net liability recognised in the Balance Sheet				
Closing balance of defined benefit obligation	66.59	15.78	48.98	15.12
Closing balance of fair value of plan assets	35.64	-	25.93	-
Present value of unfunded obligation recognised as liability	30.95	15.78	23.05	15.12
5 Actual Return on Plan Assets	3.30	-	1.40	-
6 Actuarial Assumption				
Discount Rate		8.25%		8.25%
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.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

6. Deferred Tax Liability (Net):

(Rs. in Million)

	Deferred Tax Liability / (Asset) as at 31/03/2010	Charge /(Credit) as per Finance Act 2010 Tax Rates	On account of change in rate of surcharge by Finance Act, 2011	Deferred Tax Liability / (Asset) as at 31/03/2011
Deferred Tax Liabilities:				
On account of difference between book and tax depreciation	166.49	23.93	(4.43)	185.99
Total	166.49	23.93	(4.43)	185.99
Deferred Tax Assets:				
On employee separation and retirement	(7.66)	(2.62)	0.24	(10.04)
On account of amount disallowed u/s 43B	(5.48)	0.23	0.12	(5.13)
On other timing differences	24.19	(15.23)	(0.21)	8.75
Total	11.05	(17.62)	0.15	(6.42)
Deferred Tax Liability/(Assets) (Net)	177.54	6.31	(4.28)	179.57
Previous Year	91.01	90.66	(4.13)	177.54

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

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

(Rs. in Million)

	Share of Interest	
	2010-11	2009-10
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	377.54	357.65
Cash and Bank Balances	196.05	46.65
Inventories	143.13	107.87
Trade and Other Receivables	265.83	173.46
Loans and Advances	129.85	84.33
Current Liabilities:	719.24	372.18
Non-current Liabilities	358.75	384.25
Income	410.89	399.81
Expenditure	389.27	419.47
Contingent Liability on account of Letter of Credit	108.03	69.84
Contingent Liability on account of Guarantees	270.72	428.19
Capital Commitments	Nil	7.49

The Group'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 assets would have increased by Rs. 1112.40 Million and consolidated liability would have increased by Rs. 1077.99 Million, profit for the year would have increased by Rs. 21.62 Million and reserves would have been lower by Rs. 125.06 Million.

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

8. The Group 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 2010 was AED 43.10 Million (P.Y. AED 43.10 Million). As against this capital, the total profit earned during the year was AED 5.76 Million (P.Y. loss AED 5.00 Million) and total accumulated losses as on 31st December 2010 were AED 33.80 Million (P.Y. AED 39.56 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, 2011 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 31/03/2011	As at 31/03/2010
Forward Exchange Contracts	225.53	497.50

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

Receivables

Currency	As at 31/03/2011		As at 31/03/2010	
	In Foreign Currency in Million	Rs. in Million	In Foreign Currency in Million	Rs. in Million
USD	39.05	1,761.50	19.81	891.97
EURO	1.37	87.67	1.75	106.13
AED	26.96	331.02	15.10	185.14
N\$	Nil	Nil	19.66	125.93

Payables

Currency	As at 31/03/2011		As at 31/03/2010	
	In Foreign Currency in Million	Rs. in Million	In Foreign Currency in Million	Rs. in Million
USD	14.49	654.94	14.07	633.76
EURO	5.65	362.28	2.42	146.76

11. Expenditure on account of premium of forward exchange contracts to be recognised in the Profit and Loss account of subsequent accounting periods amounts to Rs. 1.89 Million (P.Y. Rs. 3.10 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:

	2010-11 Rs. in Million	2009-10 Rs. in Million
1 Lease payments recognised in the Profit and Loss Account for the year	15.45	5.56
2 Future minimum payments receipt under the agreements, which are non cancellable. (All the lease agreements are cancellable)	-	-

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

- 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:

	2010-11 Rs. in Million	2009-10 Rs. in Million
1 Lease income recognised in the Profit and Loss Account for the year	0.94	30.69
2 Future minimum lease receipt under the agreements, which are non cancellable are as follows:		
i Not later than one year	Nil	8.03
ii Later than one year and not later than five years	Nil	Nil

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

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:

Mr. Prakash Thakur

Mr. Santosh Nayak

Mr. K. R. Thakur

- (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. Particulars	Type of Relationship	2010-11 Rs. in Million	2009-10 Rs. in Million
1 Remuneration paid	1(i)	83.68	72.18
2 Purchase of goods/services	1(ii)	1,197.63	829.12
3 Sale of goods/services	1(ii)	181.23	268.56
4 Lease rentals received	1(ii)	Nil	19.44
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)	224.61	222.58

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

	2010-11 Rs. in Million	2009-10 Rs. in Million
Contract revenue recognised during the year	5,907.84	6,133.39
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)	10683.24	7,163.98
Advances received	230.48	287.12
Retentions receivable	667.25	304.18
Gross amount due from customers.(Included under Schedule-'8' Sundry Debtors)	2125.52	1,427.87
Gross amount due to customers (Included in sundry creditors under Schedule-'11' Current Liabilities)	196.04	287.12

JYOTI STRUCTURES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

15. Employees Stock Option Scheme:

On 3rd August, 2005, the Group 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.59.07 Million (P.Y.Rs.59.60) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

An amount of Rs. 16.98 Million (P.Y. Rs. 21.93 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. 14.08 Million (P.Y. Rs. 16.03 Million) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

	2010-11 (In Numbers)	2009-10 (In Numbers)
Options granted and outstanding at the beginning of the year	96,095	134,810
Options granted during the year	23,300	27,800
Options Lapsed and/or withdrawn during the year	-	-
Options exercised during the year against which shares were allotted	24,340	66,515
Options granted and outstanding at the end of the year of which:		
- Options vested	41,795	32,860
- Options yet to vest	53,260	63,235

16. Earnings Per Share (EPS)

	2010-11	2009-10
i) Profit/(Loss) after Tax. (Rs. in Million)	997.80	843.01
ii) Weighted Average Number of Ordinary Shares for Basic Earning per Share (In Nos)	82,057,677	81,840,750
iii) Add: Equity shares for no consideration arising on grant of stock options under ESOS	369,420	382,095
iv) Weighted Average Number of Ordinary Shares for Diluted Earning per Share (In Nos)	82,427,097	82,222,845
v) Nominal Value of Ordinary Share	Rs. 2/-	Rs. 2/-
vi) Basic Earning Per Ordinary Share	Rs. 12.16	Rs. 10.30
vii) Diluted Earning Per Ordinary Share	Rs. 12.11	Rs. 10.25

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

17. The terms and conditions of various contracts being executed by the Group 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 Group 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 Group, 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.
18. The Provision for Income Tax amounting to Rs. 253.18 Million (P.Y. Rs. 146.42 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. 163.27 Million, (P.Y. Rs. 120.78 Million).
20. Jyoti Structures Africa (Pty) Limited is currently involved in a legal dispute with its service provider KRB Electrical Engineering Services (Pty) Limited. At the year end, the management and their legal advisers have not been able to determine the extent of legal costs nor the outcome of the current proceedings.
21. The Group is operating in only one primary business segment of power transmission and distribution wherein it manufactures/deals in various components/equipments and constructs infrastructure related to power transmission. As such there are no separate primary reportable or identifiable business segments as defined by Accounting Standard – 17 “Segment Reporting”

Secondary Segment : Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical 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:

	2010-11 Rs. in Million	2009-10 Rs. in Million
Sales within India	21,090.93	17,244.91
Sales outside India	2,905.22	4,052.78
Total	23,996.15	21,297.69

Details of carrying amount of Segment Assets by geographical locations:

	2010-11 Rs. in Million	2009-10 Rs. in Million
Within India	14,709.37	13,366.36
Outside India	3,216.66	2,065.22
Total	17,926.03	15,431.58

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:

	2010-11 Rs. in Million	2009-10 Rs. in Million
Within India	397.01	566.87
Outside India	96.40	17.45
Total	493.41	584.32

22. Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with the parent Company's financial statements.
23. The Group has allotted 10,072,005 no. of 7% Non Convertible Debentures having face value of Rs. 120/- each at par during the year. The said debentures are redeemable at par on 14th May, 2012. The amount realised from the proceed of the issue is utilised for the re-payment/pre-payment of working capital loans and for meeting issue expenses as specified in the Letter of Offer.
24. 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**
Chartered Accountants

R. M. AJGAONKAR
Partner

L. H. KHILNANI
Company Secretary

SANTOSH NAYAK
Managing Director

PRAKASH THAKUR
Executive Vice Chairman

S. D. KSHIRSAGAR
Chairman

*Membership No. 31927
Mumbai; 27th May, 2011*

Notes

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JYOTI STRUCTURES LIMITED

Regd. off.: "Valecha Chambers", 6th Floor, New Link Road, Andheri (W), Mumbai-400 053

ATTENDANCE SLIP

(To be handed over at the Meeting Hall)
36th Annual General Meeting – 25th July, 2011

I hereby record my presence at the THIRTY SIXTH ANNUAL GENERAL MEETING of the Members of the company on Monday, the 25th July, 2011 at 3:30 p.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001

If signed by Proxy his/her name should be
written here in BLOCK letters

Member's/Proxy's Signature
(To be signed at the time of handing over this slip)

Notes:

- (i) This meeting is of Members only, you are requested not to bring along with you any person, who is not a Member.
- (ii) Please carry with you this Attendance Slip, sign at the space provided, and handover the same at the entrance of the place of the meeting.



JYOTI STRUCTURES LIMITED

Regd. off.: "Valecha Chambers", 6th Floor, New Link Road, Andheri (W), Mumbai-400 053

PROXY FORM

Reg. Folio No./ Client ID _____ No. of Shares held _____

I/We, _____ resident of _____ in the

district of _____ in the State of _____ being a shareholder / shareholders of JYOTI

STRUCTURES LIMITED, hereby appoint Mr./Mrs. _____ resident of

_____ in the district of _____ in the State of _____ or failing him/her,

Mr./Mrs. _____ resident of _____ in the district of

_____ in the State of _____ as my/our proxy to vote for me/us and on

my/our behalf at the THIRTY SIXTH ANNUAL GENERAL MEETING of the company to be held on Monday, the 25th July,

2011 at 3:30 p.m. and at any adjournment thereof.

Affix
Re. 1
Revenue
Stamp

Signed this _____ day of _____ 2011

Signature of first named / sole shareholder

Note: This form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

Training and Development Gurukul Training Center



Skill Enhancement Training for "Workers" at sites



Village Road Construction



Blood Donation Camp





JYOTI STRUCTURES LIMITED

Registered & Corporate Office:

Valecha Chambers, 6th Floor, New Link Road,
Oshiwara, Andheri (West), Mumbai - 400 053.
Tel.: (91-22) 40915000, Fax: (91-22) 40915014/15.