The Thapar Group

ANNUAL REPORT
2012 – 13

JCT ELECTRONICS LIMITED

BOARD OF DIRECTORS	Mr. M.M.Thapar, *Chairman* Mr. Arjun Thapar, *Managing Director* Mr. K. Jayabharath Reddy Mr. S. V. Venkatakrishnan, *Nominee, IFCI Ltd.* Mr. Umesh Wamorkor, *Nominee, Allahabad Bank* Mr. P. K. Ganguly
CHIEF OPERATING OFFICER	Mr. Raj Kapur
SR. VICE PRESIDENT & COMPANY SECRETARY	Mr. Gopal Krishnan
AUDITORS	V. Sahai Tripathi & Co. New Delhi
REGISTERED OFFICE	A-32, Industrial Phase VIII S.A.S. Nagar, Mohali (Punjab)
HEAD OFFICE	Thapar House, 124 Janpath New Delhi - 110001

BANKERS

Allahabad Bank

Punjab National Bank

Punjab & Sind Bank

State Bank of Patiala

Bank of Baroda

Indian Overseas Bank

UCO Bank

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DIRECTORS' REPORT

Your directors present their report and audited accounts for the year ended 31st March, 2013

Financial Results & Operations	**Year ended 31.03.2013**	Year ended 31.03.2012
The key financial results of the company are as under :	(₹ in lacs)	
Revenue from Operations and other income	**38923**	24099
Earning before Interest, Depreciation & Tax	**(1709)**	(2403)
Finance Cost	**2007**	2324
Depreciation	**1531**	1535
Net Profit/(Loss) after tax for the year	**(4984)**	(6262)

In view of the accumulated losses, no dividend is recommended.

The financial year 2012-13 was a difficult year for the company. Non availability of working capital restricted our ability to source critical raw material which was a major impediment in not being able to meet the targets for production. The company was forced to operate only one line and that too at less than rated capacity on some occasions. Despite the imposition of anti dumping duties, influx of tubes from abroad continued, which impacted margins as the company had to match the landed prices. Besides the increase in prices of all major raw materials, power/fuel also impacted the bottom line. Major emphasis was placed on reducing the power & fuel cost thru energy conservation, buying power thru trading to take advantage of lower prices and recycling water. Your company also took steps to reduce costs through process improvements, value engineering, rationalising manpower and improving productivity to partially offset increase in various input costs.

The market demand in FY 2013-14 is expected to be around 7 million tubes. The present market scenario may not be favorable for the CPT industry in India at large as anti dumping restrictions on CPT imports from China gets removed after June, 2013. There is a serious threat on that account as CPTs from China are likely to find their way in the rapidly shrinking Indian market.

The rehabilitation scheme approved by The Board for Industrial & Financial Reconstruction is under implementation, including the sale of various surplus assets, as approved by them.

During the year under review, the company neither invited nor accepted any deposits. Further, there are no overdue deposits lying unpaid with the company.

Directors

Nomination of Mr. Arun Ramanathan, as special director, was withdrawn by BIFR effective from 8th February, 2013.

Mr. P K Ganguly, director retires by rotation at the forthcoming annual general meeting and being eligible offers himself for re-appointment.

Directors' Responsibility Statement

On the basis of compliance confirmation and subject to disclosures in the annual accounts, as also on the basis of discussion with the Statutory Auditors, your directors report:

i) that in the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;

ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the financial year ended 31st March, 2013 and of the loss of the company for the year under review.

iii) that 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 has been taken.

iv) that the annual accounts have been prepared on a going concern basis.

Corporate Governance

Your company has taken adequate steps to ensure compliance with the provisions relating to Corporate Governance as prescribed under the listing agreement with the Stock Exchanges. The Report on Corporate Governance along with a certificate from the Auditors of the company regarding compliance is enclosed and forms part of the report.

Other Information

The information required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 is given in the Annexure and forms part of this Report.

The information required to be provided in terms of the provisions of Section 217(2A) of the Companies Act, 1956 and rules framed thereunder forms part of this report. The same is not being sent alongwith this report in line with the provisions of Section 219(1)(b)(iv) of the said Act and will be made available on request by any member of the company.

Environment

Your Company has been awarded ISO 14000:2004 certification in recognition of its responsibility towards environment and society. Steps have taken to upgrade its capability to meet the required norms and safeguards and to keep the environment pollution free. Significant initiatives have been taken to reduce the consumption of energy and shift to more eco-friendly fuels. Lot of greenery has been created in and around the factory.

Industrial Relations

Your company continues to maintain harmonious and cordial relations with its workforce.

Auditors

The auditors Messrs V Sahai Tripathi & Co., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible have expressed their willingness to continue if appointed. The Board of Directors recommend their appointment for the next financial year.

As regards the observations of the Auditors in their report and the relevant notes to the accounts i.e. nos. 29 A(b) & (f), 30, 31(c), 34(a) are self explanatory and therefore do not require any further comments.

Cost Auditors

In terms of circular issued by the Ministry of Corporate Affairs, effective from 1st April, 2012 audit of the cost accounting records has been made mandatory for our company. Accordingly, your company decided to appoint M/s Balaji and Associates, Cost Accountants to conduct the cost audit exercise for the financial year ending 31st March, 2013.

They were also appointed to submit the Cost Compliance report for the Financial Year ended 31st March, 2012 which has been filed with the Ministry of Company Affairs.

Acknowledgement

The Board acknowledges the valuable support of various Government Agencies, Financial Institutions, Banks, Customers, Suppliers, Business Associates, Shareholders and Employees and looks forward to their continued support.

On behalf of the Board

Place : New Delhi
Dated : 28th May, 2013

Arjun Thapar
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

Information under Section on 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A. ***Conservation of Energy***

Energy conservation measures taken:

i) Conversion of hot water generator to run on Natural Gas.

ii) Reduction of power consumption by use of Turbo Ventilators in non air-conditioned areas to extract heat and also provide natural illumination.

iii) Reduction in air conditioning load by re-sizing of process areas.

iv) Reduction in water consumption through recycling of water. Rain water harvesting has also been undertaken.

B. ***Research & Development and Technology Absorption***

a) Research & Development

i) Areas in which R&D carried out.

Development carried out in the areas of import substitution, alternative raw materials, technology upgradation, process development and quality improvement.

ii) Benefits derived as a result of above activities.

Cost reduction achieved through improvement in design, import substitution, change in raw material, lower usage and better quality.

iii) Future plan of action.

To continue R&D work in above areas for further improving quality and reducing costs.

iv) Expenditure on R&D.

No significant expenditure involved as the development, up gradation and improvements were carried out in house.

b) Technology absorption

The company has developed capability to manufacture colour picture tubes, components like deflection yokes and electron guns. The technology for the ultra slim CPTs is being absorbed.

C. ***Foreigh Exchange Earnings and Outgo***

Foreign exchange outgo during the year	–	₹ 7,451.73 Lacs
Foreign exchange earnings during the year	–	₹ 634.44 Lacs

MANAGEMENT DISCUSSION AND ANALYSIS

Industry scenario

Globally the CRT industry has been declining in volumes since last few years though the markets in India had remained stable at around 10 ~12 million per annum till FY 2011-12. However in FY 2012-13 the volumes came down by 4 ~ 5 million per annum. Import of CPTs from China including TVs with refurbished monitor tubes have been eating into the market. The shift in demand preference for flat panel TVs in most markets over conventional CRT based TVs resulted in lot of capacities closing down. Though in India there is still market for CRT based TVs in the rural and semi urban towns, supply chain for material and components is the biggest challenge as only a handful of players are left leading to lot of uncertainty.

Company's performance

Production and Sales Nos. for the financial year 2012-13 were higher than the previous year. However over the last three to four months the operations have been hit on account of constraints faced in raw material supplies. The company is trying hard to meet the challenges faced by the industry. To offset increase in all round input costs, continuous efforts on improving productivity, reduction in power consumption, recycling etc. were taken up aggressively to protect the margins which were under strain. Efforts at upgrading the skills of the work force helped in improving productivity and reducing wastage. Various H.R. initiatives were introduced towards bringing competitiveness, accountability and responsibility among its employees.

Efforts to retain customers and incentivise their CRT based T.V. plans are being made as also efforts for reviving exports. The situation looks rather grim, but we believe that being the only manufacturer of CPTs in India, there is a good chance to improve.

Adequate internal control systems and procedures are in place to ensure optimum utilization of resources, improve performance, compliance with internal policies & procedures and with statutory regulations.

CORPORATE GOVERNANCE REPORT

I. *Company's philosophy on Corporate Governance*

JCT Electronics Limited (JCTEL) believes that good corporate governance is essential to achieve its business objectives and long term goals besides creating value for all its stakeholders.

II. *Board of Directors*

- The Board of the company presently has six directors comprising of two nominee director, two independent directors and two promoter directors.
- The Board met four times during the year on 10th May, 2012, 16th August, 2012, 5th November, 2012 and 28th January, 2013.
- Details of meetings attended by directors and other directorships held are as under :

Name of Director	Category of Director	No of Meetings attended		Sitting fees paid to Director's (in Rs.)	No. of other Director-ships held	No. of other Board Committee(s) of which he is a	
		Board	Committee			Member	Chairman
Mr. M M Thapar, Chairman	Promoter – Non Executive	None	None	Nil	1	None	None
Mr. Arjun Thapar, Managing Director	Promoter – Executive	4	4	#	2	None	None
Mr. K Jayabharth Reddy	Independent – Non Executive	4	5	85,000	5	5	2
Mr. P K Ganguly	Independent – Non Executive	3	8	85,000	3	1	None
Mr. S V Venkatakrishnan	Nominee-IFCI	3	3	60,000	None	None	None
Mr. Umesh Warmorkar	Nominee – Allahabad Bank	3	None	45,000	None	None	None
Mr. Arun Ramnathan*	Special Director-BIFR	1	1	20,000	5	5	1

* Nomination of Mr. Arun Ramanathan has been withdrawn by BIFR as special director w.e.f. 8th February, 2013.

Mr. Arjun Thapar, is being paid remuneration as approved by the shareholders, subject to limits prescribed in the Schedule XIII of the Companies Act, 1956. He is not paid any sitting fee, bonus, performance linked incentive, commission, stock option etc.

III. *Code of Conduct*

The Code of conduct, for the Directors and senior management, in line with the provisions of Clause 49 of the Listing Agreement has been formulated, framed and adopted by the Board.

As provided under clause 49 of the listing agreement with the Stock Exchanges, the Board members and senior management have confirmed compliance with the code of conduct for the period ended 31st March, 2013.

IV. *Audit Committee*

The role and terms of reference of the committee is as specified in Clause 49 of listing agreement with Stock Exchange(s) and as per requirement of Section 292A of the Companies Act, 1956.

The composition of the Audit Committee and the details of the meeting attended by the members are as follows :

Name of Member	Category	Designation	No. of Meetings	
			Held	Attended
Mr. P. K. Ganguly	Independent	Chairman	4	3
Mr. K Jayabharath Reddy	Independent	Member	4	4
Mr. S V Venkatakrishnan	Nominee	Member	4	3
Mr. Arun Ramanathan	Special Director	Member	4	1

The Internal Auditor , Chief Operating Officer, Sr. Vice President & Company Secretary and the Sr. Vice President - Finance attend the committee meetings to clarify queries raised. The Statutory Auditors and representatives from various departments of the company are invited as and when required.

The Audit Committee has considered and reviewed the quarterly financial results and audited annual accounts for the year 2012-13 and recommended its adoption to the Board.

V. ***Remuneration Committee***

The Remuneration Committee presently comprises of two independent directors, Mr. K Jayabharath Reddy and Mr. P K Ganguly as its members with Mr. Reddy being the chairman.

The terms of reference are to recommend/review the remuneration of the Managing Director as per provisions of the Companies Act, 1956.

VI. ***Shareholders / Investor's Grievance Committee***

The Shareholders & Investor's Grievance Committee has Mr. Arjun Thapar (Managing Director), Mr. M M Thapar and Mr. P K Ganguly, Directors, as its members.

Mr. Gopal Krishnan, Sr. Vice President & Company Secretary has been designated as the Compliance Officer.

The committee meets to review inter-alia the status of transfer/transmission of shares, issue of duplicate share certificates, shares dematted/rematted and investor's grievance and redressal mechanism and recommend measures for improvement of investors' services.

During the year ended 31st March, 2013 there were no complaints/queries pending for reply and there were no share transfers pending for registration.

VII. ***General Body Meetings***

Details of the previous three Annual General Meetings held are as under :

AGM	Financial Year	Day/Date	Time	Venue
33rd	1-4-2009 to 31-3-2010	Tuesday/28-09-2010	10.30 a.m.	A-32, Indl. Phase VIII, SAS Nagar, Mohali, Punjab
34th	1-4-2010 to 31-3-2011	Tuesday/ 27-09-2011	10.30 a.m.	A-32, Indl. Phase VIII, SAS Nagar, Mohali, Punjab
35th	1-4-2011 to 31-3-2012	Thursday/27-09-2012	10.30 a.m.	A-32, Indl. Phase VIII, SAS Nagar, Mohali, Punjab

No special resolution was required to be passed through postal ballot last year in terms of the provisions of the Act and relevant rules made thereunder.

No Extra-Ordinary General Meeting of shareholders was held during the year.

VIII. ***CEO/CFO Certification***

In terms of the requirements of the listing agreement, necessary certificate is submitted to the Board of Directors and the Audit Committee.

IX. ***Disclosures***

No transactions of material nature have been entered into by the company with Promoters, Directors or their relatives conflicting with the company's interest except as disclosed in the financial accounts under related party transactions.

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

X. ***Management Discussion and Analysis***

The management discussion and analysis is attached to the Director's Report.

XI. ***Means of communication***

Quarterly results are communicated to the stock exchanges where the company's shares are listed. The same are displayed on the following websites *www.bseindia.com* and *www.nseindia.com*.

The results are generally published in the newspapers like Jansatta - Delhi, Indian Express - Delhi, Chandigarh and The Punjabi Tribune - Chandigarh.

XII. *General Shareholder Information*

- 36th Annual General Meeting

Day & Date	:	Friday, 27th September, 2013
Time	:	10.30 a.m.
Venue	:	A-32, Indl. Phase VIII, SAS Nagar, Mohali, Punjab

- Financial Calendar 2013-14 :

First Quarterly Results	:	Before end of August, 2013
Second Quarterly Results	:	Before end of October/November, 2013
Third Quarterly Results	:	Before end of January/February, 2014
Fourth Quarterly Results	:	Before end of April/May, 2014

- Dates of Book Closure :
  From Friday, 20th September, 2013 to Friday, 27th September, 2013 (both days inclusive)
- Dividend payment date :
  The company has not declared any dividend for the current financial year.
- Listing on Stock Exchanges & Stock Code :
  The Equity Shares of the Company are listed on the following Stock Exchanges :
  - National Stock Exchange of India Ltd., Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051 ; Code - JCTEL
  - Bombay Stock Exchange Limited, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 ; Code - 500222
- Market price data for the year 2012 - 2013 :

Month	NSE			BSE		
	High Rs.	Low Rs.	Volume Nos.	High Rs.	Low Rs.	Volume Nos.
Apr., '2012	0.85	0.70	187409	0.86	0.68	495806
May, '2012	0.75	0.60	401760	0.75	0.60	457694
Jun., '2012	0.75	0.60	247997	0.74	0.59	487049
Jul., ' 2012	0.95	0.65	448009	1.00	0.64	1272198
Aug.,'2012	0.70	0.60	201784	0.68	0.60	403434
Sep.,'2012	0.80	0.60	424542	0.78	0.60	633767
Oct.,'2012	0.75	0.60	422583	0.78	0.60	591601
Nov. '2012	0.75	0.55	594344	0.72	0.58	863418
Dec. '2012	0.70	0.55	515548	0.69	0.57	762630
Jan.' 2013	0.80	0.55	1017207	0.77	0.57	1150459
Feb.' 2013	0.70	0.50	452621	0.70	0.48	911990
Mar.' 2013	0.55	0.35	543871	0.52	0.37	541096

- Distribution of shareholding as at 31st March, 2013 :

Category Nos. of shares	Shares Nos.	% age	Shareholders Nos.	% age
Upto 500	5022392	0.64	24980	68.83
501-1000	4268660	0.54	4593	12.66
1001-2000	4213829	0.53	2425	6.68
2001-3000	2372681	0.30	879	2.42
3001-4000	1573605	0.20	420	1.16
4001-5000	5033858	0.64	1022	2.82
5001-10000	8040513	1.02	960	2.64
10001 and above	757731525	96.13	1012	2.79
Total	788257063	100.00	36291	100.00

– Shareholding pattern as on 31st March, 2013 :

Promoters & Group Companies	:	82.78 %
Fin.Inst./Ins.Co.'s/Mutual Funds/Banks	:	5.69 %
NRIs/OCBs/FIIs	:	0.57 %
Public	:	10.96 %
Total	:	100.00 %

- Registrar and Transfer Agents :
  The share transfer agents for equity shares of the company both for electronic and physical segment are :
  RCMC Share Registry (Pvt.) Ltd.
  Unit : JCT Electronics Limited
  B-106, Sector -2, Noida, Uttar Pradesh – 201 301
  Tele : 0120-4015880 ; Fax : 0120-2444346
  Email : *shares@rcmcdelhi.com*
- Share Transfer System :
  Share transfers and transmissions are registered and returned within the stipulated period if the documents are clear in all respects.
- Dematerialisation of equity shares :
  The demat/remat requests are processed within 15 days of the receipt of requests, if the same are complete in all respects.
  As per SEBI directives the equity shares of the company are traded only in demat form for all investors and the ISIN allotted to equity shares of the company is INE264B01020. The company has tied up with both the National Securities Depository Limited and Central Depository Services (I) Limited.
- Manufacturing Units :
  - NH-8, Village Kandhari, Taluka Karzan, Vadodara (Gujarat)
  - A-32, Industrial Phase VIII, SAS Nagar, Mohali, Distt. Ropar, Punjab (The Mohali unit is not in operation)
- Address for Correspondence :
  Thapar House, 124 Janpath, New Delhi – 110 001
  Phone : 43534242 ; Fax : 23367861
  Contact Person : Mr. Manoj Chadha, Joint Manager - Secretarial

The above report was approved at the Board meeting held on 28th May, 2013.
Compliance Certificate for corporate governance from auditors of the company is annexed herewith.

AUDITORS' CERTIFICATE

The Members
JCT Electronics Limited

We have examined the compliance of the conditions of Corporate Governance by JCT Electronics Limited for the year ended 31st March, 2013 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges.
The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of 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, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
We state that in respect of investor grievances during the year ended 31st March, 2013 grievances were received & resolved by the Company. There were no grievances which were pending with the Company as on 31st March, 2013 as per records maintained by the Company.
We further state that 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. SAHAI TRIPATHI & Co.
Chartered Accountants
Firm's Registration Number : 000262N

Place : New Delhi
Dated : 28th May, 2013

Mahesh Sahai, Partner
Membership No. 6730

INDEPENDENT AUDITORS' REPORT

To the Members
JCT Electronics Limited

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

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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

(i) The Company has not made any provision for dues of Rs 40 Crores of JCT Electronics Employees Union at Mohali. The same has been described in Note 29A(f) to the Financials Statements. The net loss for the year, accumulated losses & non current liabilities are understated to that extent.

(ii) It has been assumed that the revival of the company will take place in near future. The accounts of the company have been prepared on a "going concern" basis on an assumption made by the management that adequate finances and opportunities would be available in the foreseeable future to enable the company to operate on a profitable basis. The same has been described in Note 30 to the Financials Statements.

(iii) The Company has not made any provision of likely substantial loss on impairment of inventory of Rs 1,376.44 lacs at Mohali unit. The same is described in Note 31(c) to the Financials Statements. The net loss for the year and accumulated losses are understated to that extent & Inventory is overstated to that extent.

(iv) Sundry Debtors, Sundry Creditors, other receivables and payables are subject to reconciliation & confirmation. The same is described in Note 34(a) to the Financials Statements. The financial impact on the same is not ascertainable to that extent.

(v) The financial statements have been drawn and are based on the successful implementation of rehabilitation scheme announced by Board for Industrial and Financial Reconstruction (BIFR) for the company. The Company has defaulted in payment of principal amount of Loans of Rs 4105.33 Lacs to Banks / Financial Institutions for eight quarters starting from 1st April, 2011 to 31st March, 2013. This is in contravention of rehabilitation scheme announced by Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 12th March, 2007. The Company was unable to meet its obligations towards repayment of quarterly installments due in respect of term/working capital term loans as per BIFR sanctioned scheme, due to non availability of working capital limits as envisaged in the sanctioned scheme and sluggish market conditions during the year. As per the BIFR scheme, if the company commits default towards repayment of principal instalments or payment of interest as per the sanctioned scheme or any combination, FIs / Banks reserves the right to charge interest on the defaulted amount at top of the band together with liquidated damages of 2% p.a. thereon till the date of clearance of default or FIs / Banks shall have the right to convert its entire overdue into fully paid up equity shares of JCTEL during the currency of the loans as per SEBI guidelines, or otherwise but with the permission of Hon'ble BIFR, FIs / Banks also reserves the right to revoke the package of rehabilitation with the prior approval of BIFR and in such event of revocation, the decision of FIs / Banks shall be final and binding on the borrower and/or guarantors. In case FIs / Banks exercise the right of revocation, the financial rehabilitation sanctioned or granted to JCTEL shall be treated as withdrawn and the terms and the conditions of the original loan agreements or documents shall come into force as if no such financial rehabilitation were ever granted to JCTEL. Further, FIs / Banks shall have the right to adjust payment received under the present package of financial rehabilitation against outstanding dues in terms of the original loan agreements/documents. After taking consent of secured creditors, a Modified Debt Restructuring Scheme (MDRS) has been submitted to the Hon'ble BIFR in the month of October, 2012 towards re-schedulement of repayment of secured loan and interest thereon within the scheme period The same is under consideration of the Hon'ble BIFR as at 31st March, 2013. The same is described in Note 29A(b) to the Financials Statements. Our opinion is subject to approval of said MDRS by Hon'ble BIFR.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.:-

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw your attention to Note No. 5 on actuarial valuation of Gratuity. The Company has obtained its actuarial valuation done from LIC of India from where the Company has taken policy. The actuarial valuation conducted by LIC though has been carried out by using Projected Unit Cost Method however the same is not in accordance with the disclosure requirements prescribed by Accounting Standard-15 on Employee Benefits issued by Companies (Accounting Standard), Rules, 2006. The disclosures required for categorizing liability as Current and Non Current Liability is not determined by LIC. Hence total amount of provision towards gratuity has been kept as Non Current by the Company. There are no monetary implications on the financials statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (“the Order”) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. except for the matter described in the Basis for Qualified Opinion paragraph and Emphasis of matter paragraph, 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. except for the matter described in the Basis for Qualified Opinion paragraph and Emphasis of matter paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

for V. SAHAI TRIPATHI & Co.
Chartered Accountants
Firm’s Registration Number : 000262N

Place : New Delhi
Dated : 28th May, 2013

Mahesh Sahai, Partner
Membership No. 6730

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDING MARCH 31, 2013

(Referred to in paragraph (1) of our report on other legal and regulatory requirements of even date)
Annexure referred to in paragraph (1) of our report on other legal and regulatory requirements of Independent Auditor's Report to the members of JCT Electronics Limited on the financial statements for the year ended March 31, 2013

Referred to in paragraph 3 of our report of even date

i) (a) The company has generally maintained records showing full particulars including quantitative details and situation of fixed assets of all its units.

(b) All the fixed assets including capital work in progress of the company other than fixed assets of Rs 2,149.89 Lacs (book value) lying at Mohali unit have been physically verified by the management in a phased manner so that the entire assets are covered within a period of three years. There is a programme of verification of fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification. No physical verification has been carried out in respect of Fixed Assets at Mohali unit since the plant is not in operations.

(c) The company has not disposed off a substantial part of its fixed assets during the year to affect the status of the company as a going concern. Land & Building at Mohali unit which was to be sold as per the rehabilitation scheme sanctioned by the Hon'ble BIFR has yet to be sold.

(ii) (a) Inventories of the Company, other than Inventory of Rs 1376.44 Lacs lying at Mohali Unit, have been physically verified during the year in a phased manner by the management and in our opinion, the frequency of verification is reasonable. Production at Mohali unit has been stopped since 2002 and Plant is not in operation since then. Inventory at Mohali unit has not been verified by the management. Please Refer Note No 31(c).

(b) The procedures for physical verification of inventories, other than Inventory of Rs 1376.44 Lacs at Mohali unit, followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. Please Refer Note No 31(c).

(c) The company is maintaining proper records of its inventories at Vadodara unit. The discrepancies noticed on verification between the physical stocks and the book records were not material. There is no change in balances of Inventory at Mohali unit since 2005.

(iii) In respect of loans, secured or unsecured, granted or taken by the company to/ from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956: -

a) To the best of our knowledge and according to the information and explanations given to us, during the financial year ended 31st March 2013, the Company has taken unsecured loan of Rs. 93 Lacs from two companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year is Rs. 258 Lacs and the year-end balances of such advances aggregates to Rs 230 Lacs.

b) The Company has taken interest free as well as interest bearing unsecured loans. The rate of interest in case of interest bearing loan along-with other terms and conditions of unsecured loan taken by the company are prima-facie not prejudicial to the interest of the company.

c) As regards the said unsecured loan, the payment of principal amount and interest payment on interest bearing loan shall be made as per terms of the agreement.

d) There are no overdue amount which is more than Rs. 1 lakh, pending to be payable towards principal and interest;

e) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any unsecured loan(s) to any party, firms or Companies covered in the register maintained under Section 301 of the Companies Act, 1956.

f) Accordingly, the rest of the sub-clauses are not applicable to the Company during the reporting period ending 31-March-2013.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventories, fixed assets and the sale of goods. During the course of our audit, we did not observe any major weaknesses in internal controls.

(v) In respect of transactions covered under Section 301 of the Companies Act, 1956:-

a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) In our opinion and according the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of Rs. Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) The company has not accepted deposits from the public during the year and there are no outstanding deposits.

(vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business. However, it needs to be strengthened further.

(viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been kept and maintained. The cost audit for the financial year is yet to be completed.

(ix) (a) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other undisputed statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

(b) The dues on account of excise duty which have not been deposited on account of disputes are given below:-

Forum where dispute is pending	Amt. involved (Rs. Lacs)
Allahabad High Court	10.50
Commissioner Appeal	12.30
Asstt. Commissioner	21.16
Total	43.96

(x) The accumulated losses at the end of the financial year exceed its net worth. The company has incurred cash losses in this financial year as against cash losses in the financial year immediately proceeding the current financial year.

(xi) The company had defaulted in the repayment of dues to financial institutions, banks and privately placed debenture holders, however, as per the rehabilitation scheme sanctioned by the Hon'ble BIFR, the interest dues of secured lenders accrued till 31st March 2007 has been waived and the principal amount is scheduled to be paid commencing from quarter ended January-March 2009.

The Company has started paying principal outstanding on deferral basis in accordance with the scheme sanctioned by Hon'ble BIFR. However, the Company has defaulted in payment of principal amount of Loans of Rs 4105.33 Lacs to Banks / Financial Institutions for eight quarters starting from 1st April, 2011 to 31st March, 2013. This is in contravention of rehabilitation scheme announced by Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 12th March, 2007. The Company was unable to meet its obligations towards repayment of quarterly installments due in respect of term/working capital term loans as per BIFR sanctioned scheme, due to non availability of working capital limits as envisaged in the sanctioned scheme and sluggish market conditions during the year. The Company has approached IFCI-The Operating Agency with Modified Debt Restructuring Scheme (MDRS) in the month of February, 2012. A meeting of secured lenders was held in the month of April, 2012 & secured lenders whose interest is being affected have given their consent for the proposed Modified Debt Restructuring Scheme (MDRS). IFCI-The Operating Agency has submitted the aforesaid Modified Debt Restructuring Scheme (MDRS) to the Hon'ble BIFR in the month of October, 2012. Besides sale of Land & Building, MDRS envisages sale of surplus assets such as Plant & Machinery along-with Other Miscellaneous Assets and Flats, and sale/mortgage of vacant land at Vadodara , also contains re-schedulement of repayment of secured loan and interest thereon within the scheme period. The amount collected from disposal of such surplus assets shall be used to address the dues of secured lenders as per original sanctioned scheme and dues of workers as per Memorandum of Settlement. Hon'ble BIFR after hearing all concerned parties vide its interim order dated 29.01.2013, has approved the sale of surplus assets as envisaged in MDRS namely 168 flats at Mohali, idle Plant & Machinery at Mohali which is no longer required to be relocated to Vadodara and also the surplus land up to 175 acres at the company's unit at Vadodara. Assets Sale Committee (ASC) has been entrusted and authorized to work on the modalities for conducting sale of aforesaid surplus assets. The matter of re-schedulement of repayment of secured loan and interest thereon is under consideration of Hon'ble BIFR. It was not feasible to determine the area & relevant value of Surplus Land at Vadodara. Accordingly the same is shown as part of Fixed Assets. Please Refer Note-29A(b).

(xii) The company has not granted any loans and advances and therefore clause (xii) is inapplicable and has not been commented upon.

(xiii) The company is not a chit fund or a nidhi/mutual fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable.

(xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the order is not applicable. However, the shares, securities, debentures and other long-term investments have been held by the company in its own name.

(xv) The company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) No term loan has been availed by the Company during the financial year ended 31st March 2013 and accordingly rest of the disclosures of this clause is not applicable.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that funds raised during the year on short-term basis have not been used for long term investments.

(xviii) According to the information and explanations given to us, 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 during the financial year ended 31st March, 2013. However, equity shares of Rs.7502.26 lakhs and Rs 34.78 Lacs were issued to promoters/ banks and FIs under the BIFR sanctioned scheme during the financial year ended 31st March 2008 and 31st March, 2010 respectively.

(xix) The company has not issued any debentures during the current financial year.

(xx) The company has not made any public issue during the current financial year.

(xxi) According to the 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. SAHAI TRIPATHI & Co.
Chartered Accountants
Firm's Registration Number : 000262N

Place : New Delhi
Dated : 28th May, 2013

Mahesh Sahai, Partner
Membership No. 6730

BALANCE SHEET AS AT 31st MARCH, 2013

	Note No.	**As At 31.03.2013 ₹ in Lacs**	As At 31.03.2012 ₹ in Lacs
I. *EQUITY AND LIABILITIES*			
1. *Shareholders funds*			
a) Share Capital	1	**7,882.40**	7,882.40
b) Reserves and surplus	2	**(49,669.91)**	(44,681.07)
2. *Non-current Liabilities*			
a) Long-term borrowings	3	**28,370.73**	31,019.08
b) Other Long term liabilities	4	**19,222.13**	20,473.48
c) Long-term provisions	5	**840.66**	767.77
3. *Current Liabilities*			
a) Short-term borrowings	6	**180.00**	150.00
b) Trade Payables	7	**17,631.11**	14,804.45
c) Other current liabilities	8	**19,134.42**	14,692.57
d) Short-term provisions	9	**37.33**	63.46
TOTAL		**43,628.87**	45,172.14
II. *ASSETS*			
1. ***Non-current assets***			
a) Fixed assets	10		
i) Tangible assets		**28,529.96**	29,917.66
ii) Intangible assets		**165.80**	9.04
iii) Capital work in progress		**130.46**	156.83
iv) Intangible assets under development		**140.95**	245.05
b) Non-current investment	11	**65.95**	65.95
c) Deferred Tax assets (Net)		**-**	-
d) Long-term loans and advances	12	**851.59**	732.57
e) Other non-current assets	13	**2,149.89**	2,155.81
2. ***Current assets***			
a) Inventories	14	**3,859.49**	4,573.44
b) Trade receivables	15	**5,792.59**	4,807.85
c) Cash and bank balances	16	**385.02**	1,060.16
d) Short-term loans and advances	17	**1,544.73**	1,424.08
e) Other current assets	18	**12.44**	23.70
TOTAL		**43,628.87**	45,172.14

As per our report of even date
attached to the balance sheet

On behalf of the Board

for V. SAHAI TRIPATHI & Co.
Chartered Accountants
Firm's Registration No. : 000262N

K. JAYABHARATH REDDY
Director

ARJUN THAPAR
Managing Director

MAHESH SAHAI, Partner
Membership No. : 6730

M P S NARANG
Sr. Vice-President Finance

GOPAL KRISHNAN
Sr. Vice-President & Company Secretary

RAJ KAPUR
Chief Operating Officer

Place : New Delhi
Dated : 28th May, 2013

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2013

		Note No.	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
I.	***INCOME***			
	Revenue from operations	19	**38,880.69**	24,004.99
	Less: Excise Duty		**4,269.71**	2,335.78
	Net Revenue from operations		**34,610.98**	21,669.21
	Other income	20	**43.24**	93.92
	Total Revenue		**34,654.22**	21,763.13
II.	***EXPENSES***			
	Cost of materials consumed	21	**24,939.93**	15,167.84
	(Increase)/Decrease in inventories	22	**10.33**	(489.34)
	Employee benefits expense	23	**2,719.85**	2,325.21
	Finance cost	24	**2,006.54**	2,324.35
	Depreciation and amortisation expense	10	**1,531.66**	1,534.67
	Other expenses	25	**8,304.56**	6,859.25
	Total expenses		**39,512.87**	27,721.98
III.	Profit / (Loss) before exceptional and extraordinary items and tax (I-II)		**(4,858.65)**	(5,958.85)
IV	Exceptional Items		-	-
V.	Profit before extraordinary items and tax (III-IV)		**(4,858.65)**	(5,958.85)
VI.	Extraordinary items		-	-
VII.	Profit before tax (V-VI)		**(4,858.65)**	(5,958.85)
VIII.	Tax expense:			
	Current Tax		**-**	-
	Deferred Tax		**-**	-
IX	Profit /(Loss) for the period from continuing opreations (VII-VIII)		**(4,858.65)**	(5,958.85)
X.	Profit/ (Loss) from discontinuing operations	40 (f)	**(130.19)**	(303.37)
XI.	Tax expense of discontinuing operations		-	-
XII.	Profit /(Loss) from discontinuing operations (after tax : X-XI)		**(130.19)**	(303.37)
xiii.	Profit/ (Loss) for the period (IX+XII)		**(4,988.84)**	(6,262.22)
	Earning per equity share of Rs 1/- each			
	i. Basic		**(0.63)**	(0.79)
	ii Diluted		**(0.63)**	(0.79)

As per our report of even date attached to the balance sheet

On behalf of the Board

for V. SAHAI TRIPATHI & Co.
Chartered Accountants
Firm's Registration No. : 000262N

K. JAYABHARATH REDDY
Director

ARJUN THAPAR
Managing Director

MAHESH SAHAI, Partner
Membership No. : 6730

Place : New Delhi
Dated : 28th May, 2013

M P S NARANG
Sr. Vice-President Finance

GOPAL KRISHNAN
Sr. Vice-President & Company Secretary

RAJ KAPUR
Chief Operating Officer

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2013

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
NOTE – 1 : SHARE CAPITAL		
AUTHORISED :		
Equity Shares - 130,00,00,000 of ₹ 1/- each.	**13,000.00**	13,000.00
Preference Shares - 200,00,000 of ₹ 10/- each	**2,000.00**	2,000.00
	15,000.00	15,000.00
ISSUED, SUBSCRIBED :		
Equity Shares - 78,82,33,563 of ₹ 1/- each fully paid up (Refer Note No. 1.1, 1.2, 1.3 and 1.4)	**7,882.34**	7,882.34
Equity Shares - 23,500 of ₹ 1/- each not fully paid up (Refer Note No. 1.1, 1.2, 1.3 and 1.4)	**0.23**	0.23
Less : Allotment money in arrears (Due from Directors/Officers NIL)	**0.17**	0.17
Per Balance Sheet	**7,882.40**	7,882.40

Note – 1.1

a) Equity Shares :- The company has only one class of equity shares having face value of Rs.1/- each. Each holder of equity share is entitled to one vote per share.

b) Share holders are entitled to dividend, if any, declared by the company. The dividend is payable in Indian rupees. The dividend, if any, declared by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c) Re-payment of equity share capital shall be made at the time of winding-up of the company. The company can also partly buy back equity as and when decided by the company in accordance with the provision of Companies Act, 1956.

Note – 1.2 : Reconciliation of Equity Shares

	As at 31.03.2013		As at 31.03.2012	
	Nos.	**Amt (₹ in Lacs)**	Nos.	Amt (₹ in Lacs)
Shares outstanding at the begining of the year	**788,257,063**	**7,882.57**	788,257,063	7,882.57
Issued during the year	-	-	-	-
Redeemed/bought back	-	-	-	-
Closing Balance	**788,257,063**	**7,882.57**	788,257,063	7,882.57
Less : Allotment money in arrears		**0.17**		0.17
Per Balance Sheet		**7,882.40**		7,882.40

Note – 1.3 : Shareholders holding more than 5% of Equity Shares of the company

Name of the Shareholder	**No. of Shares held**	**% of holding**	No. of Shares held	% of holding
a) Team Plus Securities Ltd.	**441,000,000**	**55.95%**	441,000,000	55.95%
b) APJ Financial Services Pvt. Ltd.	**200,000,000**	**25.37%**	200,000,000	25.37%

Note – 1.4

Equity Shares held by holding company, ultimate holding company, subsidiaries of the holding company, Associates of the holding company, subsidiary of the ultimate holding company and/or Associates of the ultimate holding company

	As at 31.03.2013		As at 31.03.2012	
Equity Shares held by its holding company	**No. of Shares held**	**Amount ₹ in Lacs**	No. of Shares held	Amount ₹ in Lacs
a) Team Plus Securities Ltd.	**441,000,000**	**4,410.00**	441,000,000	4,410.00

NOTE – 2 : RESERVES & SURPLUS

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
Capital Reserve (Land Subsidy)		
Opening Balance	**81.02**	81.02
Closing Balance	**81.02**	81.02
Capital Redemption Reserve		
Opening Balance	**800.00**	800.00
Closing Balance	**800.00**	800.00
Share Premium Account		
Opening Balance	**5,757.63**	5,757.63
Closing Balance	**5,757.63**	5,757.63
Other Reserves		
Surplus		
Opening Balance	**(51,319.72)**	(45,057.50)
Add : Profit/(Loss) for the year	**(4,988.84)**	(6,262.22)
Closing Balance	**(56,308.56)**	(51,319.72)
Per Balance Sheet	**(49,669.91)**	(44,681.07)

NOTE – 3 : LONG TERM BORROWINGS

i) Term Loans - Secured		
a) Financial Institutions (Refer Note No. 3.1,3.2, 3.3 and 3.4)	**10,965.26**	12,416.96
b) Indian Banks - TL/WCTL (Refer Note 3.1, 3.2, 3.3 and 3.4)	**8,776.63**	9,973.28
Less : Balance upfront payment in no lien a/c with OA yet to be distributed	**(27.99)**	(27.99)
(Refer Note No. 3.5)	**19,713.90**	22,362.25
c) Foreign Banks- TL	**218.75**	218.75
(Refer Note No. 3.3 (b)(ii)	**19,932.65**	22,581.00
ii) Deposits - Unsecured		
a) Inter Corporate Deposits (Refer Note No. 3.6)	**49.95**	49.95
b) Interest Accrued and Due ICDs	**5.80**	5.80
(Refer Note No. 3.7)	**55.75**	55.75
iii) Loans and Advances from Related Parties - Unsecured		
Team Plus Securities Ltd.	**50.00**	50.00

iv) Other Loans and advances		
Secured :		
a) Foreign banks (CC Limits) (Refer Note No. 3.1 and 3.3 (b)(ii))	**8,076.99**	8,076.99
Unsecured :		
a) Non Convertible Debentures - 90 debentures of Rs.1,00,000 each (Refer Note No. 3.8)	**90.00**	90.00
b) Interest accrued and due on unsecured debentures	**161.06**	161.06
c) Others	**4.28**	4.28
	8,332.33	8,332.33
Per Balance Sheet	**28,370.73**	31,019.08

Note - 3.1 : Securities given to secured lenders

a) Term loans (secured) from the financial institutions and Indian banks are secured by an equitable mortgage on all the immovable properties at Mohali & Vadodara and hypothecation of the movable assets of the company, present and future, save and except prior charges on specified movables in favour of the bankers for working capital requirements.

b) Working Capital term loans from Indian banks and working capital facilities from foreign banks are secured by first charge by way of hypothecation of raw materials, goods in process, finished goods, stores and spares, book debts and receivables of the Company, present and future and second charge on the immovable properties at Mohali and Vadodara.

c) In terms of the BIFR sanctioned scheme, outstanding principal amount of the working capital facilities from banks (other than banks covered under OTS as per sanctioned scheme) as on 31st March, 2007 have been converted into working capital term loans. These will additionaly be covered by a pari-pasu charge on the fixed assets along with the term lenders, after completion of documentation in this regard.

d) Principal amount of working capital from banks covered under OTS have been shown under working capital facilities. As mentioned in the sanctioned scheme [Refer note no. 28(A) (c)] foreign banks are to be paid by way of one time settelment (OTS).

	As at 31.03.2013 ₹ in Lacs		As at 31.03.2012 ₹ in Lacs	
Note 3.2 : Details of Secured Loan	**Non Current**	**Current**	Non Current	Current
a) Financial Institution				
IFCI	**6772.15**	**2,178.11**	7,668.72	1,281.54
IDBI	**4,193.11**	**1,348.63**	4,748.24	793.50
	10,965.26	**3,526.74**	12,416.96	2,075.04
b) Indian Banks				
Term Loan				
Allahabad bank	**415.20**	**133.54**	470.17	78.57
Punjab & Sind Bank	**238.76**	**76.79**	270.37	45.18
Vijaya Bank	**302.24**	**122.76**	340.85	84.15
Working Capital Term Loan				
Punjab & Sind Bank	**873.57**	**378.03**	1,029.18	222.42
Allahabad bank	**4577.29**	**1979.89**	5,392.27	1,164.91
Punjab National Bank	**423.89**	**360.39**	572.24	212.04
Punjab National Bank LC OD	**339.64**	**–**	–	–
State Bank of Patiala	**436.20**	**264.23**	544.96	155.47
UCO Bank	**26.45**	**11.45**	31.16	6.74

ARCIL assigned by State Bank of India [Refer Note no. 29B(a)]	**189.49**	**82.43**	223.42	48.50
ARCIL assigned by SBICI [Refer Note no. 29B(a)]	**381.66**	**163.94**	449.14	96.46
Bank of Baroda	**504.60**	**215.76**	572.46	147.90
Indian Overseas Bank	**67.64**	**29.96**	77.06	20.54
	8,776.63	**3,819.17**	9,973.28	2,282.88

Note - 3.3 : Terms of repayment

a) Rate of Interest

As per BIFR sanctioned scheme interest rate of 6% p.a. is payable to financial institutions and Indian banks referred to in Note No. 3.2 above starting from 1.10.2008.

b) Repayment

i) Secured loans from financial institutions and Indian banks are repayable in 33 quarterly instalments starting from Dec, 2008 to Mar, 2017 [Refer Note No. 28A (b)]

ii) Foreign Banks referred to in Note No. 3(1)(c) and 3(iv)(a) are to be setteled by way of OTS to be paid out of the sale proceeds of land & building at Mohali, which is yet to materialize.

Note - 3.4 : *Details of default in repayments*

The company has defaulted in payment of instalments for the period 01.04.2012 to 31.03.2013 as follows :

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
a) Financial Institutions		
Term Loan		
IFCI	**1281.54**	576.41
IDBI	**793.50**	356.90
b) Indian Banks		
Term Loan		
Allahabad Bank	**78.57**	35.34
Punjab & Sind Bank	**45.18**	20.32
Working Capital Term Loan		
Punjab & Sind Bank	**222.42**	100.04
Allahabad bank	**1,164.91**	523.95
Punjab National Bank	**212.04**	95.37
State Bank of Patiala	**155.47**	69.93
UCO Bank	**6.74**	3.03
ARCIL assigned by State Bank of India [Refer Note no. 29B(a)]	**48.50**	21.81
ARCIL assigned by SBICI [Refer Note no. 29B(a)]	**96.46**	43.39
	4,105.33	1,846.49

Note - 3.5

An amount of Rs.750 lacs was paid to IFCI, Operating Agency for distribution among Financial Institutions and Indian Banks as per BIFR orders. A sum of Rs.27.99 lacs is still lying with the Operating Agency as undistributed amount and the same has been reduced from the amount of term loans and working capital term loans.

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
Note - 3.6 : Details of Unsecured Deposits		
ICD from Janpath Holding	**49.95**	49.95
	49.95	49.95

No interest is payable on above deposits as per BIFR sanctioned scheme

Note - 3.7

As per BIFR orders no interest is being provided on the ICD. Interest accrued and due on ICD represents balance as on 31.03.2007. These ICDs are payable alongwith interested accued & due after the scheme period.

Note - 3.8

Non Convertible Debentures, subscribed by M/s Escort Mutual Fund on 18.11.1996 for a period of 17 months and 30 days @ 21.5% p.a. which were redeemable on 23.11.99, will be now paid as per terms of the sanctioned scheme. As per BIFR order, no interest is being provided on these NCDs. Interest accrued and due on NCDs represents balance as on 31.03.2007. These NCDs are payable alongwith interest accrued & due after the scheme period.

NOTE– 4 : Other Long Term liabilities

(Refer Note No. 4.1)		
Trade Payables	**17,686.37**	19,071.85
(Refer Note No.4.2)		
Others	**1,535.76**	1,401.63
(Refer Note No.4.3)		
Per Balance Sheet	**19,222.13**	20,473.48

Note - 4.1

As per BIFR Order, dues shown under "Other Long Terms Liabilities" are to be settled partly over the scheme period and the balance thereafter. No interest is payable to unsecured creditors on their dues.

Note– 4.2 : Details of Trade Payables		
- Due to MSMED	**15.39**	20.49
- Other creditoers	**17,670.98**	19,051.36
	17,686.37	19,071.85

The information required to be disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED), has been determined to the extent such parties have been identified on the basis of information available with the company. During the year ended 31st March, 2013, company has not received any confirmation or intimation from any party that it is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).

Rs. 15.39 lacs (Previous Year 20.49 Lacs) is payable to M/s H. K. Industries. This party is registered under the said Act to whom the company owes an amount for more than 45 days as at the Balance Sheet date which are carrying since

31st March, 2007. Dues of the creditors as at 31st March, 2007 are to be addressed as per terms of sanctioned scheme of BIFR. However, in respect of balances outstanding as at 31st March, 2007, no provision for interest has been made in view of the BIFR order passed under the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), wherein it is stated that no interest on outstanding amounts due to creditors standing as on the cut off date i.e. 31st March, 2007, shall be payable. Besides, there are no transactions with these parties in the reporting year. In view of above, the information required under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED), has not been furnished.

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
Note – 4.3 : Details of Others		
a) Security & Earnest Money	**1.00**	0.25
b) Credit Balance of Creditors for expenses	**1,008.61**	963.29
c) Liability for Expenses	**526.15**	438.09
	1,535.76	1,401.63
NOTE – 5 : LONG-TERM PROVISIONS		
For leave encashment	**218.82**	215.40
For Gratuity*	**621.84**	552.37
Per Balance Sheet	**840.66**	767.77

* Provision for gratuity has been made on the basis of LIC valuation, since no classificationhas been done by LIC between current and non-current. Hence total amount has been kept as non-current.

NOTE –6 : SHORT TERM BORROWINGS		
Unsecured :		
Loans and Advances from Related parties	**180.00**	150.00
(Refer Note No 6.1)		
Per Balance Sheet	**180.00**	150.00
Note – 6.1 : Details of borrowings from related parties		
Unsecured :		
APJ Financial Services Pvt. Limited	**180.00**	150.00
	180.00	150.00
NOTE - 7 : TRADE PAYABLES		
Acceptances	**246.45**	618.76
Other Trade Payables	**17384.66**	14,185.69
Per Balance Sheet	**17631.11**	14,804.45

The information required to be disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED), has been determined to the extent such parties have been identified on the basis of information available with the company. During the year ended 31st March, 2013, company has not received any confirmation or intimation from any party that it is covered under the Micro Small & Medium Enterprises Development Act, 2006 (MSMED).

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
NOTE - 8 : OTHER CURRENT LIABILITIES		
Current maturity of long term debt (Refer Note No. 8.1)	**7,345.91**	4,357.92
Interest accrued but not due on secured loans (Refer Note No.8.2)	**8,089.96**	6,497.34
Other Payables (Refer Note No. 8.3)	**3,698.55**	3,837.31
Per Balance Sheet	**19,134.42**	14,692.57

Note - 8.1

Details of Current maturity of long term debt - From Indian Banks	**3,819.17**	2,282.88
- From Financial Institutions	**3,526.74**	2,075.04
	7,345.91	4,357.92

The current maturities includes defaults in payment of instalments for the year 2011-12 at Rs.1846.49 lacs as per details given in Note No. 3.4

Note - 8.2

Interest accrued but not due is on Term Loans from Financial Institutions & Indian Banks and Working Capital Term Loans from Indian Banks in view of BIFR order dated 12.11.2008.

Note - 8.3 : Details of Other Payables

a) Security & Earnest Money	**0.95**	**1.70**
b) Credit Balance of Creditors for Expenses	**1,140.54**	**1,264.22**
c) Credit Balance of Debtors	**559.35**	**997.29**
d) Credit Balance of Staff	**141.08**	**87.56**
e) Liability for Statutory dues	**268.01**	**79.59**
f) Liability for Expenses	**1,577.39**	**1,401.44**
g) Others	**11.23**	**5.51**
	3,698.55	**3,837.31**

NOTE - 9 : SHORT TERM PROVISIONS

Leave encashment	**31.43**	**27.40**
Gratuity	**-**	**34.24**
Others (Refer Note No. 9.1)	**5.90**	**1.82**
Per Balance Sheet	**37.33**	**63.46**

Note - 9.1 : Detail of others

Provision against warranties	**5.48**	**1.61**
Provision against rent equalisation	**0.42**	0.21
	5.90	1.82

NOTE – 10 : FIXED ASSETS

₹ in Lacs

Assets	ORIGINAL COST						DEPRICIATION/AMORITISATION/IMPAREMENTS					WRITTEN DOWN VALUE	
	As at 1/4/2012	Adjust-ments	Addi-tions	Dis-posal	Trf to Other Non current Assets	As At 31.03.2013	As At 01.04.2012	For the year	Written back	Trf to other Non current Assets*	As on 31/03/2013	As at 31/03/2013	As at 31/03/2012
i) Tangible Assets													
Land													
a) Leasehold land	-	-	-	-	-	**-**	-	-	-	-	**-**	**-**	-
b) Freehold land	767.87	-	-	-	-	**767.87**	-	-	-	-	**-**	**767.87**	767.87
Buildings	3,593.99	-	3.05	-	-	**3,597.04**	1,580.79	111.47	-	-	**1,692.26**	**1,904.78**	2,013.20
a) Plant & machinery	46,510.72	(7.50)	147.01	372.55	-	**46,277.68**	23,078.35	1,202.64	205.60	15.10	**24,060.29**	**22,217.39**	23,432.37
b) Electrical installation	6,166.56	7.50	76.88	5.44	-	**6,245.50**	2,644.58	171.39	2.42	(15.10)	**2,828.65**	**3,416.85**	3,521.98
c) Storage & water system	-	-	-	-	-	**-**	-	-	-	-	**-**	**-**	-
d) Factory equipment	74.83	-	1.04	2.06	-	**73.81**	37.45	1.70	0.88	-	**38.27**	**35.54**	37.38
Furniture & fittings	167.76	-	0.60	0.71	-	**167.65**	139.82	4.80	0.69	-	**143.93**	**23.72**	27.94
Vehicle & cycles	136.76	-	87.31	16.02	-	**208.05**	51.88	23.68	4.75	-	**70.81**	**137.24**	84.88
Office equipment	231.86	-	1.38	27.89	-	**205.35**	199.82	6.58	27.62	-	**178.78**	**26.57**	32.04
Total Tangible assets	57,650.35	-	317.27	424.67	-	**57,542.95**	27,732.69	1,522.26	241.96	-	**29,012.99**	**28,529.96**	29,917.66
ii) Intangbile Assets													
Computer softwares	41.13	-	166.17	-	-	**207.30**	32.09	9.41	-	-	**41.50**	**165.80**	9.04
Current year total	57,691.48	-	483.44	424.67	-	**57,750.25**	27,764.78	1,531.67	241.96	-	**29,054.49**	**28,695.76**	29,926.70
Previous year total	73,636.58	-	241.46	90.55	16,096.01	**57,691.48**	40,115.79	1,666.27	43.89	13,973.39	**27,764.78**		
iii) Capital work in progress												**130.46**	190.01
less: Transferred to Non current assets*												-	33.18
												130.46	156.83
iv) Intangible assets under devlopment												**140.95**	245.05
Per Balance Sheet												**28,967.17**	30,328.58

* Relates to Discontinuing Operations (Refer Note No.40)

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
NOTE - 11 : NON CURRENT INVESTMENTS		
Other Investments		
(Refer Note No.11.1)		
a) Investment in Equity Instruments		
- Unquoted		
Shivalik Video Communications Limited		
Valued at cost less provision for other than temporary diminution		
3,000 Equity Shares of Rs.100/- each fully paid up	**3.00**	3.00
Less : Provision for diminution in value of Investments	**(3.00)**	(3.00)
	-	-
Swaraj Automotives Limited		
Valued at cost		
Equity Shares - 4894 of Rs.10/- each fully paid up	**0.05**	0.05

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
India International Airways Limited (Refer Note No.11.2)		
Valued at cost less provision for other than temporary diminution		
34,81,120 equity shares of Rs.10/- each fully paid up	**348.11**	348.11
Less : Provision for diminution in value of Investment	**(330.71)**	(330.71)
	17.40	17.40
b) Investment in Mutual Funds		
- Quoted		
Escorts Income Bonds		
Valued at cost		
5,00,000 Mutual Fund Units of Rs.10/- each fully paid up	**48.50**	48.50
Per Balance Sheet	**65.95**	65.95
Note - 11.1		
Aggregate amount of quoted investments at NAV Rs.173.68 lacs (Previous year Rs.154.95 lacs)	**48.50**	48.50
Aggregate amount of unquoted investments	**351.16**	351.16
Aggregate amount of provision for diminution	**(333.71)**	(333.71)
TOTAL	**65.95**	65.95
Note - 11.2 : Details of Investments with related parties		
[Refer Note No. 36(a)]		
India International Airways Ltd.		
34,81,120 equity shares of Rs.10/- each fully paid up	**348.11**	348.11
Less : Provision for diminution in value of Investments	**(330.71)**	(330.71)
	17.40	17.40
NOTE - 12 : LONG TERM LOANS & ADVANCES		
Unsecured - considered good		
a) Capital Advances	**7.48**	2.82
b) Security Deposits	**268.61**	201.37
c) Others (Refer Note No. 12.2)	**575.50**	528.38
Per Balance Sheet	**851.59**	732.57
Note - 12.1		
Loans & Advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firm or private companies respectively in which any director is a partner or director or a member	**Nil**	Nil
Note - 12.2 : Details of Other Loan and advances		
Modvat/VAT recoverable	**575.50**	525.16
Pre-paid Expenses	**–**	3.22
	575.50	528.38

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
NOTE - 13 : OTHER NON-CURRENT ASSETS		
[Refer Note No.31 (b)]		
Assets held for sale pertaining to discountinued operations		
Tangible Assets		
Land (Lease hold)	**112.67**	112.67
Building	**476.50**	476.50
Plant and Machinery		
a) Plant & Machinery	**1199.66**	1,199.66
b) Electrical installations	**246.03**	245.74
c) Storage & water system	**78.67**	78.67
d) Factory equipment	**9.17**	9.17
Furniture & fittings	**0.11**	0.11
Office equipment	**0.10**	0.10
	2,122.91	2,122.62
Capital work in progress	**26.98**	33.19
Per Balance Sheet	**2,149.89**	2,155.81

The Board of Directors of the Company in their meeting held in the month of Feb., 2012 also recommended to sell Plant & Machinery, Other Miscellaneous Assets & Flats at Mohali, besides Land & Building. Secured Lenders have given their approval for said proposal. Subsequently a Modified Debt Restructring Scheme (MDRS) has been filed by Operating Agency (IFCI) with BIFR in the month of June, 2012. Considering the above, Fixed Assets at Mohali i.e. Land, Factory Building, Plant & Machinery, Electrical Istallation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles & Flats, have been retired from Fixed Assets category & have been shown under the head Other Non Current Assets. This is in compliance with Accounting Standard-10 on Fixed Assets issued by Ministry of Corporate Affairs, Government of India which requires disclosures of assets retired and held for sale separately. Since the sale of such assets is not expected to be consumated in the next 12 months, such assets have been categorized under Non Current Category.

NOTE - 14 : INVENTORIES

(Refer Note No. 14.1)		
Raw materials	**585.52**	1,104.22
Material in transit	**539.04**	709.82
Goods in process	**739.36**	899.48
Finished goods	**481.47**	122.28
Finished goods in transit	**29.72**	239.12
Stores & spare parts	**1,481.89**	1,489.87
Stores & spares in transit	**2.15**	8.31
Loose tools	**0.34**	0.34
Per Balance Sheet	**3,859.49**	4,573.44

Note - 14.1 : Inventory valuation method

a) Finished goods have been valued at lower of cost or net realizable value. In the case of finished goods, cost is determined by taking material, labour and related factory overheads including depreciation, excise duly and fixed production overheads arrived at by the cost sheet of the last month of the financial year. Fixed overheads are allocated for inclusion in the cost of conversion on the basis of normal levels of production capacity or actual production whichever is higher.

b) Raw materials, stores and spares have been valued at cost by using weighted average basis.

c) Goods in process have been valued at raw material cost incurred up to the stage of production plus conversion cost apportioned on the basis of raw material cost of goods in process.

d) Loose tools and stock in transit have been valued at cost.

e) As per past practice, no value is placed on stock of scrap since its estimated net realizable/usable value is not accurately ascertainable.

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
NOTE - 15 : TRADE RECEIVABLES		
a) Over six months from the date they are due for payments		
Unsecured - Considered good	**4,568.42**	3,502.19
Considered doubtful	**43.30**	43.30
	4,611.72	3,545.49
Less : Provision for doubtful debts	**43.30**	43.30
	4,568.42	3,502.19
b) Other Debts		
Unsecured - Considered good	**1,224.17**	1,305.66
Per Balance Sheet	**5,792.59**	4,807.85
NOTE - 16 : CASH AND BANK BALANCES		
a) Cash and cash equivalents		
Cash in hand	**20.49**	9.60
Current accounts (Refer Note No.16.1)	**99.65**	677.27
b) Other bank balances (Refer Note No.16.2)	**264.88**	373.29
Per Balance Sheet	**385.02**	1,060.16
Note - 16.1 : Details of Current/CC Accounts		
Allahabad Bank	**1.89**	490.22
Punjab National Bank	**0.70**	27.82
Others	**97.06**	159.23
	99.65	677.27
Note - 16.2 : Details of other bank balances		
Margins given to banks for L/C's and Bank guarantees	**264.88**	373.29
NOTE - 17 : SHORT TERM LOANS & ADVANCES		
a) Loans and advances to related parties (Refer Note No. 17.1)		
i) Unsecured - Considered good	**117.41**	118.49
b) Others (Refer Note No. 17.2)		
Unsecured		
i) Considered good	**1,427.32**	1,305.59
ii) Considered doubtful	**12.79**	15.63
	1,440.11	1,321.22
Less : Provision for doubtful advances	**12.79**	15.63
	1,427.32	1,305.59
Per Balance Sheet	**1,544.73**	1,424.08
Note - 17.1 : Details of loans and advances to Related Parties		
i) Loans & Advances due by directors	**–**	1.08
ii) India International Airways Limited	**57.24**	57.24
iii) JCT Limited	**60.17**	60.17
	117.41	118.49

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
Note - 17.2 : Details of other loans and advances		
Loans & advance to employees	**89.54**	122.64
Prepaid expenses	**49.92**	72.96
Balance with Govt. authorities		
i) Excise authorities	**39.70**	50.29
ii) Sales tax authorities	**327.74**	486.43
iii) Service Tax	**20.13**	23.53
iv) Income Tax	**43.23**	119.25
v) Others	**857.06**	430.49
	1,427.32	1,305.59
NOTE - 18 : OTHER CURRENT ASSETS		
Insurance claim receivable	**–**	2.07
Interest receivable/recoverable	**12.23**	12.95
Export benefits recoverable	**–**	7.03
Workmen Group Per. Accident Recoverable	**0.08**	1.52
Stamp/Hundi papers in Hand	**0.13**	0.13
Per Balance Sheet	**12.44**	23.70
NOTE -19 : REVENUE FROM OPERATIONS		
Sale of products (Refer Note No. 19.1)	**38,315.08**	23,675.14
Other operating revenues (Refer Note no 19.2)	**565.61**	329.85
	38,880.69	24,004.99
Less: Excise Duty	**4,269.71**	2,335.78
Per Profit & Loss Statement	**34,610.98**	21,669.21
Note - 19.1 : Details of sale of Products		
a) Sale of Colour Picture Tubes	**38,308.50**	23,672.76
b) Sale of Deflection Yokes	**6.58**	1.21
c) Sale of Electron Guns	**-**	1.17
	38,315.08	23,675.14
Note - 19.2 : Details of Other Operating Revenue		
a) Sale of Scrap	**219.62**	298.84
b) Trading Sales	**331.65**	5.54
c) Export benefit	**14.34**	25.47
	565.61	329.85
NOTE - 20 : OTHER INCOME		
Interest	**37.12**	86.02
Dividend	**0.15**	0.34
Income on sale of investments (Long term)	**-**	5.88
Liability no longer required written back	**0.14**	1.66
Other income	**5.83**	0.02
Per Profit & Loss Statement	**43.24**	93.92

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
NOTE -21 : COST OF MATERIALS CONSUMED		
Raw materials consumed incl. packing material (Refer Note No.21.1)	**24,939.93**	15,167.84
Per Profit & Loss Statement	**24,939.93**	15,167.84
Note - 21.1 : Details of Material consumed		
a) Glass components	**12,024.85**	7,632.07
b) Electronics components	**9,419.46**	5,653.20
c) Chemicals	**1,592.68**	901.84
d) Packing material	**945.79**	664.16
e) Other materials	**957.15**	316.57
	24,939.93	15,167.84
NOTE - 22 : INCREASE/ (DECREASE) IN INVENTORIES		
Opening Inventories		
- Finished goods	**361.40**	356.49
Less: Increase/ Decrease in FG related to assets under development	**-**	(25.38)
- Goods-in-process	**899.48**	440.43
	1,260.88	771.54
Closing Inventories		
- Finished goods	**511.19**	361.40
Less: Increase/ Decrease in FG related to assets under development	**-**	-
- Goods-in-process	**739.36**	899.48
	1250.55	1,260.88
Difference in closing and opening inventories		
- Finished goods	**149.79**	30.29
- Goods-in-process	**(160.12)**	459.05
Per Profit & Loss Statement	**(10.33)**	489.34
NOTE - 23 : EMPLOYEES BENEFITS EXPENSE		
a) Salaries and wages (Refer Note No 23.1)	**2,265.36**	1,898.58
b) Contribution to provident & other funds (Refer Note No. 23.2)	**147.44**	142.08
c) Staff welfare expenses	**307.05**	284.55
Per Profit & Loss Statement	**2,719.85**	2,325.21
Note - 23.1 : Details of salaries and wages		
Salaries & wages etc.	**2,197.89**	1,828.08
Bonus Paid	**34.88**	38.69
Leave encashment	**32.59**	31.81
	2,265.36	**1,898.58**

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
Note - 23.2 : Details of Contribution to provident & other funds		
- Provident Fund	**51.64**	47.43
- Gratuity Fund	**27.31**	15.56
- Superannuation Fund	**15.75**	30.30
- Pension Fund	**52.74**	48.79
	147.44	142.08
NOTE - 24 : FINANCE COST		
Interest expense (Refer Note No 24.1)	**1,666.20**	1,983.88
Other borrowing costs (Refer Note No. 24.2)	**340.34**	340.47
Per Profit & Loss Statement	**2006.54**	2,324.35
Note - 24.1 : Details of Interest expense		
-On fixed loans	**1,613.54**	1,940.36
-On other loans	**52.66**	43.52
	1,666.20	1,983.88
Note - 24.2 : Details of Other borrowing costs		
- Guarantee commission	**1.30**	11.42
- Bank and Financing charges	**339.04**	329.05
	340.34	340.47
NOTE - 25 : OTHER EXPENSES		
Consumption of stores, spares & parts	**1,057.63**	1,274.84
Power and fuel	**3,459.35**	2,608.39
Rent	**165.38**	141.34
Repairs & maintenance		
-Building	**49.84**	36.86
-Plant & machinery	**40.55**	57.16
-Others	**87.03**	91.65
Excise duty on FG stock/ Others	**84.26**	0.27
Insurance	**67.28**	61.13
Rates & taxes	**35.57**	28.55
Auditors' remuneration		
- Statutory Audit fees	**8.50**	8.50
-Tax audit fees	**1.25**	1.25
- Cost Audit fees	**0.75**	-
-Out of pocket expenses	**6.48**	4.37
Provision for diminution in value of investments	**–**	91.16
Prior Period expenses	**2.09**	9.28
Directors' fees	**2.90**	2.90
Travelling expenses	**177.52**	156.63
Printing & stationery	**13.37**	9.49
Postage,telegram & telephone	**23.71**	21.91
Professional fees	**58.75**	75.10
Provision for doubtful advances	**5.98**	3.47
Provision for obsolete capital items	-	-

	As At 31.03.2013 ₹ in Lacs	As At 31.03.2012 ₹ in Lacs
Loss on Foreign Currency fluctuation (Refer Note No.25.1)	**115.60**	86.48
Data processing expenses	**20.79**	17.99
Loss on Sale of Assets	**46.87**	11.07
Advertisement & publicity	**21.48**	9.85
Cash & Other discount	**1.99**	15.91
Sales incentive & commission	**5.22**	4.43
Freight - outward	**529.88**	433.12
Export sales expenses	**14.40**	33.15
Provision/ write off for doubtful debts	**1,244.14**	1,366.09
Miscellaneous expenses	**956.00**	196.91
Per Profit & Loss Statement	**8304.56**	6,859.25

Note - 25.1

Exchange differences arising on foreign currency transactions relating to revenue items have been recognised as income or expense in the period in which they arise. During the current year, there was a loss of Rs. 115.60 lacs (Previous year gain of Rs. 86.48 lacs) which has been shown as part of other expense.

26. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) The financial statements have been prepared in accordance with Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on accrual basis and are in accordance with the applicable accounting standards issued by Ministry of Corporate Affairs, Government of India and as prescribed in the Companies (Accounting Standards) Rules, 2006. These Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted by the company. Management evaluates the effect of accounting standards issued on a going basis and ensures that they are adopted as mandated by Companies Act, 1956.

(ii) As required & mandated by relevant guidelines prescribed under Companies Act, 1956, Company has prepared its financials as per Revised Schedule VI. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has considered a period of twelve months for the purposes of classification of assets and liabilities as current and non-current.

(iii) VALUATION OF INVENTORIES:

(a) Finished goods have been valued at lower of cost or net realizable value. In the case of finished goods, cost is determined by taking material, labour and related factory overheads including depreciation and fixed production overheads arrived at by the cost sheet of the last month of the financial year. Relevant proportionate amount of excise duty is also added. Fixed overheads are allocated for inclusion in the cost of conversion on the basis of normal levels of production capacity or actual production whichever is higher.

(b) Raw materials, stores and spares have been valued at cost by using weighted average basis. Cost includes purchase price, freight and other incidental expenses incurred to bring the material at the present location.

(c) Goods in process have been valued at raw material cost incurred up to the stage of production plus conversion cost apportioned on the basis of raw material cost of goods in process.

(d) Loose tools and stock in transit have been valued at cost. Cost includes purchase price, freight and other incidental expenses incurred to bring the material at the present location.

(e) As per past practice, no value is placed on stock of scrap as the cost of such scrap material is nil. The estimated net realizable/usable value is not accurately ascertainable.

(iv) DEPRECIATION

(a) Depreciation on fixed assets is provided on the straight-line method in accordance with Schedule XIV to the Companies Act, 1956. However, as per rehabilitation scheme approved by Board for Industrial and Financial Reconstruction (BIFR), in respect of plant & machinery (including electrical installation, factory equipment, storage & water system) the estimated useful life of assets has, with retrospective effect, been considered as 30 years. The aforesaid Plant & Machinery does not include electrical fan, cooler, refrigerator, A.C. and other electrical appliances given to the employee's on which depreciation rates has been charged as per the rates prescribed by Schedule XIV of the Companies Act. The rate of depreciation on plant & machinery determined on the basis of life of 30 years are lower than rates prescribed in Schedule XIV. The rate of depreciation as per Straight Line Method is being used is 3.333% as against rate of 4.75% mentioned in Schedule XIV of Companies Act, 1956.

On indigenous vehicles/cycles, depreciation is provided on the written down value method as per rates prescribed and in accordance with the Income Tax Act, 1961. The rate of depreciation charged on vehicles is 15% p.a.

(b) In the case of purchase/sale depreciation is charged for the full month in which purchase /sale is made.

(c) 100% depreciation is charged in the year of purchase on assets equal to or less than Rs. 5,000.

(v) FOREIGN CURRENCY TRANSACTION

Foreign exchange transactions are recorded at the rate of exchange prevailing on the date of transaction. Accordingly, exchange differences arising on foreign exchange transactions settled during the period are recognized in the statement of profit and loss of the period.

Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the Statement of profit & loss.

(vi) ACCOUNTING FOR FIXED ASSETS

Fixed assets are stated at their original cost including incidental expenses related to acquisition and installation less accumulated depreciation. The costs of assets under installation or under construction as at the balance sheet date are shown as capital work in process. There has been no revaluation of fixed assets carried out during the year.

(vii) REVENUE RECOGNITION

(a) Sales are recognized when significant risks and rewards of goods are transferred to the customers and is stated net of returns, trade and volume discounts, rebates and sales tax but includes excise duties.

(b) Dividend Income is recognized when the right to receive is established.

(c) Interest revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(viii) EMPLOYEE BENEFITS

(a) Short Term Employee Benefits

All employee benefits falling due within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

(b) Post-Employment Benefits

(i) Defined Contribution Plans

Defined Contribution Plans are provident fund scheme, officers' superannuation scheme, employee's state insurance and government pension fund scheme for eligible employees. The company's contribution to the Defined Contribution Plans is recognized in the Statement of profit & loss in the financial year to which they relate.

(ii) *Defined Benefit Plans*

The employee's gratuity fund scheme managed by LIC is the Company's defined benefit plans. Wherever applicable, the present value of the obligation under such defined benefit plans are determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation or assets on the net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

(c) Other Long-term Employee Benefits

The obligations for long term employee benefits such as long term compensated leave or encashment of leave accrued up to the specified period only at the time of retirement are recognized in the similar manner as in the case of defined benefit plans as mentioned in (b) (ii) above. The provision for leave encashment is accrued and provided for, based on the actuarial valuation made by an independent Actuary as on the Balance Sheet date.

(ix) ACCOUNTING FOR INVESTMENT

Investments are classified into current and long term investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are stated at the lower of cost and fair value determined on an individual basis. A provision for decline in value of Long Term Investments is made only when the extent of loss is determinable and diminution in value, in the opinion of the Directors, is permanent.

(x) INTANGIBLE ASSETS

Intangible Assets & related expenditure are recognized as per criteria specified in Accounting Standard-26 on "Intangible Assets" issued by the Institute of Chartered Accountants of India and accounted for as under:-

(a) Intangible Assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

(b) The cost of internally generated products is the sum of the expenditure incurred from the time when the product first met the recognition criteria for an intangible asset in development stage. The expenditure incurred during research phase is directly charged to Statement of Profit & Loss. The cost of product development comprises its raw material cost, salary & wages, Stores & spares, including any import duties and other taxes (other than those subsequently recoverable by the enterprise from the taxing authorities) and any directly attributable expenditure on making the product ready for its use.

(c) Acquisition of software is amortized on a straight line basis over a period of five years starting from the year of capitalization.

(d) Internally developed new products for commercial use: over a period of 120 months from the month subsequent to the month in which it got activated for commercial use.

(xi) EXCISE DUTY

Excise duty has been accounted for on the basis of removal of goods as well as provision made for goods lying as closing stock.

(xii)DEFERRED TAXATION

Deferred tax is the effect of timing differences, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. On prudent grounds, deferred tax liabilities, when they arise, are provided without any exceptions but deferred tax assets are calculated on the accumulated timing differences as at the end of the year and are based on tax rates and laws in force on the balance sheet date and are recognized and carried forward only to the extent that there is a virtual certainty of realization against future taxable income.

(xiii)PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(xiv)LEASES

Assets taken on lease under which the lessor effectively retains all significant risks & rewards of ownership have been classified as operating lease. Lease payments made under an operating lease are recognized as expense in the Statement of profit & loss on straight line basis over the primary term of the lease as mentioned in the lease agreement.

(xv) BORROWING COSTS

Borrowing costs that are specifically attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(xvi) EARNINGS PER SHARE

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary/ exceptional item. The number of shares used in computing basic earnings per share comprises of the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

(xvii)CASH FLOW STATEMENTS

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 principle revenue generating, investing and financing activities of the Company are segregated.

	As at 31.03.2013 ₹ in Lacs	As at 31.03.2012 ₹ in Lacs
27. ***CONTINGENT LIABILITIES & COMMITMENTS***		
27.1 Contigent Liabilities		
a) Claims against the company not acknowledged as debts	**5,331.60**	1,835.59
b) Bills discounted	**249.80**	1,643.13
27.2 Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**5.52**	21.33

28. The Board for Industrial and Financial Reconstruction (BIFR) declared the company as a sick company vide its order dated 12th December, 2005 under the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). BIFR passed an order under section 17(3) of SICA & sanctioned a rehabilitation scheme vide its order dated 12th March, 2007 with the cut off date fixed as 31st March, 2007, which was further amended vide order dated 25th May, 2007. The scheme came into effect from the date of issue of the sanctioned scheme and its provisions are binding on all concerned. Relevant extracts from the sanctioned scheme are given below:-

A. REHABILITATION SCHEME

(a) CONTOURS

Sr. No.	Parameter	Particulars
1.	Cut off date	31-March-2007
2.	Waivers (upto cut off date)	Waiver of past interest /CI/LD/penal interest, etc.
3.	Shifting of Plant & Machinery of Mohali plant to Vadodara	The entire plant at Mohali unit will be shifted to Vadodara as new line-III for the manufacture of 21" True Flat Tubes. The land & building at the Mohali unit will be sold at an expected price of Rs. 11,900 lakhs. Workers at the Mohali plant will be given employment at the Vadodara plant and in the event of any worker not opting for shifting, he/she would be paid their legal dues as per the settlement.
4.	Utilisation of sale proceeds of Land & Building at Mohali Unit	Sale of Land & Building at Mohali Unit and utilization of the proceeds (expected at about Rs.11,900 lakhs) towards payment of workers' dues (about Rs. 1,000 lakhs), payment of foreign banks towards settlement of their liabilities (Rs. 3,000 lakhs) and payment of balance amount of Rs.7,900 lakhs to lenders in the ratio of outstanding dues for FIs & core irregularities for the banks. In case the realization from sale of Land & Building at Mohali unit falls below Rs. 11,900 lakhs, then the promoters will meet the shortfall. In case proceeds are more than Rs. 11,900 lakhs, the appropriation shall be as under i) Upto Rs.3,000 lakhs – Increase to be paid to secured lenders after paying crystallized workers dues. ii) Beyond Rs.3,000 lakhs - To be utilized by the company for adding capacities with prior approval of BIFR.
5.	Future Interest Rate	Interest @ 6% p.a. for term loans/working capital term loans w.e.f 1.10.2008 & there will be no running cash credit working capital facility with banks.
6.	Conversion of Principal Term loans / WCTL into Equity	Conversion of 15% of principal outstanding of Term Loans/WCTL (Rs.5,400 lakhs) into equity shares of the company after reduction of existing equity by 90%.
7.	Promoters' contribution	Equity : Rs. 2,500 lakh (Rs. 750 lakhs towards upfront payment + Rs. 1,750 lakhs towards capital expenditure for setting up facilities of 14" CPT and captive power generation), In addition, the company will also convert share application money into equity at par after write down of existing equity.
8.	Sanction of need based additional (L/C / LG limits)	Non Fund Based Limit – Need based 2007-08 : Rs.5,054 lakhs

9.	Security	1. Pledge of entire share holding of promoters post restructuring (after equity w/off, conversion & fresh induction). 2. Personal Guarantee of Sh. Arjun Thapar on the entire Loans of FIs & Banks. 3. Ceding of pari-passu charge to working capital banks for their WCTL exposure. 4. Opening of Trust & Retention Account with lead bank.
10.	Capital Reduction	To write down existing paid up equity share capital (Rs. 3,450 lakhs) by 90%.
11.	Workers' dues	JCTEL/promoters to settle the workers past liability at Rs. 1,000 lakhs (as estimated) to be paid out of sale proceeds of Mohali Unit, as per appropriation proposed in Item No.4.

(b) REPAYMENT SCHEDULE

Sr. No.	Parameter	Particulars
1.	Repayment of balance principal-Term Loans & working capital term loans	In 33 quarterly instalments commencing from Dec, 2008 to Mar, 2017.

(c) ONE TIME SETTLEMENT PROPOSAL FOR FOREIGN BANKS

Sr. No.	Parameter	Particulars
1.	OTS PROPOSAL	One time settlement of dues with foreign banks towards settlement of their entire liabilities for Rs. 3,000 lakhs (36.36% of principal) payable out of the Mohali sale proceeds.

B. COST OF THE SCHEME & MEANS OF FINANCE

		(Rs. in Lakhs)
Cost of the Scheme:		
Capital expenditure		1,750
Settlement of Foreign Banks' dues		3,000
Payment of Workers' dues		1,000
Upfront payment		750
Down payment from sale proceeds of Mohali Plant		7,900
	Total	14,400
Means of Financing:		
Promoters' contribution by way of equity		2,500
Sale of Mohali Plant (Estimated)		11,900
	Total	14,400

No separate provision for contingencies is made as it would be met by the promoters upon crystallizing.

C. SALE OF MOHALI ASSETS

The scheme envisages sale of land and building and other infrastructure of the Mohali unit (Punjab) and shifting of the plant and machinery to Vadodara and utilizing the sale proceeds for meeting the liabilities of the secured lenders and workers.

D. RELIEFS & CONCESSIONS:

FIs & Banks

- To waive past interest/compound interest/LD/penal damages etc. from the date of the first default to respective institutions and banks and to agree to collect the principal outstanding as on the cut-off-date in instalments as shown in the cash flow statement, starting from December 2008. The default date for this purpose of waiver for all institutions and banks from which relief is sought is listed in annexure III to the scheme.
- To agree to levy 6% per annum interest from 1.10.2008 until the dues are paid and to convert the debentures into Term Loan.
- Conversion of Working Capital limits into WCTL by Bankers.
- Conversion of part principal into equity, as per SEBI guidelines/pricing formula.
- Reschedule payment of principal so that it is repaid in 33 quarterly instalments starting from December, 2008.
- Banks to provide need based LC/LG facilities from time to time assessed at Rs.5,054 Lakh for the year 2007-08.
- Ceding of pari-passu charge in favour of Working Capital Bankers to secure their WCTL, exposure.

Promoters/Shareholders/JCTEL

- Write down of existing equity by 90%, immediately after sanction of the Scheme.
- Promoters to convert Share Application Money into equity capital as per SEBI formula.
- Personal Guarantee of Shri Arjun Thapar, MD to the exposure of FIs & Banks.
- Promoters to bring in Rs. 25 crores as promoters' contribution in the shape of equity.
- Pledge of entire Promoter's Shareholding (post rehabilitation) with FIs and Banks.
- Sale of Mohali land and building and utilization of proceeds thereof for reduction of debt of institutions/banks and settling workers' liability.
- To continue to induct nominees of lead bank and lead FIs on the board of company.

Workers (Mohali Plant)

- The workers shall extend full cooperation for sale of land and buildings to the company at Mohali and for shifting the plant and machinery to Vadodara.
- To agree to shift to Vadodara on the terms and conditions as applicable to the employees at Vadodara in the event of their giving consent to shift to Vadodara works.
- Those not willing to get shifted, to collect their payments etc. in arrears in accordance with the law.
- To withdraw the legal cases pending with various courts filed by them upon receiving the terminal dues.

Government of Punjab

- To consider to grant permission for closure of Black & White Picture Tube plant and Watch unit as these are non-operational since 1991; and
- To consider waiver of minimum demand charges, interest etc. from PSEB during lock out and non-operational periods and refund of security deposit.
- Government to consider permitting sale and conversion of end use of land of industrial plots at A-32, Indl. Phase-VIII, Mohali and A-27, Phase-VII, Mohali.
- The Sales Tax Deptt. of Punjab has not raised any demand whatsoever. With the sale of land and building of the Mohali unit & shifting of Plant, the Sales tax liability, if any, shall be deemed to have been extinguished. As no liability has arisen the assessments pending, if any, shall be deemed to have been completed.

Government of Gujarat

- Extension of Sales Tax (CST & VAT) concession/exemption expiring in May, 2006 for a further period of 10 years;
- Exemption of Octroi duty for a period of 10 years;
- Exemption from payment of Electricity Duty for a period of 10 years;

Central Government

- Withdrawal of demand notices for PF contribution on wages/salaries during the lock out period.
- Waiver of interest, liquidated damages and penal interest on delayed payments of Provident Fund.
- Exemption from SEBI guidelines for reduction/de-rating of equity; allotment of equity shares to promoters and associates on a preferential basis as envisaged in the Scheme.
- Income Tax Department to consider exempting the company from the provisions of section 115JB & Fringe Benefit Tax and capital gains tax on sale of Mohali assets under the Income Tax Act during the period of rehabilitation.
- The Ministry of Commerce, (Director General Foreign Trade) to extend the Export Obligation (EO) period under EPCG scheme for a further period of 5 years from the cut off date (31.3.2007).

E. OTHER STIPULATIONS

If the company commits default towards repayment of principal instalments or payment of interest as per the sanctioned scheme or any combination, FIs / Banks reserves the right to charge interest on the defaulted amount at top of the band together with liquidated damages of 2% p.a. thereon till the date of clearance of default or FIs / Banks shall have the right to convert its entire overdue into fully paid up equity shares of JCTEL during the currency of the loans as per SEBI guidelines, or otherwise but with the permission of Hon'ble BIFR, FIs / Banks also reserves the right to revoke the package of rehabilitation with the prior approval of BIFR and in such event of revocation, the decision of FIs / Banks shall be final and binding on the borrower and/or guarantors. In case of FIs / Banks exercise the right of revocation, the financial rehabilitation sanctioned or granted to JCTEL shall be treated as withdrawn and the terms and the conditions of the original loan agreements or documents shall come into force as if no such financial rehabilitation were ever granted to JCTEL. Further, FIs / Banks shall have the right to adjust payment received under the present package of financial rehabilitation against outstanding dues in terms of the original loan agreements/documents.

29 A. The impact of the scheme approved by the Hon'ble BIFR, on the accounts of the company for the year under review for which appropriate effect was required to be given are as follows :-

(a) As per the scheme, interest is to be provided @ 6% p.a. on loans from banks and FIs w.e.f. October 1, 2008.

The company has started accruing interest @ 6% per annum on Term Loans & Working Capital Term Loans outstanding from 1st October, 2008.

(b) However, the Hon'ble BIFR vide order dated 12th November, 2008, has stipulated that FI(s)/banks would neither raise any claim for payment of interest w.e.f. 1st October, 2008 in respect of installments, as envisaged in the sanctioned scheme to be read along-with the cash flow statement, nor would they take coercive action in this regard, until issuance of further direction(s) by the Board. The installment's of the balance principal outstanding has been released to Banks/Financial Institutions who have communicated their sanctions. Since Bank of Baroda and Indian Overseas Bank have opted for OTS, they have not been paid installments towards balance principal outstanding.

Starting from the quarter January to March 2009, the company started paying the balance principal outstanding of Term loans & Working Capital Term Loan after adjusting the amount converted to equity shares and upfront payment already made, on a deferral basis (over a period of 33 quarterly installments), except payment to Vijaya Bank as the said bank had not sent confirmation to the rehabilitation scheme approved by the Hon'ble BIFR on 12th March, 2007 till the end of 31st March, 2013. However, the Company has defaulted in payment of principal amount of Loans of Rs 4105.33 Lacs to Banks / Financial Institutions for eight quarters starting from 1st April, 2011 to 31st March, 2013. This is in contravention of rehabilitation scheme announced by Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 12th March, 2007. The Company was unable to meet its obligations towards repayment of quarterly installments due in respect of term/working capital term loans as per BIFR sanctioned scheme, due to non availability of working capital limits as envisaged in the sanctioned scheme and sluggish market conditions during the year.

The relevant extract of such scheme, in case Company commits default, is re-produced as under:-

"If the company commits default towards repayment of principal instalments or payment of interest as per the sanctioned scheme or any combination, FIs / Banks reserves the right to charge interest on the defaulted amount at top of the band together with liquidated damages of 2% p.a. thereon till the date of clearance of default or FIs / Banks shall have the right to convert its entire overdue into fully paid up equity shares of JCTEL during the currency of the loans as per SEBI guidelines, or otherwise but with the permission of Hon'ble BIFR, FIs / Banks also reserves the right to revoke the package of rehabilitation with the prior approval of BIFR and in such event of revocation, the decision of FIs / Banks shall be final and binding on the borrower and/or guarantors. In case FIs / Banks exercise the right of revocation, the financial rehabilitation sanctioned or granted to JCTEL shall be treated as withdrawn and the terms and the conditions of the original loan agreements or documents shall come into force as if no such financial rehabilitation were ever granted to JCTEL. Further, FIs / Banks shall have the right to adjust payment received under the present package of financial rehabilitation against outstanding dues in terms of the original loan agreements/documents. "

The Company has approached IFCI-The Operating Agency with Modified Debt Restructuring Scheme (MDRS) in the month of February, 2012. A meeting of secured lenders was held in the month of April, 2012 & secured lenders whose interest is being affected have given their consent for the proposed Modified Debt Restructuring Scheme (MDRS). IFCI-The Operating Agency has submitted the aforesaid Modified Debt Restructuring Scheme (MDRS) to the Hon'ble BIFR in the month of October, 2012. Besides sale of Land & Building, MDRS envisages sale of surplus assets such as Plant & Machinery along-with Other Miscellaneous Assets and Flats, and sale/mortgage of vacant land at Vadodara , also contains re-schedulement of repayment of secured loan and interest thereon within the scheme period. The amount collected from disposal of such surplus assets shall be used to address the dues of secured lenders as per original sanctioned scheme and dues of workers as per Memorandum of Settlement. Hon'ble BIFR after hearing all concerned parties vide its interim order dated 29.01.2013, has approved the sale of surplus assets as envisaged in MDRS namely 168 workers flats at Mohali, idle Plant & Machinery at Mohali which is no longer required to be relocated to Vadodara and also the surplus land up to 175 acres at the company's unit at Vadodara. Assets Sale Committee (ASC) has been entrusted and authorized to work on the modalities for conducting sale of aforesaid surplus assets. The matter of re-schedulement of repayment of secured loan and interest thereon is under consideration of Hon'ble BIFR. It was not feasible to determine the area & relevant value of Surplus Land at Vadodara. Accordingly the same is shown as part of Fixed Assets.

(c) An Asset Sale Committee which was constituted in earlier years for the sale of land and building of the Mohali unit, is evaluating all options to sell the land and there is no change in status of same as at 31st March, 2013. As decided, before finalizing the sale, permission from the Hon'ble BIFR will be taken. As decided and approved by Hon'ble BIFR, the sale proceeds will be kept in a no lien interest bearing account with the Scheduled Bank, and its utilization will be decided by the Hon'ble BIFR. The Trust and Retention already opened with the Allahabad Bank.

(d) In view of the deemed sanction of the Income Tax Department, as per section 19(2) of SICA, no provision for Minimum Alternate Tax is required to be made nor is the remission or cessation of interest liability subject to tax under section 41(1) of The Income Tax Act, 1961 since reliefs/concessions provided in the sanctioned scheme under section 17(3) have an over riding effect on the provisions of the Income Tax Act, 1961.

(e) No interest has been provided on the unsecured loans as per the sanctioned scheme.

(f) The Company entered into a Memorandum of Settlement with the worker's unions at Mohali, Punjab, towards crystallizing their dues in the month of May, 2011 and the compensation amount had been settled at Rs 40 Crores. An application for modification of BIFR scheme was submitted before Board for Industrial & Financial Reconstruction. Crystallized dues of workers/staff will be settled out of the sale proceeds of assets at Mohali units as per the sanctioned scheme along with the surplus assets and hence no provision for the dues to workers/staff has been made in the current year ended 31st March, 2013.

(g) In view of the proposed introduction of GST, extension of Sales Tax (CST & VAT) concession/exemption for a further period of 10 years which has expired in May, 2006, is not likely to come. However, after changes in Sales Tax laws, the same has not been extended & approved by the Gujarat Govt accordingly VAT is being paid on goods sold locally and CST on goods sold in an interstate transaction. Further input tax credit is being claimed on VAT paid.

(h) The Scheme has granted exemption of octroi & electricity duty for a period of 10 years but the same has not been approved by the Gujarat Government & it is being borne by the Company.

29 B. The impact of the scheme approved by the Hon'ble BIFR, on the accounts of the company for the previous years for which appropriate effect was required to be given are as follows :-

(a) The working capital facilities from the banks (other than banks covered under OTS as per the sanctioned scheme) have been converted into working capital term loan as per the sanctioned scheme. Since the working capital loans of SBI & SBICI, who had earlier opted for OTS, were assigned to Asset Reconstruction Company (India) Limited (ARCIL) in the financial year 2009-2010, their loans have also been converted into WCTL.

(b) Indian Overseas Bank and Bank of Baroda had not been issued equity equivalent to 15% of principal outstanding as on the cut-off date as per the BIFR sanctioned scheme in the FY 07-08 as they had opted for OTS.

(c) Out of total Debentures of Rs 500 Lacs issued under Series I to Vijaya Bank, 15% of the aforesaid amount of debentures amounting to Rs 75 Lacs has been converted into equity shares in the financial year 2009-2010. The balance amount of Rs.425 lacs have been shown as Term Loan from the financial year 2009-2010 in terms of Sanctioned Scheme. The security created in favour of Debenture Trustees through Trust Deed is in the process of being released.

(d) Similarly, Debentures of Rs 3,000 Lacs issued under Series II & Series III to IFCI have been shown as Term Loan from the financial year 2009-2010 in terms of Sanctioned Scheme. The security created in favour of Debenture Trustees through Trust Deed is in the process of being released.

(e) As per BIFR sanctioned scheme, the share capital of Rs. 7,502.26 lacs has been allotted to the promoters/FIs/Banks in the financial year 2007-2008. During the year 2009-10, the share capital of Rs.34.78 lacs has been allotted to ARCIL pursuant to BIFR order, since SBI & SBICI have assigned their debt to ARCIL.

30. As per Sanctioned BIFR Scheme, the revival of the company is dependant on sale of land and building at Mohali. As envisaged in sanctioned scheme, the company's net worth could not turn positive in the 4th year of its implementation due to delay in sale of land & building.

On the assumption that the revival of the company will take place in near future, the accounts of the company have been prepared on a "going concern" basis on an assumption made by the management that adequate finances and opportunities would be available in the foreseeable future to enable the company to operate on a profitable basis. Accordingly, the company has been treated as a going concern.

31. (a) The company propose to sell the Mohali Assets which includes Land, Building, Plant & Machinery, Other Miscellaneous Assets and Flat in its entirety on "As is where is" and "As is what is basis". The Company has estimated that all such Assets will fetch a value in excess of book value of Fixed Assets of Rs. 2,122.91 Lacs and capital work in progress of Rs. 26.98 Lacs at Mohali at 31st March, 2013. Accordingly no provision for impairment of Fixed Assets at Mohali has been considered necessary by the management. The Fixed Assets at Mohali consist of Land, Factory Building, Plant & Machinery, Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles, and Flats.

(b) Considering above, Fixed Assets at Mohali i.e. Land, Factory Building, Plant & Machinery, Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles & Flats, have been retired from Fixed Assets category & has been shown under the head "Other Non Current Assets". This is in compliance with Accounting Standard -10 on Fixed Assets issued by Ministry of Corporate Affairs, Government of India which requires disclosures of assets retired and held for sale separately.

(Please Refer Note No. - 13)

(c) It is estimated that inventory at Mohali unit which has to be transferred to the Vadodara unit as per the scheme aggregating to Rs. 1,376.44 Lacs contains a substantial loss on impairment which will be estimated and provided for only after these have been shifted to Vadodara Unit. The financial impact of this is not ascertainable. The losses are understated to this extent.

32. The Company estimates the deferred tax (charge) / credit using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current period. Since there is no reasonable virtual certainty of realisation, deferred tax asset (Net) of Rs. 16,441.58 Lacs (Previous year Rs. 15,586.57 lacs) has not been recognized.

33. Employee Benefits:

(a) Defined Contribution Plans

The Company has recognized the contribution/liability in the Statement of Profit & Loss for the financial year 2012-13.

(b) Defined Benefit Plans & Other Long Term Benefits:

The following disclosures are made in accordance with AS 15 (Revised) pertaining to Defined Benefit Plans and Other Long Term Benefits :-

(₹ in lacs)

	Leave Encashment		Gratuity	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Amount recognized in Balance Sheet				
Projected Benefit Obligations	250.25	242.80	1030.34	987.22
Fair value of plan assets	-	-	408.50	400.60
Present value of unfunded/funded obligations	250.25	242.80	621.84	586.62
Unrecognized past service cost	-	-	-	-
Net Liability/(Assets)	**250.25**	242.80	**621.84**	586.62
Amount in Balance Sheet				
Liability	250.25	242.80	621.84	586.62
Assets	-	-	-	-
+ Net Liability/(Assets)	**250.25**	242.80	**621.44**	586.62
Expenses recognized in the Statement of Profit & Loss				
Current service cost	17.29	15.73	32.43	48.91
Interest on defined benefit obligation	19.42	20.64	79.29	78.98
Expected return on plan assets	-	-	(36.88)	(35.38)
Net actuarial losses/(gain) recognized in the year	(8.01)	(9.78)	(8.46)	(41.32)
Past service cost	-	-	-	-
Losses/(gains) on "Curtailments and Settlements"	-	-		
Total, included in "Employee Benefit Expense"	**28.70**	26.59	**66.37**	51.19
Actual return on plan assets	-	-	-	-
Reconciliation of benefit obligations and plan assets for the period	-	-	-	-
Change in defined benefit obligation				
Opening defined benefit obligation	**242.80**	242.87	**991.10**	975.59
Current service cost	17.29	15.73	32.43	48.91
Interest cost	19.42	20.64	79.29	78.98
Actuarial losses/(gains)	(8.01)	(9.78)	(8.46)	(41.69)
Liabilities extinguished on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Liabilities assumed on acquisition	-	-	-	-
Exchange difference on foreign plans	-	-	-	-
Benefits paid	(21.24)	(26.64)	(64.01)	(74.57)
Closing defined benefit obligation	**250.25**	242.80	**1030.34**	987.22
Change in fair value of assets				
Opening fair value of plan assets	-	-	400.60	395.24
Expected return on plan assets	-	-	36.88	35.38
Actuarial gain/(Losses)		-		(0.37)
Assets distributed on settlements	-	-	-	-
Contributions by employer		-	35.03	44.92
Assets acquired due to acquisition	-	-	-	-
Exchange difference on foreign plans	-	-	-	-
Benefits paid	(21.24)	(26.64)	(64.01)	(74.57)
Closing fair value of plan assets	-	-	**408.50**	400.60

(₹ in lacs)

Assets information				
Category of assets				
Government of India Securities	-	-	100%	100%
Corporate Bonds	-	-	-	-
Special Deposit Scheme	-	-	-	
Equity shares of listed companies	-	-	-	
Property	-	-	-	
Insurer Managed Funds	-	-	-	
Others	-	-	-	
Grand Total				
Summary of the actuarial assumptions				
Discount rate	8.00%	8.50%	8.00%	8.00%
Expected rate of return on assets	Nil	Nil	9.30%	-
Future salary increase	5.50%	6.00%	6.00%	6.00%
Retirement Age	60	60	-	-
Mortality Table	LIC (1994-96) duly modified			
Ages	Withdrawal	Rate (%)		
Upto 30 years	3.00	3.00		
From 31 – 44 years	2.00	2.00		
Above 44 years	1.00	1.00		

Notes :

(a) The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.

(b) The company has a fund with the Life Insurance Corporation under the Employees Gratuity Scheme and the fund value as on 31st March 2013 was Rs.408.50 lacs (Previous Year Rs 400.60 lacs).

(c) As per valuation by Actuary, liability towards Gratuity recognized in the Balance Sheet as on 31st March 2013 was Rs.621.84 lacs (Previous Year Rs. 586.62 lacs).

34. Balance Confirmation :

(a) In the opinion of the management, Sundry Debtors & Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance sheet. During the Financial year ended 31st March 2013 confirmatory letters have been sent to the parties, requesting them to confirm the account balances as on 31st March, 2013. Lot of parties has not yet confirmed the balances as on the date of signing the financials. Accordingly Sundry debtors and creditors balances and other receivables/payables are subject to confirmation and have been shown as per values appearing in the books of accounts and have been treated as good for recovery/payment unless specifically provided for.

(b) Balance of Banks and FIs as appearing in the books of accounts are as mentioned in the sanctioned scheme approved by the Hon'ble BIFR and these balances are after accounting for 15% equity share allotment made to them in the financial year 2007-08 and 2009-10, upfront payment and installments paid up to financial year ending 31st March, 2013. There is no change in the bank balances of those banks which have not yet sent the confirmation to the sanctioned scheme or those which have opted for OTS.

35. Earnings Per Share (EPS) :

		Year Ended 31.03.2013	Year Ended 31.03.2012
(a)	Calculation of Weighted Average Number of Equity Shares of Rs.1/- each		
	Number of Shares at the beginning of the year	**78,82,57,063**	78,82,57,063
	Number of Shares at the close of the year	**78,82,57,063**	78,82,57,063
	Weighted average number of Equity Shares during the year	**78,82,57,063**	78,82,57,063
(b)	Net profit/(loss) for the year attributable of Equity Shares (in Rupees)	**(498,886,622)**	(626,221,986)
(c)	Basic Earnings (in Rupees) per share	**(0.63)**	(0.79)
(d)	Diluted Earnings (in Rupees) per share	**(0.63)**	(0.79)

36. Related party disclosures:

Names of related parties and description of relationship

a) Related party where significant influence exist : India International Airways Limited

b) Associates : JCT Limited

c) Key Management Personnel : Mr Arjun Thapar

d) Relative of Key Management Personnel : Mrs. Nayantara Thapar, Ms. Shivani Thapar

e) Companies over which persons described in (c) & (d) are able to exercise significant influence : APJ Financial Services Private Limited
Team Plus Securities Limited

Transactions with Related Parties: (₹ in lacs)

Type of Transaction	Referred to in (a) above		Referred to in (b) above		Referred to in (c) above		Referred to in (d) above		Referred to in (e) above	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Expenses on Vehicle running	-	2.19	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	0.30	0.30	-	-
Salary	-	-	-	-	-	-	2.87	0.0	-	-
Advance for expenses	-	-	-	0.60	-	-	-	-	-	-
Remuneration and benefits of key managerial personnel	-	-	-	-	40.65	44.07	-	-	-	-
Purchase of assets (net)	-	15.90	-	-	-	-	-	-	-	-
Short term borrowings	-	-	-	-	-	-	-	-	30.00	150.00
Long term borrowings	-	-	-	-	-	-	-	-	-	50.00
Interest on borrowings	-	-	-	-	-	-	-	-	20.83	22.49
Balance as on 31.3.2013									-	-
Investments (At cost less Provision for diminution)	17.40	17.40	-	-	-	-	-	-	-	-
Other receivables	57.24	57.24	60.17	60.17	-	-	-	-	-	-
Other payables	-	-	-	-	-	-	-	-	231.73	200.67

37. The Company has taken certain commercial premises and vehicles under cancellable operating lease arrangements. The lease period varies from two to three years with the option to extend the same with mutual consent. The total aggregate Lease Rentals recognized as expense in the Statement of profit & loss under cancellable operating lease was Rs. 131.96 Lacs (Previous Period : Rs. 129.23 Lacs).

38. The Company has incurred as on 31st March, 2013, Rs. 140.95 lacs towards product development falling under the definition of Intangible Assets as per the Accounting Standard-26. The product is still under development stage. The same is expected to be capitalized during the financial year 2013-2014. The gross carrying amount of such product development under progress as at 31st March, 2013 is Rs 140.95 Lacs. Such product development expenditure shall be amortised over 120 months on straight line basis starting from the month subsequent to the month of its activation for commercial use.

39. Information on Segment Results:

The company is engaged in the manufacture of Colour Picture Tubes & Deflection Yoke which is in the context of Accounting Standard 17 on Segment Reporting, issued by the Institute of Chartered Accountants of India is considered as the only business segment. Presently company has three plants designed to manufacture Color Picture Tube & Deflection Yoke. Two Plants are situated at Mohali & one plant is situated at Baroda. There is no production activity in Mohali Plants & considering on the basis of deployed Assets, such plant is not covered under the definition of reportable geographical segment. Accordingly, there are no reportable geographical segments.

40. Discontinuing Operations :

(a) Description of Discontinuing Operations

(i) Company had set-up a manufacturing plant at A-32, Industrial Area, Phase – VIII, Mohali for manufacture of Color Picture Tubes. The installed capacity of this plant was 10 Lacs units per annum. Company also had manufacturing plant for manufacture of Deflection Yokes unit at A-27, Industrial Area, Phase – VII , Mohali.

(ii) The Company started incurring losses from the year 1997-98 due to non-availability of working capital resulting in low capacity utilization. Further the decline in prices of colour picture tubes on account of cheap imports, also contributed to the losses. A reference was made by the Company to this Hon'ble Board under the relevant provisions of Sick Industrial Companies (Special Provisions) Act, 1985 ('SICA') in 2002, when the accumulated losses exceeded its net worth as on 31st March, 2002. The JCTEL was declared a sick industrial company within the meaning of SICA by this Hon'ble Board vide its order dated 12.12.2005. Thereafter, the JCTEL submitted its proposal for revival and rehabilitation and sanction was accorded to the scheme formulated by the Company vide order dated 12.03.2007 passed by this Hon'ble Board ('Sanctioned Scheme').

(iii) Both plants stopped active production in the year 2001.

(iv) As per the BIFR sanctioned scheme, the revival of the company is dependant on the sale of land and building at Mohali. The plant and machinery were proposed to be shifted to Baroda Unit. The Company has approached IFCI-The Operating Agency with Modified Debt Restructuring Scheme (MDRS) in the month of February, 2012. A meeting of secured lenders was held in the month of April, 2012 & secured lenders whose interest is being affected have given their consent for the proposed Modified Debt Restructuring Scheme (MDRS). IFCI-The Operating Agency has submitted the aforesaid Modified Debt Restructuring Scheme (MDRS) to the Hon'ble BIFR in the month of October, 2012. Besides sale of Land & Building, MDRS envisages sale of surplus assets such as Plant & Machinery along-with Other Miscellaneous Assets and Flats, and sale/ mortgage of vacant land at Vadodara , also contains re-schedulement of repayment of secured loan and interest thereon within the scheme period. Hon'ble BIFR after hearing all concerned parties vide its interim order dated 29.01.2013, has approved the sale of surplus assets as envisaged in MDRS namely 168 flats at Mohali, idle Plant & Machinery at Mohali which is no longer required to be relocated to Vadodara and also the surplus land up to 175 acres at the company's unit at Vadodara. Assets Sale Committee (ASC) has been entrusted and authorized to work on the modalities for conducting sale of aforesaid surplus assets. It was not feasible to determine the area & relevant value of Surplus Land at Vadodara. Accordingly the same is shown as part of Fixed Assets.

(b) Business or Geographical Segment.

(i) Company is engaged only in manufacture of Color Picture Tube, and Deflection Yoke. This is the only Business Segment of the Company.

(ii) Presently company has three plants designed to manufacture Color Picture Tube & Deflection Yoke. Two Plants are situated at Mohali & one plant is situated at Baroda. These have not been categorized under Accounting Standard 17 on Segment Reporting, issued by Ministry of Corporate Affairs as reportable geographical segments. However for limited purpose of categorization under discontinuing operations Baroda Plant & Mohali Plant can be considered as two geographical segments. As per BIFR Scheme, Company has to sell its Assets at both plants at Mohali which we can categorize as one the identifiable geographical segment.

(c) Date & Nature of Initial Disclosure

The date & nature of such disclosure is described as under :-

(i) During the year ended 31st March 2012, the Asset Sale Committee (ASC) initiated an action by advertising to sell the Land & Building at Mohali, consisting of two plots i.e. at A-32, Industrial Area, Phase - VIII and A-27, Industrial Area, Phase–VII, Mohali as per the Sanctioned Scheme of BIFR. The advertisement was issued in the month of December, 2011 & September, 2012. The sale constituted only of Land & Building at Mohali.

(ii) Board of Directors of the Company in its meeting held in the month of February, 2012 recommended to sell Plant & Machinery, Other Miscellaneous Assets & Flats at Mohali. Secured Lenders accorded their approval for said proposal. MDRS has been filed by Operating Agency (IFCI) with Hon'ble BIFR in the month of October, 2012, which includes the aforesaid assets.

(iii) The Asset Sale Committee had released the advertisement in the month of December, 2011 & September, 2012, detailing the formal plan for sale of land & building at Mohali. The Sanctioned Scheme envisaged sale of only Land & Building at Mohali. The Plant & Machinery was to be shifted to Baroda to augment production capacity. The board of directors recommended sale of other Assets which include Plant & Machinery, Other Miscellaneous Assets & Flats, since the production capacity at Vadodara plant has already been enhanced. The same has been accepted by secured lenders & MDRS has been submitted by IFCI – The Operating Agency with Hon'ble BIFR for its sanction which is under consideration. Hon'ble BIFR after hearing all concerned parties vide its interim order dated 29.01.2013, has approved the sale of surplus assets as envisaged in MDRS namely 168 workers flats at Mohali, idle Plant & Machinery at Mohali which is no longer required to be relocated to Vadodara and also the surplus land up to 175 acres at the company's unit at Vadodara. Assets Sale Committee (ASC) has been entrusted and authorized to work on the modalities for conducting sale of aforesaid surplus assets. It was not feasible to determine the area & relevant value of Surplus Land at Vadodara. Accordingly the same is shown as part of Fixed Assets.

(iv) The Company has not yet entered into any binding agreement for sale of substantial assets attributable to the discontinuing operation with any party. The decision to sell Land & Building with proposal to sell of Plant & Machinery, Other Miscellaneous Assets & Flats and its acceptance by board of directors and secured lenders, is sufficient to disclose it as discontinuing operations.

(d) Date or period in which the discontinuance is expected to be completed if known or determinable

Since MDRS has been submitted with Hon'ble BIFR & is under consideration, the date or period in which the discontinuation is expected to be completed is not determinable as on date. Assets sale committee shall act upon the guidelines of BIFR and the procedure of sale of assets shall start thereafter.

(e) Carrying amounts, as of the balance sheet date, of the assets to be disposed of and liabilities to be settled are as under:

(i) Details of assets to be disposed of are as under:

(₹ in lacs)

Particulars	**Current Year**	Previous Year
Tangible Assets		
Land (Lease Hold)	**112.67**	112.67
Building	**476.50**	476.50
Plant & Machinery		
a) Plant & Machinery	**1,199.66**	1,199.66
b) Electrical installation	**246.03**	245.74
c) Storage & water system	**78.67**	78.67
d) Factory equipment	**9.17**	9.17
Furniture & fitting	**0.11**	0.11
Office equipment	**0.10**	0.10
Total	**2,122.91**	2,122.62
Capital work in progress	**26.98**	33.19
Per Balance Sheet	**2,149.89**	2,155.81

Afforesaid Assets has been clubbed under the head "Other Non Current Assets". Please refer Note No.-13 for same

(ii) The liabilities to be settled as per BIFR Scheme, out of the net sale proceeds of the assets are Rs.14,900 Lacs.

(f) The amount of revenue and expenses in respect of the ordinary activities attributable to the discounting operation during the current financial reporting period are as under :

Profit/(Loss) from discounting operations		
i) Revenue		
Other income	**0.46**	1.77
ii) Expenses		
- Payment To/ Provisions for Employees	**107.29**	96.78
- Interest & Other Change	**0.04**	5.94
- Other Expenses	**23.32**	70.83
Depreciation	**-**	131.59
	130.65	305.14
Tax expenses	**-**	-
Per Profit & Loss Statement (i-ii)	**(130.19)**	(303.37)

(g) Amount of pre-tax profit or loss from ordinary activities attributable to the discounting operation during the current financial reporting period, and the income tax expenses related thereto

Pre-tax profit/(Loss)	(130.19)	(303.37)
Income Tax on such Profit/Loss	Nil	Nil

(h) Amounts of net cash flows attributable to the operating, investing, and financing activities of the discontinuing operation during the current financial reporting period

The same has been disclosed in Cash Flow Statement.

41. Additional Infomation (₹ in lacs)

Particulars	Current Year	Previous Year
(a) Value of Imports Calculated on CIF Basis (On Accrual Basis)		
i) Raw material	**7,241.47**	4,243.84
ii) component & spares	**80.56**	18.64
iii) Capital goods	**110.81**	14.89
	7,432.85	4,277.37
(b) Expenditure in Foreign Currency (On Accrual Basis)		
i) Know-how	**0.0**	101.00
ii) Travelling	**10.28**	14.67
iii) Test/Inspection fee/Technical Services	**8.60**	2.26
	18.88	117.93
(c) Value of Consumption of Indigenious and Imported Raw Materials, Consumables, Stores and Spares and Percentage thereof		
i) Indigenous		
Value	**18,200.89**	11,687.80
Percentage	**70.01%**	71.08%
ii) Imported		
Value	**7,796.07**	4,754.88
Percentage	**29.99%**	28.92%
Total	**25,997.56**	16,442.68
(d) Earnings in Foreign Exchage (On Accrual Basis)		
Export of goods on F. O. B. basis	**694.44**	507.78

42. Comparative Figures

Figures for the previous year have been regrouped/reclassified wherever necessary to make them comparable with those of the current year.

As per our report of even date attached to the balance sheet

for V. SAHAI TRIPATHI & Co.
Chartered Accountants
Firm's Registration No. : 000262N

MAHESH SAHAI, Partner
Membership No. : 6730

Place : New Delhi
Dated : 28th May, 2013

On behalf of the Board

K. JAYABHARATH REDDY
Director

ARJUN THAPAR
Managing Director

M P S NARANG
Sr. Vice-President Finance

GOPAL KRISHNAN
Sr. Vice-President & Company Secretary

RAJ KAPUR
Chief Operating Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013
(Pursuant to the Listing Agreement with Stock Exchanges)

			Current Year (₹ in Lacs)		Previous Year (₹ in Lacs)
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Net profit before tax from continued operations	**(4,858.69)**		(5,958.85)	
	Adjustment for:				
	- Depreciation	**1,531.66**		1,534.67	
	- Foreign exchange fluctuations	**115.60**		86.48	
	- Interest/Dividend Income	**(0.15)**		(0.34)	
	- Interest Expenses	**1,666.23**		1,989.80	
	- Loss on sale of fixed assets	**46.87**		11.07	
	- Liabilities w/b	**(0.14)**		(3.28)	
	- Diminution in value of investment	**-**		91.16	
			(1,498.62)		(2,249.29)
	Net profit before tax from discontinued operations	**(130.18)**		(303.37)	
	Adjustment for				
	- Depreciation	**0.00**	**(130.18)**	131.59	(171.78)
	Operating Profit before working capital changes		**(1,628.80)**		(2,421.07)
	Adjustment for:				
	-Trade & Other Receivables	**(1,213.11)**		269.36	
	-Inventories	**713.96**		(296.91)	
	-Trade Payables	**1,483.47**	**984.32**	2,703.61	2,676.06
	Cash Generated from operations		**(644.48)**		254.99
	Foreign exchange fluctuations		**(115.60)**		(86.48)
	Cash flow before extraordinary items		**(760.08)**		168.51
	Net cash from operating Activities		**(760.08)**		168.51
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchases of Fixed Assets		**(347.07)**		(220.67)
	Sale of Fixed Assets		**135.82**		35.58
	Sale/Purchase of Investments		**-**		0.07
	Dividend received		**0.15**		0.34
	Net cash used in investing activities		**(211.10)**		(184.68)
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds of Long Term borrowings		**339.64**		-
	Proceeds from Short Term borrowings		**30.00**		200.00
	Interest paid		**(73.60)**		(74.06)
	Net cash generated from Financing activities		**296.04**		125.94
	Net increase in Cash and Cash activities		(675.14)		109.77
	Cash & Cash Equivalents as on 01.04.2012 (Opening Balance)		**1,060.16**		950.39
	Cash & Cash Equivalents As On 31.03.2013 (Closing Balance)		**385.02**		1,060.16

Note: Previous year's figures have been regrouped wherever necessary

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the Members of JCT ELECTRONICS LIMITED will be held at its registered office at A-32, Industrial Phase-VIII, S.A.S. Nagar, Mohali – 160 055, Punjab on Friday the 27th day of September, 2013 at 10.30 a.m. to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013, Statement of Profit & Loss Account for the year ended on that date and the Reports of the Auditors and Directors' thereon.
2. To appoint a Director in place of Mr. P. K. Ganguly, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s V. Sahai Tripathi & Co., Chartered Accountants as the Statutory Auditors of the company to hold office from the conclusion of the 36th annual general meeting till the conclusion of the 37th annual general meeting and authorise the Board of Directors to fix their remuneration.

By order of the Board
for JCT ELECTRONICS LIMITED

Place : New Delhi
Dated : 28th May, 2013

GOPAL KRISHNAN
Sr. Vice-President & Company Secretary

NOTES

a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.

Proxies in order to be effective must be received by the company at its registered office not less than 48 hours before the meeting.

b) The Register of Members and Transfer books of the company will remain closed from Friday, 20th September, 2013 to Friday, 27th September, 2013 (both days inclusive)

c) Transfer requests for shares in physical form and all other queries should be sent to the company's office at Thapar House, 124 Janpath, New Delhi – 110 001.

d) For shares held in electronic form, all instructions regarding change of address, nomination, power of attorney etc., should be given directly to your Depository Participants. The company will not take cognisance of any such requests directly for shareholders.

e) The Ministry of Corporate Affairs vide circular nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively, has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants. In respect of shares held in physical form, the members are requested to send their e-mail details, duly signed by all the joint holders to the company's office at Thapar House, 124 Janpath, New Delhi – 110 001.

f) Particulars of Mr. P K Ganguly, Director who retires by rotation and is seeking re-appointment at this annual general meeting.

Mr. P K Ganguly, aged 72 years is an Advocate & Solicitor and fellow of the Indian Council of Arbitration. He has been a director on the Board since the year 2000. He has over 50 years of experience being associated with J B Dadachanji & Co. for over 21 years with specialization in Corporate Laws, Joint Ventures and Arbitration.

JCT ELECTRONICS LIMITED

The Thapar Group

Regd. Office : A-32, Industrial Phase-VIII, SAS Nagar, Mohali-160 055 (Punjab)

ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the meeting venue.

(Member's particulars to be furnished below)

Folio No. ______________________ DPID. ______________________ Client ID ______________________

Member's / Proxy's name (Block Letters) ____

I hereby record my presence at the 36th Annual General Meeting of the Company at **A-32, INDUSTRIAL PHASE-VIII, SAS NAGAR, MOHALI, PUNJAB** on Friday, the 27th September, 2013 at 10.30 a.m.

Signature of the member / proxy present ____

This attendance is valid only in case shares are held on the date of meeting.

NO GIFT/COUPON WILL BE DISTRIBUTED AT THE AGM

PROXY FORM

I/We ______________________________ resident of ______________________________

______________________________ being a member / members of JCT ELECTRONICS LIMITED,

here by appoint ______________________________ of ______________________________

______________________________ of failing him ______________________________

of ____ as my / our

proxy to attend and vote for me / us on my / our behalf at the 36th Annual General Meeting of the Company to be held on Friday, the 27th September, 2013 at 10.30 a.m. and any adjournment thereof.

Signed this ____________ day of __________, 2013

Signature ______ **Affix Revenue Stamp** ______

Folio No. ______________________________

DP / Client ID ______________________________

Note : The form duly completed and signed should be deposited at the registered office of the Company at least 48 hours before the time of the meeting.

E-MAIL UPDATION

I hereby request JCT Electronics Limited to register my following email address for service of the Notice of General Meeting(s), Audited Financial Statements, Directors' Report, Auditors' Report and other documents to me in electronic mode instead of in physical mode :-

Ledger Folio No. ______________________________

Full Name of 1st Registered Holder ______________________________

Email ID (to be Registered for above purpose) ______________________________

Date ______________________ Signature ______________________

JCT ELECTRONICS LIMITED

Book – Post

if undelivered please return to :
JCT Electronics Limited
Thapar House, 124 Janpath
New Delhi-110001

Printed at : Vijayalakshmi Printing Works Pvt. Ltd., Mobile.: 9899452227, E-mail: ypwpl@yahoo.com

FORM 'B'

(Clause 31(a) of Listing Agreement)
Format of covering letter of the annual report to be filed with the Stock Exchanges

1.	Name of the Company	JCT Electronics Limited
2	Annual financial statements for the year ended	31st March, 2013
3.	Type of Audit Observation	Qualified opinion
4.	Frequency of observation	i) The Company has not made any provision for dues of Rs 40 Crores of JCT Electronics Employees Union at Mohali. The same has been described in Note 29A(f) to the Financials Statements. The net loss for the year, accumulated losses & non current liabilities are understated to that extent. In terms of the sanctioned scheme approved by BIFR, the dues are to be paid out of the sale proceeds of the Land and Building at Mohali. The Observation has been appearing since the year ended 2012 ii) It has been assumed that the revival of the company will take place in near future. The accounts of the company have been prepared on a "going concern" basis on an assumption made by the management that adequate finances and opportunities would be available in the foreseeable future to enable the company to operate on a profitable basis. The same has been described in Note 30 to the Financials Statements. The BIFR approved the rehabilitation scheme after satisfying itself that the revival is possible The observation is appearing since the BIFR approved the sanctioned scheme. iii) The Company has not made any provision of likely substantial loss on impairment of inventory of Rs. 1,376.44 lacs at Mohali unit. The same is described in Note 31(c) to the financials statements. The net loss for the year and accumulated losses are understated to that extent & Inventory is overstated to that extent. The observation is appearing since the BIFR approved sale of land and building at Mohali as part of the sanctioned scheme.

		Since the realizable value of the sale is expected to be above the book value, no provisions has been made. iv) Sundry Debtors, Sundry Creditors, other receivables and payables are subject to reconciliation & confirmation. The same is described in Note 34(a) to the Financials Statements. The financial impact on the same is not ascertainable to that extent. It is our opinion that the realization will be equal to the amount stated in the financial statements. v) The financial statements have been drawn and are based on the successful implementation of rehabilitation scheme announced by Board for Industrial and Financial Reconstruction (BIFR) for the company. The Company has defaulted in payment of principal amount of Loans of Rs 4105.33 Lacs to Banks/FIs for eight quarters starting from 1st April, 2011 to 31st March, 2013. This is in contravene-tion of rehabilitation scheme announced by Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 12th March, 2007. The Company was unable to meet its obligations towards repayment of quarterly installments due in respect of term/working capital term loans as per BIFR sanctioned scheme, due to non availability of working capital limits as envisaged in the sanctioned scheme and sluggish market conditions during the year. As per the BIFR scheme, if the company commits default towards repay-ment of principal instalments or payment of interest as per the sanctioned scheme or any combination, FIs / Banks reserves the right to charge interest on the defaulted amount at top of the band together with liquidated damages of 2% p.a. thereon till the date of clearance of default or FIs/Banks shall have the right to convert its entire overdue into fully paid up equity shares of JCTEL during the currency of the loans as per SEBI guidelines, or otherwise but with the permission of Hon'ble BIFR, FIs/Banks also reserves the right to revoke the package of rehabilitation with the prior approval of BIFR and in such event of revocation, the decision of FIs/Banks shall be final and binding on the borrower

		and/or guarantors. In case FIs/Banks exercise the right of revocation, the financial rehabilitation sanctioned or granted to JCTEL shall be treated as with-drawn and the terms and the conditions of the original loan agreements or documents shall come into force as if no such financial rehabilitation were ever granted to JCTEL. Further, FIs/Banks shall have the right to adjust payment received under the present package of financial rehabilitation against outstanding dues in terms of the original loan agreements/documents. After taking consent of secured creditors, a Modified Debt Restructuring Scheme (MDRS) has been submitted to the Hon'ble BIFR in the month of October, 2012 towards re-schedulement of repayment of secured loan and interest thereon within the scheme period The same is under consideration of the Hon'ble BIFR as at 31st March, 2013. The same is described in Note 29A(b) to the Financials Statements. Our opinion is subject to approval of said MDRS by Hon'ble BIFR.
5.	Draw attention to relevant notes in the annual financial statement and management response to the qualification in the directors report.	As regards the observations of the Auditors in their report and the relevant notes to the accounts i.e. nos. 29 A(b) & (f), 30, 31(c), 34(a) are self explanatory
6.	Additional comments from the Board / Audit Committee Chairman	a) As per disclosures made in the Annual Report b) As per disclosures made in the Annual Report.
7.	To be signed by : - Managing Director - CFO - Audit Committee Chairman - Auditor of the Company	(ARJUN THAPAR) (M P S NARANG) (P K GANGULY) (MANISH MOHAN) Partner V Sahai Tripathi & Co.