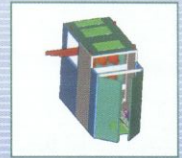
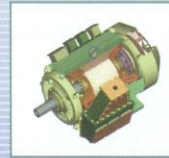




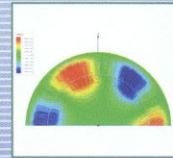
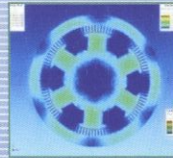
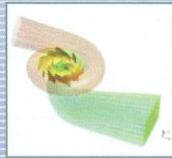
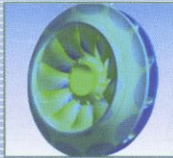
# Jyoti Ltd.

Water • Power • Progress

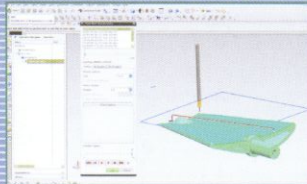
## Computer Aided Design



## Engineering Analysis & Simulation



## Computer Aided Manufacturing



# 65 YEARS OF ENGINEERING EXCELLENCE



# 67<sup>th</sup> annual report 2010-11

## BOARD OF DIRECTORS

Chairman & Managing Director  
Director  
Wholetime Director  
Director  
Director  
Director  
Director  
Director

Mr. Rahul Nanubhai Amin  
Mrs. Tejal Rahul Amin  
Ms. Keki Rambhai Patel  
Mr. Uresh Vivekchandra Desai  
Dr. Mahesh Haribhai Mehta  
Dr. Bhimsen Shivdayal Pathak  
Dr. Mylavarapu Ramamoorthy  
Mr. Bharat Jayantilal Patel

Associate Vice President (Legal) &  
Company Secretary

Mr. Suresh Singhal

### AUDITORS

Messrs V.H. Gandhi & Co.  
Chartered Accountants

### BANKERS

Central Bank of India  
Dena Bank  
Bank of Maharashtra

### REGISTERED OFFICE

Nanubhai Amin Marg  
Industrial Area  
P.O. Chemical Industries  
Vadodara - 390 003

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## 67th Annual Report

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Dear Shareholder,

Sub : Green Initiative in Corporate Governance - Electronic Mode of Service of Documents

The Ministry of Corporate Affairs (MCA), Government of India, has by Circular Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011 respectively, clarified that a Company will have complied with the provisions of the Companies Act, 1956, if service of notice(s) / document(s) to its shareholders has been made through electronic mode. The initiative by the Government is indeed commendable and your Company supports the same. We are sure, that as a responsible shareholder, you too will support this initiative. By registering yourself with the Company for e-communication, you will be able to receive such notice(s) / document(s), etc. promptly and without loss in postal transit.

It is proposed that henceforth, documents like Notices of Meetings, Annual Reports, Directors' Report, Auditors' Report and other shareholder communication will be sent electronically to the e-mail address provided by you and made available to the Company by the Depositories viz. National Securities Depository Ltd (NSDL) / Central Depository Services (India) Limited (CDSL). As and when there are changes in your e-mail address, you are requested to keep your Depository Participant (DP) informed of the same.

For shares held in physical form, shareholders can register their e-mail address with the Company at **investorcell@jyoti.com** mentioning their name(s) and folio number or send the details to the Registrar and Share Transfer Agents MCS Ltd., Neelam Apartment, 88, Sampatrao Colony, Alkapuri, Vadodara - 390 007.

Please note that these documents will also be available on the Company's website-**www.jyoti.com**

**Kindly note that if you still wish to get a hard copy of the above documents, the Company will send the same, free of cost, upon receipt of a request from you.**

We are sure that you will whole-heartedly support this initiative of "Greener Environment" and co-operate with the Company to make it a success.

Thanking you,

Yours sincerely,  
For Jyoti Limited

**S. Singhal**

Associate Vice President (Legal) &  
Company Secretary



## NOTICE

NOTICE is hereby given that the SIXTY SEVENTH ANNUAL GENERAL MEETING of the Members of JYOTI LIMITED will be held at the Registered Office of the Company situated at Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara-390 003, on **THURSDAY, the 22<sup>nd</sup> September, 2011 at 9.00 a.m.** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Tejal R. Amin, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Dr. B.S.Pathak, who retires by rotation and being eligible, offers himself for re-appointment.
4. To declare Dividend on Equity Shares.
5. To appoint M/s. V.H. Gandhi & Co., Chartered Accountants, as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until conclusion of next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company.

### 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. Bharat J. Patel, who was appointed by the Board of Directors of the Company as an Additional Director on 28<sup>th</sup> October, 2010 under Section 260 of the Companies Act, 1956, read with Article 124 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company."
7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:  
"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and such other approvals as may be necessary, the Company hereby approves the terms of re-appointment and remuneration of Ms. Keki R. Patel as Wholetime Director of the Company for a period of three years with effect from 30<sup>th</sup> July, 2011, as approved by the Board of Directors at its meeting held on 30<sup>th</sup> June, 2011 and as set out in the draft agreement submitted to this meeting which agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or remuneration and perquisites so as not to exceed the limits of remuneration specified in Schedule XIII of the Companies Act, 1956 and as may be agreed to between the Board of Directors and Ms. Keki. R. Patel."
8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:  
"RESOLVED THAT in partial modification of the Resolution passed at the 66<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2010 and in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government and such other approvals as may be necessary, the consent of the Company be and is hereby accorded to increase the remuneration of Mr. Rahul Amin, Managing Director of the Company with effect from 1<sup>st</sup> April,

## 67th Annual Report

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2011 for the remainder of the tenure of his office on the terms and conditions including the remuneration as set out in draft agreement submitted to this meeting which agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions including the remuneration so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government or as may be agreed to between the Board of Directors and Mr. Rahul Amin."

Regd. Office :  
Nanubhai Amin Marg  
Industrial Area  
P.O. Chemical Industries  
Vadodara-390 003  
30<sup>th</sup> June, 2011

By Order of the Board

**S.Singhal**  
Associate Vice President (Legal) &  
Company Secretary

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of items 6, 7 and 8 of the Notice is annexed hereto.
4. All documents referred to in the Notice and Explanatory Statement will be available at the Registered Office of the Company for inspection by Members on all working days between 10.00 a.m. and 12.00 noon.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 8<sup>th</sup> September, 2011 to 22<sup>nd</sup> September, 2011, (both days inclusive) for the purpose of payment of Dividend.
6. The Dividend, if declared, at the Annual General Meeting, will be paid on Equity Shares of the Company to those shareholders holding shares in physical form and whose name appears on the Register of Members of the Company on 22<sup>nd</sup> September, 2011. In respect of shares held in electronic form, the dividend will be payable to those who are the beneficial owners of the shares after close of business hours on 7<sup>th</sup> September, 2011 as per details to be furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
7. The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the Bank Account details furnished by the Depositories for depositing dividend through National Electronic Clearing Services (NECS) to investors where ECS and Bank details are available. Members may, therefore, give instructions regarding Bank Accounts in which they wish to receive dividend, directly through their Depository Participants. The Company will not entertain any direct request from such members for deletion of /or change in such Bank details.



8. To avoid the incidence of fraudulent encashment of dividend warrants, Members are requested to intimate the Company/Registrar and Transfer Agents MCS Ltd., under the signature of the sole/first joint holder, the following information, so that the Bank Account No., Name and Address of the Bank can be printed on the dividend warrants:
  - 1) Name of Sole / First Joint holder and Folio No.
  - 2) Particulars of Bank Account, viz.
    - i) Name of Bank
    - ii) Name of Branch
    - iii) Complete address of Bank with Pin Code
    - iv) Account type, whether Saving Account (SB) or Current Account (CA)
    - v) Account No. allotted by the Bank.
9. The Company has appointed MCS Limited as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfers, demat requests, change of address intimation and other communications in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly at their following address quoting Folio No., Full Name and Name of the Company as Unit : Jyoti Limited.

MCS Limited  
Neelam Apartment  
88, Sampatrao Colony  
Alkapuri  
Vadodara – 390 007  
Tel. : 0265-2339397, 2314757, 2350490  
Fax : 0265-2341639  
E-Mail : mcsltdbaroda@yahoo.com
10. Shareholders are requested to notify any change of address on or before 7<sup>th</sup> September, 2011.
11. Shareholders are requested to send their queries in respect of Financial Accounts of the Company for the year ended on 31st March, 2011 at least a week in advance so as to enable the Management to keep the information ready at the time of the Annual General Meeting.
12. A profile of the Directors retiring by rotation and eligible for re-appointment are given in the Directors' Report, which form part of this Annual Report.
13. As you are aware, the Company's Shares have been dematerialised for all investors. Members holding Share Certificates in the physical form are requested to dematerialise their shares by approaching any of the Depository Participants registered with SEBI.
14. Shareholders are entitled to nominate by filling up Form No.2B, a person in whom his / her shares in the Company shall vest in the event of his / her demise. The Shareholders are requested to avail of this facility. The duly filled in and signed Nomination Form No. 2B should be sent to the Registrars MCS Limited at the above mentioned address.
15. Relevancy of questions and the order of speakers at the meeting will be decided by the Chairman.

**ANNEXURE TO NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Item 6**

At the Board Meeting held on 28<sup>th</sup> October, 2010, Mr. Bharat J. Patel was appointed as an Additional Director of the Company w.e.f. 28<sup>th</sup> October, 2010. By virtue of the provisions of Section 260 of the Companies Act, 1956 and Article 124 of the Articles of Association of the Company, Mr. Bharat J. Patel holds office upto the date of this Annual General Meeting of the Company. Notice under Section 257 of the Companies Act, 1956, has been received by the Company from a Member signifying his intention to propose Mr. Bharat J. Patel as candidate for the Office of Director.

Mr. Bharat J. Patel is a qualified Chartered Accountant from ICAI. He started his entrepreneur career as a member of the Bombay Stock Exchange in 1983. During his 20 years career as a broker he successfully increased the firm's market share and increased the net worth of the firms many a times. He was a house broker to renowned Corporate Houses. In last 10 years he has actively started managing his own proprietary investments. He is well respected in market fraternity and has good reputation of picking undervalued small and midcap stocks.

He has wide range of experience in the field of finance, accounting and capital market.

Your Directors feel that his joining the Board will be beneficial and in the interest of the Company.

No other Director of the Company except Mr. Bharat J. Patel is in any way concerned or interested in the said Resolution.

**Item 7**

In accordance with provisions of Sections 198, 269, 309 and 310 read together with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Shareholders of the Company, the Board of Directors of the Company at its meeting held on 30<sup>th</sup> June, 2011, passed resolution for the re-appointment of Ms. Keki R. Patel as Wholetime Director of the Company for a period of three years with effect from 30<sup>th</sup> July, 2011.

Ms. Keki R. Patel is a graduate in Commerce and has considerable experience in the areas of General Management, Finance and Internal Audit. She has been working with the Company in various capacities for the last 33 years.

The remuneration of Ms. Keki R. Patel was also approved by the Remuneration Committee at its meeting held on 30<sup>th</sup> June, 2011.

The draft agreement to be entered by the Company with Ms. Keki R. Patel, which is placed before this meeting and available for inspection by the Members, contain inter-alia, the following principal terms and conditions:

**Duties and Powers**

The Wholetime Director shall perform the duties and exercise the powers assigned to her or vested in her by the Board of Directors and Chairman & Managing Director of the Company from time to time.

**Period of Appointment**

Three years with effect from 30<sup>th</sup> July, 2011.

**Salary**

₹ 1,26,500/- (Rupees One Lakh Twenty Six Thousand Five Hundred Only) per month.



### **Perquisites and Allowances**

In addition to salary, the appointee Ms. Keki R. Patel shall also be entitled to perquisites and allowances equivalent to 40% of salary in accordance with rules of the Company.

For the purpose of calculating the above ceilings, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual costs.

Provision of Car with driver for the use of Company's business and telephone facility at her residence and reimbursement of expenses including entertainment expenses will not be considered as perquisites.

The following shall not be included for the purpose of computation of the remuneration or perquisites as aforesaid:

- I. The Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act.
- II. Gratuity payable at the rate of half month's salary for each completed year of service.
- III. Encashment of leave at the end of the tenure of the appointee.

### **Minimum Remuneration**

Subject to the ceiling specified in Part II Section II of Schedule XIII of the Companies Act, 1956, the appointee shall be paid remuneration by way of salary and perquisites specified above notwithstanding that in any Financial Year during the currency of her tenure, the Company has no profits or its profits are inadequate.

### **Compensation**

If before the expiry of the Agreement, the tenure of office of the appointee is determined, she shall be entitled to compensation for the loss of office subject to the provisions of Section 318 of the Companies Act, 1956.

As long as Ms. Keki R. Patel functions as Wholetime Director, she shall not be interested or otherwise concerned directly or indirectly in any Selling Agency of the Company in future without the prior approval of the Central Government.

The particulars set out above, may be treated as an abstract of the terms of Contract for the remuneration / re-appointment of Ms. Keki R. Patel, as Wholetime Director of the Company which is required to be given to every member under the provisions of Section 302 (2) of the Companies Act, 1956.

The draft of the Agreement referred to above is open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on any working day upto the date of the Annual General Meeting.

The Board recommends the adoption of this resolution.

Ms. Keki R. Patel is concerned or interested in the resolution as it relates to her own term of appointment / remuneration.

No other Director is concerned or interested in the said resolution.

### **Item 8**

At the Annual General Meeting held on 23<sup>rd</sup> September, 2010, Mr. Rahul Amin was re-appointed as Managing Director of the Company w.e.f. 25<sup>th</sup> June, 2010 subject to the approval of the Central



## **67th Annual Report**

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Government. The Central Government had given its approval for his term of appointment for a period of three years w.e.f. 25<sup>th</sup> June, 2010.

Taking into consideration the increased business activities of the Company and the responsibilities cast on Mr. Rahul Amin and having regard to the Government's liberalised guidelines on managerial remuneration and in accordance with provisions of Sections 198, 269, 309 and 310 read together with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Shareholders of the Company and the Central Government, the Board of Directors of the Company at its meeting held on 30<sup>th</sup> June, 2011, passed the resolution for increase in remuneration payable to Mr. Rahul Amin, Managing Director of the Company with effect from 1<sup>st</sup> April, 2011. The Remuneration payable to Mr. Rahul Amin exceeds 5% of the net profits calculated under Section 198 of the Companies Act, 1956, but the overall remuneration payable to all Wholetime Directors do not exceed the limits of 10% of the net profits as prescribed under Section 309 of the Companies Act, 1956.

The remuneration of Mr. Rahul Amin was also approved by the Remuneration Committee at its meeting held on 30<sup>th</sup> June, 2011.

The draft supplementary agreement to be entered by the Company with Mr. Rahul Amin, which is placed before this meeting and available for inspection by Members, contains inter-alia the following terms and conditions. All other terms and conditions of the Agreement as approved by the Members of the Company at its meeting held on 23<sup>rd</sup> September, 2010 will remain unchanged.

### **Salary**

₹ 8,50,000/- (Rupees Eight Lakhs Fifty Thousand Only) per month.

### **Perquisites and Allowances**

In addition to salary, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, reimbursement of expenditure or allowances in respect of maintenance, utilities such as gas, electricity, furnishings and repairs of the house, medical reimbursement, medical insurance and leave travel concession for self and his family including dependents, personal accident insurance, club fees and such other perquisites, benefits and allowances in accordance with Rules of the Company. The aggregate of aforesaid perquisites and allowances will be restricted to ₹ 6,00,000/- (Rupees Six Lakhs Only) per annum.

"Family" mentioned above means the spouse and dependent children of the Managing Director.

For the purpose of calculating the above ceilings, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual costs.

Provision of car with driver for use of Company's business and telephone facility at the Managing Director's residence, reimbursement of expenses including entertainment expenses will not be considered as perquisites.

The following shall not be included for the purpose of computation of the Managing Director's remuneration or perquisites as aforesaid:

- i) The Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act.
- ii) Gratuity payable to the Managing Director at the rate of half month's salary for each completed year of service.
- iii) Encashment of leave at the end of the Managing Director's tenure.



### **Minimum Remuneration**

The Managing Director shall be paid remuneration by way of salary and perquisites notwithstanding that in any Financial Year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate.

The particulars set out above, may be treated as an abstract of the variation in terms of Contract of appointment/remuneration of Mr. Rahul Amin, which is required to be given to every member as per the provisions of Section 302 (2) of the Companies Act, 1956.

The draft of the Agreement referred to above is open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on any working day upto the date of the Annual General Meeting.

The Board recommends the adoption of this resolution.

Mr. Rahul Amin and Mrs. Tejal Amin, who are related to each other are interested in the resolution as it relates to his own/relative's term of remuneration.

No other Director is concerned or interested in the said resolution.

Regd. Office :  
Nanubhai Amin Marg  
Industrial Area  
P.O. Chemical Industries  
Vadodara-390 003  
30<sup>th</sup> June, 2011

By Order of the Board

**S.Singhal**  
Associate Vice President (Legal) &  
Company Secretary

## 67th Annual Report

Statement in terms of Schedule XIII of the Companies Act, 1956 as amended vide Notification No. GSR 36(E), Dated 16.01.2002 relating to remuneration payable to Wholetime Director.

### I. General Information

1. Nature of Industry – Engineering.
2. Date or expected date of commencement of commercial production – The Company is in operation since the year 1943.
3. Financial performance based on given indicators – As per the audited financial results for the year ended on 31st March, 2011.

Particulars	Amount (₹ in Lakhs)
Sales	38,383.48
Other Income	292.53
<b>Total Income</b>	<b>38,676.01</b>
Material Cost	26,728.09
Staff Cost	3,812.06
Manufacturing and Other Expenses	3,279.40
<b>Total Expenditure</b>	<b>33,819.55</b>
Profit before Depreciation, Interest and Tax	4,856.46
Depreciation	451.81
Profit before Interest and Tax	4,404.65
Interest	2,883.00
Profit before Tax	1,521.65
Profit before Tax	1,521.65
<b>Net Profit after Tax</b>	<b>1,186.30</b>

4. Export performance and net foreign exchange earned for the year ended on 31st March, 2011.

(₹ in Lakhs)

Export Sales (in ₹)	1,347.71
Foreign Exchange earnings (in ₹)	1,381.81

5. Foreign investments or collaborators, if any – The Company holds 49% Equity in Jyoti Sohar Switchgear L.L.C., a Joint Venture Company in Sultanate of Oman.

The Company has technical collaboration with:

- Jeumont Industry of France for high voltage Alternators with Cylindrical Rotor Generators.
- Turboinstitute of Slovenia for Hydrel Turbines.
- Elmecon Ltd., U.K. for manufacturing of 12/17.5 KA Ring Main Unit and associated component.

**II. Information about the Wholetime Director:**

1. Background Details - Ms. Keki R. Patel is a graduate in Commerce and has considerable experience in the areas of General Management, Finance and Internal Audit. She has been working with the Company in various capacities for the last 33 years.
2. Past Remuneration – ₹ 19,85,340/- paid as remuneration during the year ended on 31st March, 2011.
3. Job profile and suitability – Ms. Keki R. Patel renders services as Wholetime Director of the Company.
4. Remuneration proposed – Salary ₹ 1,26,500/- per month and perquisites more particularly described in the explanatory statement herein before.
5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person – Looking to the size of the Company, the profile of Ms. Keki R. Patel and the responsibilities shouldered by her, the above said remuneration is commensurate with the remuneration package paid to similar senior level appointees in other Companies.
6. Pecuniary relationship directly or indirectly or relationship with the managerial personnel, if any – Besides the remuneration proposed, the Wholetime Director does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

**III. Other information:**

1. The Company is making adequate profits.
2. Steps taken or proposed to be taken for improvement – The Company has strengthened its Balance Sheet by increasing cash flows, reducing interest cost and improving working capital management. With the streamlining operations, overall improved business scenario and healthy order book position, the Company would grow at a faster rate in the coming years.
3. Expected increase in productivity and profits in measurable terms.

Particulars	2010-11 (₹ Lakhs)	2009-10 (₹ Lakhs)
Sales	38,383.48	29,110.31
Other Income	292.53	259.18
Net Profit	1,186.30	807.20

## DIRECTORS' REPORT

To  
The Members of **Jyoti Limited**

Your Directors present this SIXTY SEVENTH ANNUAL REPORT and Audited Accounts for the year ended on 31st March, 2011.

## FINANCIAL RESULTS

	(₹ in Lakhs)	
	<u>2010-11</u>	<u>2009-10</u>
Total Income	<b>38,676.01</b>	29,369.50
Profit before Interest and Depreciation	<b>4,856.46</b>	3,265.14
Less: Interest	<b>2,883.00</b>	1,803.12
Profit before Depreciation	<b>1,973.46</b>	1,462.02
Less: Depreciation	<b>451.81</b>	240.80
Profit before Tax	<b>1,521.65</b>	1,221.22
Provision for Taxation		
- Current Tax	<b>310.00</b>	208.00
- Deferred Tax	<b>25.35</b>	206.03
Balance of Profit for the year	<b>1,186.30</b>	807.19
Balance brought forward from the previous year	<b>1,150.89</b>	495.12
Amount available for appropriation	<b>2,337.19</b>	1,302.31
Proposed Dividend	<b>205.55</b>	129.85
Tax on proposed Dividend	<b>33.34</b>	21.57
Transferred to General Reserve	<b>29.66</b>	-
Balance Profit carried to Balance sheet	<b>2,068.64</b>	1,150.89

## OPERATIONS

During the year, your Company has scaled new heights in terms of sales, profits and net worth. This was the mile-stone year for the Company as it delivered record financial and operating performance under challenging and stiff market conditions.

The total income of the Company for the financial year under review was ₹ 386.76 crores as against ₹ 293.70 crores for the previous year registering an increase of 31.69%. The Profit before Tax was ₹ 15.22 crores and the Profit after Tax was ₹ 11.86 crores for the financial year under review as against ₹ 12.21 crores and ₹ 8.07 crores for the previous financial year showing an increase of 25% and 47% respectively.

## FINANCE

Your Directors are pleased to report that considering the performance of the Company and future potential of the business, it has been possible for infusing long term funds by way of equity capital with share premium from various investors including convertible warrants issued to Promoter Group. Based on above infusion, the financial position of the Company has been strengthened. The proceeds of these issues have been utilized for margin on capital expenditure and for long term working capital. It has also reduced the financial leverage of the Company and improved some of the norms of financial prudence.

The Company has come out of Corporate Debt Restructuring (CDR) in the current year by liquidating the recompense amount aggregating to ₹ 15.22 crores by paying cash of ₹ 7.61 crores (50%) and by



issuing 6,74,128 equity shares of ₹ 10 each at a premium of ₹ 102.85 per share aggregating to ₹ 7.61 crores for the balance 50% of recompense amount. It will not be out of place to mention that the lending banks and CDR Empowered Group appreciated the Company getting out of CDR, before scheduled time and that, too, by paying full interest recompense amount. This will facilitate a flexible and competitive financial environment for the Company which will lead to reduction in the interest and finance costs and pave way for further improvement in the profitability and ease in operations.

## **DIVISIONAL PERFORMANCE**

### **ENGINEERED PUMPS & PROJECTS**

During the year under review, Engineered Pumps and Projects Division (EPPD) has achieved a turnover of ₹ 241 crores which is 21% growth over the last Financial Year. The Division has manufactured and supplied 124 Nos. of large pumps for various irrigation, water supply and power projects. In order to ensure satisfactory testing of pumps at the Company before dispatch, a 4 MW captive power plant has been commissioned which ensures reliability and quality. This captive power plant is being upgraded to test pumps and motors upto 8 MW.

The Division has shown turn around 5 years back when it received the prestigious order for 14 Nos. Metallic Volute Pumps from Godavari Lift Irrigation Scheme, Government of Andhra Pradesh. The Division is proud of having commissioned 10 pumps in this financial year successfully. Looking at the performance, the Company was favourably considered for three more projects out of four in Phase-III of Godavari Lift Irrigation Scheme and received further orders for ₹ 235 crores including supply of the largest pump of 22 MW.

The Division with its continued vision to be a leading player in the large pumping sector bagged another order in the current year from Sardar Sarovar Narmada Nigam Limited, Gujarat, through IVRCL Ltd., Hyderabad, worth ₹ 80 crores for supply of 3 Nos. pumps of 20 cumecs each along with motors and other auxiliaries.

The Division is working with major infrastructure companies and has received another prestigious order worth ₹ 85 crores through Hindustan Construction Co. Ltd., Mumbai for Naval Dockyard which involves supply of 4 Nos. Sea Water Pumps along with motors and other accessories.

The Power Group under this Division has actively penetrated in the market for supply of pumps both in 500 MW and 660 MW. The Division is also fully geared up for submitting their bids for 800 MW. This Division has recently commissioned two pumps for 500 MW - Indira Gandhi Super Thermal Power Project by NTPC. The Power Group has also received an order from NTPC for 4 x 250 MW Nabinagar Thermal Power Project and Storm Water Pumping Project at Aravali. In view of the growing demand of power in the country, the Division is geared up for bidding in collaboration with globally leading Pump Manufacturers.

The Division has a pending order position of ₹ 508 crores as on 31<sup>st</sup> March, 2011 and expects further increase of 20% in the year ahead.

### **HYDEL**

During the year under review, the Division has achieved a sales turnover of ₹ 57 crores which is 90% growth over the last financial year. The Division has geared up in terms of internal efficiency and productivity and has manufactured 21 turbines as against 6 turbines manufactured in the last financial year.

A total of 35 MW capacity power projects have been commissioned during the year in India and abroad.

To support the growth plans, the Division has developed a very good vendor base for castings, fabrications and sub-assemblies. In view of the potential of hydro business in the country and the thrust of State Governments for increased hydro power generation, the Division is building up its

credentials and infrastructure to bid for turbines upto 50 MW. The Division has an agreement with CKD Blansko Engineering, a.s. Czech Republic for large turbines.

The Division has a pending order position of ₹ 57 crores as on 31<sup>st</sup> March, 2011 which includes the prestigious order received for six machines of 8 MW Francis Turbines. The Division is very well placed in Indonesia and has recently commissioned the first small hydro project in Indonesia. The Division is also keenly looking for business from other neighbouring countries and South Africa.

With increasing requirements of power in the country and support given by the Government of India to private developers for putting up Hydro Power Stations, the Division has very good potential for growth.

### **ROTATING ELECTRICAL MACHINES**

The Division has achieved a sales turnover of ₹ 33 crores which is 83% growth over the previous year. The Standard Rotating Electrical Machines have manufactured 760 Nos. of L.T. Motors and Wind Mill Generators and the Heavy Rotating Electrical Machines have manufactured 126 Nos. of H.T. Motors and Generators with a percentage growth of 42% and 66% respectively over the previous financial year.

In view of the increased requirement of motors and generators, the Division has taken up a major upgradation of infrastructure and testing facilities which include Die-cast rotor plant, enhancement of overhead cranes, adding new test beds and purchase of Dynamometer. With this, the Division shall be in a position to reduce the cost and increase the productivity during the next financial year.

### **SWITCHGEAR**

During the year under review, the Division executed orders (including exports) worth ₹ 48.30 crores. The Division, has executed major orders received from, among others, GETCO, CPCL, MRPL, IOCL, GNFC, GSFC, IVRCL, IFFCO, KOTA TPS, HPCL, Vizag, etc. It successfully enhanced production by 60% and sales by 31% in this Financial Year.

In the year, total order booking was for ₹ 50.50 crores, which is approximately ₹ 7 crores more than the previous year. A major achievement in the year was orders of ₹ 10 crores received from GETCO.

As reported last year, the Company has entered into an agreement with ELMECON Ltd., U.K. for engineering and design services to enable the Company to manufacture 12/17.5 KV Ring Main Unit (RMU) and associated components. The Company has already started the construction of building for RMU manufacturing set up and intends to enter in the market with this product by April, 2012.

With the continuous thrust of the Government on various electricity projects viz. APDRP, Rajiv Gandhi Gramin Vij Yojana, Independent Power Projects, expansion of existing transmission and distribution network, the requirement of medium voltage switchgear is bound to grow and the Company is expecting to do better performance in the years to come.

### **EXPORTS**

During the year under review, the Company has total exports valued at ₹ 13.48 crores. The Company's major exports are to Sultanate of Oman for Switchgear and Vietnam and Indonesia for Hydel Turbines. The Company is looking forward to enhance its export market in other countries.

### **PREFERENTIAL ISSUE**

The Company issued 30,00,000 Equity Shares of ₹ 10 each at a premium of ₹ 73 per Equity Share to an individual and corporate entities, in order to meet the long term working capital requirements and for meeting the margin on capital expenditure.



The Company also issued 10,00,000 Equity Warrants with an option to subscribe to one fully paid up Equity Share of ₹ 10 each for every Equity Warrant aggregating upto 10,00,000 Equity Shares at an exercise price of ₹ 83 per Equity Share to Promoter and Promoter Group Entity. Out of this, they exercised the option to convert, in aggregate, 4,70,000 Equity Warrants into 4,70,000 Equity Shares of ₹ 10 each during the year under review.

To exit from CDR System, during the year under review, the Company issued 6,74,128 Equity Shares of ₹ 10 each at a premium of ₹ 102.85 per Equity Share to Central Bank of India, Dena Bank and Bank of Maharashtra for 50% of Recompense amount pursuant to the approval accorded by Corporate Debt Restructuring Empowered Group.

### **DIVIDEND**

The Directors are pleased to recommend a dividend of ₹ 1.20 per Equity Share (i.e. 12%) (previous year Re.1 per Equity Share i.e. 10%) on increased paid up capital of 1,71,28,992 Equity Shares of ₹ 10 each for the Financial Year ended on 31<sup>st</sup> March, 2011.

### **PUBLIC DEPOSITS**

Your Company has not accepted any deposits from the Public during the year under review.

### **AUDITORS' REPORT**

The observations made in the Auditors' Report are self explanatory and are also clarified in the Notes forming part of the Accounts and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure-A forming part of this Report.

### **PARTICULARS OF EMPLOYEES**

The information required under Section 217 (2A) of the Companies Act, 1956 and the Rules made thereunder, is given in the Annexure to this Report and forms part of the Report. However, in terms of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining copy of the same may write to the Company Secretary at the Registered Office.

### **CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, a Report on Corporate Governance and a Certificate from the Auditors of the Company are given in the Annexure-B and Annexure-C respectively which form part of this Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956**

The Directors confirm that :-

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed by the Company;
- (ii) such accounting policies have been selected and consistently applied and judgements and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and of the Profit of the Company for the year ended on that date;



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- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) annual accounts have been prepared on a 'going - concern' basis.

### DIRECTORS

Mr. Bharat J. Patel has been appointed as an Additional Director by the Board of Directors at its meeting held on 28<sup>th</sup> October, 2010 and being eligible, is proposed to be appointed as Director at the ensuing Annual General Meeting.

The Remuneration Committee and the Board of Directors at their meeting held on 30<sup>th</sup> June, 2011 have approved the re-appointment of Ms. Keki R. Patel as Wholetime Director of the Company for a period of three years with effect from 30<sup>th</sup> July, 2011 subject to the approval of the Shareholders.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mrs. Tejal R. Amin and Dr. B.S. Pathak retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Brief details about Mr. Bharat J. Patel, Ms. Keki R. Patel, Mrs. Tejal R. Amin and Dr. B.S. Pathak as required under the Corporate Governance Code, are given hereunder:

Mr. Bharat J. Patel, 58, is a qualified Chartered Accountant from ICAI. He started his entrepreneur career as a member of the Bombay Stock Exchange in 1983. During his 20 years career as a broker, he successfully increased the firms market share and increased the net worth of the firms many a times. He was a house-broker to renowned corporate houses. In last 10 years he has actively started managing his own proprietary investments. He is well respected in market fraternity and has good reputation of picking under-valued small and mid cap stocks.

Mr. Bharat J. Patel has wide range of experience in the field of Finance, Accounting and Capital Market.

Directorship held in other Companies are:

1. Equitable Financial Consultancy Services Pvt. Ltd.	Director
2. Pat Holdings Pvt. Ltd.	Director
3. Fidelity Multitrade Pvt. Ltd.	Director
4. Gracious Properties Pvt. Ltd.	Director
5. Independent Estates Pvt. Ltd.	Director
6. Pasha Finance Pvt. Ltd.	Director
7. Pat Financial Consultants Pvt. Ltd.	Director
8. Urvi Holdings Pvt. Ltd.	Director
9. Superior Financial Consultancy Services Pvt.Ltd.	Director
10. Rubfila International Ltd.	Chairman
11. Finquest Financial Solutions Pvt. Ltd.	Director
12. Bombay Swadeshi Stores Ltd.	Director
13. Pankaj Cotton Co. Pvt.Ltd.	Director
14. Sukhwant Properties Pvt. Ltd.	Director
15. Tee Ventures (India) Pvt. Ltd.	Director



Mr. Bharat J. Patel is not a Member of any Committee of Directors of any Company.

Ms. Keki R. Patel, 57, is a Graduate in Commerce and has considerable experience in the areas of General Management, Finance and Internal Audit. She has been working with the Company in various capacities for the last 33 years.

Directorship held in other Companies are:

1. Navrachana Educational Resources Ltd. Director

Ms. Keki R. Patel is not a Member of any Committee of Directors of any Company.

Mrs. Tejal R. Amin, 50, is a Graduate in commerce and has considerable experience in the areas of General Management and Finance. Mrs. Tejal R. Amin has already served the Company as a Wholetime Director for almost four years and was responsible for bringing about substantial improvement in the performance of the Company. She is the Managing Trustee of Navrachana Education Society which runs a number of reputed Schools in Vadodara.

Directorship held in other Companies are:

1. JSL Industries Ltd. Wholetime Director

2. Insutech Industries Pvt. Ltd. Director

3. Dahlia Investments Pvt.Ltd. Director

4. Tapovan Education Institute Director

5. Navrachana Educational Resources Ltd. Director

Mrs. Tejal R. Amin is not a Member of any Committee of Directors of any other Company.

Dr. Bhimsen Pathak, 77, is B.Sc. Agri. Engg. Allahabad University, 1951, Doctorate in Agri. Engg., Landwirtsch-Aftliche Hochschule, Stuttgart-Hohenheim, West Germany, 1963.

Dr. Bhimsen Pathak joined Punjab Agricultural University (PAU) as Associate Professor in 1965 at Hissar Campus. Early in 1967, he became the first Professor-cum-Head of the Dept. of Agricultural Engineering in the College of Agricultural Engineering (CAE) of PAU at Ludhiana. He played the key role in developing programmes of research and post-graduate teaching in Agricultural Engineering. He took over as Dean, CAE in 1973 and continued in that position till 1980. During this period, CAE was awarded ICAR/UNDP Project Centre of Advanced Studies in Agricultural Engineering.

Dr. Bhimsen Pathak introduced the concept of energy being an essential input for modernising Indian agriculture. He was associated with the drafting of ICAR's coordinated project 'Energy Requirements of Agriculture' in 1970 and was the honorary coordinator of this project during initial period of its implementation.

He has been Chairman of the Scientific Panel on Agricultural Engineering of ICAR for about 10 years, Convenor of the Working Group on Energy of National Commission on Agriculture, Chief Editor of Journal of Agriculture Engineering and President of Indian Society of Agricultural Engineering (ISAE). He is a Fellow of Indian Society of Agricultural Engineering, Indian Standards Institute and National Academy of Agricultural Sciences. He was closely associated with the drafting of the policy document on agricultural mechanisation of Ministry of Agriculture, Government of India.

Dr. Bhimsen Pathak has worked as Consultant in many international programmes. From 1985 to 1990 he was FAO-UNDP Project Manager for the establishment of Agricultural Implements Research and Improvement Centre in Ethiopia.

Dr. Bhimsen Pathak joined Sardar Patel Renewable Energy Research Institute (SPRERI) as its Director in 1997 and retired in the year 2010. He has patented the design of modular down draft gasifier and the rights have been transferred to SPRERI.

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Directorship held in other Companies are:

1. Gangeya Green Tech Pvt. Ltd.

Director

Dr. Bhimsen Pathak is not a Member of any Committee of Directors of any other Company.

### **AUDITORS**

The Members are requested to appoint Statutory Auditors at the ensuing Annual General Meeting to hold office from the conclusion of the said meeting until conclusion of the next Annual General Meeting. M/s. V.H. Gandhi & Co., Chartered Accountants, Vadodara, the existing Auditors have, under Section 224 (1B) of the Companies Act, 1956, furnished Certificate of their eligibility for re-appointment.

As per the requirement of Central Government and pursuant to Section 233B of the Companies Act, 1956, your Company carries out an audit of cost records relating to Electric Motors and Power Driven Pumps every year. Subject to the approval of the Central Government, the Company has appointed M/s. S.B. Parikh & Co., Cost Accountants, as Cost Auditors to audit the cost records of the Company for the Financial Year 2011-12. The Cost Audit Reports for the Financial Year 2009-10 which was due to be filed with the Ministry of Corporate Affairs on or before 27<sup>th</sup> September, 2010 was filed on 25<sup>th</sup> September, 2010.

### **APPRECIATION**

Your Directors place on record their appreciation for the excellent support the Company has received from its employees, customers and shareholders. They also express their sincere thanks to the Bankers, CDR Cell and various State Governments for the valuable support extended to the Company.

On Behalf of the Board of Directors

**Rahul N. Amin**

Chairman & Managing Director

Vadodara

30<sup>th</sup> June, 2011

## ANNEXURE 'A' TO DIRECTORS' REPORT

Statement containing particulars pursuant to Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and forming part of Directors' Report.

### A. CONSERVATION OF ENERGY:

#### Energy Conservation Measures taken:

- i) A.C. drive introduced in old machines to improve power factor and for saving energy.
- ii) Soft starters introduced in standard pump and heavy pump test facilities to avoid heavy starting power kicks for saving energy.
- iii) Energy saver CFL lights in all offices instead of conventional tube lights.
- iv) Maintaining the power factor and improving voltage regulation have resulted in rebates in monthly energy bills.
- v) Awareness about the need for energy conservation at all levels of employees is being created through posters, hoarding, etc.

### B. TECHNOLOGY ABSORPTION

#### (a) Research & Development

1. Specific core areas in which R&D was carried out by the Company:

- Medium Voltage Switchgear
- Rotating Electrical Machines (Motors and Generators)
- Hydraulic Turbines and Pumps, including Micro-Turbines
- Electronic Control System (including Automatic Voltage Regulators)
- Direct drive wind energy converter using Permanent Magnet Generator

2. Benefits derived as a result of above R&D :

Increasing competitiveness from the overseas MNCs and also, to some extent, from within the country, have been partially overcome by the internal R&D work, through up-gradation and improvement of various core product designs and processes. Every effort for cost reduction has been made through Value Engineering. The technical competitiveness has been tackled through re-engineering product range extension with value addition in the core products.

3. Future Plan of Action :

The future R&D activities will be directed towards the consolidation of existing product range through up-gradation, addition of new products to enhance the range with special focus on performance and cost effectiveness thus creating value addition by various means. Considering the business potential, competitors' product range and market niche, new technologies / processes and new state-of-the-art software will be introduced with the help of in-house R&D development or, if necessary, acquiring technologies from known external sources. Increased use of advanced and latest state-of-the-art softwares like Pro/e, CFX, ANSYS-Mechanical, RMXprt, Maxwell, Magnet and ThermNet for design / development and also improvement in performance parameters; alongwith cost reduction will be the top priority.

4. Expenditure on R&D :

	(₹ in Lakhs)
a) Capital	155.02
b) Recurring	528.64
c) Total	683.66
d) Total R&D expenditure as percentage of total turnover	1.77 %

## (b) Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation.
  - a) In the area of medium voltage switchgear, the activities were directed towards up-gradation of existing switchgear to meet the latest IEC Standards. In addition, cost reduction and Retrofitting and finally type-testing as per the latest version of IEC: 62271-100 was continued and successfully type tested at PEHLA Test Laboratory at Ratingen, Germany. In addition, R&D is continuously carried out, in the areas of applied research and use of alternative materials and processes.
  - b) In the rotating machines group, major work was mainly directed towards indigenous development of larger rating motors and generators for various applications in core industries. New product development and cost reduction in the existing designs, processes and process-time reduction in the existing products are undertaken. New Die casting plant for better productivity and Hydraulic Dynamometer for type-testing of motors has been planned. New products like Direct-drive Permanent Magnet-Wind Energy Generators are being planned. Wind Energy Generator 750kW / 200 kW 1500/1000 RPM CTFG-450Lx dual speed Wind Induction Generator is developed and supplied.
  - c) In the pump group, the major effort was towards consolidation, standardisation and extension of the existing range of pumps. Extensive use of CFD Analysis software has been the thrust area to improve efficiencies for all range of pumps.
  - d) In the turbine group, major efforts toward design / development related to high head Francis turbine range and vertical Semi/Full Kaplan Turbine and use of CFD Analysis software package for evaluation of Hydraulic Performance and use of ANSYS-Mechanical software to evaluate structure design of Kaplan and Francis Turbines enabling cost effective turbine geometry/arrangement.
2. Benefits derived as a result of above efforts.
  - (a) Medium Voltage Switchgear
    - Type testing and recertification of 12kV, 26.4A, 630, 1250 and 2000Amp circuit breakers as per IEC 62271-110 and IEC62271-200 at PEHLA, Germany and ERDA for domestic sale.
    - Type testing and recertification of 12kV, 25kA, 1250 Amp outdoor circuit breaker as per IEC 62271-110 and IEC62271-200 at PEHLA, Germany.
    - Development and successful commissioning of 12kV, 1250Amp, 26.4kA retrofit breaker for NGEF MOCB type EKU-5012 along with additional feature.
    - Development and successful commissioning of 12kV, 1250 and 630 Amp, 25kA retrofit solution for Fuji Electric make MOCB type HF515C-10NF.
  - (b) Rotating Electrical Machines
    - Design, development and testing of large rating, low speed, vertical / horizontal motors for Lift Irrigation Schemes.
    - Cost reduction designs of Wind Energy Generators.
    - Process-time reduction through modular construction of rotors for larger rating motors.
    - Cost reduction designs through Value Engineering Analysis, of 415 Volts, 3.3kV, 6.6kV and 11kV motors on demand.
    - Design and development of larger rating, low speed, Hydel generator for Vietnam.
    - Design and development of larger rating generators for Hydel Application, with higher over-speed.



### (c) Pumps

- KNNL model test was shown to client with specially built test rig. This is a prestigious large irrigation project designed 100% indigenously.
- New design pumps 350 NC successfully manufactured for Ahmedabad Municipal Corporation.
- New design pumps 300 HS pumps successfully designed for CNNL project , Karnataka.
- Establishing modernised test set up with sophisticated instrument for testing large pumps suitable for 660 MW Power Projects.

### (d) Turbines

Sr. No.	Project Name	Designation	Remark
1	Manjandka HEP (Bhoruka)	2 x 1325 HF – 5000 kW	Largest diameter in Francis until now
2	Vanala HEP	2 x 930 HF – 7500 kW	Highest power rating in Francis until now
3	Cikotok(Vietnam)	2 x 760 HF- 1600 kW	Francis design developed for Export
4	Silau(Indonesia)	2 x 1335 P2- 4100 kW	Pelton design developed for Export

- Design, engineering and testing of 500 mm spherical valve for maximum working pressure of 47 Bar is completed successfully. The design is fully tested and released for future project requirements. This will make our project proposals cost competitive. Based on this module for Pelton project, 600 mm spherical design developed for 54 Bar test pressure.
- As a part of Model Development activity, we have collaborated with BRNO UNIVERSITY, for Design development for 10 MW (Hydraulic/ Mechanical) of Vertical Francis Model of 110 MKW (Ns – Specific speed). They also agreed to train our engineers for hydraulic turbine design during years 2010 -11 and 2011 - 12 in two batches. Considering present thrust in Hydel generation and increased demand, this team of trained engineers will enable effective project activities.

### 3. Technology imported and status of absorption

- (i) Vacuum Circuit Breakers from Toshiba Corporation, Japan. The technology has been fully absorbed for 12 kV and 36 kV Vacuum Circuit Breakers.
- (ii) SF6 prototype Ring Main Unit is under development based on designs received under technical agreement with ELMECON Ltd., U.K.
- (iii) High head Francis turbine model design for head range upto 260 metres.

### C. Foreign Exchange Earnings and Outgo:

a) Exports	₹ 1347.71 lakhs
b) Total Foreign Exchange used and earned	
i) Total Foreign Exchange used	₹ 545.45 lakhs
ii) Total Foreign Exchange earned	₹ 1381.81 lakhs

**ANNEXURE 'B' TO DIRECTORS' REPORT**

**Report on Corporate Governance**

**(A) Corporate Governance Philosophy**

The Company aims at conducting its business efficiently, by following professionally acknowledged good governance policies, thus meeting its obligations to all stakeholders in a balanced and accountable manner.

**(B) Board of Directors**

**(a) Composition of the Board of Directors**

As on date of this Report, the strength of the Board is eight Directors comprising two Executive Directors including the Chairman & Managing Director and six Non-Executive Directors. Mr. Bharat J. Patel has been appointed as an Additional Director of the Company w.e.f. 28<sup>th</sup> October, 2010.

Sr. No.	Name of Directors	Executive/ Non-Executive	No. of other		Existing Share holding in the Company (No.of Shares)
			Directorships	Committee Memberships	
1.	Mr. R.N. Amin Chairman & Managing Director	Executive	5	—	9,82,376
2.	Ms. K. R. Patel Wholetime Director	Executive	1	—	6,369
3.	Mrs. T.R. Amin	Non-Executive	5	—	6,42,113
4.	Mr. K.L. Dalal*	Independent	1	—	200
5.	Mr. U.V. Desai	Independent	—	—	550
6.	Dr. M.H. Mehta	Independent	1	—	50
7.	Dr. B.S. Pathak	Independent	1	—	50
8.	Mr. B. J. Patel**	Independent	15	—	1,19,574
9.	Dr. M. Ramamoorthy	Independent	—	—	50

\* Ceased to be Director w.e.f. 29<sup>th</sup> October, 2010

\*\* Appointed as Additional Director w.e.f. 28<sup>th</sup> October,2010

**(b) Meetings held in Financial Year 2010-11 and Attendance of Directors**

The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the Company and Financial Results. The Board held nine meetings during the Financial Year 2010-11 on 24<sup>th</sup> April, 2010, 10<sup>th</sup> June, 2010, 26<sup>th</sup> July, 2010, 12<sup>th</sup> August, 2010, 7<sup>th</sup> September, 2010, 28<sup>th</sup> October, 2010, 24<sup>th</sup> January, 2011, 2<sup>nd</sup> March, 2011 and 30<sup>th</sup> March, 2011.



The attendance of each Director at these meetings were as follows:

Sr. No.	Name of Directors	No. of Board Meetings attended	Attendance at last AGM
1.	Mr. R.N. Amin Chairman & Managing Director	9	Present
2.	Ms. K.R. Patel Wholetime Director	8	Present
3.	Mrs. T.R. Amin	9	Present
4.	Mr. K.L. Dalal*	4	Not Present
5.	Mr. U.V. Desai	9	Present
6.	Dr. M.H. Mehta	7	Present
7.	Dr. B.S. Pathak	7	Not Present
8.	Mr. B. J. Patel**	3	—
9.	Dr. M. Ramamoorthy	5	Not Present

\* Ceased to be Director w.e.f. 29<sup>th</sup> October, 2010

\*\* Appointed as Additional Director w.e.f. 28<sup>th</sup> October, 2010

**(C) Committee of Directors**

**(a) Audit Committee**

The Audit Committee consists of four Directors out of which three are Independent Directors. Mr. K.L. Dalal has resigned from the Board w.e.f. 29<sup>th</sup> October, 2010 and consequently, he has ceased to be Member of Audit Committee. The Audit Committee was reconstituted on 24<sup>th</sup> January, 2011 and Dr. B.S.Pathak was inducted as Member of the Audit Committee. Six Audit Committee meetings were held during the Financial Year 2010-11 on 24<sup>th</sup> April, 2010, 10<sup>th</sup> June, 2010, 12<sup>th</sup> August, 2010, 7<sup>th</sup> September, 2010, 28<sup>th</sup> October, 2010 and 24<sup>th</sup> January, 2011.

The composition of the Audit Committee and the attendance of each Director at these meetings were as follows:

Sr.No.	Members of Audit Committee	No. of Meetings attended
1.	Mr. U.V. Desai (Chairman)	6
2.	Mr. R.N. Amin	6
3.	Mr. K.L. Dalal*	3
4.	Dr. M.H. Mehta	5
5.	Dr.B.S.Pathak**	-

\* Ceased to be a Member of the Committee w.e.f. 29<sup>th</sup> October, 2010

\*\* Appointed as a Member of the Committee w.e.f. 24<sup>th</sup> January, 2011

The terms of reference specified by the Board to the Audit Committee are in conformity with clause 49 of the Listing Agreement and the Companies Act, 1956.

**(b) Remuneration Committee**

The Remuneration Committee consists of three Independent Directors.

Mr.K.L.Dalal has resigned from the Board w.e.f. 29<sup>th</sup> October, 2010 and consequently he has ceased to be Member of Remuneration Committee. The Remuneration Committee was reconstituted on 24<sup>th</sup> January, 2011 and Dr. B.S.Pathak was inducted as Member of the Remuneration Committee.



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During the financial year ended on 31<sup>st</sup> March, 2011 one Remuneration Committee meeting was held on 10<sup>th</sup> June, 2010. The Composition of the Remuneration Committee and the attendance of each Director at this meeting was as follows:

Sr.No.	Members of Remuneration Committee	No. of Meetings attended
1.	Mr. K.L. Dalal (Chairman) *	1
2.	Mr. U.V. Desai	1
3.	Dr. M.H. Mehta	1
4.	Dr.B.S.Pathak**	-

\* Ceased to be a Member of the Committee w.e.f. 29<sup>th</sup> October, 2010

\*\* Appointed as Chairman of the Committee w.e.f. 24<sup>th</sup> January, 2011

### Remuneration paid to Directors for the Financial Year 2010-11

(₹)

Sr. No.	Name	Sitting Fees	Salary and other Perquisites	Commis- sion	Total
1.	Mr. R.N. Amin Chairman & Managing Director	-	1,37,65,679 @	-	1,37,65,679
2.	Ms. K.R. Patel Wholetime Director	-	19,85,340	-	19,85,340
3.	Mrs. T.R. Amin	18,000	-	-	18,000
4.	Mr. K.L. Dalal*	8,000	-	-	8,000
5.	Mr. U.V. Desai	18,000	-	-	18,000
6.	Dr. M.H. Mehta	14,000	-	-	14,000
7.	Dr. B.S. Pathak	14,000	-	-	14,000
8.	Mr.B.J.Patel**	6,000	-	-	6,000
9.	Dr. M. Ramamoorthy	10,000	-	-	10,000
	Total	88,000	1,57,51,019	-	1,58,39,019

@ includes arrears of ₹ 35.59 lakhs for previous year 2009-10 as the Central Government's approval was received in the year 2010-11.

\* ceased to be Director w.e.f. 29<sup>th</sup> October, 2010

\*\* appointed as Additional Director w.e.f. 28<sup>th</sup> October, 2010

#### 1. Service Contract, Notice Period and Severance fees.

The employment of Mr. Rahul N. Amin and Ms. Keki R. Patel are contractual.

#### 2. Stock option details, if any

Nil

### (c) Shareholders / Investors Grievance Committee

Shareholders / Investors Grievance Committee was constituted by the Board to monitor the redressal of the Shareholders / Investors grievances. The Committee consists of three Independent Directors.

Mr.K.L.Dalal has resigned from the Board w.e.f. 29<sup>th</sup> October, 2010 and consequently he has ceased to be Member of Shareholders /Investors Grievance Committee. The Shareholders/Investors Grievance Committee was reconstituted on 24<sup>th</sup> January, 2011 and Dr. B.S. Pathak was inducted as Member of the Shareholders/Investors Grievance Committee.



The Committee looks into redressal of Shareholders / Investors complaints in the matter of share transfer, non-receipt of dividend, annual report etc. The status report of shareholders complaints and redressal thereof is prepared and placed before Shareholders / Investors Grievance Committee.

The Committee held four meetings during the Financial Year 2010-11 on 24<sup>th</sup> April, 2010, 12<sup>th</sup> August, 2010, 28<sup>th</sup> October, 2010 and 24<sup>th</sup> January, 2011.

As required by the Listing Agreement executed with the Stock Exchanges, Mr. Suresh Singhal, Associate Vice President (Legal) and Company Secretary had been appointed as Compliance Officer to monitor the share transfer process and liaise with the Regulatory Authorities.

The composition of Shareholders / Investors Grievance Committee and attendance of the Directors at these meetings were as follows:-

Sr. No.	Members of Shareholders / Investors Grievance Committee	No. of Meetings attended
1.	Mr. K.L. Dalal (Chairman)*	2
2.	Mr. U.V. Desai	4
3.	Dr. M.H. Mehta	3
4.	Dr.B.S.Pathak**	-

\* Ceased to be a Member of the Committee w.e.f. 29<sup>th</sup> October, 2010

\*\* Appointed as Chairman of the Committee w.e.f. 24<sup>th</sup> January, 2011

8 complaints and 482 queries were received during the year under review. All the complaints / queries have been resolved to the satisfaction of the Shareholders. There were no pending transfers as on 31<sup>st</sup> March, 2011.

#### (D) Subsidiary Company

The Company has no Subsidiary Company.

#### (E) Annual General Meetings

The Annual General Meetings of the Company (AGMs) have been held at the following places in the last three years.

For the year	Venue	Day and date	Time
2008	Jyoti Limited Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries Vadodara - 390 003	Thursday 25 <sup>th</sup> September, 2008	9.00 a.m. (IST)
2009	Jyoti Limited Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries Vadodara - 390 003	Thursday 24 <sup>th</sup> September, 2009	9.00 a.m. (IST)
2010	Jyoti Limited Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries Vadodara - 390 003	Thursday 23 <sup>rd</sup> September, 2010	9.00 a.m. (IST)

Details of the Extraordinary General meeting of Members held during the year 2010-11 for obtaining approval for issue of Preferential Shares.

Venue	Day and date	Time
Jyoti Limited Nanubhai Amin Marg Industrial Area, P.O. Chemical Industries Vadodara - 390 003	Tuesday 24 <sup>th</sup> August,2010	10.30 a.m. (IST)
Jyoti Limited Nanubhai Amin Marg Industrial Area, P.O. Chemical Industries Vadodara - 390 003	Wednesday 30 <sup>th</sup> March,2011	9.30 a.m. (IST)

Note:-

All the Resolutions set out in the respective Notices for the above Meetings, including the Special Resolutions were duly passed by the Shareholders with the requisite majority in each case. No Resolution requiring Postal Ballot was required/ placed at the above Meetings.

### (F) Disclosures

#### (a) Disclosures on materially significant related party transactions

There were no materially significant related party transactions that may have potential conflict with the Company at large.

The Register of Contract for the transactions in which Directors are interested is placed before the Board regularly for its approval.

#### (b) CEO / CFO Certification

The Chairman and Managing Director and Vice President (Finance) looking after finance have certified to the Board compliance in respect of all matters specified in sub-clause V of clause 49 of the Listing Agreement.

#### (c) Details of Non-Compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authorities or any matter related to Capital Markets.

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as Regulations and Guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years.

### (G) Means of Communication

#### (a) Financial Results

The quarterly and half-yearly Unaudited Financial Results and the Annual Audited Financial Results are published in Indian Express, Vadodara, Financial Express, Ahmedabad, Economic Times, Mumbai and Economic Times, Ahmedabad. These results are also placed on Company's web site.

#### (b) Other Information

The Company has its own web site <http://www.jyoti.com> on which other related information is available.

**(H) Management Discussion and Analysis Report**

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

**(I) General Shareholders' Information****(a) Annual General Meeting**

Day, date and time	Thursday, 22 <sup>nd</sup> September, 2011 at 9.00 a.m.
Venue	Jyoti Limited Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries, Vadodara – 390 003

**(b) Financial Calendar**

Indicative calendar of events for the year 2011-12 (April to March), excluding Extra Ordinary General Meetings, if any, is as under:

Fourth Quarter (year 2010-11) Results	5 <sup>th</sup> May, 2011
First Quarter Results	July/August 2011
Annual General Meeting	22 <sup>nd</sup> September, 2011
Second Quarter Results	October/November, 2011
Third Quarter Results	January/February, 2012

**(c) Book Closure**

The Company's Register of Members and Share Transfer Books will remain closed for the purpose of Annual General Meeting and Dividend.	8 <sup>th</sup> September, 2011 to 22 <sup>nd</sup> September, 2011 (both days inclusive)
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**(d) Dividend**

Dividend would be paid on or after 22<sup>nd</sup> September, 2011.

**(e) Listing on Stock Exchanges**

The Company's Equity Shares are listed on the Stock Exchanges located at: • Mumbai • Vadodara  (Listing Fees have been paid till date to both the Stock Exchanges)	Address of the Stock Exchanges:- <b>The Stock Exchange-Mumbai</b> 25 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 <b>The Vadodara Stock Exchange Ltd.</b> Fortune Towers, Dalal Street, Sayajiganj Vadodara - 390 005
Stock Code of the Company	BSE 504076 VSE 4076
ISIN No. of the Company's Equity Shares in Demat form	INE 511 D01012
Depositories Connectivity	NSDL and CDSL

(f) **Market Price Data**

The Market Price of the Company's shares traded in Mumbai Stock Exchange during the year 2010-11 was as follows :

Year 2010-11	BSE		SENSEX	
	High	Low	High	Low
Month	(₹)	(₹)		
April, 2010	73.50	58.55	18047.86	17276.80
May, 2010	74.85	68.10	17536.86	15960.15
June, 2010	93.75	69.25	17919.62	16318.39
July, 2010	92.85	79.15	18237.56	17395.58
August, 2010	92.35	85.20	18475.27	17819.99
September, 2010	110.05	85.50	20267.98	18027.12
October, 2010	118.50	102.30	20854.55	19768.96
November, 2010	125.90	93.55	21108.64	18954.82
December, 2010	105.30	89.00	20552.03	19074.57
January, 2011	97.85	86.50	20664.80	18038.48
February, 2011	87.00	75.20	18690.97	17295.62
March, 2011	94.95	83.40	19575.16	17792.17

(g) **Shareholding Pattern as on 31st March, 2011**

Equity Shares of ₹ 10 each

Sr. No.	Category	No. of Equity Shares held	Percentage (%)
1.	Promoters	34,12,125	19.92
2.	Friends & Relatives	1,00,990	0.59
3.	Mutual Funds & UTI	65	-
4.	Banks, F.Is., Insurance Companies	8,29,074	4.84
5.	Private Corporate Bodies	62,09,187	36.25
6.	Indian Public	56,91,681	33.23
7.	NRIs/Foreign Company	7,59,227	4.43
8.	Any Other – Directors	1,26,643	0.74
	Total	1,71,28,992	100.00

(h) **Distribution of Shareholding (as on 31<sup>st</sup> March, 2011)**

Category	Number of Shareholders	Percentage %	Number of Shares	Percentage %
1 – 500	22,749	95.67	15,26,821	8.91
501 – 1000	495	2.08	3,90,889	2.28
1001 – 2000	227	0.95	3,50,875	2.05
2001 – 3000	83	0.35	2,07,305	1.21
3001 – 4000	41	0.17	1,45,823	0.85
4001 – 5000	33	0.14	1,56,820	0.92
5001 – 10000	57	0.24	4,41,600	2.58
10001 and above	93	0.40	1,39,08,859	81.20
Total	23,778	100.00	1,71,28,992	100.00



**(i) Share Transfer Process**

The Company's shares being in compulsory demat list, are transferable through depository system. The Company has appointed MCS Ltd. as its Share Transfer Agent for both physical and demat segment of Equity Shares w.e.f. 1<sup>st</sup> April, 2003, in compliance with Securities and Exchange Board of India's requirement.

**(j) Dematerialisation of Shares**

The Equity Shares of the Company are traded compulsorily in the dematerialised form. The Company has entered into an agreement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby the Shareholders have the option to dematerialise their shares with Depositories. Demat ISIN Number in NSDL and CDSL for Equity Shares is INE 511 D01012.

1,49,84,192 Shares were in dematerialised form as on 31<sup>st</sup> March, 2011 representing 87.48% of the total Shares.

**(k) Outstanding GDRs / ADRs/ Warrants or any Convertible Instruments, likely to impact on Equity**

The Company had issued 8,80,000 Equity Warrants to Insutech Industries Pvt. Ltd. (a Promoter Group Entity) with an option to subscribe to one fully paid up Equity Share of ₹ 10 each for every Equity Warrant aggregating upto 8,80,000 Equity shares at an exercise price of ₹ 83 per Equity Share. Out of which Insutech Industries Pvt. Ltd., have exercised the option to convert 3,50,000 Equity Warrants into Equity Shares of the Company and the balance 5,30,000 Equity Warrants are still to be converted. The Equity Warrants will have a currency period of not exceeding 18 months from the date of allotment of Equity Warrants i.e. 7<sup>th</sup> September, 2010.

**(l) Plant Locations**

The Company's Plants (Main Plant, Switchgear Plant and ECS Division) are located at Vadodara.

**(m) Registrar & Share Transfer Agents : (For both Physical & Electronic Transfer etc.)**

MCS Limited

Neelam Apartment, 88, Sampatrao Colony, Alkapuri, Vadodara - 390 007

Tel. : 0265-2339397, 2314757, 2350490 Fax : 0265-2341639

E-mail : mcsltbaroda@yahoo.com

**(n) Address for Investor Correspondence**

JYOTI LIMITED

Company Law Department

Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries

Vadodara - 390 003 Gujarat (India)

Phone : 0265 - 3054444 Fax : ++91-265-2281871/2280671

E-Mail : secretary@jyoti.com

Website : <http://www.jyoti.com>

Shareholders holding shares in Demat Mode should address all their correspondence to their respective Depository Participants.

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### DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, I, Rahul N. Amin, Chairman & Managing Director of the Company, hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2011.

For JYOTI LIMITED

**Rahul N. Amin**

Chairman & Managing Director

Vadodara

30<sup>th</sup> June, 2011

**ANNEXURE 'C' TO DIRECTORS' REPORT**

**CERTIFICATE OF COMPLIANCE**

We have examined the compliance of conditions of corporate governance by Jyoti Limited for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information, and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

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

**For V.H.Gandhi & Co.**  
*Chartered Accountants*  
Firm Reg. No.: 103047W

**Vijay H. Gandhi**  
*Proprietor*  
M. No. 35581

Vadodara  
30<sup>th</sup> June, 2011

## **Management Discussion and Analysis**

### **Industry Structure and Developments**

Jyoti Ltd. is a leading engineering Company offering high quality products and services to clients in India and in the international market. Established in 1943, today Jyoti Ltd. is serving the vital fields of national and international economy such as:

- Power (Thermal, Hydel and Nuclear) Generation, Transmission and Distribution
- Agriculture, providing irrigation through pumping systems
- Water Supply and Sewerage Schemes
- Defence-particularly Naval and Marine Establishments
- Core Industries like Steel, Cement, Paper, Sugar, Fertilisers, Chemicals and Petro-chemicals

It also undertakes turnkey contracts involving civil and electrification projects. Mainly, it has 4 Divisions: Engineered Pumps and Project Division (EPPD), Hydel Systems, Rotating Electrical Machines (REM) and Switchgear and Switchboards. All Divisions are ISO 9001 certified.

The Company has achieved the record turnover of ₹ 384 crores for the year under review due to robust growth witnessed in the Water and Power sectors, the two sectors in which it mainly operates. Water and Power are the two key drivers of any economy and India needs to do much in these sectors to catch up with the developed and emerging economies.

The growth in the Indian electrical industry seems sustainable as most of the transmission and distribution projects are in full swing. With financial year 2011-12 being the last year of the current five-year plan, infrastructure projects are likely to gather further momentum, driving growth for electrical equipment. Also, the target of adding 120 gigawatt of power capacity in India during the 12th plan period (2012-17), will offer immense opportunities for this sector. Opportunities also lie in exports of electrical equipments as India's share in global exports of these equipments are merely 1%.

According to the Indian Electrical and Electronics Manufacturers' Association (IEEMA), the electrical equipments sector recorded growth of 14% in actual terms. Policy initiatives to speed up power sector development, revival of housing projects and other projects helped the industrial growth.

### **Opportunities and Threats**

With India's ever growing requirements of power and water and addition of their capacity planned by the Government, there exists substantial opportunity for the Company as its products are geared up for this sector. A large number of independent Power Companies are also setting up Power Plants. The Company has a major presence in the small Hydro and large Lift Irrigation sectors, where a stronger business potential has been established.

With the globalisation, new international players are making a thrust in the Indian market by creation of additional manufacturing capacities. This would result in further intensification of competition leading to price pressures. In India, there are certain policy decisions by the Centre for possible Infrastructure Developments like Irrigation and Power which govern investment in these sectors.

### **Outlook**

Power and Water sector continues to be the priority sector for the Government. There is a stringent need for improving per capita energy consumption because of population growth and widening gap between demand and supply of power. The Government of India has announced increased focus on investment in infrastructure sector. The Government also envisages significant capacity addition in the coming years thereby creating a huge demand for supply of power generation equipments. So, with this in mind, long term outlook for the industry is good. The economic growth planned by the nodal agencies of the Government will be a yard stick for the investment in infrastructure sectors, which would result in increased capacity of generation in the years to come.



## **Risk and Concerns**

The competition is expected to be more aggressive leading to price pressures. Long execution period of large Irrigation Projects with extended cycle time of cash flows is another area of concern. Uncertainty in Global economic growth coupled with inflationary pressures is expected to impact the growth rate in India and consequently the Company's operations. It is surmised that sustained investment in infrastructure, stability of Government policies, increasing the productivity through latest state-of-art techniques and processes are pre-requisites for restoring health and normal growth of any industry.

## **Segment-wise Performance**

This is not applicable to the Company as there is only one identified reportable segment.

## **Internal Control Systems**

The Company has strengthened its Internal Control and Audit aspects by appointing outside agency for Internal Audit of certain important aspects of operations, apart from usual transactional verifications. There are adequate checks and controls to ensure compliance of various statutes. Pre-audits are carried out for certain important transactions. The Audit Committee of the Board of Directors reviews the Internal Audit Reports.

## **Financial Performance and Operational Efficiency**

On the net sales of ₹ 383.83 crores (32% increase over previous year), the Company achieved EBIDTA margin of ₹ 46.01 crores (52% increase over last year), PBT margin of ₹ 15.22 crores (25% increase over previous year) and PAT of ₹ 11.86 crores (47% increase over previous year). Thus, the performance has been encouraging. The PBT margin would have been better by ₹ 9.83 crores if abnormal and non-recurring interest recompense amount, provided in the year under review, is excluded. The improvement in the profitability, coupled with equity infusion, has strengthened financial position of the Company.

While the inventory has remained under control, the sundry debtors have gone up. It needs to be mentioned that the Company is in capital goods industry having EPC contracts undertaken for large irrigation projects and small and medium hydro projects, wherein most of the sales (about 40% - 45%) are achieved in the last quarter of January to March every year. Secondly, many a times, although the Company's equipments are delivered to the site, the erection and commissioning of such contracts are delayed beyond six months due to various reasons beyond the Company's control. These aspects of the Company's business, therefore, need right perspective and understanding for the working capital management by the Company.

The Company is also working on cost reduction and improving operational efficiency in various ways such as new vendor development, acquisition of versatile and latest technologically advanced equipments, R&D efforts on material cost saving, etc. The Company is positive on outcome of all these efforts and is confident of achieving better performance in the future.

## **Human Resource**

The Company considers its employees as its valuable assets. The Company focuses on building an organisation through induction and development of talent to meet current and future needs. Various HR initiatives have been taken to align HR Policies of the Company with the growth projections of the Company.

The Company continued its efforts to face a challenging business environment by building the capability of its human resources through various initiatives in development and training of employees at all levels. A large number of internal as well as external training programmes were conducted to enhance the skill and knowledge of all categories of employees.

During the year under review, the Company continued to have cordial and harmonious relations with its employees. The Company has a total manpower of 950 as on 31st March, 2011.



**Jyoti Ltd.**

Water • Power • Progress

## AUDITORS' REPORT

To the Members of **JYOTI LIMITED**

1. We have audited the attached Balance Sheet of Jyoti Limited, as at 31<sup>st</sup> March, 2011, the Profit and Loss Account of the Company for the year ended on that date and also 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 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 misstatements. 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. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order'), issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we give 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 above, we report that :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - d) 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 Section 211 (3C) of the Companies Act, 1956, to the extent applicable.
  - e) On the basis of written representations received from the directors of the Company as at 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors of the Company, we report that none of the directors is disqualified as at 31<sup>st</sup> March, 2011 from being appointed as director in terms of clause (g) of Sub section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
    - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
    - iii) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For V. H. Gandhi & Co.**  
Chartered Accountants  
Firm Reg. No.: 103047W

**Vijay H. Gandhi**  
Proprietor  
M.No. 35581

Vadodara  
30<sup>th</sup> June, 2011

## 67th Annual Report

Annexure referred to in Paragraph 3 of our Auditors' Report of even date on the Financial Statements for the year ended on 31st March, 2011 of Jyoti Limited.

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that :-

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) Fixed Assets have been physically verified by the management during the year as per the phased programme of physical verification of fixed assets. As informed to us, the programme is such that all the fixed assets will get physically verified in three years time. In our opinion the same is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets has been disposed off during the year.
- (ii) (a) The inventory (except those lying with contractor and at Site) has been physically verified during the year by the management at reasonable intervals.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of stocks.
- (iii) (a) According to the information and explanations given 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. Hence, provisions of sub clauses 4 (iii) (b), (c) & (d) are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence, provision of sub clauses 4 (iii) (f) & (g) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services and there is no continuing failure to correct major weaknesses in internal control system.
- (v) (a) The particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and as per information and explanations given to us, the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder, where applicable, have been duly complied by the Company.
- (vii) In our opinion the Company has an internal audit system. However, there is a scope for increasing the coverage so as to be commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of account and records maintained by the Company relating to manufacture of Electric Motors & Generators and Power Driven Pumps, pursuant to



the order made by the Central Government for the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view of determining whether they are accurate or complete. To the best of our knowledge and according to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.

- (ix) (a) According to the records of the Company, it is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee' State Insurance, Income tax, Sales tax, Service tax, Wealth tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it. We are informed that there are no undisputed statutory dues as at the year end, outstanding for a period of more than six months from the date they became payable.
- (b) According to the records of the Company the following dues of Sales tax, Income tax, Custom Duty, Wealth tax, Service tax, Excise Duty, Cess have been deposited as under.

(₹ Lakhs)

Sr. no	Name of the Statute & Nature of Dues	Total Demand (₹ Lakhs)	Period	Forum where dispute is pending
1	Income Tax Act, 1961 (Income Tax )	* 87.38	1989-90	Commissioner of Income Tax (Appeals)
2	Income Tax Act, 1961 (Income Tax )	* 11.31	1994-95	Commissioner of Income Tax (Appeals)
3	Income Tax Act, 1961 (Income Tax )	* 12.53	1995-96	Commissioner of Income Tax (Appeals)
4	Income Tax Act, 1961 (Income Tax )	* 20.00	1996-97	Income Tax Appellate Tribunal
5	Income Tax Act, 1961 (Income Tax )	* 22.18	2000-01	Income Tax Appellate Tribunal
6	Wealth Tax Act, 1957 (Wealth Tax)	* 1.20	1992-93	Income Tax Appellate Tribunal
7	Wealth Tax Act, 1957 (Wealth Tax)	* 1.04	1993-94	Income Tax Appellate Tribunal
8	Wealth Tax Act, 1957 (Wealth Tax)	* 0.19	1994-95	Income Tax Appellate Tribunal
9	The Finance Act, 1994 ( Service Tax )	9.16	April,08 To March,10	Additional Commissioner of Central Excise & Customs & Service Tax.
		3.09	April,05 To March,10	Assistant Commissioner of Central Excise & Customs.
		1.60	Dec,04 To Nov,09	Commissioner of Central Excise & Customs (Appeals )
10	Central Sales Tax Act,1956 ( Central Sales Tax )	31.81	2006-07	Joint Commissioner of Commercial Taxes (Appeals).

\* Note :- Amount deposited.

- (x) The Company does not have any accumulated losses as per Balance Sheet as at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

## **67th Annual Report**

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- (xi) The Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any Specified Statute applicable to Chit fund or a Nidhi / Mutual Benefit Fund / Societies are not applicable to the Company under clause 4(xiii) of the said Order.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) In our opinion and based on information and explanations given to us by the management, the term loans have been applied for the purpose of which they were raised.
- (xvii) According to the information and explanations given to us, and on an overall examination of Balance Sheet of the Company, we report that funds raised on short-term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has made preferential allotment of Equity Shares to the parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, at the price which is not prejudicial to the interest of the Company. Refer Note No. 15 of Schedule 18.
- (xix) The Company has not issued debentures during the year.
- (xx) The Company has not raised any funds through Public issue during the year.
- (xxi) As per information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For V. H. Gandhi & Co.**  
*Chartered Accountants*  
Firm Reg. No.: 103047W

Vadodara  
30<sup>th</sup> June, 2011

**Vijay H. Gandhi**  
*Proprietor*  
M.No. 35581

**BALANCE SHEET as at 31st March, 2011**

	Schedule	As at 31-03-2011 ₹	As at 31-03-2010 ₹
<b>I SOURCES OF FUNDS</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	17,12,89,920	12,98,48,640
(b) Equity Warrants		1,09,97,500	-
(c) Reserves and Surplus	2	94,01,43,858	52,35,97,829
		<u>1,12,24,31,278</u>	<u>65,34,46,469</u>
<b>2. Loan Funds</b>			
(a) Secured Loans	3	1,21,07,90,662	91,33,67,246
(b) Unsecured Loans	4	17,32,61,323	7,57,64,330
(c) Deferred Payment Credits Guaranteed by the Banks		72,00,415	1,12,55,703
		<u>1,39,12,52,400</u>	<u>1,00,03,87,279</u>
<b>3. Deferred Tax Liabilities (Net)</b>			
		<u>1,39,71,515</u>	<u>1,14,36,076</u>
		<u>2,52,76,55,193</u>	<u>1,66,52,69,824</u>
<b>II APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>			
(a) Gross Block	5	1,06,08,39,019	73,01,86,747
(b) Less : Depreciation		35,09,41,110	31,33,80,289
(c) Net Block		70,98,97,909	41,68,06,458
(d) Capital Work-In-Progress		20,22,67,015	10,35,40,369
<b>2. Investments</b>			
	6	1,34,18,429	1,34,19,298
<b>3. Current Assets, Loans and Advances</b>			
(a) Inventories	7	42,56,19,943	39,48,18,990
(b) Sundry Debtors	8	1,89,02,55,981	1,46,63,64,192
(c) Cash and Bank Balances	9	37,88,11,301	25,50,72,813
(d) Loans and Advances	10	33,77,68,051	27,81,00,381
		<u>3,03,24,55,276</u>	<u>2,39,43,56,376</u>
Less : Current Liabilities and Provisions	11		
(a) Current Liabilities		1,30,70,23,392	1,13,05,71,548
(b) Provisions		12,33,60,044	13,22,81,129
		<u>1,43,03,83,436</u>	<u>1,26,28,52,677</u>
Net Current Assets		<u>1,60,20,71,840</u>	<u>1,13,15,03,699</u>
		<u>2,52,76,55,193</u>	<u>1,66,52,69,824</u>
<b>Notes on Accounts</b>	18		

As per our Report attached  
**For V. H. Gandhi & Co.**  
Chartered Accountants  
Firm Reg. No.: 103047W

**Rahul N. Amin**  
Chairman & Managing Director  
Directors

**Vijay H. Gandhi**  
Proprietor  
M. No. 35581

**Ajay Kamdar**  
Vice President (Finance)

**Mrs. T. R. Amin**  
**U. V. Desai**  
**B. J. Patel**

**Ms. K. R. Patel**  
**Dr. M. H. Mehta**  
**Dr. B. S. Pathak**

Vadodara  
30th June, 2011

**Suresh Singhal**  
Associate Vice President (Legal) &  
Company Secretary

Vadodara  
30th June, 2011

# 67th Annual Report

## PROFIT AND LOSS ACCOUNT for the year ended on 31st March, 2011

	Schedule	2010-2011 ₹	2009-2010 ₹
<b>INCOME</b>			
Sales, Contracts and Service Income - Gross		<b>3,94,87,51,938</b>	2,98,82,90,135
Less : Excise Duty		<b>11,04,04,059</b>	7,72,59,078
Net Sales		<b>3,83,83,47,879</b>	2,91,10,31,057
Other Income	12	<b>2,92,52,698</b>	2,59,18,497
		<b>3,86,76,00,577</b>	2,93,69,49,554
<b>EXPENDITURE</b>			
Consumption of Raw Materials, Components and Others	13	<b>2,70,47,78,823</b>	2,03,93,49,970
Manufacturing, Administrative, Selling and General Expenses	14	<b>65,62,82,393</b>	47,88,76,159
Research and Development Expenses	15	<b>5,28,63,902</b>	4,38,98,818
Interest Charges	16	<b>28,82,99,516</b>	18,03,12,338
(Refer Schedule 18 - Note No. 14)			
Depreciation		₹ 4,60,19,647	
Less : Transferred from Revaluation Reserve		₹ 8,38,462	
(Refer Schedule 18 - Note No. 4)		<b>4,51,81,185</b>	2,40,80,226
		<b>3,74,74,05,819</b>	2,76,65,17,511
(Increase) / Decrease in Stock	17	<b>(3,19,70,398)</b>	4,83,09,929
		<b>3,71,54,35,421</b>	2,81,48,27,440
Profit before Taxation		<b>15,21,65,156</b>	12,21,22,114
Provision for :			
- Current Tax		<b>3,10,00,000</b>	2,08,00,000
- Deferred Tax (Refer Schedule 18 - Note No. 12)		<b>25,35,439</b>	2,06,02,544
Profit after Taxation		<b>11,86,29,717</b>	8,07,19,570
Balance brought forward		<b>11,50,89,463</b>	4,95,11,381
Profit available for appropriation		<b>23,37,19,180</b>	13,02,30,951
Proposed Dividend		<b>2,05,54,790</b>	1,29,84,864
Tax on Dividend		<b>33,34,501</b>	21,56,624
General Reserve		<b>29,65,743</b>	-
Balance carried to Balance Sheet		<b>20,68,64,146</b>	11,50,89,463
Earnings per share (Basic & Diluted) (in ₹)		<b>8.08</b>	6.22
<b>Notes on Accounts</b>	18		

As per our Report attached  
**For V. H. Gandhi & Co.**  
*Chartered Accountants*  
 Firm Reg. No.: 103047W

**Rahul N. Amin**  
*Chairman & Managing Director*  
 Directors

**Vijay H. Gandhi**  
*Proprietor*  
 M. No. 35581

**Ajay Kamdar**  
*Vice President (Finance)*

**Mrs. T. R. Amin**  
**U. V. Desai**  
**B. J. Patel**

**Ms. K. R. Patel**  
**Dr. M. H. Mehta**  
**Dr. B. S. Pathak**

Vadodara  
 30th June, 2011

**Suresh Singhal**  
*Associate Vice President (Legal) &  
 Company Secretary*

Vadodara  
 30th June, 2011

**SCHEDULES To Balance Sheet and Profit and Loss Account**

	As at 31-03-2011 ₹	As at 31-03-2010 ₹
<b>SCHEDULE 1 - SHARE CAPITAL</b>		
<b>Authorised</b>		
2,50,00,000 Equity Shares of ₹ 10 each	<u>25,00,00,000</u>	<u>25,00,00,000</u>
	<u>25,00,00,000</u>	<u>25,00,00,000</u>
<b>Issued, Subscribed and Paid up</b>		
1,71,28,992 Equity Shares of ₹ 10 each (Previous Year 1,29,84,864 Equity Shares of ₹ 10 each)	<u>17,12,89,920</u>	<u>12,98,48,640</u>
Notes :		
The above includes:		
1) 34,70,000 Equity Shares issued during the year at a premium of ₹ 73/- per Share (Refer Schedule 18- Note No. 15)		
2) 6,74,128 Equity Shares issued during the year at a premium of ₹ 102.85 per Share (Refer Schedule 18- Note No. 15)		
3) 6,25,000 Shares allotted as fully paid-up Bonus Shares by Capitalisation of General Reserve		
<b>SCHEDULE 2 - RESERVES AND SURPLUS</b>		
<b>Revaluation Reserve</b>		
As per last Balance Sheet	4,58,97,841	4,67,36,303
Less : Deduction/Adjustment during the year	<u>8,38,462</u>	<u>8,38,462</u>
	4,50,59,379	4,58,97,841
<b>Capital Reserve</b>	1,43,06,199	1,43,06,199
<b>Capital Redemption Reserve</b>	25,00,000	25,00,000
<b>Share Premium Account</b>		
As per last Balance Sheet	34,58,04,326	34,58,04,326
Add: Addition during the year (Refer Schedule 18- Note No. 15)	<u>32,26,44,065</u>	-
	66,84,48,391	34,58,04,326
<b>General Reserve</b>		
As per last Balance Sheet	-	-
Add: Transfer from Profit & Loss Account	<u>29,65,743</u>	-
	29,65,743	-
<b>Profit and Loss Account</b>	20,68,64,146	11,50,89,463
	<u>94,01,43,858</u>	<u>52,35,97,829</u>



	As at 31-03-2011 ₹	As at 31-03-2010 ₹
<b>SCHEDULE 3 - SECURED LOANS</b>		
<b>1. From Banks</b>		
i Term Loans	41,03,07,422	26,60,24,555
ii Cash Credit	76,27,29,975	58,78,66,784
<b>2. From Technical Development Board</b>	<b>2,50,00,000</b>	2,50,00,000
<b>3. Interest Accrued on above (Since paid)</b>	<b>1,27,53,265</b>	3,44,75,907
	<b><u>1,21,07,90,662</u></b>	<b><u>91,33,67,246</u></b>

**Notes :-**

- 1) The term loans, cash credit facilities, interest accrued and due thereon and non-fund based facilities are secured by a first charge created in favour of consortium banks, on the stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables and book debts, furniture, fixtures, office equipments and all other movable and immovable properties, (except those created in favour of Technical Development Board) both present and future of the Company situated at Kasba, Dist. Vadodara, Gorwa, Dist. Vadodara, Mogar, Dist. Anand and Moje Sama in registration District and Sub-District of Vadodara, all in the State of Gujarat.
- 2) The term loan from Technical Development Board is secured by first charge on the assets created for Wind Turbine Project both, present and future.
- 3) Further, these facilities are also secured by the personal guarantee of Promoter Directors.

**SCHEDULE 4 - UNSECURED LOANS**

<b>1. Short Term Loans</b>		
From Banks	-	-
From Others	14,90,00,000	5,65,00,000
<b>2. Other Loans</b>	<b>2,42,61,323</b>	1,92,64,330
	<b><u>17,32,61,323</u></b>	<b><u>7,57,64,330</u></b>



**SCHEDULE 5 - FIXED ASSETS**

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost as at 31-03-2010	Additions	Deductions	Cost as at 31-03-2011	Total upto 31-03-2010	Deductions	During the year	Total upto 31-03-2011	As at 31-03-2011	As at 31-03-2010
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Free Hold Land	4,15,35,553	-	-	4,15,35,553	-	-	-	-	4,15,35,553	4,15,35,553
Buildings	12,85,35,305	5,40,39,421	-	18,25,74,726	4,39,59,471	-	40,28,869	4,79,88,340	13,45,86,386	8,45,75,834
Plant and Machinery	42,16,84,944	23,97,89,887	84,68,944	65,30,05,887	21,08,77,481	62,64,923	2,90,26,519	23,36,39,077	41,93,66,810	21,08,07,463
R & D Equipments	5,11,32,124	1,55,02,492	-	6,66,34,616	1,89,17,729	-	11,42,790	200,60,519	4,65,74,097	3,22,14,395
Electrical Installations	27,39,023	10,59,307	1,88,142	36,10,188	7,98,062	1,63,477	2,95,147	9,09,732	27,00,456	19,40,961
Furniture	1,28,93,202	1,12,28,012	10,18,307	2,31,02,907	70,56,567	9,17,782	20,23,220	81,62,005	1,49,40,902	58,36,635
Office Equipments	4,73,22,142	89,09,663	2,34,106	5,59,97,699	2,62,57,874	1,70,228	45,60,089	3,06,47,735	2,53,49,964	2,10,64,268
Vehicles	2,43,44,454	92,34,328	15,66,627	3,20,12,155	55,13,105	9,22,416	25,77,725	71,68,414	2,48,43,741	1,88,31,349
Technical KnowHow	-	23,65,288	-	23,65,288	-	-	23,65,288	23,65,288	-	-
<b>TOTAL</b>	<b>73,01,86,747</b>	<b>34,21,28,398</b>	<b>1,14,76,126</b>	<b>1,06,08,39,019</b>	<b>31,33,80,289</b>	<b>84,58,826</b>	<b>4,60,19,647</b>	<b>35,09,41,110</b>	<b>70,98,97,909</b>	<b>41,68,06,458</b>
PREVIOUS YEAR	58,36,23,579	15,22,15,684	56,52,516	73,01,86,747	29,21,86,387	37,24,786	2,49,18,688	31,33,80,289	41,68,06,458	

**Notes :**

- 1) Vehicles include gross value of ₹ 2,21,70,552 and Plant and Machinery includes gross value of ₹ 1,87,50,866 purchased under hire purchase arrangements and finance lease respectively.
- 2) See Note No.1(C) (vi) of Schedule 18 for impairment of ₹ 6.80 lakhs (Previous Year ₹ 12.00 lakhs)

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## SCHEDULE 6 - INVESTMENTS (at cost)

	Nos.	Face Value ₹	As at 31-03-2011 ₹	As at 31-03-2010 ₹
<b>LONG TERM INVESTMENTS</b>				
<b>I TRADE INVESTMENTS</b>				
<b>Quoted</b>				
JSL Industries Ltd.	2,86,020	10	<b>32,94,000</b>	32,94,000
<b>Unquoted</b>				
Jyoti Sohar Switchgear LLC @ (1 RO each).	1,47,000	1	<b>86,73,000</b>	86,73,000
			<b>1,19,67,000</b>	1,19,67,000
<b>II OTHER INVESTMENTS</b>				
<b>A. Government Securities (Unquoted)</b>				
6/7 Years National Savings Certificates (₹ 1,64,360 deposited with Government)	—	1,64,360*	<b>1,64,360</b>	1,64,360
Sardar Sarovar Narmada Nigam Ltd.	—	10,00,000	<b>10,00,000</b>	10,00,000
			<b>11,64,360</b>	11,64,360
<b>B. Shares</b>				
<b>Quoted</b>				
SLM Maneklal Industries Ltd.	10	100	<b>790</b>	790
AREVA T&D India Ltd.	2,130	2	<b>5,700</b>	5,700
Elpro International Ltd.	200	10	<b>2,000</b>	2,000
Voltas Ltd.	900	1	<b>1,288</b>	1,288
KSB Pumps Ltd.	360	10	<b>437</b>	437
Easun Reyrolle Ltd.	500	2	<b>500</b>	500
Larsen and Toubro Ltd.	40	2	<b>78</b>	78
UltraTech Cement Ltd.	8	10	<b>77</b>	77
Advance Bio-Coal (India) Ltd.	500	10	<b>5,000</b>	5,000
Siemens Ltd.	620	2	<b>30,819</b>	30,819
MPIL Corporation Ltd.	2	10	<b>58</b>	58
Mather & Platt Pumps Ltd.	30	10	-	869
Mather & Platt Fire Systems Ltd.	9	10	<b>261</b>	261
S & S Power Switchgear Ltd.	50	10	<b>7,729</b>	7,729
Kirloskar Brothers Ltd.	1,050	2	<b>6,694</b>	6,694
WPIL Ltd.	50	10	<b>1,163</b>	1,163
ABB Ltd.	335	2	<b>32,400</b>	32,400
Best & Crompton Engg. Ltd.	50	10	<b>578</b>	578
Crompton Greaves Ltd.	350	2	<b>11,056</b>	11,056
Suzlon Energy Ltd.	10	2	<b>546</b>	546
Kirloskar Electric Co. Ltd.	100	10	<b>4,795</b>	4,795
International Pumps & Projects Ltd.	300	10	<b>6,000</b>	6,000
Comp-U-Learn Tech India Ltd.	600	10	<b>6,000</b>	6,000
			<b>1,23,969</b>	1,24,838
<b>Unquoted</b>				
Engineering Raw Materials				
Consumers' Corpn. Ltd.	10	1,000	<b>10,000</b>	10,000
Alternative Energy Industries Ltd.	50	10	<b>500</b>	500
			<b>10,500</b>	10,500



	Nos.	Face Value ₹	As at 31-03-2011 ₹	As at 31-03-2010 ₹
<b>C. Others (Unquoted)</b>				
Gujarat Small Industries	60	100	<b>6,000</b>	6,000
Baroda Industrial Development Corp. Ltd.	132	1,000	<b>1,32,000</b>	1,32,000
Gujarat State Financial Corporation	100	10	<b>1,000</b>	1,000
Co-Operative Bank of Baroda Ltd.	100	25	<b>2,500</b>	2,500
Uma Co- Operative Bank Ltd.	440	25	<b>11,100</b>	11,100
			<b>1,52,600</b>	1,52,600
			<b>1,34,18,429</b>	1,34,19,298
Aggregate Cost and Market Value of Investments			Cost	Market Value
			₹	₹
a) Quoted Investments			<b>34,17,969</b> (34,18,838)	<b>50,26,702</b> (50,19,165)
b) Unquoted Investments			<b>1,00,00,460</b> (1,00,00,460)	
			<b>1,34,18,429</b> (1,34,19,298)	

\* Total Face Value

@ Equity investments in this Company carry certain restrictions on transfer of shares that are normally provided for in joint venture agreement.

### SCHEDULE 7 - INVENTORIES

(As verified, valued and certified by the Management)

Raw Materials and Components	<b>11,78,94,951</b>	11,90,64,396
Work-in-progress	<b>28,07,61,163</b>	24,47,13,375
Finished Goods	<b>2,69,63,829</b>	3,10,41,219
	<b>42,56,19,943</b>	39,48,18,990

### SCHEDULE 8 - SUNDRY DEBTORS

#### UNSECURED, CONSIDERED GOOD

Over Six Months	<b>54,39,97,693</b>	38,13,86,241
Others	<b>1,34,62,58,288</b>	1,08,49,77,951
	<b>1,89,02,55,981</b>	1,46,63,64,192

	As at 31-03-2011 ₹	As at 31-03-2010 ₹
<b>SCHEDULE 9 - CASH AND BANK BALANCES</b>		
<b>Cash</b> (including Cheques on hand ₹ 44,33,969; Previous Year ₹ 2,40,48,949)	<b>67,47,127</b>	2,90,05,356
<b>With Scheduled Banks</b>		
In Current Accounts	<b>12,91,27,815</b>	3,13,15,250
In Fixed Deposit Accounts [Pledged with Government Departments ₹ 10,000; (Previous Year ₹ 10,000) and with Scheduled Banks against Margin for guarantees/letters of credit given by the Banks ₹ 22,90,13,979; (Previous Year ₹ 19,02,25,107)]	<b>24,29,16,359</b>	19,47,32,207
<b>In Fixed Deposit Accounts</b>		
Rajasthan Rajya Sahkari Bhoomi Vikas Bank Ltd., Jaipur	<b>10,000</b>	10,000
Uttar Pradesh State Land Development Co. Op. Bank Ltd., Lucknow	<b>10,000</b>	10,000
	<b>37,88,11,301</b>	25,50,72,813
<b>SCHEDULE 10 - LOANS AND ADVANCES UNSECURED, CONSIDERED GOOD</b>		
Advances recoverable in cash or in kind or for value to be received	<b>25,73,26,842</b>	21,54,04,422
Advances to Staff	<b>6,97,470</b>	5,47,167
Advance Payments of Income-tax (Net of Provisions ₹ 13,13,21,700)	<b>7,97,43,739</b>	6,21,48,792
	<b>33,77,68,051</b>	27,81,00,381
<b>SCHEDULE 11 - CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry Creditors - Micro and Small Enterprises	<b>1,56,46,209</b>	1,86,16,399
- Others	<b>1,00,41,79,098</b>	80,76,43,430
Advances from Customers and Others	<b>28,42,18,756</b>	30,29,81,550
Interest accrued but not due	<b>23,80,220</b>	11,30,220
Unclaimed Dividend (Refer Schedule 18 - Note No. 18)	<b>5,99,109</b>	1,99,949
	<b>1,30,70,23,392</b>	1,13,05,71,548
<b>Provisions</b>		
Proposed Dividend	<b>2,05,54,790</b>	1,29,84,864
Tax on Dividend	<b>33,34,501</b>	21,56,624
Employee Benefits	<b>9,94,70,753</b>	11,71,39,641
	<b>12,33,60,044</b>	13,22,81,129
	<b>1,43,03,83,436</b>	1,26,28,52,677



2010-2011

2009-2010

₹

₹

**SCHEDULE 12 - OTHER INCOME**

Income from Investments (Gross)

On Trade Investments

On Other Investments

34,10,432

61,13,318

14,429

1,01,154

34,24,861

62,14,472

Interest

1,67,21,049

1,69,42,908

Profit on Sale of Fixed Assets

9,57,382

86,858

Miscellaneous Income

13,24,908

3,77,903

Profit on Sale of Investment

7,381

-

Party Plot Income

13,18,478

64,401

Bad debts earlier written off now realised

15,82,119

-

Use of Trade Mark

21,22,355

16,25,191

Difference in Foreign Exchange

17,94,165

6,06,764

2,92,52,698

2,59,18,497

**SCHEDULE 13 - CONSUMPTION OF RAW MATERIALS,  
COMPONENTS AND OTHERS**

Opening Stock

11,90,64,396

5,40,92,478

Add : Purchases

2,70,36,09,378

2,10,43,21,888

2,82,26,73,774

2,15,84,14,366

Less : Closing Stock

11,78,94,951

11,90,64,396

2,70,47,78,823

2,03,93,49,970

**SCHEDULE 14 - MANUFACTURING, ADMINISTRATIVE,  
SELLING AND GENERAL EXPENSES**

Power and Fuel

2,47,05,925

2,30,46,635

Salaries, Wages, Bonus, Gratuity and Other Benefits

32,56,30,563

21,76,16,593

Contribution to Provident, Family Pension,  
Superannuation and Other Funds

4,21,69,595

3,39,20,412

Employees' Welfare

1,34,05,618

1,04,81,344

Stores Consumed

1,38,34,668

1,42,04,884

Repairs and Maintenance to : Buildings  
Machinery  
Others

44,49,063

88,38,565

64,49,046

22,93,110

73,27,922

62,66,894

Rates and Taxes

42,85,114

53,32,995

Insurance

88,13,150

80,43,606

Excise Duty

32,42,622

40,24,613

Fees and Royalty

2,71,513

15,41,324

Publicity

89,19,691

51,13,898

Commission

42,87,930

24,32,660

Freight and Forwarding Charges

1,27,60,746

1,14,24,666

Rent : Paid

₹ 32,20,362

Less : Received

₹ 1,95,900

30,24,462

16,10,145

Stationery, Postage, Telephones and Telex

70,55,728

67,35,998

Loss on Disposal of Fixed Assets

19,71,736

4,79,638

Cash Discount

3,15,000

2,77,000

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		2010-2011	2009-2010
		₹	₹
<b>Audit Fees and Expenses</b>			
Statutory Auditors : Audit Fees	₹ 2,75,000		
In Other Capacity	₹ 1,29,410		
For Expenses	₹ 20,000	<b>4,24,410</b>	3,04,466
Cost Auditors :			
Audit Fees	₹ 70,000		
In Other Capacity	₹ 11,500		
For Expenses	₹ 10,000	<b>91,500</b>	70,168
Legal and Professional Fees		<b>3,11,42,989</b>	2,56,61,617
Travelling		<b>3,34,23,766</b>	2,48,51,506
Directors' Fees		<b>88,000</b>	48,000
Membership Fees and Subscriptions		<b>9,79,413</b>	5,88,207
Charity and Donation		<b>21,21,086</b>	9,80,000
Bad Debts Written Off		<b>1,51,69,394</b>	17,18,060
Financial Charges		<b>5,24,64,082</b>	4,62,75,383
Miscellaneous Expenses		<b>2,74,57,661</b>	1,46,93,772
		<b>65,62,82,393</b>	<b>47,88,76,159</b>

## SCHEDULE 15 - RESEARCH AND DEVELOPMENT EXPENSES

Material Consumption	41,29,328	47,31,395
Salaries, Wages, Bonus, Gratuity and Other Benefits	2,33,17,426	1,77,53,590
Contribution to Provident, Family Pension, Superannuation and Other Funds	44,59,832	32,86,644
Power and Fuel	7,82,030	3,80,270
Others	2,01,75,286	1,77,46,919
	<b>5,28,63,902</b>	<b>4,38,98,818</b>

## SCHEDULE 16 - INTEREST CHARGES

Interest - On fixed loans	4,49,83,051	2,79,57,407
- On others	14,50,47,433	9,84,73,273
- Recompense amount (one time)	9,82,69,032	5,38,81,658
	<b>28,82,99,516</b>	<b>18,03,12,338</b>

## SCHEDULE 17 - (INCREASE) / DECREASE IN STOCK

<b>Opening Stock</b>		
Work-in-progress	24,47,13,375	30,19,02,925
Finished Goods	3,10,41,219	2,21,61,598
	<b>27,57,54,594</b>	<b>32,40,64,523</b>
<b>Less : Closing Stock</b>		
Work-in-progress	28,07,61,163	24,47,13,375
Finished Goods	2,69,63,829	3,10,41,219
	<b>30,77,24,992</b>	<b>27,57,54,594</b>
	<b>(3,19,70,398)</b>	<b>4,83,09,929</b>





Work in process is valued at lower of cost and net realizable value.

Finished Goods is valued at lower of cost including excise payable thereon and net realizable value.

### **(F) Deferred Revenue Expenditure**

Debenture / Share Issue Expenses

Debenture issue expenses and Share issue expenses are charged out in the year in which they are incurred.

### **(G) Retirement Benefits** Retirement benefits to employees are provided as follows:

- (i) Gratuity : Gratuity payable to employees is provided on the basis of actuarial valuations.
- (ii) Superannuation : Superannuation payable to certain employees is provided / paid to Superannuation Trust Fund as per Superannuation Scheme.
- (iii) Company's contributions payable to Provident Fund and Family Pension Fund are charged to Profit and Loss account.
- (iv) The Company extends the benefit of encashment of leave to its employees while in service as well as on retirement. However, it does not have any defined Retirement Benefit Scheme in this regard. Though encashment is at the discretion of the management for the leave accumulated while in service as well as on retirement, it is provided for during the year on the basis of actuarial valuations.

### **(H) R & D Expenses**

All revenue expenses related to R & D including expenses in relation to development of product / processes are charged to the Profit & Loss Account in the year in which it is incurred.

### **(I) Foreign Currency Transactions**

- (i) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end exchange rates.
- (ii) The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transaction are recognized in the Profit & Loss Account.

### **(J) Deferred Tax**

Deferred Tax Assets and Liabilities are recognised in accordance with Accounting Standard (AS) - 22 on Accounting for Taxes on Income, issued by The Institute of Chartered Accountants of India.

### **(K) Provisions, Contingent Liabilities and Contingent Assets**

- (a) Provisions are recognized when the Company has present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.
- (b) Contingent Liabilities are disclosed after careful evaluation by the Management of facts and legal aspects of the matter involved.
- (c) Contingent Assets are neither recognized nor disclosed in the financial statement.



	<u>2010-11</u> (₹ Lakhs)	<u>2009-10</u> (₹ Lakhs)
2. Estimated value of Capital contracts yet to be executed and not provided	<b>857.54</b>	452.14
3. Contingent liabilities not provided for:		
- Bills/Cheques discounted with scheduled banks	<b>360.71</b>	572.91
- Income Tax	<b>153.40</b>	189.02
- Wealth Tax	<b>2.43</b>	6.44
- Service Tax	<b>13.85</b>	1.60
- Central Sales Tax	<b>31.81</b>	-
4. An amount of ₹ 8,38,462 representing difference between Depreciation on Revalued Assets and on original cost of assets is transferred from Revaluation Reserve to Profit & Loss Account.		
5. <b>Managerial Remuneration :</b>	<u>2010-11</u> (₹ Lakhs)	<u>2009-10</u> (₹ Lakhs)
a) Salaries and Perquisites paid/payable to Chairman & Managing Director and Wholetime Director		
i) Salaries and Gratuity	<b>117.09</b>	71.68
ii) Contribution to Provident and Superannuation Fund	<b>31.66</b>	15.60
iii) Perquisites	<b>8.76</b>	2.66
	<u><b>157.51*</b></u>	<u>89.94</u>
* Includes arrears of ₹ 43.89 lakhs.		
b) Commissions paid / payable to Managerial persons	<b>NIL</b>	NIL
6. <b>Earning Per Share</b>	<u>2010-11</u>	<u>2009-10</u>
Net Profit available for equity shareholders (₹ Lakhs) (A)	<b>1186.30</b>	807.20
No. of Equity Shares / Weighted Average number of equity shares used as denominator for calculating EPS (B)	<b>146,84,284</b>	129,84,864
Earning per share (Basic and diluted) (in ₹) (A/B)	<b>8.08</b>	6.22
Face value of ₹ 10 per share		
7. Net Gain on account of foreign exchange fluctuation ₹ 10,39,197 (Previous Year Gain ₹ 2,95,453) has been accounted for in the Profit & Loss Account.		
8. Based on information / documents available with the Company, Sundry Creditors include :		(₹ Lakhs)
a) Amounts due to Small Scale Undertakings (Total Amount)		156.46
b) Amount Overdue on account of principal and / or interest		7.90
c) Amount Outstanding together with interest for more than 45 days		7.90
As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable.		
		(₹ Lakhs)
(a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year		156.46
(ii) The interest due on above		0.78

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- (b) Amount of interest paid by the buyer in terms of Section 18 of the Act —
- (c) The amounts of payment made to the supplier beyond the due date —
- (d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act. —

9. Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2011

(₹ Lakhs)

	2010-11		2009-10	
	Gratuity Fund	Leave Encashment	Gratuity Fund	Leave Encashment
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>				
Current Service Cost	55.45	33.90	45.84	38.66
Interest Cost	72.51	15.91	67.23	13.44
Employer Contributions	—	—	—	—
Expected return on plan assets	(21.60)	—	(4.95)	—
Net Actuaries ( Gains ) / Losses	87.95	7.66	53.33	(7.81)
Past Service Cost	—	—	—	—
Settlement Cost	—	—	—	—
<b>Total Expenses</b>	<b>194.31</b>	<b>57.47</b>	<b>161.45</b>	<b>44.29</b>
<b>Net Asset / ( Liability ) recognised in the Balance Sheet as at 31st March, 2011</b>				
Present value of Defined Benefit Obligation as at 31st March, 2011	1018.26	238.88	914.42	200.67
Fair Value of plan asstes as at 31st March, 2011	370.07	—	110.00	—
Funded status [ surplus / (Deficit) ]	(648.19)	(238.88)	(804.42)	(200.67)
Net Asset / (Liability) as at 31st March, 2011	<b>(648.19)</b>	<b>(238.88)</b>	<b>(804.42)</b>	<b>(200.67)</b>
<b>Change in Obligation during the Year ended 31st March, 2011</b>				
Present value of Defined Benefit Obligation at beginning of the year	914.42	200.67	894.09	178.78
Current Service Cost	55.45	33.90	45.84	38.66
Interest Cost	72.52	15.92	67.23	13.44
Settlement Cost	—	—	—	—
Past Service Cost	—	—	—	—
Employer Contributions	(370.07)	—	(110.00)	—
Acturies ( Gains ) / Losses	66.42	7.66	57.38	(7.81)
Benefits Payments	(90.55)	(19.27)	(150.12)	(22.40)
Present value of Defined Benefit Obligation at the end of the year	<b>648.19</b>	<b>238.88</b>	<b>804.42</b>	<b>200.67</b>
<b>Actuarial Assumptions</b>				
Discount Rate	7.93%	7.93%	7.52%	7.52%
Expected rate of return on plan assets	9.00%	0.00%	9.00%	0.00%
Rate of escalation in salary (p.a.)	6.00%	6.00%	6.00%	6.00%

10. The Company is engaged in manufacturing of engineering goods only and, therefore, there is only one reportable segment in accordance with Accounting Standard (AS 17).



11. As required by Accounting Standard AS - 18 "Related Parties Disclosures" issued by the Institute of Chartered Accountants of India are as follows:

List of Related Parties with whom transactions have taken place during the year

- (a) Subsidiaries Company : —
- (b) Associate Companies/Firm : JSL Industries Ltd.  
: Insutech Industries Pvt. Ltd
- (c) Joint Venture : Jyoti Sohar Switchgear L.L.C.
- (d) Key Management Personnel :
- Chairman & Managing Director - Mr. Rahul Nanubhai Amin
- Wholetime Director - Ms. Keki Rambhai Patel
- Non-Executive Director - Mrs. Tejal Rahul Amin

- (e) Transactions with related parties during the year 2010-11 (₹ Lakhs)

Nature of Transactions	Associate Companies/Firm	Joint Venture	Key Management Personnel
Purchases	<b>835.61</b> (496.47)	— (—)	— (—)
Sales	<b>34.65</b> (23.94)	<b>974.46</b> (656.05)	— (—)
Managerial Remuneration / Sitting fees	— (—)	— (—)	<b>157.69</b> (90.06)
Rent	— (—)	— (—)	<b>5.63</b> (5.16)
Outstandings			
- Payables	<b>168.42</b> (233.14)	— (—)	<b>12.86</b> (7.79)
- Receivables	<b>0.36</b> (—)	<b>92.79</b> (39.15)	— (—)

12. Net Deferred Tax Asset / Liability of ₹ 25.35 lakhs for the year on account of Leave Pay, Gratuity, Super Annuation, VRS and Depreciation has been recognized to the Profit & Loss Account.

The Deferred Tax Assets and Liabilities comprise of the following:

	As at 31st March, 2011 (₹ lakhs)	As at 31st March, 2010 (₹ lakhs)
Deferred Tax Assets	<b>177.22</b>	(61.34)
Less : Deferred Tax Liabilities	<b>202.57</b>	144.69
Deferred Tax Assets (Net)	<b>(25.35)</b>	(206.03)

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### 13. (a) Finance Lease Obligations :

The Company has acquired certain hardwares under finance lease. Minimum lease payments outstanding as on 31st March, 2011 in respect of these assets are as follows :-

(₹ Lakhs)

DUE	Total Minimum Lease Payment outstanding as on 31st March, 2011	Interest Not Due	Present Value of Minimum Lease Payments
Within One Year	62.45	9.19	53.26
Later than One Year but Not later than Five Years	55.43	3.28	52.15
<b>TOTAL</b>	<b>117.88</b>	<b>12.47</b>	<b>105.41</b>

### (b) Operating Lease Obligations :

#### (i) Where the Company is a Lessee :

The Company has taken various commercial premises under operating lease or leave and licence agreements. Lease Payments are recognised in the Profit & Loss Account.

₹ In Lakhs

Payable not later than one year

24.31

14. The Company has finally exited from CDR System by liquidating interest recompense amount of ₹ 1521.51 lakhs by cash payment of ₹ 760.75 lakhs and by issue of equity shares for the balance amount of ₹ 760.75 lakhs to the lenders. Out of total ₹ 1521.51 lakhs, the balance amount of ₹ 982.69 lakhs, based on revised guidelines of CDR Authorities, has been provided in interest account in FY 2010-11.
15. (a) The Board of Directors, at their meeting held on 7<sup>th</sup> September, 2010, have allotted, under preferential allotment basis as per SEBI Regulations, 30,00,000 equity shares @ ₹ 83 per share ( including premium of ₹ 73 per share ) to various parties. These proceeds have been utilized for capital expenditure and long term working capital requirements.
- (b) The Board of Directors, at their meeting held on 30<sup>th</sup> March, 2011, have allotted, under preferential allotment basis as per SEBI Regulations, (a) 1,20,000 equity shares to Promoter @ ₹ 83 per share (including premium of ₹ 73 per share) by full conversion of existing equity warrants, (b) 3,50,000 equity shares to Promoter Group Company @ ₹ 83 per share (including premium of ₹ 73 per share) by part conversion of existing equity warrants and (c) 6,74,128 equity shares to various Banks @ ₹ 112.85 per share (including premium of ₹ 102.85 per share) for liquidating part recompense amount of ₹ 7.61 crores to exit from CDR System. The balance proceeds of ₹ 3.90 crores are being utilized for capital expenditure and long term working capital requirements.
16. (a) The accounts of Debtors, Creditors and Advances are subject to reconciliation. The management does not expect any material difference affecting the financial statements on reconciliation.
- (b) In the opinion of the Board, Current Assets, Loans and Advances have values on realization in the ordinary course of business at least equal to the amount at which they are stated.
17. Excise duty on finished goods stock has been accounted / included in the Profit & Loss Account under the head 'Consumption of Raw Materials, Components and Others'.
18. There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at 31st March, 2011.
19. The figures of previous year are regrouped / rearranged wherever necessary.



20. Additional information pursuant to the provision of paragraphs 3 & 4 of Part II of Schedule VI to the Companies Act, 1956 (As certified by the Management)

	Quantity Nos.	Value (₹ lakhs)
<b>i) SALES BY CLASS OF GOODS</b>		
Pumps and Pumpsets	554 (361)	6,981.43 (5,128.83)
Rotating Electric Machines	971 (548)	4,667.38 (3,039.13)
Generating Sets	21 (11)	2,506.22 (1,622.07)
Switchboards	1,601 (1,127)	4,307.22 (3,124.06)
H.T. Circuit Breakers upto 132KV	251 (375)	846.94 (1,070.38)
Relays	53,149 (75,793)	406.98 (542.13)
On-off Service Butterfly Valves	-	-
	(2)	(55.05)
Components, Spares and Others		18,667.31 (14,528.66)
		<b>38,383.48</b> <b>(29,110.31)</b>

Value does not include Excise Duty recovered  
₹ 11,04,04,059 (Previous Year ₹ 7,72,59,078)

**ii) BASIC RAW MATERIALS CONSUMED**

	Quantity	Value (₹ lakhs)
Ferrous and Non - Ferrous Metals	705 M.T (800)	495.45 (438.50)
Pipes	8,042 Mtrs. (6,383)	64.62 (48.50)
Stampings	1350 M.T (909)	995.94 (602.10)
Copper Wires, Strips, Rods etc.	247 M.T (179)	1,219.76 (703.48)
Ball Bearings	26,400 Nos. (20,147)	356.74 (272.32)
Components and Others		23,915.28 (18,328.60)
Stores Consumed		
- Imported		-
- Indigenous		(—) 138.35 (142.05)

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## iii) INSTALLED CAPACITY, ACTUAL PRODUCTION AND OPENING AND CLOSING STOCK

Product	Unit	Installed Capacity	* Actual Production	Stock			
				OPENING		CLOSING	
				Nos.	(₹ lakhs)	Nos.	(₹ lakhs)
1	2	3	4	5	6	7	8
Pumps	WHP	<b>2,15,000</b> (1,55,000)	<b>1,54,372</b> (1,21,958)	<b>14</b> (5)	<b>13.12</b> (1.81)	<b>7</b> (14)	<b>3.34</b> (13.12)
Rotating Electric Machines	KW	<b>4,00,000</b> (2,57,600)	<b>2,24,678</b> (1,23,991)	<b>134</b> (77)	<b>124.46</b> (116.28)	<b>48</b> (134)	<b>156.35</b> (124.46)
Hydro-generating sets	KVA	<b>50,000</b> (12,600)	<b>33,856</b> (19,010)	<b>1</b> (3)	<b>111.64</b> (1.03)	<b>1</b> (1)	<b>26.11</b> (111.64)
Switchboards	No.	<b>4,800</b> (2,160)	<b>1,601</b> (1,127)	- (-)	- (-)	- (-)	- (-)
H.T. circuit breakers upto 36 KV	No.	<b>4,000</b> (1,728)	<b>1,575</b> (1,284)	- (-)	- (-)	- (-)	- (-)
Relays	No.	<b>90,000</b> (25,000)	<b>63,376</b> (72,921)	- (2)	- (0.16)	- (-)	- (-)
On-off service Butterfly Valves	No.	<b>50</b> (50)	- (2)	- (2)	- (41.38)	- (-)	- (-)
Vacuum Contactors and panels	No.	<b>400</b> (200)	<b>50</b> (110)	- (-)	- (-)	- (-)	- (-)
Spares for Different Products		- (-)	- (-)	- (-)	<b>61.19</b> (60.96)	- (-)	<b>83.84</b> (61.19)

(\*) Quantity includes captive consumption

**iv) IMPORTS CALCULATED ON C.I.F. BASIS**

Raw Materials

(₹ lakhs)

**3,145.97**

(425.51)

Capital Goods

**888.40**

(192.77)

**v) EXPENDITURE IN FOREIGN CURRENCIES**

Travelling Expenses

(₹ lakhs)

**54.79**

(32.26)

Interest and Financial Charges

-

(123.10)

Others

**490.66**

(325.80)

**vi) RAW MATERIALS CONSUMED**

a) Imported

(₹ lakhs)

% to Total  
Consumption**3,174.10****11.74**

(451.04)

(2.21)

b) Indigenous

**23,873.69****88.26**

(19,942.46)

(97.79)

**27,047.79****100.00**

(20,393.50)

(100.00)

**vii) EARNINGS IN FOREIGN EXCHANGE**

a) F.O.B Value of Exports

(₹ lakhs)

**1,347.71**

(1,450.80)

b) Dividend Received

**34.10**

(61.13)

(Previous year's figures are shown in brackets)



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## 21. Balance Sheet Abstract and Company's General Business Profile

### i) Registration Details :

Registration No. : 363  
 State code No. : 4  
 Balance Sheet Date : 31.03.2011

	As at 31-03-2011 ₹	As at 31-03-2010 ₹
<b>ii) Capital raised during the year</b>		
Public Issue	—	—
Right Issue	—	—
Bonus Issue	—	—
Private Placement	—	—
Preferential Allotment	4,14,41,280	—
Equity Warrants	1,09,97,500	—
<b>iii) Position of Mobilisation and Deployment of Funds</b>		
Total Liabilities	3,95,80,38,629	2,92,81,22,501
Total Assets	3,95,80,38,629	2,92,81,22,501
Paid up Capital	17,12,89,920	12,98,48,640
Equity Warrants	1,09,97,500	—
Reserves and Surplus	94,01,43,858	52,35,97,829
Secured Loans	1,21,07,90,662	91,33,67,246
Unsecured Loans	17,32,61,323	7,57,64,330
Deferred Payment Credits		
Guaranteed by the Banks	72,00,415	1,12,55,703
Net Fixed Assets	70,98,97,909	41,68,06,458
Capital Work in Progress	20,22,67,015	10,35,40,369
Investments	1,34,18,429	1,34,19,298
Net Current Assets	1,60,20,71,840	1,13,15,03,699
<b>iv) Performance of the Company</b>		
Turnover	3,86,76,00,577	2,93,69,49,554
Total Expenditure	3,71,54,35,421	2,81,48,27,440
Profit Before Tax	15,21,65,156	12,21,22,114
Balance Profit after Tax	11,86,29,717	8,07,19,570



# Jyoti Ltd.

Water • Power • Progress

	As at 31-03-2011 ₹	As at 31-03-2010 ₹
Earning per Share	8.08	6.22
Dividend Rate	12%	10%

v) **Generic Names of Four Principal Products/Services of the Company**

I.T.C. Code No.	Product Description
1. 356401000	Pumps
2. 360401000/360400300	Rotating Electric Machines
3. 360308000	Switchboards
4. 360301000	H.T. Circuit Breakers upto 36 KV

Note :

Figures for the previous year are regrouped/rearranged wherever necessary.

As per our Report attached  
**For V. H. Gandhi & Co.**  
Chartered Accountants  
Firm Reg. No.: 103047W

**Rahul N. Amin**  
Chairman & Managing Director  
Directors

**Vijay H. Gandhi**  
Proprietor  
M. No. 35581  
Vadodara  
30th June, 2011

**Ajay Kamdar**  
Vice President (Finance)  
**Suresh Singhal**  
Associate Vice President (Legal) &  
Company Secretary

**Mrs. T. R. Amin**  
**U. V. Desai**  
**B. J. Patel**

**Ms. K. R. Patel**  
**Dr. M. H. Mehta**  
**Dr. B. S. Pathak**  
Vadodara  
30th June, 2011

## CASH FLOW STATEMENT for the year ended 31st March, 2011

	2010-2011 ₹	2009-2010 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and non-recurring items	15,21,65,156	12,21,22,114
<b>Adjustments for</b>		
1. Depreciation	4,51,81,185	2,40,80,226
2. Interest charged to Profit & Loss Accounts	28,82,99,516	18,03,12,338
3. Gratuity Provision charged to Profit & Loss Account	1,94,31,416	1,61,45,168
4. Interest Received	(1,67,21,049)	(1,69,42,908)
5. Dividend Received	(34,24,861)	(62,14,472)
6. Loss on Sale of Fixed Assets (Net)	10,14,354	3,92,780
7. Gratuity / Contribution Paid	(3,50,54,762)	(2,51,11,906)
8. Profit on sale of investments	(7,381)	—
9. Provision for diminution in value of Investments	—	(16,959)
	<u>29,87,18,418</u>	<u>17,26,44,267</u>
Operating profit before change in working capital	45,08,83,574	29,47,66,381
<b>Movement in Working Capital</b>		
1. Inventories	(3,08,00,953)	(1,66,61,989)
2. Trade payable	17,38,07,142	22,95,63,558
3. Trade receivable	(42,38,91,789)	(47,76,91,995)
4. Loans and Advances	(4,20,72,723)	76,60,001
Net change in working capital	(32,29,58,323)	(25,71,30,425)
Cash Generated from Operations	<u>1,27,925,251</u>	<u>3,76,35,956</u>
Direct Taxes Paid (Net)	(4,83,94,947)	(1,87,83,505)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	79,530,304	1,88,52,451
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
1. Purchase of Fixed Assets	(44,08,55,044)	(23,37,66,319)
2. Proceeds from Sale of Fixed Assets	20,02,946	15,34,950
3. Sale of Investments	869	—
4. Interest Received	1,67,21,049	1,69,42,908
5. Dividend Received	34,24,861	62,14,472
6. Profit on sale of investments	7,381	—
<b>NET CASH UTILISED IN INVESTING ACTIVITIES</b>	<u>(41,86,97,938)</u>	<u>(20,90,73,989)</u>



	2010-2011 ₹	2009-2010 ₹
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
1. Proceeds from Issue of Equity Warrants/Equity Shares	37,50,82,845	—
2. Proceeds from Deferred Payment Creditors (Net)	(40,55,288)	(46,54,379)
3. Proceeds from Secured Loans (Net)	31,91,46,058	28,60,71,127
4. Proceeds from Unsecured Loans (Net)	9,74,96,993	7,42,64,330
5. Interest Paid	(31,00,22,158)	(15,22,41,289)
6. Dividend/ Dividend Tax Paid	(1,47,42,328)	—
<b>NET CASH GENERATED IN FINANCIAL ACTIVITIES</b>	<b>46,29,06,122</b>	<b>20,34,39,789</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>12,37,38,488</b>	<b>1,32,18,251</b>
Cash and Cash Equivalents as at 01/04/2010	25,50,72,813	24,18,54,562
Cash and Cash Equivalents as at 31/03/2011	37,88,11,301	25,50,72,813

Note : i) Previous year figures are regrouped wherever necessary.  
ii) Figures in brackets indicate negative figures.

As per our Report attached  
**For V. H. Gandhi & Co.**  
Chartered Accountants  
Firm Reg. No.: 103047W

**Vijay H. Gandhi**  
Proprietor  
M. No. 35581

Vadodara  
30th June, 2011

**Ajay Kamdar**  
Vice President (Finance)

**Suresh Singhal**  
Associate Vice President (Legal) &  
Company Secretary

**Rahul N. Amin**  
Chairman & Managing Director  
Directors

**Mrs. T. R. Amin**  
**U. V. Desai**  
**B. J. Patel**

**Ms. K. R. Patel**  
**Dr. M. H. Mehta**  
**Dr. B. S. Pathak**  
Vadodara  
30th June, 2011



# Jyoti Ltd.

Water • Power • Progress

## ATTENDANCE SLIP

**Regd. Office :** Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara - 390 003.

I, hereby record my presence at the SIXTY SEVENTH ANNUAL GENERAL MEETING of the Company to be held at Jyoti Ltd., Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara - 390 003 at 9.00 a.m. on THURSDAY, the 22nd September, 2011.

Signature : \_\_\_\_\_

Folio No./Client ID No. : \_\_\_\_\_ Name : \_\_\_\_\_

### Notes :

1. Only Shareholders/Proxies/Representatives are allowed to attend the Meeting.
2. Shareholders/Proxy desiring to attend the Meeting must complete this Attendance Slip and hand it over at the entrance duly signed.
3. Shareholders/Proxy desiring to attend the Meeting should bring his/her copy of the Annual Report for reference at the Meeting.



# Jyoti Ltd.

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## PROXY FORM

**Regd. Office :** Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara - 390 003.

I/We \_\_\_\_\_

of \_\_\_\_\_ in the District of \_\_\_\_\_

being Member/Members of the above named Company, hereby appoint \_\_\_\_\_

of \_\_\_\_\_ in the District of \_\_\_\_\_ (or failing him) \_\_\_\_\_

of \_\_\_\_\_ in the District of \_\_\_\_\_

as my/our Proxy to attend and vote for me/us and on my/our behalf at the SIXTY SEVENTH ANNUAL GENERAL MEETING of the Company to be held on THURSDAY, the 22nd September, 2011 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

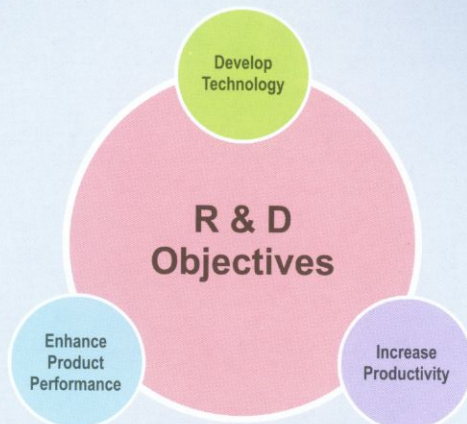
Folio No./Client ID No. : \_\_\_\_\_

No. of Shares : \_\_\_\_\_ Signature : \_\_\_\_\_

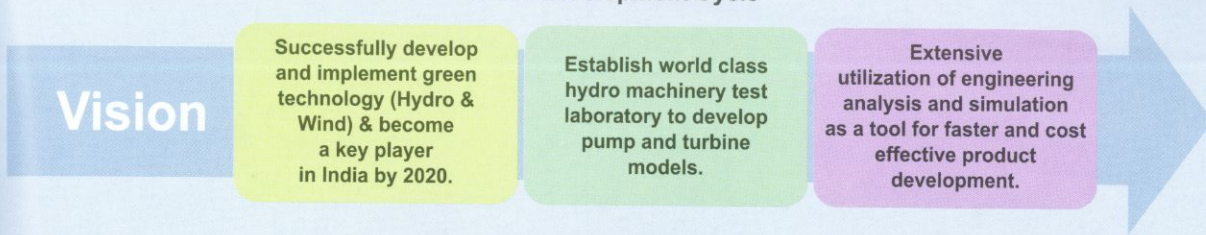


**Note :** This Proxy Form duly completed must be received at the Registered Office of the Company, Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara - 390 003 at least FORTYEIGHT HOURS before the time for holding the aforesaid Meeting. Proxy need not be a member.

# 'Jyoti' Research & Development



Model Development Cycle



Initial Sizing and Design



Engineering analysis and simulation



Manufacturing of Model on CNC machines



Experiments / Validation



Prototype



Book-Post

To,

**67th ANNUAL REPORT  
2010-11**

*If undelivered, please return to :*



**Jyoti Ltd.**

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Nanubhai Amin Marg, Industrial Area,  
P.O. Chemical Industries,  
Vadodara-390 003. (India)

E.Mail : [jyotiltd@jyoti.com](mailto:jyotiltd@jyoti.com)  
Website : <http://www.jyoti.com>

→ hmg 15038

67th Annual General Meeting on  
Thursday, the 22nd September, 2011  
at the Registered Office, Nanubhai Amin Marg,  
Industrial Area, P.O. Chemical Industries,  
Vadodara - 390 003.