



# **JYOTHI INFRAVENTURES LIMITED**

*(Formerly known as BOSS SECURITIES LIMITED)*

**17<sup>th</sup> ANNUAL REPORT  
2011-12**

## **BOARD OF DIRECTORS**

MRS.T.SAILAJA	-	MANAGING DIRECTOR
MR.CH.KRISHNAIAH	-	DIRECTOR
MR. CH. SUJAN	-	DIRECTOR
MR. R. MEGHANATH GOUD	-	DIRECTOR
MR. SAMBASIVA PRASAD EADARA	-	DIRECTOR

## **AUDITORS**

M/S. M.M. REDDY & CO.,  
CHARTERED ACCOUNTANTS, HYDERABAD

## **REGD. OFFICE**

2ND FLOOR, VARSUN BUILDING, PLOT NO.13,  
GUTTALA BEGUMPET, KAVURI HILLS, MADHAPUR,  
HYDERABAD-500081.  
PHONE: 90008 00101  
E-mail: [info@jyothiinfraventures.com](mailto:info@jyothiinfraventures.com)

## **LISTED AT**

BOMBAY STOCK EXCHANGE LTD.,  
DELHI STOCK EXCHANGE LTD.,  
AHMEDABAD STOCK EXCHANGE LTD.,  
MADRAS STOCK EXCHANGE LTD.,

## **REGISTRAR & SHARE TRANSFER AGENTS**

XL SOFTECH SYSTEMS LTD  
3, SAGAR SOCIETY, ROAD NO. 2,  
BANJARA HILLS, HYDERABAD-500034.  
PHONE NO.23545913, FAX:23553214

**BOOK - POST**  
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To

*If undelivered, please return to :*

**M/s. XL Softech Systems Ltd.**  
3, Sagar Society, Road No. 2,  
Banjara Hills, Hyderabad-500034.  
Phone No.23545913, Fax:23553214

## NOTICE TO MEMBERS

NOTICE is hereby given that the Seventeenth Annual General Meeting of M/s. Jyothi Infraventures Limited will be held on Wednesday the 4<sup>th</sup> July, 2012 at 11.00 A.M. at Registered Office of the Company at Plot No. 13, 2<sup>nd</sup> floor, Varsun Building, Guttala Begumpet, Kavuri Hills, Madhapur, Hyderabad – 500081 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2012 and the Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Mrs. T. Sailaja who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint a Director in the place of Mr. CH. Krishnaiah who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. M. M. Reddy & Co., Chartered Accountants as Auditors of the Company and to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:  
“RESOLVED THAT Mr. Sambasiva Prasad Eadara, who was appointed as additional director of the company pursuant to the provisions of section 260 of the Companies Act, 1956 by the board of directors w.e.f. 21<sup>st</sup> May, 2012 and who holds the office up-to date of the ensuing Annual General Meeting and in respect of whom the company has received a notice in writing under section 257 read with section 190 of the said Act, along with requisite deposit proposing him as candidate for the office of director of the company, be and is hereby appointed as a director of the company whose period of office is liable to be determined by retirement of directors by rotation.”
6. To consider and if, thought fit, to pass the following resolution, with or without modification(s), as a Special Resolution  
“RESOLVED THAT pursuant to the applicable provisions of the Companies Act,, 1956, the Securities Contracts (Regulation) Act, 1956, the listing Agreement(s) with the Stock Exchange(s) and pursuant to the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Guidelines, 2009 or any amendment, re-enactment or modification thereof and subject to such other approvals,

permissions and sanctions as may be necessary, and such other conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions or sanctions, which may be agreed to by the Board of directors of the Company (the Board) or any Committee / person(s) authorized by the Board, consent be and is hereby accorded to de-list the Equity shares of the company from the Delhi Stock Exchange Limited, Ahmedabad Stock Exchange Limited, and Madras Stocks Exchange Limited, subject to approval of Members in the General Meeting.”

For and on behalf of the Board

Sd/-

T. Sailaja

Managing Director

Place: Hyderabad

Date: 21-5-2012

## NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote on a poll instead of himself / herself and the Proxy need not be a member of the Company.
2. Proxies, in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 30<sup>th</sup> June, 2012 to 4<sup>th</sup> July, 2012 (Both days inclusive).
4. Members are requested to notify immediately any change in their address to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
5. Members, who hold shares in de-materialized form, are requested to bring their Client ID and DP IDs for easier identification of attendance at the meeting.
6. Members are requested to kindly bring their copies of the Annual Report to the meeting. As a measure of economy, copies of Annual Report will not be distributed at the AGM.
7. As part of Green Initiative in Corporate Governance the Ministry of Corporate Affairs (MCA), Government of India vide its Circular has allowed paperless compliances by Companies inter-alia stating that if the Company sends official documents to their shareholders electronically, it will be in compliance with the provisions of Section 53 of the Companies Act, 1956. Keeping in view shareholders are requested to update their E-Mail ID with their DP.

As you all may be aware, the Ministry of Corporate Affairs (MCA) had undertaken a “Green Initiative in Corporate Governance” (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode, whereby the companies have been permitted to send various notices/documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/CFD/DIL/2011 dated October 5, 2011, have also, in line with the aforesaid MCA circulars, permitted listed entities to supply soft copies of full annual reports to all those shareholders who have registered their email addresses for the purpose. This move by the MCA and SEBI is a welcome measure since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment.

In view of the Green Initiatives announced as above, the Company shall send all documents (to Shareholders) like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors’ Report, Auditors’ Report and any other communication in future (hereinafter referred as “documents”) in electronic form, in lieu of physical form, to all those shareholders, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter “registered email address’) and made available to us, which has been deemed to be the shareholder’s registered email address for serving documents including those covered under Section 219 of the Companies Act, 1956(the Act) read with Section 53 of the Act and Clause 32 of the Listing Agreement executed with the Stock Exchanges.

To enable the servicing of documents electronically to the registered email address, we request the shareholders to keep their email addresses validated/updated from time to time.

Nevertheless with a view to bring in lasting awareness amongst shareholders on the Green Initiatives, we wish to reiterate that Shareholders holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Shareholders holding shares in physical form have to write to our RTA, M/s XL SOFTECH SYSTEMS LIMITED at their address specified below, so as to update their registered email address from time to time.

XL SOFTECH SYSTEMS LIMITED  
Unit: Jyothi Infraventures Limited  
3, sagar Society, Road No.2, Banjara Hills  
Hyderabad - 500034  
Telephone: +91-40-23545913 Fax: +91-40-23553214  
Email: [xlfield@rediffmail.com](mailto:xlfield@rediffmail.com)

Please note that the Annual Report of the Company will also be available on the Company’s website [www.jyothiinfraventures.com](http://www.jyothiinfraventures.com) for ready reference. Shareholders are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the shareholder, any time, as a member of the Company.

8. *Corporate Identification Number allotted to the Company by the Ministry of Corporate Affairs is L45203AP1995PLC019867*

## Explanatory Statement

(Pursuant to Section 173(2) of the Companies Act, 1956)

### Item No. 5: Regularisation of the Appointment of Mr. SAMBASIVA PRASAD EADARA

The members may note that Mr. Sambasiva Prasad Eadara was inducted into Board as an Additional Director of the company, with effect from 21<sup>st</sup> May, 2012 pursuant to the provisions of section 260 of the Companies Act, 1956 and holds the office as such up to the date of ensuing Annual General Meeting. The company has received notice in writing from a member of the company along with the requisite deposit under Section 257 read with section 190 of the Companies Act, 1956 proposing the candidature of the above said person for the Office of Director whose period of office is determinable by retirement of Directors by rotation.

Mr. Sambasiva Prasad Eadara is Master in Arts and Master in Business Administration and having 24 years of experience in Marketing and Logistics management. Now he is working as a Programme Manager in IT related company.

As per the provisions of section 257 of the Act, any such proposal ought to be approved by the members in their General Meeting.

The Board recommends the resolution for your approval.

None of Directors except Mr. Sambasiva Prasad Eadara may be deemed to be concerned or interested in the resolution.

### ITEM NO. 6

The Equity shares of the Company are presently listed on Bombay Stock Exchange Limited, Mumbai, Delhi Stock Exchange Limited, Delhi, Ahmedabad Stock Exchange Limited, Ahmedabad and Madras Stock Exchange Limited, Chennai

The trading of Company's shares on the BSE who have extensive network of nationwide trading terminals, are in nominal volumes and in the case of Delhi Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Madras Stock Exchange Limited, the trading volumes in the company's shares are nil/in-significant. Hence the continued listing of the Equity Shares of the Company on Delhi Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Madras Stock Exchange Limited neither serves the interest of the Members/Investors nor that of the Company.

The Board of your Company at its meeting held on 21<sup>st</sup> May, 2012, has recommended for voluntary delisting of shares of the Company from Delhi Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Madras Stock Exchange Limited subject to your approval. The shares will however be continued to be listed and traded on Bombay Stock Exchange Ltd., and therefore delisting from the Delhi Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Madras Stock Exchange Limited will not have any major effect on the trading volumes of your Company's shares. Further the said delisting will result in administrative convenience.

The Securities and Exchange Board of India (Delisting of Equity Shares) Guidelines, 2009, provides option to a Company to voluntarily delist its securities, without offering an exit opportunity to its shareholders, if the Company continues to be listed on Stock exchange(s) having nationwide terminals. Your Company complies with this condition and is therefore eligible to voluntarily delist its securities from Delhi Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Madras Stock Exchange Limited .

The Securities and Exchange Board of India (Delisting of Equity Shares) Guidelines, 2009 authorises the Board of Directors to take decision but the board of directors have decided to take the approval of members in the General Meeting by way of a special resolution.

Your Directors recommend the Special Resolution for the approval of the members.

None of the Directors of your Company are in any way concerned or interested in this resolution.

**Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, following information is furnished about the Directors proposed to be appointed/reappointed.**

Brief particulars of Directors, Name of Companies in which they hold Directorships and their Shareholding in the Company are provided below:

- a) Smt. T. Sailaja, aged about 46 years is M.Com., and has more than 15 years experience in Administration & Finance in Dairy and Hospitality fields. She is also a Director of Jyothi Steel Industries (India) Private Ltd., and she holds 3946600 Equity Shares in the Company as on 31st March, 2012.
- b) Mr. Ch. Krishnaiah, aged about 62 years is Mining Engineer and has more than 30 years experience in Singareni Collieries Company Ltd., as a Mining Engineer and retired as Chief General Manager. He is also a Director of Jyothi Steel Industries (India) Private Ltd., He does not hold any shares in the Company as on 31st March, 2012.
- c) Mr. Eadara Sambasiva Prasad, aged about 50 years is Master of Arts of Business Administration and has more than 20 years experience in Marketing & Logistics Management. Presently he is working as Programme Manager in a IT related Company. He does not have any directorships in any company. He does not hold any shares in the Company as on 31st March, 2012.



**DIRECTORS' REPORT**

Dear Shareholders,

Yours Directors have pleasure in presenting the Seventeenth Annual Report of the Company for the financial year ended 31st March, 2012.

**FINANCIAL RESULTS:**

The performance of the Company for the financial year ended 31<sup>st</sup> March, 2012 is summarized below:

	(Rs.) 2011-12	(Rs.) 2010-11
Income	19,32,185	1,46,87,894
Profit/(Loss) before Tax	(18,34,925)	(3,48,72,584)
Less: Provisions for Tax	--	--
Less: Provision for Defferred Tax	(1,22,95,836)	--
Profit/(Loss) After Tax	1,04,60,911	(3,48,72,584)

**OPERATIONS:**

In the last financial year your company has diversified into construction and infrastructure business and got some orders for earth work & laying of roads etc. and is taking firm steps to increase the business in civil contract works. Now there is a proposal to process, trade and dealing of construction goods and products and mining activity related to construction. There is a proposal to alter the main objects of the Company, subject to necessary approvals/permissions.

The efforts of the Management to enter into Metal Crushing activity has been successful and the Company has identified and also entered into lease agreement for metal crushing. The management is expecting to start commercial production within short period.

**DIVIDEND:**

Your directors do not recommend any dividend for the financial year.

**PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling within the meaning of Sec.58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

**LISTING:**

The equity shares of your company are listed on the Bombay Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange and Ahmedabad Stock Exchange.

**DIRECTORS:**

In accordance with the provisions of Section 256 of the Companies Act, 1956, and the provisions of the Articles of Association of the Company, Smt. T. Sailaja & Mr. Ch. Krishnaiah, Directors retire by rotation at the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. Mr. Sambasiva Prasad Eadara has been appointed as Additional Director with effect from 21st May, 2012 and now it is proposed to regularize his appointment as Director.

## **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Sec.217 (2AA) of the Companies Act, 1956 the Board of Directors of your Company hereby certifies and confirms that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the Annual accounts on a going concern basis.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO**

The required information as per Sec.217 (1) (e) of the Companies Act 1956 is provided hereunder:

### **A. Conservation of Energy**

The Company is making all efforts for conservation of Energy. Every effort is made so that optimum conservation of energy in all areas of operations is ensured. Efforts are also made towards minimizing wastage in all areas of operations of the Company. There are no additional investment proposals for reduction in consumption of energy. Since the Company uses electric energy for its equipment such as air conditioners, computer terminals, lighting and utilities in the work premises. All possible measures have been taken to conserve the energy, by incorporating energy efficient equipment, the information to be furnished regarding consumption of energy and consumption of energy per unit of production, as per Form A of the relevant rules are not applicable.

### **B. Research and Development**

1. Research and Development (R&D) : N.A.

The operations of the Company do not require any specific R & D.

However, the Company endeavours to keep itself abreast of the latest technological and other developments occurring in the industry and adopt the same.

### **C. Technology Absorption**

1. Research and Development (R&D) : Nil

2. Technology absorption, Adoption and innovation : Nil

### **C. Foreign Exchange Earnings and Out Go**

Foreign Exchange Earnings : Nil

Foreign Exchange Outgo : Nil

## **PARTICULARS OF EMPLOYEES**

None of the employees is in receipt of remuneration exceeding the limit and whose particulars are required to be given as prescribed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

## **FORFEITURE OF SHARES**

During the financial year the Company has forfeited 8,40,500 partly paid equity shares of the Company due to non-receipt of balance amount.

## **CODE OF CONDUCT**

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

## **AUDITORS**

M/s. M.M. Reddy & Co, Chartered Accountants retire at the ensuing Annual General Meeting and being eligible has expressed their willingness for re-appointment. Your directors propose the appointment of M/s. M.M. Reddy & Co, Chartered Accountants, as statutory auditors to hold office until the conclusion of the next Annual General Meeting of the company.

## **CORPORATE GOVERNANCE**

As a listed company, necessary measures have been taken to comply with the listing agreements of Stock Exchanges. A report on Corporate Governance, along with a certificate of compliance from the Auditors, Forms part of this Report as Annexure.

## **ACKNOWLEDGEMENTS**

Your directors would like to express their grateful appreciation for assistance and co-operation received from clients, banks, investors, Government, other statutory authorities and all others associated with the company. Your directors also wish to place on record their deep sense of appreciation for the excellent contribution made by the employees at all levels, which enabled the company to achieve sustained growth in the operational performance during the year under review.

### **Declaration by Managing Director of affirmation by Directors and senior Management personnel of compliance with the code of conduct**

The shareholders

I, T. Sailaja, Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board

Place: Hyderabad  
Date: 21-5-2012

Sd/-  
T. Sailaja  
Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Infrastructure development is slower than the needs of an economy and there has been a considerable slowdown in development in the infrastructure sector. Initially the real estate sector in India assumed great prominence with the liberalization of the Economy. The increase in business opportunities and workforce migration led to rising demand for commercial and housing space. The real estate and construction sectors played a crucial role in the overall development of India's core infrastructure. The real estate Industry's growth was linked with the overall development of other sectors like retail, hospitality, entertainment industry, information technology and allied services. For the last 4 years the industry faced one of the worst recessions of all time.

The Government has already identified the problems facing by the industry and emphasized the need of massive investment in infrastructure based on combination of public private partnerships and giving support to these partnerships.

### 2. OPPORTUNITIES & THREATS

#### OPPORTUNITIES:

We continue to remain optimistic about the long-term opportunities that it will offer across sectors. Considering the critical need of developing infrastructure in the Country, construction activities are crucial for creating physical infrastructure in the country. The Cumulative investment in infrastructure in the current Five year plan is targeted at around \$1 trillion and nearly half of this investment will be going to construction projects. There is considerable long term business scope for players in the construction business. Your Company is also geared to make of this opportunity by entering into metal crushing business for manufacture of stone sand and other allied products.

#### THREATS:

The Construction industry in India was significantly affected by the global economic slowdown. Even though the Indian economy has shown some resilience in the past couple of years and finally hit the recession due to economic recession in European countries. interest rates, can have a direct impact on the performance of the real estate sector and the Company. Current economic situation may have an adverse impact on construction Industry. Political instability, lack of political willingness in the region and late legislative enforcement measures are always threats to any Industry in India. Competitors are also emerging in the industry by leaps and bounds.

### 3. FUTURE OUTLOOK:

Your Company has prudent strategy and competent people with expertise to deliver planned results. Your Company is mainly engaged in sub contracting of various civil works in Andhra Pradesh. The Construction industry is an integral part of the economy. As an Industry the Growth of the construction sector having plenty of Possibilities for development in the future. Government is proposed to invest heavily on infrastructure during the current 12th plan. Now the Company is making efforts to enter into metal crushing business apart from sub contracting of civil works to utilize the opportunities in the infrastructure field.

## 4. RISKS & CONCERNS

The cost of all construction materials has gone up by 20 % while the cost of labour has also gone up Substantially. The rise in fuel prices has also pushed up the cost of contracts for executing Contract works. Lack of trained manpower and managerial skills with performance below international level. Small and medium contractors do not have the capacities to upgrade their capability. Quality, safety, environment and social aspects are also not being addressed appropriately. Lack of clearly defined processes and procedures for construction and its management.

## 5. INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems commensurate with the size and nature of business of the Company.

The internal control system is constantly assessed and strengthened with tighter control procedures. The Internal Control systems ensure effectively of operations, compliance with internal policies and applicable laws and regulations, protection of resources and assets, and accurate reporting of financial transactions.

The Audit Committee periodically reviews the adequacy and efficacy of the said internal control systems.

All the issues relating to internal control systems are resolved by the Audit Committee.

## 6. SHARE CAPITAL

During the year under review, there was no further issue of shares. The Paid up Capital of the Company stands at Rs.515.96 lakhs as on 31-03-2012. During the financial year the Company has forfeited 8,40,500 partly paid equity shares of the company due to non receipt of balance amount.

## 7. HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company currently has adequate manpower and personnel to conduct the business without any complications or hindrances. The Company recognises the importance and contribution of the employees. Human resource is viewed to be as one of the most important factor in the growth process with a view to cross further frontiers in business performance, the Company strives to organise training modules for understanding and improving the core skills of the employees. The overall human and industrial relations have remained peaceful and composed during the year. The Company is currently working on providing much better and comfortable working environment and training regimes to the employed personnel.

## 8. SENIOR MANAGEMENT DISCLOSURES

The Company's Senior management makes disclosures to the Board relating to all material financial and commercial transactions as and when they occur.

## 9. CAUTIONARY STATEMENT

Statements in the management discussion and analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

## CORPORATE GOVERNANCE REPORT

### 1. Company's Philosophy on Code of Governance

The Board of Directors of the company believes in and fully supports the principles of Corporate Governance. While striving to achieve the financial targets, the company seeks to follow the business principles and ethics and in all its dealings. The company has been regularly implementing the best practices of corporate governance in order to attain total transparency, accountability and integrity.

In accordance with the requirement of Stock Exchange Regulations and the provisions of the Listing Agreement, the compliance report on the corporate governance is reproduced here under:

### 2. Board of Directors:

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

Composition:

The Board comprises of 1 executive director and 4 non-executive independent directors. The following is the Composition of the Board;

Sl. No.	Name and category of directors	No. of directorships held in other Companies	No. of Memberships/ Chairmanships held in Committees of other Companies
1.	T. Sailaja Promoter, executive	1 [Director in Jyothi Steel Industries (India) Private limited]	Nil
2.	Ch. Sujan Independent, Non-executive	1 [Director in Avalanches Infratech Private limited]	Nil
3.	*Ch.Krishnaiah Independent, Non executive	1 [Director in Jyothi Steel Industries (India) Private limited]	Nil
4.	**R. Meghanath Goud Independent, Non Executive	Nil	Nil
5.	# G. S. Raju Non independent, executive	Nil	Nil
6.	*** Sambasiva Prasad Eadara Independent, Non Executive	Nil	Nil

\* Appointed w.e.f. 05.04.2011

\*\* Appointed w.e.f. 10.08.2011

# Resigned w.e.f. 10.08.2011

\*\*\* Appointed w.e.f. 21.05.2012

## Board Meetings

During the Financial Year 2011-2012, the Board of Directors met 8 times on the following dates: 05.04.2011, 11.05.2011, 25.07.2011, 10.08.2011, 31.08.2011, 14.11.2011, 15.02.2012 and on 29.03.2012

The gap between the Board Meetings does not exceeded four months.

The Attendance of Directors at these Board Meetings and at the previous Annual General Meeting was under:

Name of the directors	No of meetings held during the tenure of the Director	No of meetings attended by the Director	Whether present at the previous AGM
T. Sailaja, Promoter, executive	8	8	Yes
Ch. Sujan Independent, Non-executive	8	8	Yes
*Ch.Krishnaiah Independent, Non executive	7	7	<b>No</b>
**R. Meghanath Goud Independent, Non Executive	4	4	No
# G. S. Raju Non independent, executive	3	3	No
*** Sambasiva Prasad Eadara Independent, Non Executive	-	-	-

\* Appointed w.e.f. 05-04-2011

\*\* Appointed w.e.f. 10-08-2011

# Resigned w.e.f. 10-08-2011

\*\*\* Appointed w.e.f. 21-05-2012

## 3. Audit Committee

The Audit Committee was formed by the Board of Directors. The terms of reference of this committee cover the matters specified in the clause 49 of the Listing Agreement and as may be referred to the committee by the Board of Directors of the company.

Composition, name of Members and Chairman:

Name	Designation	Category
Mr. Ch. Sujan	Chairman	Independent, non- executive
**Mr. Ch.Krishnaiah	Member	Independent, non- executive
***Mr. R. Meghanath Goud	Member	Independent, non- executive
Mrs. T. Sailaja	Member	Promoter, Executive

\*\* Appointed w.e.f.05.04.2011

\*\*\* Appointed w.e.f.10.08.2011

Statutory Auditors are invitees to the meeting. The total number of meetings held is 4 on 11-05-2011, 25-07-2011, 14-11-2011 and 15-02-2012.

**Meetings and attendance during the year**

Name	No. of meetings held during the tenure of the director	Attendance
Mr. Ch. Sujan	4	4
**Mr. Ch. Krishnaiah	4	4
***Mr. R. Meghanath Goud	2	2
Mrs. T. Sailaja	4	4

\*\*appointed w.e.f. 05-04-2011

\*\*\* appointed w.e.f. 10-08-2011

**4. Shareholders/Investors Grievance Committee**

Shareholders/Investors Grievance Committee was formed by the Board of Directors in terms of clause 49 of the Listing Agreement.

*The Shareholders/Investors Grievance Committee was constituted with the following persons:*

Mr. Ch. Krishnaiah	-	Chairman
Mrs. T. Sailaja	-	Member
Mr. R. Meghanath Goud	-	Member
Mr. Ch. Sujan	-	Member

The committee looks into the matters relating to the shareholder's complaints, grievances, various requests in the nature of transfer, transmission, Review of dematerialised/rematerialised shares and all other related matters. Monitors expeditious redressal of Investor grievance matters received from Stock Exchanges, SEBI, ROC, etc. Monitors redressal of queries/complaints received from shareholders relating to transfers, non-receipt of Annual Report, dividend etc. and all other matters related to shares/debentures. Also overseeing the performance of the Registrar & Transfer agents to improve the quality of investor services. During the year one investor complaint was received and resolved. The Committee met four times during the year on 11-05-2011, 25-07-2011, 14-11-2011 and 15-02-2012.

**5. Remuneration Committee**

The committee was constituted with the following Directors for determining the remuneration packages of Executive / Non-Executive Directors. The Committee met 1 time during the year on 31.08.2011.

*The Company is having a remuneration committee comprising of the following:*

Mr. Ch. Sujan	-	Chairman
Mrs. T. Sailaja	-	Member
Mr. R. Meghanath Goud	-	Member
Mr. Ch. Krishnaiah	-	Member



Details of remuneration for the year ended 31.03.2012

Name of the Directors	Executive/Non-Executive/Independent	Salary & Perks	Sitting Fees	Commission	Loans from Company	Stock Options
T. Sailaja	Promoter and Executive Director	Nil	Nil	Nil	Nil	Nil
Ch. Sujana	Non Executive Independent Director	Nil	Nil	Nil	Nil	Nil
Ch.Krishnaiah	Non Executive Independent Director	Nil	Nil	Nil	Nil	Nil
R. Meghanath Goud	Non Executive Independent Director	Nil	Nil	Nil	Nil	Nil
G. S. Raju	Non Executive Independent Director	Nil	Nil	Nil	Nil	Nil
Sambasiva Prasad Eadara	Non Executive Independent Director	Nil	Nil	Nil	Nil	Nil

## 5a. Related Party Transactions:

Related party transactions during the financial year has mentioned in the Notes on Accounts under Note No. 13.

## 6. Information on General Body Meetings:

The last 3 Annual General Meetings were held as under:

Date	Time	Venue
30-09-2011	11.00 A.M.	Plot No. 13, Varsun Building, Guttalabegumpet, Kavuri Hills, Madhapur, Hyderabad-500 081
30-09-2010	2.30 P.M.	Plot No. 13, Varsun Building, Guttalabegumpet, Kavuri Hills, Madhapur, Hyderabad-500 081
30-09-2009	2.30 P.M.	Plot No. 110, Road No. 10, Jubilee Hills, Hyderabad – 500033

## 7. Disclosures

- i) There are no materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or their relatives etc. that may have potential conflicts with the interest of the company at large; The transactions with related parties are disclosed under Note No.13 in the Notes on Accounts forming part of the Annual Report.
- ii) During the Financial year, the SEBI has levied penalty of Rs. 1,50,000/- against the Company for violation of the provisions for regulation 6(2), 6(4), 8(3) of the takeover regulations vide their Adjudication Order reference No. EDA-6/BM/VRP/23887/2011 dated 22-7-2011. The Company has paid Rs.1,50,000/- penalty vide D.D. No. 595349 dated 20-8-2011 drawn on Karur Vysya Bank.

- iii) The Company has also paid a sum of Rs.16,54,500/- to Bombay Stock Exchange towards re-instatement fees for permission of trading of Shares in Bombay Stock Exchange vide D.D. No. 057794 dated 14-10-2011 drawn on Axis Bank. The Bombay Stock Exchange has permitted the trading of Shares of the Company with effect from 16-12-2011.
- iv) The Company has complied with all the mandatory requires of Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

## 8. Means of Communication:

As per the listing requirements quarterly, half yearly and yearly financial results of the Company are published in leading English and regional newspapers (Business Standard, Financial Express, Andhra Bhoomi and Andhra Prabha) for public information.

## 9. General Shareholder Information

### i) Annual General Meeting

Date : 04.07.2012

Time : 11 A.M.

Venue : Plot No.13, 2nd Floor, Varsun Building, Guttala Begumpet, Kavuri Hills, Madhapur, Hyderabad-500081

### ii) Financial Calendar

Financial Reporting for 2012-2013 (tentative)

The first quarter results                      On or before 14.08.2012

The second quarter results                      On or before 14.11.2012

The third quarter results                      On or before 14.02.2013

The Fourth quarter results                      On or before 14.05.2013

iii) **Book Closure** : 30th June 2012 to 4th July 2012 (both dates inclusive).

iv) **Dividend Payment** : The Board has not recommended any dividend.

### v) Listing on Stock Exchanges

Shares of the Company are listed on the Bombay Stock Exchange, Ahmedabad Stock Exchange, Madras Stock Exchange and Delhi Stock Exchange.

The Listing Fees for the year 2012-13 has been paid to all the Stock Exchanges.

### vi) Market Price Data

There is no trading of scrips of the company on the Ahmedabad Stock Exchange, Madras Stock Exchange and Delhi Stock Exchange.

Market price data High/low during each month of the Financial Year 2011-12 in the Bombay Stock Exchange:

Month	High (in Rs. per Share)	LOW (in Rs. per Share)
December, 2011	49.50	49.50
January, 2012	49.50	47.05
February, 2012	44.70	24.00
March, 2012	23.55	21.40

Note: The suspension of trading of shares has been revoked with effect from 16th December, 2011.

**vii) FORFEITURE OF SHARES:** The Company has forfeited 8,40,500 partly paid equity shares on 29<sup>th</sup> March, 2012 on non receipt of balance payment.

**viii) Distribution of Equity Shares as on 31-03-2012**

Shareholdings of Nominal Value of Rs.	Share Holders		Share Amount	
	Nos	%	in Rs.	%
upto 5,000	137	40.65	5,51,050	1.07
5,001 - 10,000	150	44.52	13,25,950	2.57
10,001 - 20,000	10	2.97	1,45,000	0.28
20,001 - 30,000	5	1.48	1,44,000	0.28
30,001 - 40,000	2	0.59	70,000	0.14
40,001 - 50,000	2	0.59	90,000	0.17
50,001 - 1,00,000	6	1.78	4,41,000	0.85
1,00,000 & above	25	7.42	4,88,29,000	94.64
<b>Total</b>	<b>337</b>	<b>100.00</b>	<b>5,15,96,000</b>	<b>100.00</b>

**ix) Shareholding pattern as on 31st March, 2011**

Particulars	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and Promoter group		
1.	Promoters & Persons Acting in concert	39,46,600	76.49
	<b>Sub-Total A</b>	<b>39,46,600</b>	<b>76.49</b>
B	Public Shareholding		
1.	Institutions	—	—
2.	Non Institutions		
	a. Indian Public and others	12,13,000	23.51
	<b>Sub Total B</b>	<b>12,13,000</b>	<b>23.51</b>
	<b>Grand Total (A+B)</b>	<b>51,59,600</b>	<b>100.00</b>

- x) (b) Shareholding pattern of Non-Executive Directors / Non-Executive do not hold any equity shares.

**xi) Registrars and Transfer Agents**

**XL Softech Systems Ltd.**

3, Sagar Society, Road No. 2,  
Banjara Hills, Hyderabad-500034.  
Phone No.: 23545913, Fax:23553214

**xii) Delegation of Share Transfer Formalities**

The Board has delegated share transfer formalities to the Registrars and Transfer Agents:

**XL Softech Systems Ltd.**

3, Sagar Society, Road No. 2,  
Banjara Hills, Hyderabad-500034.

All communications regarding Share Transfers, Transmissions, Change in Address and any other correspondence etc., may be addressed to the Registrars & Transfer Agents. The company has constituted Share Transfer Committee. Physical transfers are effected within the statutory period of one month. **The Board has designated Mrs. T. Sailaja as the Compliance Officer.** Hence, in case of any grievances the shareholders are free to approach the Share Transfer Committee for due redressal of their grievances. The Company has created an exclusive E-mail ID for the benefit of the share holders: ***rambabu@jyothiinfraventures.com***.

**xiii) Dematerialization of shares**

The Company's shares are dematerialized on National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited. The Company's ISIN is INE681K01018. As on 31<sup>st</sup> March, 2012 - 45,94,400 equity shares are dematerialised which is 89.05% of the paid up capital of the Company and out of which 47,200 shares are in CDSL and 45,47,200 shares are in NSDL and the balance are in physical form.

**xiv) Address for Correspondence**

The Shareholders may correspond with the Company for the redressal of their grievances, if any to the Registered office of the company as detailed below:-

Plot No. 13, 2nd Floor, Varsun Building, Guttala Begumpet, Kavuri Hills, Madhapur,  
Hyderabad-500081

email: [rambabu@jyothiinfraventures.com](mailto:rambabu@jyothiinfraventures.com)

## AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The company has obtained a certificate from the Auditors of the Company regarding compliances of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges. The said Corporate Governance is as under:

### CERTIFICATE

To

The members of

JYOTHI INFRAVENTURES LIMITED

We have examined the compliance of conditions of Corporate Governance by JYOTHI INFRAVENTURES LIMITED, for the period of 12 months ended on 31<sup>st</sup> March 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges of India.

The compliance conditions of Corporate Governance are the responsibility of the management. Our examination was limited to a review of the procedures and implementation there of, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that the Company has certified that as on 31<sup>st</sup> March 2012 there were no investor grievances remaining unattended/pending for a period exceeding one month.

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

Place: Hyderabad

Date : 21-05-2012

For **M M REDDY & CO.,**  
Chartered Accountants  
Firm Registration No. 010371S  
Sd/-  
M. Madhusudhana Reddy  
Partner  
M.No. 213077

## MANAGING DIRECTOR CERTIFICATE

*Managing Director certificate as per Clause 49(V) of the Listing Agreement:*

Dear Shareholder,

I, T. Sailaja, Managing Director of M/s Jyothi Infraventures Limited certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) These statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of Company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. We indicate to the Auditors and to the Audit Committee:
  - (a) Significant changes in internal controls over financial reporting during the year;
  - (b) Significant changes in the accounting policies during the year;
  - (c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

For and on behalf of the Board

Place: Hyderabad  
Date: 21-05-2012

Sd/-  
T. Sailaja  
Managing Director

## AUDITORS' REPORT

### TO

The Members of

### Jyothi Infraventures Limited

(Formerly known as Boss Securities Ltd)

Hyderabad.

1. We have audited the attached Balance Sheet of Jyothi Infraventures Limited as at 31st March, 2012, the Profit and Loss Account and 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 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies Auditors' Report order (CARO) 2003 as amended by the Companies (Auditors report) (Amendment) Order,2004, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, We enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above,
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, the Profit and Loss account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
  - e) On the basis of information and explanations given to us and representations received from the Directors of the company as on 31st March, 2012 and taken on record by the Board of Directors, We report that none of the Directors are disqualified as on 31st March, 2012 from being appointed as Director of the company under Section 274 (1) (g) of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said statements together with the notes thereto, 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2012
    - (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 Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Hyderabad

Date : 21-05-2012

For **M M REDDY & CO.**,  
Chartered Accountants  
Firm Registration No. 010371S  
Sd/-  
M. Madhusudhana Reddy  
Partner  
M.No. 213077

## **ANNEXURE TO AUDITORS' REPORT**

**(Referred to paragraph 3 of our Report of even date)**

1. The Company has maintained reasonable records showing full particulars including quantitative details and situation of its fixed assets. However as at the end of the financial year, as at 31st March 2012, the net values of the fixed assets are nil.
2. In our opinion and according to the information and explanations given to us, the Company not having any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable to the Company.
3. As informed the Company has neither granted nor taken any loans, secured or unsecured to and from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 4(III) (b) to (d) of the Order are not applicable.
4. On the basis of checks carried out during the course of audit and as per explanations given to us, we are of the opinion that there are adequate internal control procedures commensurate with the size of the company and the nature of its business; for the purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
5.
  - a) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to enter into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rupees five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits with in the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. To the best our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Section 209 (i) (d) of the of the Companies Act, 1956 in respect of the Company's nature of business.
9.
  - (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Wealth Tax, Customs Duty, Excise duty, cess and other material statutory dues applicable at the end of the year for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no income tax, wealth tax, sales tax, customs duty and excise duty, which have not been deposited on account of any dispute. There were no dues on account of cess under 441A of the Companies Act 1956, since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.
10. The company having the accumulated losses of Rs.2,13,76,340/- at the end of the financial year and it has incurred cash losses during the current financial year covered by our audit and incurred cash loss immediately preceding financial year.



11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company did not have any outstanding dues to financial Institutions, Banks or Debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The company is not in the business of dealing or trading in shares, securities, debenture and other instruments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not taken term loans from banks.
17. Based on our examination of the balance sheet of the company as at 31.03.2012, since there are no loans availed by the company, the utilization of funds does not arise.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. During the year covered by our audit report, the Company does not have any outstanding debentures during the year.
20. During the year the company has not raised money through the Public Issue.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Hyderabad  
Date : 21-05-2102

For **M M REDDY & CO.,**  
Chartered Accountants  
Firm Registration No. 010371S  
Sd/-  
M. Madhusudhana Reddy  
Partner  
M.No. 213077

## BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	NOTE NO.	YEAR ENDED 31-03-2012 RS.	YEAR ENDED 31-03-2011 RS.
<b>I. SOURCES OF FUNDS:</b>			
<b>1. Shareholders Funds:</b>			
a) Share Capital	1	5,15,96,000	5,55,18,000
b) Reserves & Surplus	2	(2,13,76,340)	(3,6039,751)
c) Money received against share warrants		--	--
<b>2. Share Application money pending allotment</b>	3	--	--
<b>3. Non-Current Liabilities</b>			
a) Long-term borrowings	4	34,59,021	5,01,923
b) Defferred tax liabilities (net)	5	--	--
c) Other long term liabilities	6	--	--
d) Long term provisions	7	--	--
<b>4. Current Liabilities</b>			
a) Short term borrowings	8	--	--
b) Trade payables	9	7,52,182	1,22,86,956
c) Other current liabilities	10	--	--
d) Short term provisions	11	15,40,086	14,24,013
<b>Total</b>		<b>3,59,70,949</b>	<b>3,36,91,141</b>
<b>II. ASSETS</b>			
<b>1. Non-current Assets</b>			
a) Fixed Assets			--
i) Tangible assets	12	--	--
ii) Intangible Assets	13	--	--
iii) Capital work-in-progress		--	--
iv) Intangible assets under development		--	--
b) Non-current investments	14	1,71,46,350	1,71,46,350
c) Defferred tax assets (net)	5	1,22,95,836	--
d) Long term Loans and Advances	15	4,50,000	--
e) Other Non-current assets	16	17,36,085	17,36,085
f) Long Term Deposits		--	--
<b>2. Current Assets</b>			
a) Current investments	17	--	--
b) Inventories	18	--	--
c) Trade Receivables	19	30,11,031	1,43,44,534
d) Cash and cash equivalents	20	2,77,728	1,71,427
e) Short-term loans and advances	21	10,25,000	--
f) Othercurrent assets	22	28,919	2,92,745
<b>Total</b>		<b>3,59,70,949</b>	<b>3,36,91,141</b>
Summary of Significant Account Policies	33		

The accompanying Notes are an Integral part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For **M M REDDY & CO.,**

Chartered Accountants

Firm Regn. No. 010371S

Sd/-

**M. Madhusudhana Reddy**

Partner

Membership No. 213077

Place : Hyderabad

Date : 21-05-2012

For and on behalf of the Board

Sd/-

**T. Sailaja**

Managing Director

Sd/-

**Ch. Sujan**

Director

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	Note No.	YEAR ENDED	YEAR ENDED
		31-03-2012	31-03-2011
		Rs.	Rs.
I. Revenue from operations	23	14,45,950	1,46,37,254
II. Other income	24	4,86,235	50,640
<b>III. Total Revenue (I+II)</b>		<b>19,32,185</b>	<b>1,46,87,894</b>
<b>IV. EXPENSES</b>			
Cost of materials consumed	25	8,20,000	1,25,21,200
Purchase of Stock-in-Trade	26	--	--
Changes in inventories if finished goods, work-in-progress and Stock-in-Trade	27	--	--
Employee benefit expense	28	6,09,566	9,48,738
Other operating expenses	29	21,38,238	3,60,43,997
Administrative expenses	30	1,86,593	46,543
Financial costs	31	12,713	--
Depreciation and amortization expense	12&13	--	--
Other expenses	32	--	--
<b>Total expenses</b>		<b>37,67,110</b>	<b>4,95,60,478</b>
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		(18,34,925)	(3,48,72,584)
VI. Exceptional items		--	--
VII. Profit/(Loss) before extraordinary items and tax (V-VI)		(18,34,925)	(3,48,72,584)
VIII. Extraordinary items		--	--
IX. Profit/(Loss) before tax (VII-VIII)		(18,34,925)	(3,48,72,584)
X. Tax expense:			
1. Less: Current tax		--	--
2. Less: Defferred tax		(1,22,95,836)	--
XI. Profit/(Loss) from the period from continuing operations (IX-X)		1,04,60,911	(3,48,72,584)
XII. Profit/(Loss) from discontinuing operations		--	--
XIII. Tax expense of discontinuing operations		--	--
XIV. Profit/(Loss) from discontinuing operations (XII-XIII)		--	--
XV. Profit/(Loss) for the period (XI-XIV)		1,04,60,911	(3,48,72,584)
XVI. Earning per equity share:			
1. Basic		2.03	(6.28)
2. Diluted		2.03	(6.28)
Summary of Significant Account Policies	33		

The accompanying Notes are an Integral part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For **M M REDDY & CO.**,

Chartered Accountants

Firm Regn. No. 010371S

Sd/-

**M. Madhusudhana Reddy**

Partner

Membership No. 213077

Place : Hyderabad

Date : 21-05-2012

For and on behalf of the Board

Sd/-

**T. Sailaja**

Managing Director

Sd/-

**Ch. Sujan**

Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2012**

	Year Ended 31-03-2012 Rs.	Year Ended 31-03-2011 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit ( Loss) after Tax and prior period items	1,04,60,911	(3,48,72,584)
Depreciation	--	--
<b>Operating Profit before Working Capital Changes</b>	<b>1,04,60,911</b>	<b>(3,48,72,584)</b>
<b>Adjustment For</b>		
Trade Payables & Others	(1,14,18,701)	1,31,22,292
Trade Receivables	1,13,33,503	(1,43,44,509)
Loans & Advances	(12,11,174)	3,56,46,705
Deffered Tax asset	(1,22,95,836)	--
<b>Net Cash Flow from Operating Activity</b>	<b>(31,31,297)</b>	<b>(4,48,096)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net Cash Flow from Investing Activity	--	--
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Equity Share Capital	2,80,500	10,000
Proceeds from Unsecured Loans	29,57,098	5,01,923
<b>Net Cash Flow from Financing Activity</b>	<b>32,37,598</b>	<b>5,11,923</b>
<b>Net Cash Flow during the year (A+B+C)</b>	<b>1,06,301</b>	<b>63,827</b>
Opening Balance of Cash and Cash equivalent	1,71,427	1,07,600
Closing Balance of Cash and Cash equivalent	2,77,728	1,71,427

AS PER OUR REPORT OF EVEN DATE

For **M M REDDY & CO.,**

Chartered Accountants

Firm Regn. No. 010371S

Sd/-

**M. Madhusudhana Reddy**

Partner

Membership No. 213077

Place : Hyderabad

Date : 21-05-2012

**For and on behalf of the Board**

Sd/-

**T. Sailaja**

Managing Director

Sd/-

**Ch. Sujana**

Director

**NOTE NUMBERS TO BALANCE SHEET**

**NOTE NO. 1 : SHARE CAPITAL**

S.No.	Particulars	As on 31-03-2012		As on 31-03-2011	
		No. of Shares		No. of Shares	
a	Share Capital (For each class of capital)				
	(a) Authorised	62,50,000	6,25,00,000	62,50,000	6,25,00,000
	(b) Issued	51,59,600	5,15,96,000	60,00,100	6,00,01,000
	(c) Subscribed & Fully Paid Up	51,59,600	5,15,96,000	51,03,500	5,10,35,000
	(d) Subscribed & not fully paid up	--	--	8,96,600	44,83,000
	(e) Par value per share Rs. 10	--	--	--	--
	<b>Total Equity Share Capital</b>	<b>51,59,600</b>	<b>5,15,96,000</b>	<b>60,00,100</b>	<b>5,55,18,000</b>
b	Preference shares at the beginning as per class of shares		--		--
	Add : Issued/Repaid During the year		--		--
	Less : Repaid During the year		--		--
	Preference shares at the end of the Year		--		--
	<b>Total Share capital (Equity and Preference)</b>		<b>5,15,96,000</b>		<b>5,55,18,000</b>
c	calls unpaid :				
	Equity Shares				
	By Directors		--		--
	By Officers		--		--
d	Forfeited shares (amount originally paid up)	8,40,500	42,02,500		--
e	<b>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>				
		Number of Shares		Number of Shares	
	<b>Equity Shares of Rs.10Each, Fully paid up :</b>				
	At the Beginning		51,03,500		51,01,500
	Fully paid up during the year		56,100		2,000
	Issued during the year - Bonus Issue		-		-
	Issued during the year - Cash Issue		-		-
	Issued during the year - ESOP		-		-
	Forfeited / Bought Back during the year		-		-
	<b>At the end</b>		<b>51,59,600</b>		<b>51,03,500</b>
	<b>Preference Shares of Rs.10Each, Fully paid up :</b>				
	At the Beginning		-		-
	Issued during the year - Bonus Issue		-		-
	Issued during the year - Cash Issue		-		-
	Issued during the year - ESOP		-		-
	Forfeited / Bought Back during the year		-		-
	<b>At the end</b>		-		-

f	Details of Shareholder holding more than 5% shares of the company:	% of Share Holding	
		Share Holder - Rakesh Naval - No. Of Shares (C.Y.) : 1,48,000 No of Shares (P.Y.) : 3,52,000	2.87
Preference Shares of Rs. 10 each Held By Share Holder - - No. Of Shares (C.Y ) No. Of Shares ( P.Y)	-	-	

**Notes :**

- (i) Share Reserved for issue under options and contracts / commitments for the sale of shares/ disinvestments, including the terms and amounts.
- (ii) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.

**NOTE NO. 2 : RESERVES AND SURPLUS**

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
<b>I</b>	<b>RESERVES AND SURPLUS</b>		
	a) Capital reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year	-	-
	Less: Utilised during the year	-	-
		-	-
	b) Capital Redemption reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year	-	-
	Less: Utilised during the year	-	-
		-	-
	c) Securities Premium Reserve		
	As at the commencement of the year	-	-
	Add: Shares forfeited during the year	42,02,500	-
	Less: Utilised during the year	-	-
		42,02,500	-
	d) Debenture redemption reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year	-	-
	Less: Utilised during the year	-	-
		-	-
	e) Revaluation reserve	-	-
	f) Share options outstanding account	-	-

## NOTE NO. 2 : RESERVES AND SURPLUS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
	g) General Reserves		
	As at the commencement of the year	22,800	22,800
	Add: Additions during the year	-	-
	Less: Utilised for ----- during the year	-	-
		22,800	22,800
	h) Surplus :		
	i) Opening Balance - Profit and Loss Account	(3,60,62,551)	(11,89,967)
	Add: Transfer from Profit & Loss Account	1,04,60,911	(3,48,72,584)
	Less: Transfer To General Reserve	-	-
	Less: Dividend	-	-
	Less: Bonus shares	-	-
	Less: Transfer to/from reserves.	-	-
		(2,56,01,640)	(3,60,62,551)
II	Reserve specifically represented by earmarked investments	-	-
	<b>Total Reserves and Surplus</b>	<b>(2,13,76,340)</b>	<b>(3,60,39,751)</b>

## NOTE NO. 3 : SHARE APPLICATION MONEY PENDING ALLOTMENT

Nil

Nil

## NOTE NO. 4 : LONG TERM BORROWINGS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	Long Term borrowings		
	a) Bonds/debentures		
	Secured	-	-
	Unsecured	-	-
	b) Term loans:		
	From banks:		
	Secured	-	-
	Unsecured	-	-
	From other parties:		
	Secured	-	-
	Unsecured	-	-
	c) Deferred payment liabilities	-	-
	Secured	-	-
	Unsecured	-	-
	e) Loans and advances from related parties		
	Secured :	-	-
	Un Secured:		
	From Directors	34,59,021	5,01,923
	f) long term maturities of finance lease obligations	-	-
	g) other loans and advances ( specify the nature )	-	-

## NOTE NO. 4 : LONG TERM BORROWINGS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
	<b>Notes :</b>		
	II Nature of security to be specified in each case	nil	nil
	III Where loans have been guaranteed by directors or others, the aggregate amount of such loans under each head shall be disclosed.	nil	nil
	IV Bonds/debentures along with rate of interest and particulars of redemption or conversion shall be stated in descending order.	nil	nil
	V Particulars of any redeemed bonds/ debentures which the company has the power to reissue shall be disclosed.	nil	nil
	VI Terms of repayment of term loans and other loans shall be stated.	nil	nil
	VII Period and amount of continuing default as on the balance sheet date in repayment of loans and interest, shall be specified separately in each case.	nil	nil
	<b>Total long term borrowings</b>	<b>34,59,021</b>	<b>5,01,923</b>

## NOTE NO. 5 : DEFERRED TAX LIABILITY (NET)

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
	Opening Deferred tax Liability	-	-
	Add: Deferred Tax Liability for the year ( Due to SLM and WDV Difference )	-	-
	Deferred Tax Liability for the year ( Due to Others )	-	-
	<b>Gross Deferred tax Liability</b>	-	-
	Opening Deferred tax Asset	-	-
	On account of Carried forward loss	1,22,95,836	-
	<b>Gross Deferred tax Asset</b>	1,22,95,836	-
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>(1,22,95,836)</b>	-

NOTE NO. 6 : OTHER LONG TERM LIABILITIES

Nil

Nil

NOTE NO. 7 : LONG TERM PROVISIONS

Nil

Nil

NOTE NO. 8 : SHORT TERM BORROWINGS

Nil

Nil



## NOTE NO. 9 : TRADE PAYABLES

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
	a) Trade Payables	7,52,182	1,22,86,956
	b) Acceptances	-	-
	c) Dues to Micro & Small Medium Enterprises	-	-
	<b>Total Trade Payables</b>	<b>7,52,182</b>	<b>1,22,86,956</b>

## NOTE NO. 10 : OTHER CURRENT LIABILITIES

Nil

Nil

## NOTE NO. 11 : SHORT TERM PROVISIONS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	a) Provisions for employee benefits		
	PF Payable	-	-
	Salaries Payable	-	-
	b) Others (Specify the nature)		
	Tax Deducted at source	13,000	2,63,587
	Provision for Expenses	15,27,086	11,60,426
	<b>Total short term provisions</b>	<b>15,40,086</b>	<b>14,24,013</b>

## NOTE NO. 14 : NON- CURRENT INVESTMENTS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	Non- Current Assets		
	1) Investment in Subsidiaries		
	a) Equity Shares		
	Specify Name of the Company and % of holding		
	Specify Name of the Company and % of holding		
	a) Preference Shares		
	Specify Name of the Company and % of holding		
	Specify Name of the Company and % of holding		
	2) Trade Investments		
	a) Investment Property	-	-
	b) Investment in Equity Instrument		
	Quoted		
	Striven Multitech Limited-1250000 shares of Rs.10/- each	1,25,00,000	1,25,00,000
		<b>1,25,00,000</b>	<b>1,25,00,000</b>

## NOTE NO. 14 : NON- CURRENT INVESTMENTS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
	Unquoted Satya Kamal Agros-1,05,000 shares of Rs.10/-each	46,46,350	46,46,350
		<b>46,46,350</b>	<b>46,46,350</b>
	c) Investment in preference shares Investment in Associate Company (Unquoted) Investment in Joint Venture Investment in Controlled Special Purpose Entity Investment in Other Company	--	--
	d) Investment in Government or trust securities Name and Name of the security		
	e) Investments in debentures or bonds Name and Name of the security		
	f) Investment in Mutual funds Name of the security		
	g) Investment in partnership firm Name of the Firm and % of Share		
	h) Other non- current Investments		
	<b>Total Non Current Investments</b>	<b>1,71,46,350</b>	<b>1,71,46,350</b>
	<b>Less: Provision for Diminution in Investments</b>	<b>-</b>	<b>-</b>
	<b>Total Non - Current Assets ( Net )</b>	<b>1,71,46,350</b>	<b>1,71,46,350</b>
	Notes :		
II	Under each classifications details shall be given that Investment In :		
	a) Subsidiaries	Nil	Nil
	b) Associates	Nil	Nil
	c) Joint ventures	Nil	Nil
	d) controlled special purpose ventures	Nil	Nil
III	Investments carried at other than at cost should be seperately stated specifying the basis for the valuation thereof.	Nil	Nil
IV	The following shall also be stated:		
	a) Aggregate amount of quoted investments and market value thereof;	Nil	Nil
	b) Aggregate amount of Unquoted Investments;	Nil	Nil
	c) Aggregate provision for dimunition in value of investments;	Nil	Nil

## NOTE NO. 15 : LONG TERM LOANS AND ADVANCES

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	Long - term loans and advances:		
	a) Capital advance		
	Secured	-	-
	Unsecured	-	-
	Doubtfull	-	-
	b) Security Deposit		
	Secured	-	-
	Unsecured	4,50,000	-
	Doubtfull	-	-
	c) Loans and advances to related parties ( giving details thereof)		
	Secured	-	-
	Unsecured	-	-
	Doubtfull	-	-
	d) Other loans And advances ( Specify the nature )		
	Secured	-	-
	Unsecured	-	-
	Doubtfull	-	-
	<b>Total Long term loans &amp; advances</b>	<b>4,50,000</b>	<b>-</b>
	<b>Less : Provision for Doubtfull Debts</b>	<b>-</b>	<b>-</b>
	<b>Total Long term loans &amp; advances( net )</b>	<b>4,50,000</b>	<b>-</b>

## NOTE NO.16 : OTHER NON - CURRENT ASSETS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	Long term Trade receivable ( Including trade receivables on deferred credit basis)		
	Secured, considered good	-	-
	Unsecured considered good	-	-
	Doubtful	-	-
I	Unamortised Expenses	-	-
	Interest Accrued on Deposits	-	-
	Insurance Claims	-	-
	Dividend receivable	-	-
	Interest accrued on investments	-	-
	Export incentive Receivable	-	-
II	others ( specify the nature )	-	-
	Preliminary Expenses	17,36,085	17,36,085
	<b>Total other non current assets</b>	<b>17,36,085</b>	<b>17,36,085</b>
	<b>Less : Provision for Bad and Doubtful debts</b>	<b>-</b>	<b>-</b>
	<b>Total non - current assets( net )</b>	<b>17,36,085</b>	<b>17,36,085</b>

**NOTE NO. 17 : CURRENT INVESTMENTS**

Nil

Nil

**NOTE NO. 18 : INVENTORIES**

Nil

Nil

**NOTE NO. 19 : TRADE RECEIVABLES**

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	Outstanding for a period exceeding six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	30,11,031	-
	Doubtful	-	-
		<b>30,11,031</b>	-
	Other Receivables:		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	-	1,43,44,534
	Doubtful	-	-
		-	<b>1,43,44,534</b>
	<b>Total trade receivable</b>	<b>30,11,031</b>	<b>1,43,44,534</b>
	<b>Less : Allowance for bad &amp; doubtful debts</b>	-	-
	<b>Total Trade Receivables(net)</b>	<b>30,11,031</b>	<b>1,43,44,534</b>

**NOTE NO. 20 : CASH AND BANK BALANCES**

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	2,66,747	47,321
	2) Margin Money	-	-
	3) Bank deposits with more than 12 months maturity	-	-
	4) Un Paid Dividend Account	-	-
	b) Cheques, Draft on hand	-	-
	c) Cash on hand	10,981	1,24,106
	<b>Sub Total</b>	<b>2,77,728</b>	<b>1,71,427</b>
	Other Bank Balances		
	On Deposit Accounts		
	1) Having Maturity more than 3 Months but less than or equal to 12 months from date of deposit	-	-
	2) Having Maturity more than 12 Months from date of deposit	-	-
	3) On Margin Money Deposit Accounts	-	-
	<b>Sub Total</b>	-	-
	<b>Total Cash and Cash Equivalents</b>	<b>2,77,728</b>	<b>1,71,427</b>

## NOTE NO. 21 : SHORT TERM LOANS AND ADVANCES

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	short - term loans and advances:		
	a) Security Deposit		
	Secured	-	-
	Unsecured	5,00,000	-
	Doubtfull	-	-
	b) Loans and advances to related parties ( giving details thereof)		
	Secured	-	-
	Unsecured	-	-
	Doubtfull	-	-
	c) Other loans And advances ( Specify the nature )		
	Unsecured		
	Advance for Machinery	5,25,000	-
	<b>Total short term loans &amp; advances</b>	<b>10,25,000</b>	-
	Less : Provision for Doubtfull Debts	-	-
	Total short term loans & advances( net )	<b>10,25,000</b>	-
II	Allowance for bad and doubtful loans and advances shall be disclosed under the relevent heads seperately	Nil	Nil
III	Loans and advances due by directors or others officers of the company and any of them either severelly or jointly with any other persons or amounts due by the firms or private companies respectively in which any director is a partner or a director or a member shold be seperately stated.	Nil	Nil

## NOTE NO.22 : OTHER CURRENT ASSETS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
	Tax Deducted at Source	28,919	2,92,745
		<b>28,919</b>	<b>2,92,745</b>

## NOTE NO. 23 : REVENUE FROM OPERATIONS

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
(i)	Revenue from operations in respect of non-finance company		
	(a) Contract Receipts	14,45,950	1,46,37,254
	Total Revenue from Operations	<b>14,45,950</b>	<b>1,46,37,254</b>

## NOTE NO. 24 : OTHER INCOME

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	(a) Interest income (Other than a finance company)	4,86,235	50,640
	Total Other Income	<b>4,86,235</b>	<b>50,640</b>

## NOTE NO. 25 : COST OF CONTRACTS

S. No.	Particulars	As on 31/03/2012	As on 31/03/2011
I	Sub-Contracts	8,20,000	1,25,21,200
	Total Cost Of Contracts	<b>8,20,000</b>	<b>1,25,21,200</b>

## NOTE NO. 26 : PURCHASE OF STOCK IN TRADE

Nil

Nil

## NOTE NO. 27 : CHANGE IN INVENTORIES & WIP

Nil

Nil

## NOTE NO. 28 : EMPLOYEE BENEFIT EXPENSES (AGGREGATE EXPENDITURE)

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	(a) Salaries & Wages	6,00,000	9,40,500
	(b) Staff Welfare Expenses	9,566	8,238
	Total Employee Benefit Expenses	<b>6,09,566</b>	<b>9,48,738</b>

## NOTE NO. 29 : OTHER OPERATING EXPENSES

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	(a) Rent	1,20,000	1,20,000
	(b) Rates & Taxes (excluding Income Tax)	19,40,501	1,36,524
	(c) Advertisement Expenses	66,022	22,283
	(d) Payment to auditors		
	(i) As Auditor	10,000	10,000
	(e) Miscellaneous Expenditure	1,715	13,240
	(f) Advances written off	-	3,57,41,950
	Total Other Expenses	<b>21,38,238</b>	<b>3,60,43,997</b>

## NOTE NO. 30 : ADMINSTRATIVE EXPENSES

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	(a) Telephone, Postage and Others	63,007	19,425
	(b) conveyance	14,173	14,066
	(c) Printing & Stationery Expenses	21,173	13,052
	(d) Professional Consultancy fee	88,240	-
	Total Administrative Expenses	<b>1,86,593</b>	<b>46,543</b>

## NOTE NO. 31 : FINANCE COST

S. No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	(a) Bank Charges	12,713	-
	Total Finance Cost	<b>12,713</b>	-

## NOTE NO. 32 : OTHER EXPENSES :

Nil

Nil

NOTE NUMBER : 12 & 13 -

## FIXED ASSETS AS ON 31ST MARCH, 2012

Sl. No.	Particulars	Gross Book					Rate of Depreciation	Depreciation / Amortization				Net Block as on 31-03-2012	Net Block as on 31-03-2011
		As on 01-04-2011	Additions during the year	Additions through Business acquisitions	Capitalised during the year	Sale / Deletions during the year		As on 31-03-2012	Dep. as on 01-04-2011	Dep. for the year 2011-2012	Impairment Loss / Reversal of Impairment Loss for the year		
1	FURNITURE	187,650	-	-	-	-	187,650	-	-	-	187,650	-	-
	TOTAL	187,650	-	-	-	-	187,650	-	-	-	187,650	-	-
	Previous Year	187,650					187,650	-	-	-	187,650	-	-



**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS****NOTE NO. 33****I. SIGNIFICANT ACCOUNTING POLICIES:****1. Basis of preparation of financial statements**

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the basis of a going concern basis, while revenue, expenses, assets and Liabilities accounted/recognized on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Management evaluates all recently issued or revised accounting standards on an ongoing basis.

**2. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that effect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed assets and intangible assets.

**3. Revenue recognition**

Revenue from fixed price construction/infrastructure contracts is recognized by reference to the work certified as completed by the contractee.

Variations by way of escalation in price and quantum of work are recognized as revenue in the year in which claims are admitted as per the terms of contract. Other claims are recognized as revenue from contracts in the financial statements only upon final acceptance by the customer.

**4. Expenditure**

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

**5. Fixed Assets, intangible assets:**

Fixed Assets are stated at cost, less accumulated depreciation. All direct costs are capitalized until fixed assets are ready for use including taxes, duties, freight and other incidental expenses relating to acquisition and installation.

However company's gross block and net block of fixed assets are nil.

## 6. Depreciation and amortization

Depreciation on fixed assets is applied on straight-line method, pro-rata for the period of usage, in accordance with the rates prescribed under schedule XIV of the Companies Act, 1956.

## 7. Income tax

Income taxes are computed using the tax effect accounting method, in accordance with the Accounting Standard (AS 22) "Accounting for Taxes on Income" which includes current taxes and deferred taxes. Deferred income taxes reflect the impact if current year timing differences between taxable income and accounting income for the year and the relevant of timing difference of earlier years. Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset / liability is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## 8. Earnings per share

In determining earnings per share, the company considers the net profit after tax expense. The number of shares used in computing basic earnings per is the weighted average shares used in outstanding during the period.

## 9. Investments

Long term trade investments are stated at cost & all other investments are carried at lower of cost or fair value.

## 10. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

## NOTES TO ACCOUNTS

1. Contingent Liabilities : There are no Contingent liabilities as on date.
2. Remunerations to Managing Directors : Nil
3. The Company has no Subsidiaries.
4. CIF value of import in respect of capital goods : Nil.
5. No outstanding amounts payable to micro, small and medium enterprises.

## 6. Segment information:

Revenue of the company comes from a single segment of infrastructure activities, as the economic environment where it operating is one, Segment Reporting as required under Accounting Standard – 17 has not been applicable.

7. Expenditure and Earnings in Foreign Currency : Nil (Previous Year : Nil)

8. Earnings Per Share

*Amounts in Rupees*

Particulars	Current Year	Previous Year
Profit/(Loss) before Tax	(18,34,925)	(3,48,72,584)
Less: Provisions for Tax	--	--
Less: Provision for Defferred Tax	(1,22,95,836)	--
Net Profit after Tax	1,04,60,911	(3,48,72,584)
Weighted average no of equity shares outstanding	51,59,600	55,51,800
Face Value of equity share	10	10
Earning per Share	2.03	(6.50)

9. All the fixed assets have been written off fully, as the assets cease to function and the assets have no utility value.

10. Retirement benefits / Gratuity will be considered in accounts on payment basis. However no employee qualifies for the same.

11. 1,05,000 Shares purchased of M/s Sathya Kamal Agros Limited are held with transfer deeds pending transfer in the name of the company.

12. Quoted Investments reported at cost price and the market price is not available, no diminution in value of investments is considered. Un-quoted shares of M/s Sathya Kamal Agros Limited are pending for transfer in the name of the company.

13. There are no amounts due to be credited to: "Investors Education and Protection Fund" as on 31<sup>st</sup> March 2012.

#### 14. Related party transactions:

As per AS-18 issued by The Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard as follows:

Name of the related party	Description of the relationship between the parties	Description of nature of transactions	2011-12 Rs.	2010-11 Rs.
T. Sailaja	Key Management Personnel (Managing Director)	Receipt of Unsecured Loan	29,57,098	5,01,923
		Balance as on 31st March	34,59,021	5,01,923

15. During the year the company has not written off preliminary expenses.

16. There were no employees in respect of remuneration of Rs.60,00,000/- or more per annum or Rs. 5,00,000/- or more per month, if employed for part of the year.

17. The Balance in Sundry Debtors, Loans & Advances are subject to confirmation, and consequential adjustments if any.
18. Additional information pursuant paragraphs 3, 4C and 4D of part II of schedule of VI of the companies Act, 1956 is not applicable to the company.
19. Previous year figures and heads of accounts have been regrouped and / or rearranged wherever necessary to confirm with current ear figures.
20. Note Nos. 1 to 33 form part of Balance Sheet and have been authenticated.

AS PER OUR REPORT OF EVEN DATE

For **M M REDDY & CO.,**

Chartered Accountants

Firm Regn. No. 010371S

Sd/-

**M. Madhusudhana Reddy**

Partner

Membership No. 213077

Place : Hyderabad

Date : 21-05-2012

**For and on behalf of the Board**

Sd/-

**T. Sailaja**

Managing Director

Sd/-

**Ch. Sujan**

Director

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I. Registration Details :

State Code: [0] [1] Balance Sheet Date: [31] [03] [12]

Registration: [1] [9] [8] [6] [7] [0] [1]

(Refer Code List) Date Month Year

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

Public Issue: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [N] [I] [L]  
 Rights Issue: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [N] [I] [L]

Bonus Issue: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [N] [I] [L]  
 Private Placement: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [N] [I] [L]

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

Total Liabilities: [ ] [ ] [ ] [ ] [ ] [ ] [3] [5] [9] [7] [1]  
 Total Assets: [ ] [ ] [ ] [ ] [ ] [ ] [3] [5] [9] [7] [1]

#### Sources of Funds

Paid-up Capital: [ ] [ ] [ ] [ ] [ ] [ ] [5] [1] [5] [9] [6]  
 Reserves & Surplus: [ ] [ ] [ ] [ ] [-] [2] [1] [3] [7] [6]

Secured Loans: [ ] [ ] [ ] [ ] [ ] [ ] [N] [I] [L]  
 Unsecured Loans: [ ] [ ] [ ] [ ] [ ] [ ] [3] [4] [5] [9]

Current Liabilities: [ ] [ ] [ ] [ ] [ ] [ ] [2] [2] [9] [2]

#### Application of Funds

Net Fixed Assets: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [0]  
 Investments: [ ] [ ] [ ] [ ] [ ] [ ] [1] [7] [1] [4] [6]

Current Assets: [ ] [ ] [ ] [ ] [ ] [ ] [4] [3] [4] [3]  
 Miscellaneous Expenditure: [ ] [ ] [ ] [ ] [ ] [ ] [1] [7] [3] [6]

Non-Current Assets: [ ] [ ] [ ] [ ] [ ] [ ] [4] [5] [0]  
 Deferred Tax Asset: [ ] [ ] [ ] [ ] [ ] [ ] [1] [2] [2] [9] [6]

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

Turnover: [ ] [ ] [ ] [ ] [ ] [ ] [1] [9] [3] [2]  
 Total Expenditure: [ ] [ ] [ ] [ ] [ ] [ ] [3] [7] [6] [7]

Profit / Loss before Tax: [ ] [ ] [ ] [ ] [ ] [ ] [-] [1] [8] [3] [5]  
 Profit / Loss after Tax: [ ] [ ] [ ] [ ] [ ] [ ] [1] [0] [4] [6] [1]

(Please tick appropriate box + for Profit - for Loss)

Earning per Share in Rs.: [ ] [ ] [ ] [ ] [ ] [ ] [2] [.] [0] [3]  
 Dividend rate %: [ ] [.] [.] [.] [ ] [ ] [-] [-]

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

Item Code No. (ITC Code)  
 Product Description

## CONSTRUCTION

**JYOTHI INFRAVENTURES LIMITED**

Plot No.13, 2nd Floor, Varsun Building, Guttala Begumpet, Kavuri Hills,  
Madhapur, Hyderabad-500081

**PROXY FORM**

Folio No: \_\_\_\_\_ Dp ID: \_\_\_\_\_ Client ID: \_\_\_\_\_

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

In the District of \_\_\_\_\_ being a member/members of the above named company, hereby appoint Mr/Mrs/Ms \_\_\_\_\_ in the District of \_\_\_\_\_ as my/our Proxy to attend and vote for me /us on my/ our behalf at the 17<sup>th</sup> Annual General Meeting of the Company to be held at Plot No.13, 2nd Floor, Varsun Building, Guttala Begumpet, Kavuri Hills, Madhapur, Hyderabad-500081 at 11.00 AM on Wednesday, 04-07-2012 and at any adjournment there of.

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

Address \_\_\_\_\_

Signature \_\_\_\_\_

**Note:** The proxy form duly signed completed must be signed deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. A proxy need not be a member.

**JYOTHI INFRAVENTURES LIMITED**

Plot No.13, 2nd Floor, Varsun Building, Guttala Begumpet, Kavuri Hills,  
Madhapur, Hyderabad-500081

**ATTENDANCE SLIP**

I hereby record my presence at the 17<sup>th</sup> Annual General Meeting of the Company at the registered office on Wednesday, the 4th July, 2012 at 11-00 a.m. at Plot No.13, 2nd Floor, Varsun Building, Guttala Begumpet, Kavuri Hills, Madhapur, Hyderabad-500081

**Name of the share holder / proxy**

**Folio No./DP No. of shares & Client id**

**Member's/Proxy Signature**

Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission Slip and hand over at the entrance duly signed.

NO GIFTS WILL BE DISTRIBUTED AT THE AGM