The Thapar Group

ANNUAL REPORT
2013 – 14

JCT ELECTRONICS LIMITED

BOARD OF DIRECTORS	Mr. Arjun Thapar, Managing Director Mr. K. Jayabharath Reddy Mr. Mukesh Mohan Gupta, Special Director, BIFR Mr. Umesh Wamorkor, Nominee, Allahabad Bank Mr. P. K. Ganguly
CHIEF OPERATING OFFICER	Mr. Raj Kapur
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
CIN	L32019PB1976PLC003680

BANKERS

Allahabad Bank

Punjab National Bank

Punjab & Sind Bank

State Bank of Patiala

UCO Bank

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DIRECTORS' REPORT

Your directors present their report and audited accounts for the year ended 31st March, 2014

Financial Results & Operations	Year ended 31.03.2014	Year ended 31.03.2013
The key financial results of the company are as under :	(₹ in lacs)	
Revenue from Operations and other income	**6123**	**38924**
Earning before Interest, Depreciation & Tax	**(2932)**	**(1450)**
Finance Cost	**1639**	**2007**
Depreciation	**1677**	**1532**
Net Profit/(Loss) for the year	**(6248)**	**(4989)**

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

Your company faced lot of challenges during the financial year 2013-14. Non availability of working capital restricted our ability to overcome some of these challenges. Despite the local demand being 4~5 million tubes during the year and being the sole supplier in India, your company was forced to operate at less than rated capacity on many occasions. From the start of the second quarter the operation had to be forcibly curtailed on account of non availability of Glass Parts, one of the most important inputs as the only supplier in India not only cut down supplies but also did not extend credit on supplies as was being done earlier. Despite best efforts the company had no option but to temporarily suspend operations as it did not have enough working capital to import Glass Parts from suppliers abroad who were ready to supply but only on advance remittance/LC. The company believes that being the only manufacturer of CPTs in India, there is a good chance to revive, if working capital support is made available as imports of CPTs from China are finding its way into the Indian market to feed the CPT based TV market.

There was all round increase in prices of all major raw materials, power/fuel etc which impacted the bottom line. Major volatility in the forex markets also took its toll on the company's finances. Radical steps were taken to reduce costs through process improvements, value engineering, rationalising manpower, reducing power consumption and improving productivity to partially offset increase in various input costs.

The rehabilitation scheme approved by The Board for Industrial & Financial Reconstruction (BIFR)is under implementation. With the consent of the secured lenders, the company moved a modified debt restructuring scheme before BIFR which is under their consideration.

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

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.

Industry Scenario

Globally the CPT industry has seen declining volumes over the last few years. The markets in India have also dropped to around 4-5 million tubes per annum from the level of 10-12 million an year ago. The shift in demand preference for flat panel TVs in most markets over conventional CRT based TVs has seen volumes in the CPT segment coming down sharply. The markets for CPT based TVs in India are primarily in the rural and semi urban towns. Availability of raw materials and components is the biggest challenge as only few manufacturers are left.

The demand of CPTs globally seems to have plateaud for the present, but steep decline is expected in a some years as major global players have already quit or in the verge of quitting. In India these still shall be fairly poised.

Directors

Mr. M M Thapar vacated the office of director in terms of the provisions of the Companies Act, 2013. The appointment of Mr. K Jayabharath Reddy, who retires by rotation, is being taken up at the forthcoming annual general meeting, as he qualifies to become Independent Director on the Board in terms of the provisions of the Companies Act, 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:

- that in the preparation of the annual accounts for the year ended 31st March, 2014, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- 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, 2014 and of the loss of the company for the year under review.
- 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.
- 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 there under forms part of this report. The same is not being sent alongwith this report to the members of the company in line with the provisions 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. Water conservation and recycling has be in focus and has yielded good results

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, notes nos. 28 A(b) & A(f), 29, 30 (c) & 33(a) to the accounts are self explanatory and do not require any further comments.

Cost Auditors

Audit of the cost accounting records has been made mandatory for our company. Your company has appointed M/s Balaji and Associates, Cost Accountants to conduct the cost audit exercise for the financial year ending 31st March, 2014.

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, 2014

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:

- Conversion of hot water generator to run on Natural Gas.
- Reduction of power consumption by use of Turbo Ventilators in non air-conditioned areas to extract heat and also provide natural illumination.
- Reduction in air conditioning load by re-sizing of process areas.
- 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 besides components like deflection yokes and electron guns. The technology for the ultra slim CPTs has also been absorbed.

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

Foreign exchange outgo during the year	–	₹ 594.54 Lacs
Foreign exchange earnings during the year	–	₹ 246.09 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 have come down to 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

The operations of the Company 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 at 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. 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 five directors comprising of one nominee director, two independent directors, special director of BIFR and one promoter director.
- The Board met four times during the year on 28th May, 2013, 7th Aug., 2013, 12th Nov., 2013 and 13th Feb., 2014.
- 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 (in ₹)	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	One	None	None
Mr. Arjun Thapar, Managing Director***	Promoter – Executive	Four	Four	Nil	Two	None	None
Mr. K Jayabharth Reddy	Independent – Non Executive	Four	Four	0.80	Six	Three	Three
Mr. P K Ganguly	Independent – Non Executive	Two	Six	0.60	Three	One	None
Mr. Umesh Warmorkar	Nominee – Allahabad Bank	Three	Three	0.60	One	None	None
Mr. Mukesh Mohan	Special Director-BIFR	Two	Two	0.40	Five	None	None
Mr. S V Venkatakrishnan**	Nominee-IFCI	One	One	0.20	None	None	None

* Mr. M M Thapar vacated office of director pursuant to provisions of the Companies Act.

** Nomination of Mr. S V Venkatakrishnan was withdrawn w.e.f. 15th January, 2014

*** Remuneration of Mr. Arjun Thapar, Managing Director, was approved by the shareholders, subject to limits prescribed in Schedule XIII of the Companies Act, 1956. He is not paid any sitting fee, bonus, performance linked incentive, commission, stock option etc. However, effective from 1st July, 2013, Mr. Thapar has voluntarily decided to take monthly salary of ₹1/- only.

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, 2014

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 the Companies Act.

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

Name of Member	Category	Designation	No. of Meetings	
			Held	Attended
Mr. P. K. Ganguly	Independent	Chairman	4	2
Mr. K Jayabharath Reddy	Independent	Member	4	4
Mr. Umesh Wamorkar	Nominee	Member	4	3
Mr. S V Venkatakrishnan*	Nominee	Member	4	1
Mr. Mukesh Mohan	Special Director	Member	4	2

*Ceased w.e.f. 15th January, 2014

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

The Audit Committee has considered and reviewed the quarterly financial results and the annual accounts for the year 2013-14 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.

VI. Shareholders / Investor's Grievance Committee

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

Mr. Gopal Krishnan, 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, 2014 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
34th	2010 – 2011	Tuesday/27-09-2011	10.30 a.m.	A-32, Indl. Phase VIII, SAS Nagar, Mohali Punjab
35th	2011 – 2012	Thursday/27-09-2012	10.30 a.m.	A-32, Indl. Phase VIII, SAS Nagar, Mohali Punjab
36th	2012 – 2013	Thursday/27-09-2013	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 NSE & BSE where the company's shares are listed and displayed on their websites.

The results are published in leading newspapers.

XII. General Shareholder Information

- 37th Annual General Meeting

Day & Date	:	Thursday, 18th September, 2014
Time	:	11.00 a.m.
Venue	:	A-32, Indl. Phase VIII, SAS Nagar, Mohali, Punjab

- Financial Calendar 2014-15 :

First Quarterly Results	:	Before mid August, 2014
Second Quarterly Results	:	Before mid November, 2014
Third Quarterly Results	:	Before mid February, 2014
Fourth Quarterly Results	:	Before end of May, 2015

- Dates of Book Closure : From 11/09/2014 to 18/09/2014 (both days inclusive)
- Dividend payment date : The company has not declared any dividend for the current financial year.
- Listing on Stock Exchanges :

  The Equity Shares of the Company are listed on the National Stock Exchange of India Ltd., Mumbai and the Bombay Stock Exchange Limited, Mumbai.
- Company/Stock Code :

The National Stock Exchange Association Ltd.	JCTEL
The Bombay Stock Exchange Limited	500222

- Market price data for the year 2013 - 2014 :

Month	NSE			BSE		
	High Rs.	Low Rs.	Volume Nos.	High Rs.	Low Rs.	Volume Nos.
Apr., 2013	0.50	0.30	168896	0.46	0.38	161789
May, 2013	0.50	0.30	528673	0.47	0.35	297129
Jun., 2013	0.40	0.25	969016	0.39	0.28	593014
Jul., 2013	0.40	0.25	447957	0.39	0.29	450636
Aug., 2013	0.50	0.25	700809	0.44	0.26	675953
Sep., 2013	0.50	0.40	338054	0.50	0.40	518055
Oct., 2013	0.55	0.40	385046	0.51	0.39	325821
Nov., 2013	0.55	0.40	414222	0.52	0.44	454585
Dec., 2013	0.50	0.35	327013	0.50	0.38	327602
Jan., 2014	0.65	0.35	537700	0.63	0.38	316486
Feb., 2014	0.45	0.35	230759	0.46	0.39	117617
Mar., 2014	0.45	0.35	490706	0.43	0.37	766854

- Distribution of shareholding as at 31st March, 2014 :

Category Nos. of shares	Shares Nos.	% age	Shareholders Nos.	% age
Upto 500	4931803	0.62	24665	69.17
501-1000	4079515	0.52	4391	12.32
1001-2000	4103373	0.52	2362	6.62
2001-3000	2265396	0.29	841	2.36
3001-4000	1554054	0.20	413	1.16
4001-5000	4966666	0.63	1009	2.83
5001-10000	8105116	1.03	966	2.71
10001 and above	758251240	96.19	1010	2.83
Total	788257063	100.00	35657	100.00

– Shareholding pattern as on 31st March, 2014 :

Promoters & Group Companies	:	82.78 %
FIs/Banks/Ins.Co.'s/Mutual Funds	:	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-25/1, First Floor, Okhla Industrial Area, Phase-II, New Delhi-110020
Tele : 011-26387320/321/323; Fax : 011-26387322
Email : shares@rcmcdelhi.com

– Share Transfer System :

Share transfers and transmissions are registered and returned within the stipulated period if the documents are complete 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 (not in operation)

– Address for Correspondence : Thapar House, 124 Janpath, New Delhi – 110 001
Phone : 43534242 ; Fax : 23367861
Contact Person : Mr. Manoj Chadha, Secretarial Head

The above report was approved at the Board meeting held on 28th May, 2014.

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, 2014 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, 2014 grievances were received & resolved by the Company. There were no grievances which were pending with the Company as on 31st March, 2014 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, 2014

Manish Mohan, Partner
Membership No. 091607

AUDITORS' REPORT

To the Members
JCT Electronics Limited

Report on the Financial Statements

We have audited the accompanying financial statements of JCT Electronics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, 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's Responsibility for the Financial Statements

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements is 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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.

Basis for Qualified Opinion

(i) The Company entered into a Memorandum of Settlement with the worker's unions at Mohali, Punjab crystallizing their dues at Rs 40 Crores as per directions of Hon'ble BIFR. The settlement has been registered before the concerned authorities and submitted to BIFR. The Company has not made any provision of crystallized dues of Rs 40 Crores of workers/staff at Mohali and the same are to be settled out of the sale proceeds of the Mohali assets as per the orders of Hon'ble BIFR. Company states that the same shall be provided upon sale of Mohali Assets. We are of the opinion that in view of Memorandum of Settlement with the workers the company should make a provision of crystallized dues of Rs 40 Crores, irrespective of sale of Mohali Assets in accordance with *Accounting Standard–28 on Provisions, Contingent Liabilities and Contingent Assets issued* by Ministry of Corporate Affairs, Government of India and as prescribed in the Companies (Accounting Standards) Rules, 2006. Accordingly, the net loss for the year, accumulated losses & non current liabilities are understated to that extent.

(ii) We have analyzed following factors :-

a) As per Sanctioned BIFR Scheme, the revival of the company is dependent on sale of land and building at Mohali Unit. 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 which is still pending.

b) The Company has temporarily suspended its production of Color Picture Tubes from August, 2013 onwards at Vadodara Unit at Gujarat & there has been no production till 31st March, 2014, on account of non availability of Working Capital for importing critical raw materials.

c) The gross carrying amount of product development under progress of Rs. 140.95 Lacs being shown as Intangible under development has been written off during the year ended 31st March, 2014 as Company did not expect any commercial use.

d) The Company has defaulted in payment of principal amount of Loans of Rs. 6,977.43 Lacs (previous year - Rs. 4,105.33 Lacs) to Banks / Financial Institutions for twelve quarters starting from 1st April, 2011 to 31st March, 2014. 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. In the event, the company defaults in its obligations towards repayment of quarterly installments, the banks/FIs reserve the rights given in the sanctioned scheme as mentioned in Para 'E' of Note 27 regarding levying of penalty. As referred in Note Number 28A (b), Modified Debt Restructuring Scheme (MDRS) has been submitted to the Hon'ble BIFR in the month of October, 2012 with the consent of secured lenders which envisages re-schedulement of repayment of secured loan within the scheme period besides other requests, which is pending approval before BIFR as at 31st March, 2014.

The Accounts have been compiled by the management on the basis of going concern as stated in Note Number-29, however after considering aforesaid factors, in our opinion the continuity of the Company as a Going Concern is doubtful. However, if the Company is treated not to be a going concern, then the valuation of assets has to be not merely on the basis of historical cost less depreciation or impairment but at a value which the assets would have fetched, if such values were to be lower than the value presently shown. The Company has not attempted to assess the realizable value of the assets and therefore, we are unable to express our opinion on the impact on the accounts.

(iii) In the opinion of the management, Accounts Receivable & 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 2014 confirmatory letters have been sent to the sundry debtors requesting them to confirm the account balances as on 31st March, 2014. A number of parties have not yet confirmed the balances as on the date of signing the financials. Accordingly accounts payable, other receivables and payables and balances appearing under account receivables are subject to reconciliation & confirmation and are described in Note 33(a) to the financial statements. The financial impact of this is not ascertainable and to that extent we do not have any information in respect of such balances. Besides, no confirmation is available for margin money account with Allahabad Bank & PNB amounting to Rs. 39.14 Lacs. Accordingly the same is also subject to confirmation & reconciliation.

(iv) Company made provision for diminution in value of Investment made in the Equity Shares of India International Airways Limited in previous years. Similarly Company has given short term loans & advances of Rs 57.24 Lacs to India International Airways Limited which is outstanding for quite a long period. Management is of the view that such advance is good & recoverable. However, besides diminution in value of shares, such short term loan is outstanding for quite a long period, we are of the opinion that a provision for doubtful debts should be made for against this short term loan/ advances. Accordingly, the net loss for the year, accumulated losses & current liabilities are understated to that extent.

(v) Company is engaged only in manufacture of Color Picture Tube, and Deflection Yoke at Vadodara Unit, Gujarat. This is the only Business Segment of the Company. As per *Accounting Standard-28 on Impairments of Assets* issued by Ministry of Corporate Affairs, Government of India and as prescribed in the Companies (Accounting Standards) Rules, 2006, it is imperative to determine impairment in respect of cash generating unit as per the methodology prescribed under the said Standard. Management of the Company states that there is no impairment in respect of cash generating unit at Vadodara Unit, Gujarat. We are unable to express an opinion on this in the absence of any attempt having been made by the Board of the Company to assess the recoverable value of these cash generating unit by determining the higher of net selling price of such cash generating unit and value in use determined by computing present value of estimated future cash flows expected to arise from the continuing use of cash generating unit and from its disposal at the end of its useful life.

(vi) 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. Company has defaulted in payment of principal amount of Loans of Rs. 6,977.43 Lacs (previous year - Rs. 4,105.33 Lacs) to Banks / Financial Institutions for twelve quarters starting from 1st April, 2011 to 31st March, 2014. 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. However with the 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, 2014. The same is described in Note 28A(b) to the Financials Statements. Our opinion is subject to approval of re-schedulement of repayment of secured loan and interest thereon within the scheme period submitted in the 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, 2014;

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 effects of 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; and
   e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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, 2014

Manish Mohan, Partner
Membership No. 091607

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(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, 2014

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 588 Lacs, the book value lying at Mohali units as at 31st March, 2014), 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 program 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 units since the plant is not in operations.

c) The company has disposed off a substantial part of its fixed assets during the year in pursuance of its plan to discontinue Mohali Unit.

The said disposal does not itself affect or impact the status of the company as a going concern which otherwise does not appear to be going concern after considering various factors listed in our Auditor's Report. Land, Building & remaining Worker's Flats at Mohali unit are yet to be sold as per the orders of the Hon'ble BIFR.

(ii) a) Inventories of the Company, other than Inventory of Rs 61.57 Lacs (after provision of Rs 1314.87 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. 30(c).

b) The procedures for physical verification of inventories, other than Inventory of Rs 61.57 Lacs (after provision of Rs 1314.87 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. 30(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 except write off Rs.1314.87 Lacs by the management during the financial year ended 31st March, 2014. Please Refer Note No. 30(c).

(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, 2014, the Company has taken unsecured loan of Rs. 103 Lacs from one company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year is Rs. 325 Lacs and the year-end balances of such advances aggregates to Rs 50 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 Lac, 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 31st March, 2014.

(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) According to the information and explanations given to us and the records of the company examined by us, company having an average annual turnover exceeding five crore rupees for a period of three consecutive financial years immediately preceding the financial year concerned. The company should have an internal audit system as required under this clause. No Internal Audit as mandated by this clause has been conducted by the management of the Company since suspension of operations and accordingly, we are unable to comment on the same.

(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 for current financial year.

(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 31^{st} March 2007 has been waived and the principal amount is scheduled to be paid commencing from quarter ended January-March 2009. 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 at Mohali, and workers Flats at Mohali, and sale/mortgage of surplus land at Vadodara, re-schedulement of repayment of secured loan 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, 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, Other Miscalleneous Assets such as Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc 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 is under consideration of Hon'ble BIFR. During the year ended 31st March, 2014, few Worker's Flats, Idle Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc were sold by the Asset Sale Committee and the proceeds were deposited with IFCI (i.e. The Operating Agency). The Fixed Assets at Mohali as at 31st March, 2014 consist of Land, Building & remaining Worker's Flats which are yet to be sold. Please Refer Note-28A(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 2014 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 current financial year. 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, 2014

Manish Mohan, Partner
Membership No. 091607

BALANCE SHEET AS AT 31st MARCH, 2014

	Note No.	**As At 31.03.2014 ₹ in Lacs**	As At 31.03.2013 ₹ in Lacs
I. EQUITY AND LIABILITIES			
1. Shareholders funds			
a) Share Capital	1	**7,882.40**	**7,882.40**
b) Reserves and surplus	2	**(5,5918.10)**	**(49,669.91)**
2. Non-current Liabilities			
a) Long term borrowings	3	**24,189.09**	**28,370.73**
b) Other long term liabilities	4	**18,859.65**	**19,222.13**
c) Long term provisions	5	**872.26**	**840.66**
3. Current Liabilities			
a) Short term borrowings	6	**-**	**180.00**
b) Trade payables	7	**17,324.84**	**17,631.11**
c) Other current liabilities	8	**23,439.28**	**19,134.42**
d) Short term provisions	9	**5.53**	**37.33**
TOTAL		**36,654.95**	**43,628.87**
II. ASSETS			
1. **Non-current assets**			
a) Fixed assets	10		
i) Tangible assets		**27,468.41**	**30,652.87**
ii) Intangible assets		**145.89**	**165.80**
iii) Capital work in progress		**0.86**	**157.44**
iv) Intangible assets under development		**-**	**140.95**
b) Non-current investment	11	**65.95**	**65.95**
c) Long-term loans and advances	12	**635.80**	**851.59**
2. **Current assets**			
a) Inventories	13	**796.58**	**3,859.49**
b) Trade receivables	14	**6,250.57**	**5,792.59**
c) Cash and bank balances	15	**180.95**	**385.02**
d) Short-term loans and advances	16	**1,109.03**	**1,544.73**
e) Other current assets	17	**0.91**	**12.44**
TOTAL		**36,654.95**	**43,628.87**

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

PRANAB KUMAR GANGULY
Director

ARJUN THAPAR
Managing Director

MANISH MOHAN, Partner
Membership No. : 091607

SAMARES BANDYOPADHYAY
Head of Accounts

GOPAL KRISHNAN
Company Secretary

Place : New Delhi
Dated : 28th May, 2014

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2014

		Note No.	**Current Year ₹ in Lacs**	Previous Year ₹ in Lacs
I.	**INCOME**			
	Revenue from operations	18	**5,178.36**	38,880.69
	Less: Excise Duty		**482.89**	4,269.71
	Net Revenue from operations		**4,695.47**	34,610.98
	Other income	19	**944.92**	43.70
	Total Revenue		**5,640.39**	34,654.68
II.	**EXPENSES**			
	Cost of materials consumed	20	**2,554.21**	24,939.93
	(Increase)/Decrease in inventories	21	**1,250.55**	10.33
	Employee benefits expense	22	**1,234.86**	2,827.14
	Finance cost	23	**1,638.68**	2,006.58
	Depreciation and amortisation expense	10	**1,676.94**	1,531.66
	Other expenses	24	**2,382.56**	8,281.01
	Total expenses		**10,737.80**	39,596.65
III.	Profit / (Loss) before exceptional and extraordinary items and tax (I-II)		**(5,097.41)**	(4,941.97)
IV	Exceptional Items (Loss on sale of fixed assets)		**1,150.78**	46.87
V.	Profit before extraordinary items and tax (III-IV)		**(6,248.19)**	(4,988.84)
VI.	Extraordinary items		-	-
VII.	Profit before tax (V-VI)		**(6,248.19)**	(4,988.84)
VII.	Tax expense:			
	Current Tax		**-**	-
	Deferred Tax		**-**	-
IX	Profit /(Loss) for the period from continuing opreations		**(4,408.32)**	(5119.03)
X.	Profit/(Loss) from ordinary activities of discontinuing operations	40f	**(785.14)**	130.19
XI.	Profit/(Loss) from sale of fixed assets of discountinuing operations	40f	**(1,054.73)**	-
XII.	Tax expense of discontinuing operations		-	-
XIII.	Profit /(Loss) from discontinuing operations (after tax) (X + XI)		**(1,839.87)**	(130.19)
XIV.	Profit/ (Loss) for the period (IX + XIII)		**(6,248.19)**	(4,988.84)
	Earning per equity share of Rs 1/- each			
	i. Basic		**(0.79)**	(0.63)
	ii. Diluted		**(0.79)**	(0.63)

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

PRANAB KUMAR GANGULY
Director

ARJUN THAPAR
Managing Director

MANISH MOHAN, Partner
Membership No. : 091607

SAMARES BANDYOPADHYAY
Head of Accounts

GOPAL KRISHNAN
Company Secretary

Place : New Delhi
Dated : 28th May, 2014

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ 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 31.03.2014		As at 31.03.2013	
	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

	As at 31.03.2014		As at 31.03.2013	
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 31.03.2014		As at 31.03.2013	
Out of equity shares issued by the company, 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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
NOTE – 2 : RESERVES & SURPLUS		
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	**(56,308.56)**	(51,319.72)
Add : Profit/(Loss) for the year	**(6,248.19)**	(4,988.84)
Closing Balance	**(62,556.75)**	(56,308.56)
Per Balance Sheet	**(55,918.10)**	(49,669.91)
NOTE – 3 : LONG TERM BORROWINGS		
i) Term Loans - Secured		
a) Financial Institutions (Refer Note No. 3.1,3.2, 3.3 and 3.4)	**9,098.64**	10,965.26
b) India Banks - TL/WCTL (Refer Note 3.1, 3.2, 3.3 and 3.4)	**6,461.61**	8,776.63
Less : Balance upfront payment in no lien a/c with OA yet to be distributed (Refer Note No. 3.5)	**(27.99)**	(27.99)
	15,532.26	19,713.90
c) Foreign Banks- TL (Refer Note No. 3.3 (b)(ii)	**218.75**	218.75
	15,751.01	19,932.65
ii) Deposits - Unsecured		
a) Inter Corporate Deposits (Refer Note No. 3.6)	**49.95**	49.95
b) Interest Accrued and Due ICDs (Refer Note No. 3.7)	**5.80**	5.80
	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
	8,382.33	8,382.33
Per Balance Sheet	**24,189.09**	28,370.73

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

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. 27(A) (c)] foreign banks are to be paid by way of one time settelment (OTS)

	As at 31.03.2014 ₹ in Lacs		As at 31.03.2013 ₹ in Lacs	
Note 3.2 : Details of Secured Loan	**Non Current**	**Current**	Non Current	Current
a) Financial Institution				
IFCI	**5,619.33**	**3,330.93**	6,772.15	2,178.11
IDBI	**3,479.31**	**2,062.43**	4,193.11	1,348.63
	9,098.64	**5,393.36**	10,965.26	3,526.74
b) Indian Banks				
- Term Loan				
Allahabad Bank	**344.52**	**204.22**	415.20	133.54
Punjab & Sind Bank	**198.12**	**117.43**	238.76	76.79
Vijaya Bank	**252.59**	**172.41**	302.24	122.76
- Working Capital Term Loan				
Punjab & Sind Bank	**673.49**	**578.11**	873.57	378.03
Allahabad Bank	**3,529.38**	**3,027.80**	4,577.29	1,979.89
Allahabad Bank LC OD	**-**	**89.13**	-	-
Punjab National Bank	**233.14**	**551.14**	423.89	360.39
Punjab National Bank LC OD	**-**	**339.64**	339.64	-
State Bank of Patiala	**296.35**	**404.08**	436.20	264.23
UCO Bank	**20.39**	**17.51**	26.45	11.45
ARCIL assigned by State Bank of India [Refer Note no. 29B(a)]	**145.86**	**126.06**	189.49	82.43
ARCIL assigned by SBICI [Refer Note no. 29B(a)]	**294.89**	**250.71**	381.66	163.94
Bank of Baroda	**417.36**	**303.00**	504.60	215.76
Indian Overseas Bank	**55.52**	**42.08**	67.64	29.96
	6,461.61	**6,223.32**	8,776.63	3,819.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

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(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 01.04.2011 to 31.03.2012 as follows :

	As at 31.03.2014 ₹ in Lacs	As at 31.03.2013 ₹ in Lacs
a) Financial Institutions		
IFCI	**2,178.11**	1,281.54
IDBI	**1,348.63**	793.50
b) Indian Banks		
- Term Loan		
Allahabad Bank	**133.54**	78.57
Punjab & Sind Bank	**76.79**	45.18
- Working Capital Term Loan		
Punjab & Sind Bank	**378.03**	222.42
Allahabad Bank	**1,979.89**	1,164.91
Punjab National Bank	**360.39**	212.04
State Bank of Patiala	**264.23**	155.47
UCO Bank	**11.45**	6.74
ARCIL assigned by State Bank of India [Refer Note no. 29B(a)]	**82.43**	48.50
ARCIL assigned by SBICI [Refer Note no. 29B(a)]	**163.94**	96.46
	6,977.43	4,105.33

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.

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
NOTE– 4 : OTHER LONG TERM LIABILITIES		
Trade Payables (Refer Note No.4.1)	**17,543.90**	17,686.37
Others (Refer Note No.4.2)	**1,315.75**	1,535.76
Per Balance Sheet	**18,859.65**	19,222.13
Note – 4.1 : Details of Trade Payables		
- Due to MSMED	**15.39**	15.39
- Other creditors	**17,528.51**	17,670.98
	17,543.90	17,686.37

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, 2014, 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 15.39 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.

Note – 4.2 : Details of Others		
a) Security & Earnest Money	**0.25**	1.00
b) Credit Balance of Creditors for expenses	**989.73**	1,008.61
c) Liability for Expenses	**325.78**	526.15
	1,315.76	1,535.76
NOTE – 5 : LONG-TERM PROVISIONS		
For leave encashment	**110.73**	218.82
For Gratuity*	**761.53**	621.84
Per Balance Sheet	**872.26**	840.66

* Provision for gratuity has been made on the basis of LIC valuation, since no classification has 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 (Refer Note No 6.1)	**–**	180.00
Per Balance Sheet	**–**	180.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
Note – 6.1 : Details of borrowings from related parties		
- Unsecured		
APJ Financial Services Pvt. Limited	–	180.00
	–	180.00
NOTE - 7 : TRADE PAYABLES		
Acceptances	–	246.45
Other Trade Payables		
i) Due to MSMED (Refer Note No. 7.1)	–	–
ii) Other Trade Payables (Refer Note No. 7.2)	**17,324.84**	17,384.66
Per Balance Sheet	**17,324.84**	17,631.11

Note – 7.1 :

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, 2014, 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).

Note – 7.2 :

An amount of Rs. 6,154.73 Lacs (Previous Year - Rs. 5,648.35 Lacs) receivable from Videocon Group. The same is adjustable against trade payable to Videocon Group.

NOTE - 8 : OTHER CURRENT LIABILITIES

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
Current maturity of long term debt (Refer Note No. 8.1)	**11,616.68**	7,345.91
Interest accrued but not due secured loans (Refer Note No.8.2)	**9,678.77**	8,089.96
Other Payables (Refer Note No. 8.3)	**2,143.83**	3,698.55
Per Balance Sheet	**23,439.28**	19,134.42
Note - 8.1		
Details of Current maturity of long term debt		
- From Indian Banks	**6,223.32**	3,819.17
- From Financial Institutions	**5,393.36**	3,526.74
	11,616.68	7,345.91

The current maturities includes defaults in payment of instalments of Rs. 6,977.43 Lacs (Previous Year Rs. 4,105.33 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
Note - 8.3 : Details of Other Payables		
a) Security & Earnest Money	**0.80**	0.95
b) Credit balance of creditors for expenses	**973.57**	1,140.53
c) Credit balance of debtors	**501.71**	559.35
d) Credit balance of staff	**103.83**	141.08
e) Liability for statutory dues	**34.03**	268.01
f) Liability for expenses	**520.08**	1,577.39
g) Others	**9.81**	11.24
	2,143.83	3,698.55
NOTE - 9 : SHORT TERM PROVISIONS		
Leave encashment	**5.53**	31.43
Others (Refer Note No. 9.1)	**-**	5.90
Per Balance Sheet	**5.53**	37.33
Note - 9.1 : Detail of others		
Provision against warranties	**-**	5.48
Provision against rent equalisation	**-**	0.42
	-	5.90

NOTE – 10 : FIXED ASSETS

₹ in Lacs

Assets	ORIGINAL COST					DEPRICIATION/AMORITISATION/ IMPAREMENTS				WRITTEN DOWN VALUE	
	As at 1/4/2013	Adjust-ments	Addi-tions	Disposal	As at 31/03/2014	As at 01/04/2013	For the year	Written back	As at 31/03/2014	As at 31/03/2014	As at 31/03/2013
i) Tangible Assets											
Land											
a) Leasehold land	140.54				**140.54**	27.87			**27.87**	**112.67**	112.67
b) Freehold land	767.87				**767.87**					**767.87**	767.87
Buildings	5,136.66			12.53	**5,124.13**	2,755.38	111.49	3.30	**2,863.57**	**2,260.56**	2,381.28
Plant & machinery											
a) Plant & machinery	58,308.36		113.22	12,228.86	**46,192.72**	34,891.31	1,190.14	10,899.07	**25,182.38**	**21,010.34**	23,417.05
b) Electrical installation	7,705.47		0.06	1,500.88	**6,204.65**	4,042.59	186.53	1,236.40	**2,992.72**	**3,211.93**	3,662.88
c) Storage & water system	610.71			610.71		532.04		532.04			78.67
d) Factory equipment	114.36			89.06	**25.30**	69.65	1.19	59.84	**11.00**	**14.30**	44.71
Furniture & fittings	301.41			163.20	**138.21**	277.58	4.00	159.27	**122.31**	**15.90**	23.83
Vehicle & cycles	224.12			117.01	**107.11**	86.88	18.11	52.58	**52.41**	**54.70**	137.24
Office equipment	329.78		0.06	216.75	**113.09**	303.11	4.62	214.78	**92.95**	**20.14**	26.67
Total Tangible assets	73,639.28		113.34	14,939.00	**58,813.62**	42,986.41	1,516.08	13,157.28	**31,345.21**	**27,468.41**	30,652.87
ii) Intangbile Assets											
Computer softwares	207.31		140.95		**348.26**	41.51	160.86		**202.37**	**145.89**	165.80
Current year total	73,846.59		254.29	14,939.00	**59,161.88**	43,027.92	1,676.94	13,157.28	**31,547.58**	**27,614.30**	30,818.67
Previous year total	73,787.51		483.74	424.66	**73,846.59**	41,738.22	1,531.66	241.96	**43,027.92**	**30,818.67**	
iii) Capital work in progress										**0.86**	157.44
iv) Intangible assets under development											140.95
Per Balance Sheet										**27,615.16**	31,117.06

Note : All additions are transferred from work in progress.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

Note - 10.1 : Fixed Assets pertaining to discontinued operation ₹ in Lacs

Assets	ORIGINAL COST					DEPRICIATION/AMORITISATION/ IMPAREMENTS				WRITTEN DOWN VALUE	
	As at 1/4/2013	Adjust-ments	Addi-tions	Disposal	As at 31/03/2014	As at 01/04/2013	For the year	Written back	As at 31/03/2014	As at 31/03/2014	As at 31/03/2013
i) Tangible Assets											
Land											
a) Leasehold land	140.54				**140.54**	27.87			**27.87**	**112.67**	112.67
b) Freehold land											
Buildings	1,539.61			1.80	**1,537.81**	1,063.12		0.64	**1,062.48**	**475.33**	476.50
Plant & machinery											
a) Plant & machinery	12,030.66			12,030.66		10,830.99		10,830.99			1,199.66
b) Electrical installation	1,459.99			1,459.99		1,213.97		1,213.97			246.03
c) Storage & water system	610.71			610.71		532.05		532.05			78.67
d) Factory equipment	40.55			40.55		31.38		31.38			9.17
Furniture & fittings	133.77			133.77		133.66		133.66			0.11
Vehicle & cycles	16.06			16.06		16.06		16.06			
Office equipment	124.42			124.42		124.32		124.32			0.10
Total Tangible assets	16,096.31			14,417.96	**1,678.35**	13,973.42		12,883.07	**1,090.35**	**588.00**	2,122.91
ii) Intangbile Assets											
Computer softwares											
Current year total	16,096.31			14,417.96	**1,678.35**	13,973.42		12,883.07	**1,090.35**	**588.00**	2,122.91
Previous year total	16,096.02		0.29		**16,096.31**	13,973.40			**13,973.40**	**2,122.91**	
iii) Capital work in progress											26.98
iv) Intangible assets under development											
Per Balance Sheet										**588.00**	2,149.89

Note : All additions are transferred from work in progress.

NOTE - 11 : NON CURRENT INVESTMENTS	**As At 31.03.2014 ₹ in Lacs**	As At 31.03.2013 ₹ in Lacs
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
(Cost Rs. 1/- each)		
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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
Note - 11.1		
Aggregate amount of quoted investments at NAV Rs.167.76 lacs (Previous year Rs.173.68 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. 35(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 (Refer Note No. 12.1)		
a) Capital Advances	-	7.48
b) Security Deposits	**40.86**	268.61
c) Others (Refer Note No. 12.2)	**594.94**	575.50
Per Balance Sheet	**635.80**	851.59
Note - 12.1		
Loans & Advance 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	**81.87**	575.50
Amount in No-Lien Account with OA*	**513.07**	–
	594.94	575.50

*As per BIFR order P&M, other Misc. Assets and some worker's Flats at Mohali Plant were auctioned. This amount collected by ARCIL on this account is lying with OA (IFCI) (Refer Note No.30 (a))

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
NOTE - 13 : INVENTORIES		
(Refer Note No. 13.1)		
Raw materials	**138.53**	585.52
Material in transit	**210.44**	539.04
Goods in process	-	739.36
Finished goods	-	481.47
Finished goods in transit	-	29.72
Stores & spare parts	**447.61**	1,481.89
Stores & spares in transit	-	2.15
Loose tools	-	0.34
Per Balance Sheet	**796.58**	3,859.49

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs

Note - 13.1 : 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) Stock in transit have been valued at cost

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

NOTE - 14 : TRADE RECEIVABLES

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
a) Over six months from the date they are due for payments		
Unsecured - Considered good	**6,250.57**	4,568.42
Considered doubtful	**44.62**	43.30
	6,295.19	4,611.72
Less : Provision for doubtful debts	**44.62**	43.30
	6,250.57	4,568.42
b) Other Debts		
Unsecured - Considered good	**-**	1,224.17
Per Balance Sheet	**6,250.57**	5,792.59

The above includes Rs.6154.73 Lacs (Previous year Rs.5,648.35 Lacs) receivable for Videocon Group. The same is adjustable against Trade Payable to Videocon Group

NOTE - 15 : CASH AND BANK BALANCES

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
a) Cash and cash equivalents		
Cash in hand	**8.37**	20.49
Current accounts (Refer Note No.15.1)	**32.41**	99.65
Deposit with less than 3 months maturity	**100.00**	-
b) Other bank balances (Refer Note No.15.2)	**40.14**	264.88
Cheques in hand and remittance in transit	**0.03**	-
Per Balance Sheet	**180.95**	385.02

Note - 15.1 : Details of Current/CC Accounts

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
Allahabad Bank	**3.16**	1.89
Punjab National Bank	**1.70**	0.70
Others	**27.55**	97.06
	32.41	99.65

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
Note - 15.2 : Details of other bank balances		
Allahabad Bank	**13.53**	237.98
Corporation Bank	**1.00**	1.00
Punjab National Bank	**1.17**	1.07
Other Banks	**24.44**	24.83
Margin given to banks for L/Cs and bank guarantees	**40.14**	264.88
NOTE - 16 : SHORT TERM LOANS & ADVANCES		
a) Loans and advances to related parties (Refer Note No. 16.1)		
- Unsecured - Considered good	**117.41**	117.41
b) Others		
- Unsecured		
i) Considered good (Refer Note No. 16.2)	**991.62**	1,427.32
ii) Considered doubtful	**13.78**	12.79
	1,005.40	1,440.11
Less : Provision for doubtful advances	**13.78**	12.79
	991.62	1,427.32
Per Balance Sheet	**1,109.03**	1,544.73
Note - 16.1 : Details of loans and advances to Related Parties		
i) India International Airways Limited	**57.24**	57.24
ii) JCT Limited	**60.17**	60.17
	117.41	117.41
Note - 16.2 : Details of other loans and advances		
Loans & advance to employees	**62.12**	89.54
Prepaid expenses	**18.16**	49.92
Balance with Govt. authorities		
i) Excise authorities	**6.62**	39.70
ii) Sales tax authorities	**145.06**	327.74
iii) Service Tax	**7.78**	20.13
iv) Income Tax	**6.00**	43.23
v) Others	**745.88**	857.06
	991.62	1,427.32
NOTE - 17 : OTHER CURRENT ASSETS		
Interest receivable/recoverable	**0.78**	12.23
Workmen Group Personal Accident Recoverable	**–**	0.08
Stamp/Hundi paper in Hand	**0.13**	0.13
Per Balance Sheet	**0.91**	12.44

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
NOTE -18 : REVENUE FROM OPERATIONS		
Sale of products (Refer Note No. 18.1)	**4,345.42**	38,315.08
Other operating revenues (Refer Note no 18.2)	**832.94**	565.61
	5,178.36	38,880.69
Less: Excise Duty	**482.89**	4,269.71
Per Profit & Loss Statement	**4,695.47**	34,610.98
Note - 18.1 : Details of sale of Products		
a) Sale of Colour Picture Tubes	**4,329.97**	38,308.50
b) Sale of Deflection Yokes	**5.39**	6.58
c) Sale of Electron Guns	**10.06**	–
	4,345.42	38,315.08
Note - 18.2 : Details of Other Operating Revenue		
a) Sale of Scrap	**533.90**	219.62
b) Trading Sales	**299.04**	331.65
c) Export benefit	**-**	14.34
	832.94	565.61
NOTE - 19 : OTHER INCOME		
Interest	**134.44**	37.51
Dividend	**0.15**	0.15
Liability no longer required written back	**765.51**	0.14
Net Gain/(Loss) on Forign Currency Translation and Transactions	**44.14**	–
Other income	**0.68**	5.90
Per Profit & Loss Statement	**944.92**	**43.70**
NOTE -20 : COST OF MATERIALS CONSUMED		
Raw materials consumed incl. packing material (Refer Note No.20.1)	**2,544.21**	24,939.93
Per Profit & Loss Statement	**2,544.21**	24,939.93
Note - 20.1 : Details of Material consumed		
a) Glass components	**1,162.92**	12,024.85
b) Electronics components	**911.94**	9,419.46
c) Chemicals	**327.71**	1,592.68
d) Packing material	**101.27**	945.79
e) Other materials	**50.37**	957.15
	2,554.21	24,939.93

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
NOTE - 21 : (INCREASE)/DECREASE IN INVENTORIES		
Opening Inventories		
- Finished goods	**511.19**	361.40
- Goods-in-process	**739.36**	899.48
	1,250.55	1,260.88
Closing Inventories		
- Finished goods	**–**	511.19
- Goods-in-process	**–**	739.36
	–	1,250.55
Difference in closing and opening inventories		
- Finished goods	**511.19**	(149.79)
- Goods-in-process	**739.36**	160.12
Per Profit & Loss Statement	**1,250.55**	10.33
NOTE - 22 : EMPLOYEES BENEFITS EXPENSE		
a) Salaries and wages (Refer Note No 22.1)	**932.11**	2,324.49
b) Contribution to provident & other funds (Refer Note No. 22.2)	**222.03**	193.59
c) Staff welfare expenses	**80.72**	309.06
Per Profit & Loss Statement	**1,234.86**	2,827.14
Note - 22.1 : Details of salaries and wages		
Salaries & wages etc.	**947.46**	2,258.57
Bonus paid	**24.74**	34.88
Leave encashment	**(40.09)**	31.03
	932.11	2,324.48
Note - 22.2 : Details of Contribution to provident & other funds		
- Provident Fund	**23.44**	53.15
- Gratuity Fund	**168.07**	70.25
- Superannuation Fund	**(1.52)**	16.23
- Pension Fund	**32.04**	53.96
	222.03	193.59
NOTE - 23 : FINANCE COST		
Interest expense (Refer Note No 23.1)	**1,627.37**	1,666.20
Other borrowing costs (Refer Note No. 23.2)	**11.31**	340.38
Per Profit & Loss Statement	**1,638.68**	2,006.58
Note - 23.1 : Details of Interest expense		
-On fixed loans	**1,606.37**	1,613.54
-On other loans	**21.00**	52.66
	1,627.37	1,666.20

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

	As At 31.03.2014 ₹ in Lacs	As At 31.03.2013 ₹ in Lacs
Note - 23.2 : Details of Other borrowing costs		
- Guarantee commission	-	1.30
- Bank and Financing charges	**11.31**	339.08
	11.31	340.38
NOTE - 24 : OTHER EXPENSES		
Consumption of stores, spares & parts	**123.17**	1,057.63
Power and fuel	**486.22**	3,459.35
Rent	**79.84**	165.38
Repairs & maintenance		
-Building	**6.38**	49.84
-Plant & machinery	**3.60**	40.55
-Others	**31.04**	87.43
Excise duty on FG stock/ Others	**15.02**	84.26
Insurance	**40.23**	70.71
Rates & taxes	**98.09**	37.14
Auditors' remuneration		
- Statutory Audit fees	**2.00**	8.50
-Tax audit Fees	**1.25**	1.25
- Cost Audit Fees	**0.75**	0.75
-Out of pocket expenses	**1.32**	6.48
Diminution in value of Inventory	**1,219.96**	–
Prior Period expenses	**12.34**	2.09
Directors' fees	**2.60**	2.90
Travelling expenses	**39.50**	184.28
Printing & stationery	**2.56**	13.54
Postage,telegram & telephone	**8.72**	24.46
Professional fees	**33.83**	59.78
Provision for doubtful advances	**2.82**	5.98
Loss on Foreign Currency fluctuation (Refer Note No.24.1)	–	115.60
Data processing expenses	**12.49**	20.80
Advertisement & publicity	**25.33**	21.48
Cash & Other discount	**-**	1.99
Sales incentive & commission	**-**	5.22
Freight - outward	**(26.95)**	529.88
Export sales expenses	**1.42**	14.40
Provision/ write off for doubtful debts	**1.32**	1,244.14
Miscellaneous expenses	**157.71**	965.20
Per Profit & Loss Statement	**2,382.56**	8,281.01

Note - 24.1

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 Profit of Rs. 44.14 Lacs (Previous year loss of Rs.115.60 Lacs) which has been shown as part of other income/expense.

25. 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 are 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 are 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) 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 is 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.

26. CONTINGENT LIABILITIES & COMMITMENTS

S. No.	Particulars	**As at 31.03.2014 ₹ in Lacs**	As at 31.03.2013 ₹ in Lacs
26.1	Contigent Liabilities a) Claims against the company not acknowledged as debts	**5,905.90**	5,331.60
	b) Bills discounted	**–**	249.80
26.2	Capital Commitments Estimated amount of contracts remaining to be executed on capital account and not provided for	**–**	5.52

27. 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.

28 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, 2014. However, the Company has defaulted in payment of principal amount of Loans of Rs 6977.43 Lacs (Previous year 4105.33 Lacs) to Banks / Financial Institutions for twelve quarters starting from 1st April, 2011 to 31st March, 2014. 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.

In the event the company defaults in its obligations towards repayment of quarterly installments, the banks /FIs reserve the rights given in the sanctioned scheme as mentioned in Para E of Note 27.

The Company approached the IFCI (i.e. The Operating Agency hereinafter referred as OA) and the lenders whose interest were affected pursuant to which a meeting of secured lenders was held in the month of April, 2012 where consent for the proposed Modified Debt Restructuring Scheme (MDRS) which envisaged sale of certain additional surplus assets was obtained . The OA , thereafter submitted the MDRS to the Hon'ble BIFR in the month of October, 2012 which envisages besides sale of surplus assets such as Plant & Machinery along-with Other Miscellaneous Assets and Flats, sale/mortgage of vacant land at Vadodara and also re-schedulement of repayment of secured loan and interest thereon within the scheme period. The amount collected from disposal of such surplus assets are to be used to address the dues of secured lenders as per original sanctioned scheme and dues of workers as per Memorandum of Settlement.. The Hon'ble BIFR ,after hearing all concerned parties vide its interim order dated 29.01.2013, 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 through the Asset Sale Committee (ASC) already constituted and keeping the sale proceeds in a no lien account (NLA) with the OA and utilized as decided by BIFR. The matter regarding re-schedulement of repayment of secured loan within the scheme period as envisaged in proposed Modified Debt Restructuring Scheme (MDRS) is pending before BIFR as at 31st March, 2014.

c) During the year the idle Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc and few workers flats were sold by the ASC and the proceeds were deposited in the No Lien Account with Operating Agency. The sale of remaining worker's flats is in progress & will be made as per BIFR Interim Order. Bids for the sale of surplus land at Vadodara were invited by the Asset Sale Committee. As one of the bid selected was conditional, the matter has been referred to BIFR which is under consideration of BIFR as at 31"' March, 2014.

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 crystallizing their dues at Rs 40 Crores. The Settlement has been registered before the concerned authorities and submitted to BIFR. Since the crystallized dues of workers/staff are to be settled out of the sale proceeds of the Mohali assets as per the sanctioned scheme, hence no provision for the dues to workers/staff has been made in the current year ended 31st March, 2014. The same shall be provided upon sale of Mohali Assets.

g) In view of the proposed introduction of GST, extension of Sales Tax (CST & VAT) concession/exemption for a further period of 10 years has not been extended & approved by the Gujarat Govt and 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 granted exemption of octroi & electricity duty for a period of 10 years but the same has not been approved by the Gujarat Government & is being borne by the Company.

28 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. The save is not yet released as at 31.03.2014.

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 onwards 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 was allotted to the promoters/FIs/Banks in the financial year 2007–2008. Further during the year 2009–10, the share capital of Rs.34.78 lacs was allotted to ARCIL pursuant to BIFR order, since SBI & SBICI have assigned their debt to ARCIL.

29 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.

30 a) In terms of the orders of BIFR, the Mohali Assets which includes Land, Building, Plant & Machinery, including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles and Worker's Flat in its entirety are to be sold on "As is where is" and "As is what is basis". The Hon'ble BIFR vide its interim order dated 29.01.2013, approved the sale of surplus assets as envisaged in Modified Debt Restructuring Scheme (MDRS) namely 168 workers flats at Mohali, idle Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc which is no longer required to be relocated to Vadodara through the Asset Sale Committee. The Hon'ble BIFR also permitted sale of surplus land at Vadodara in terms of the MDRS through the Asset Sale Committee. During the year ended 31st March, 2014, few Worker's Flats, Idle Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc were sold by the Asset Sale Committee and the proceeds were deposited with IFCI (i.e. The Operating Agency). No provision for impairment of remaining Fixed Assets at Mohali has been considered necessary by the management as it expects that expected realisable value as per last advertisement the minimum reserve price was Rs.180 crores, which is higher than carrying value as at 31st March, 2014. The Fixed Assets at Mohali as at 31st March, 2014 consist of Land, Building & remaining Worker's Flats.

b) The Fixed Assets at Mohali i.e. Land, Building and remaining Workers Flats, have been retired from active use and held for disposal and are shown separately in Note no. 10 i.e. Schedule of fixed assets of financial statements.

c) As the inventory at Mohali unit, aggregating to Rs. 1,376.44 lacs, which has to be transferred to the Vadodara unit as per the scheme contains a substantial loss on impairment, necessary provision considering diminution in value has been made. During the financial year ended 31st March, 2014, Company has made a provision for impairment of Rs. 1,219.96 Lacs on such Inventory, reducing the value of working progress/finished goods by Rs.32.25 lacs and 62.66 Lacs has been adjusted against corresponding provision/liability. The balance of Rs 61.57 lacs is estimated to be net realizable value.

31 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. 17,235.36 Lacs (Previous year Rs. 16,441.58 lacs) has not been recognized.

32 EMPLOYEE BENEFITS:

a) Defined Contribution Plans

The Company has recognized the contribution/liability in the Statement of Profit & Loss for the financial year 2013–14.

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 31.03.2014	Leave Encashment 31.03.2013	**Gratuity 31.03.2014**	Gratuity 31.03.2013
Amount recognized in Balance Sheet				
Projected Benefit Obligations	**116.27**	250.25	**932.36**	1030.34
Fair value of plan assets		–	**170.84**	408.50
Present value of unfunded/funded obligations	**116.27**	250.25	**761.53**	621.84
Unrecognized past service cost		–		–
Net Liability/(Assets)	**116.27**	250.25	**761.53**	621.84
Amount in Balance Sheet				
Liability	**116.27**	250.25	**761.53**	621.84
Assets	**–**		**–**	
+ Net Liability/(Assets)	116.27	250.25	**761.53**	621.44
Expenses recognized in the Statement of Profit & Loss				
Current service cost	**6.59**	17.29	**53.24**	32.43
Interest on defined benefit obligation	**20.02**	19.42	**82.43**	79.29
Expected return on plan assets	**–**	–	**(20.60)**	(36.88)
Net actuarial losses/(gain) recognized in the year	**(67.58)**	(8.01)	**37.65**	(8.46)
Past service cost	**–**	–	**–**	–
Losses/(gains) on “Curtailments and Settlements”	**–**	–		
Total, included in “Employee Benefit Expense”	**40.98**	**28.70**	**152.72**	**66.37**

(₹ in lacs)

Actual return on plan assets	**–**	–	**–**	–
Reconciliation of benefit obligations and plan assets for the period	**–**	–	**–**	–
Change in defined benefit obligation				
Opening defined benefit obligation	**250.25**	**242.80**	**1,030.34**	991.10
Current service cost	**6.59**	**17.29**	**53.24**	32.43
Interest cost	**20.02**	**19.42**	**82.43**	79.29
Actuarial losses/(gains)	**(67.58)**	(8.01)	**37.65**	(8.46)
Liabilities extinguished on curtailments	**–**	–	**–**	–
Liabilities extinguished on settlements	**–**	–	**–**	–
Liabilities assumed on acquisition	**–**	–	**–**	–
Exchange difference on foreign plans	**–**	–	**–**	–
Benefits paid	**(93.01)**	(21.24)	**(271.29)**	(64.01)
Closing defined benefit obligation	**116.27**	**250.25**	**932.36**	**1030.34**
Change in fair value of assets				
Opening fair value of plan assets	**–**	–	**408.50**	400.60
Expected return on plan assets	**–**	–	**20.60**	36.88
Actuarial gain/(Losses)		–		(0.37)
Assets distributed on settlements	**–**	–	**–**	–
Contributions by employer	**–**	–	**13.03**	35.03
Assets acquired due to acquisition	**–**	–	**–**	–
Exchange difference on foreign plans	**–**	–	**–**	–
Benefits paid	**(93.01)**	(21.24)	**(271.29)**	(64.01)
Closing fair value of plan assets	**–**	**–**	**170.84**	**408.50**
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	**8.50%**	8.00%	**8.00%**	8.00%
Expected rate of return on assets	**Nil**	Nil	**–**	9.30%
Future salary increase	**6.00%**	5.50%	**6.00%**	6.00%
Retirement Age	**60**	60	**–**	–
Mortality Table	IALM (2006–2008)			
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 2014 was Rs. 170.84 lacs (Previous year Rs. 408.50 lacs).

c) As per valuation by Actuary liability towards Gratuity recognized in the Balance Sheet as on 31st March 2014 is Rs. 761.53 lacs (Previous year Rs. 621.84 lacs).

33. 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 2014 confirmatory letters have been sent to the sundry debtors, requesting them to confirm the account balances as on 31st March, 2014. Lot of parties has not yet confirmed the balances as on the date of signing the financials. Accordingly creditors, other receivables/payables and debtors 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, 2014. 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.

34. EARNINGS PER SHARE (EPS)

		Year Ended 31.03.2014	Year Ended 31.03.2013
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)	**(6,248.19)**	(4,988.14)
c)	Basic Earnings (in Rupees) per share	**(0.79)**	(0.63)
d)	Diluted Earnings (in Rupees) per share	**(0.79)**	(0.63)

35. RELATED PARTY DISCLOSURES:

Names of related parties and description of relationship

a) Related parties 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	
	2013 14	2012 13	**2013 14**	2012 13	**2013 14**	2012 13	**2013 14**	2012 13	**2013 14**	2012 13
a. Rent							**0.30**	0.30		
b. Salary							**1.29**	2.87		
c. Sale of Vehicles									**57.40**	
d. Remuneration and benefits of key managerial personnel					**12.94**	40.65				
e. Payment of Short term borrowings									**283.00**	
f. Short term borrowings									**103.00**	30.00
g. Long term borrowings										
h. Interest on borrowings									**15.46**	20.83
Balance as on 31.3.2014										
i. Investments (At cost less Provision for diminution)	**17.40**	17.40								
j. Other receivables	**57.24**	57.24	**60.17**	60.17						
k. Other payables									**50.00**	231.73

36. The Company has taken certain commercial premises 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. 66.87 Lacs (Previous Period : Rs 131.96 Lacs).

37. The gross carrying amount of product development under progress of Rs 140.95 Lacs has been transferred to Intangible and the same has been written off during the same financial year ended 31st March, 2014 as Company did not expect any commercial use. The Company has not incurred any expenditure towards product development falling under the definition of Intangible Assets as per the Accounting Standard-26 as on 31st March, 2014.

38. 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 one plant designed to manufacture Color Picture Tube & Deflection Yoke which is situated at Vadodara. Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc of Two Plants situated at Mohali has been disposed off during the year ended 31st March, 2014. Being having one business entity, there are no reportable business as well as geographical segments.

39. 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. This resulted in both the plants at Mohali shutting down active production in 2001. A reference was made by the Company to the Hon'ble BIFR 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 Company was declared a sick industrial company within the meaning of SICA by the Hon'ble BIFR vide its order dated 12.12.2005. Thereafter, the Company submitted its proposal for revival and rehabilitation and sanction was accorded to the scheme vide order dated 12.03.2007 passed by the Hon'ble BIFR (Sanctioned Scheme).

(iii) In terms of the Sanctioned Scheme the land & building at both the plants at Mohali are to be sold and the plant & machinery shifted to Vadodara. Subsequently the Hon'ble BIFR also allowed sale of the idle plant & machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc at Mohali Unit no longer required to be shifted as proposed in the MDRS submitted to BIFR by the OA.

(iv) During the year ended 31st March, 2014, the Asset Sale Committee has already initiated steps towards sale and accordingly few Worker's Flats, Idle Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc were sold and the proceeds were deposited with IFCI (i.e. The Operating Agency). The land, building and remaining workers flats at Mohali have been retired from the above assets and are held for disposal and the same are shown separately in Note no.10 i.e. Schedule of fixed assets of Financial Statements.

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) In the previous year company had three plants designed to manufacture Color Picture Tube & Deflection Yoke. Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc of Two Plants situated at Mohali has been disposed off during the year. The remaining one plant is situated at Baroda Unit, Gujarat. 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, Vadodara Plant & Mohali Plant were considered as two geographical segments. As per BIFR Scheme, during the financial year ended 31st March, 2014, Company has disposed-off Few Workers Flats, Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc of at both plants at Mohali which we categorized as one identifiable geographical segment during the financial year ended 31st March, 2014.

c) Date & Nature of Initial Disclosure

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

(i) The Asset Sale Committee (ASC) initiated action 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 by releasing advertisements in the months of December, 2011, September, 2012 and February, 2013 in response to which no bids were received at the Reserve Price fixed by Asset Sale Committee (ASC).

(ii) The Secured Lenders on the request of the company agreed to sell the Plant & Machinery, including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc & Few Flats at Mohali. Accordingly the MDRS was filed by Operating Agency (IFCI) with Hon'ble BIFR in the month of October, 2012, which included sale of the aforesaid assets. The Hon'ble BIFR on the request of the Lenders allowed sale of the said assets vide its order dated 29th January, 2013 . During the year the idle Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc and few workers flats were sold by the Asset Sale Committee (ASC)and the proceeds were deposited in the No Lien Account with Operating Agency.

(iii) In terms of the MDRS, the Hon'ble BIFR also permitted sale of the surplus land up to 175 acres at the company's unit at Vadodara. The Asset Sale Committee (ASC) thereafter started the process of sale by realizing advertisements.. Bids for the sale of surplus land at Vadodara were invited by the ASC. As one of the bid selected was conditional, the matter has been referred to BIFR which is under consideration of BIFR as at 31st March, 2014.

(iv) During the previous year ended 31st March, 2013, 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, Plant & Machinery, including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc & Flats and its acceptance by Board of directors and secured lenders, is sufficient to disclose it as discontinuing operations. During the year ended 31st March, 2014, Asset Sale Committee (ASC) disposed off the Plant & Machinery including Electrical Installation, Storage & Water System, Office Equipment, Factory Equipment, Furniture & Fittings, Vehicles etc & Few Flats at Mohali.

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

The ASC has already initiated steps towards sale. However the date or period in which the discontinuation is expected to be completed is not determinable as on date as the process for sale has not been completed in respect of the land & building , workers flats at Mohlai and surplus land at Vadodara .

e) Carrying amounts, as of the balance sheet date, of the total assets and total liabilities are as under:

(i) Details of total assets are as under: (₹ in lacs)

Fixed Assets	**Current Year**	Previous Year
(i) Land (Lease Hold)	**112.67**	112.67
(ii) Building	**475.33**	476.50
(iii) Plant & Machinery	–	1,199.66
(iv) Electric Installations	–	246.03
(v) Storage & water system	–	78.67
(vi) Factory Equipment	–	9.17
(vii) Furniture & fittings	–	0.11
(viii) Office equipment	–	0.10
Capital work in progress	–	26.98
Per Balance Sheet	**588.00**	2,149.89

Other Assets		Current Year	Previous Year
(i)	Non Current Investments	**0.05**	0.05
(ii)	Long Term Loans & Advance	**71.84**	71.84
(iii)	Other Non-Current assets	**–**	2,149.89
(iv)	Inventories	**61.57**	1,376.44
(v)	Sundry Debtors	**0.23**	0.23
(vi)	Cash & Bank balances	**1.75**	7.09
(vii)	Short Term Loans & Advances	**127.23**	150.18
(viii)	Other Current assets	**0.68**	0.57

(ii) Details of total liabilities are as under :

Particulars		Current Year	Previous Year
(i)	Other Long term Liabilities	**1,711.71**	1,717.71
(ii)	Long Term Provisions	**69.09**	116.12
(iii)	Other Current Liabilities	**794.05**	1,453.84
(iv)	Short Term provisions	**3.25**	–

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

Profit/(Loss) from discontinuing operations (₹ in lacs)

	Cureent Year	Previous Year
i) Revenue		
Other income	**3.39**	0.46
Liability no longer required	**588.98**	–
	592.37	0.46
ii) Expenses		
Increase/Decrease in closing stock	**32.25**	–
Payment To/ Provisions for Employees	**92.78**	107.29
Interest & Other Change	**0.11**	0.04
Other Expenses	**32.41**	23.32
Diminution in value of Inventories	**1,219.96**	–
Loss on sale of fixed assets	**1,054.73**	–
	2,432.24	130.65
Per Profit & Loss Statement (I-II)	**(1,839.87)**	(130.19)

(g) Details of assets against which the company has entered one or more binding agreements as on 31st March, 2014. Details are as under :

1. Net selling price or range of price (of 5 Workers Flats) : Rs. 109.49 Lacs.
2. Expected timing of receipt of cash flows : During the financial year 2014-15
3. Carrying amount of such assets : Rs. 4.50 Lacs

(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.

40. Additional Infomation

	Particulars	Current Year	Previous Year
			(₹ in lacs)
(a)	Value of Imports Calculated on CIF Basis (On Accrual Basis)		
	i) Raw materials	**599.98**	7,241.47
	ii) component & spares	**0.37**	80.56
	iii) Capital goods	**13.18**	110.81
		613.53	7,432.85
(b)	Expenditure in Foreign Currency (On Accrual Basis)		
	i) Know-how	**0.00**	0.00
	ii) Travelling	**0.00**	10.28
	iii) Test/Inspection fee/Technical Services	**0.32**	8.60
		0.32	18.88
(c)	Value of Consumption of Indigenious and Imported Raw Materials, Consumables, Stores and Spares and Percentage thereof		
	i) Indigenous		
	Value	**1,902.28**	18,200.89
	Percentage	**71.05**	70.01
	ii) Imported		
	Value	**775.10**	7,796.07
	Percentage	**28.95**	29.99
	Total	**2,677.38**	25,997.56
(d)	Earnings in Foreign Exchage (On Accrual Basis)		
	Export of goods on F. O. B. basis	**245.32**	694.44

41. 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

On behalf of the Board

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

PRANAB KUMAR GANGULY
Director

ARJUN THAPAR
Managing Director

MANISH MOHAN, Partner
Membership No. : 091607

SAMARES BANDYOPADHYAY
Head of Accounts

GOPAL KRISHNAN
Company Secretary

Place : New Delhi
Dated : 28th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

(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	**(4,408.33)**		(4,858.69)	
Adjustment for:				
- Depreciation	**1,676.94**		1,531.66	
- Foreign exchange fluctuations	**(44.14)**		115.60	
- Interest/Dividend Income	**(0.15)**		(0.15)	
- Interest Expenses	**1,627.36**		1,666.23	
- Loss on sale of fixed assets	**96.05**		46.87	
- Liabilities w/b	**(176.54)**		(0.14)	
- Diminution in value of investment	**–**		–	
		(1,228.81)		(1,498.62)
Net profit before tax from discontinued operations	**(1,839.86)**		(130.18)	
Adjustment for				
- Liabilities w/b	**(588.98)**			
- Loss on sale of fixed assets	**1,054.73**			
- Dimution in value of stock	**1,219.96**	**(154.15)**	–	(130.18)
Operating Profit before working capital		**(1,382.96)**		(1,628.80)
Adjustment for				
- Trade & Other Receivables	**205.03**		(1,213.11)	
- Inventories	**1,842.96**		713.96	
- Trade Payables	**(1,458.15)**	**589.84**	1,483.47	984.32
Cash Generated from operators		**(793.12)**		(644.48)
Foreign exchange fluctuations		**44.14**		(115.60)
Cash flow operating extraordinary items		**(748.98)**		(760.08)
Net Cash from operating activities		**(748.98)**		760.08
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchases of Fixed Assets		**-**		(347.07)
Sale of Fixed Assets		**674.19**		135.82
Divided received		**0.15**		0.15
Net cash used in investing activities		**674.34**		(211.10)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds of Long Term borrowings		**89.13**		339.64
Proceeds from Short Term borrowings		**(180.00)**		30.00
Interest paid		**(38.56)**		(73.60)
Net cash generated from Financing activities		**(129.43)**		296.04
Net increase in Cash and Cash activities		**(204.07)**		(675,14)
Cash & Cash Equivalents as on 01.04.2013 (Opening Balance)		**385.02**		1,060.16
Cash & Cash Equivalents As on 31.03.2014 (Closing Balance)		**180.95**		385.02

Note : Previous years' figures have been regrouped wherever necessary.

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

PRANAB KUMAR GANGULY
Director

ARJUN THAPAR
Managing Director

MANISH MOHAN, Partner
Membership No. : 091607

SAMARES BANDYOPADHYAY
Head of Accounts

GOPAL KRISHNAN
Company Secretary

Place : New Delhi
Dated : 28th May, 2014

Regd. Office : A-32, Industrial Phase-VIII, SAS Nagar, Mohali-160 055 (Punjab) (CIN : L32019PB1976PLC003680)

NOTICE

Notice is hereby given that the 37th 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 Thursday the 18th day of September, 2014 at 11:00 a.m. to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, the Profit & Loss Account for the financial year ended on that date alongwith the Reports of the Auditors and Directors' thereon.
2. To appoint a Director in place of Mr. Pranab Kumar Ganguly (DIN : 00105008) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s V. Sahai Tripathi & Co., Chartered Accountants as the Statutory Auditors of the company to hold office till the conclusion of the next annual general meeting and authorise the Board of Directors to fix their remuneration.

Special Business :

4. To consider and if thought fit with or without modification(s), the following resolution as Ordinary Resolution.
   Resolved that pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and relevant rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. K Jayabharath Reddy (DIN : 00038342), Non Executive Independent Director of the Company who retires by rotation at this Annual General Meeting, be and is hereby reappointed as a Non Executive Independent Director of the Company to hold office for a term of five consecutive years with effect from the date of this Annual General Meeting upto the conclusion of the Annual General Meeting to be held in the year 2019.

By order of the Board
for JCT ELECTRONICS LIMITED

Place : New Delhi — Gopal Krishnan
Dated : 28th May, 2014 — Company Secretary

NOTES

a) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Items is annexed.

b) **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.**

c) The Register of Members and Transfer books of the company will remain closed from Thursday, 11th September, 2014 to Thursday, 18th September, 2014 (both days inclusive)

d) 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.

e) Mr. Pranab Kumar Gangulay, aged 73 years is an Advocate & Solicitor and fellow of the Indian Council of Arbitration. He has over 51 years of experience being associated with J B Dadachanji & Co. for over 21 years with specialization in Corporate Laws, Joint Ventures and Arbitration.

Explanatory Statement In respect of the Special Business prusuant to section 102 of The Companies Act, 2013

Item No.4

Particulars of Mr. K Jayabharath Reddy – Mr. Reddy is a Non-Executive Independent Director of the company, subject to retirement by rotation, in the terms of the Companies Act, 1956. He joined the Board of Directors of the company in April, 2009. Mr. Reddy is also the Chairman of the Remuneration Committee and a member of the Audit Committee of the Board of Directors of the company.

Mr. Reddy retires by rotation at this Annual General Meeting under the provisions of the Companies Act 1956. In terms of the provisions of the Companies Act, 2013, the Board proposes to appoint Mr. Reddy, being eligible and offering himself for reappointment, as a Non Executive Independent Director for a term of five consecutive years upto the conclusion of the Annual General Meeting of the company to be held in the year 2019.

In the opinion of the Board, Mr. Reddy who is independent of the management, fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder as also as prescribed in the Listing Agreement with the Stock Exchanges for his appointment as a Non Executive Independent Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Reddy as an Independent Director. Accordingly, the Board recommends the resolution in relation to his re-appointment as a Non Executive Independent Director for the approval of the shareholders of the Company.

Mr. Reddy, an IAS of an Andhra Pradesh Cadre, has held important positions in the State & Union Government including that of Chief Secretary, Government of Andhra Pradesh and Secretary to the Union Government, in the Ministries of Finance and Urban Development. He is on the Board / Committees of several companies i.e. BPL Limited, BPL Power Projects Limited, Facor Alloys Limited, NCL Altek Seccolor Ltd., Taj GVT Hotels & Resorts Limited and Indus Medicare Ltd.

Except Mr. Reddy, being an appointee, none of the Directors and key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No.4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

JCT ELECTRONICS LIMITED

The Thapar Group

Regd. Office : A-32, Industrial Phase-VIII, SAS Nagar, Mohali-160 055 (Punjab) (CIN : L32019PB1976PLC003680)

PROXY FORM

37th Annual General Meeting - 18th September, 2014

(IN BLOCK LETTERS)

Name of the member(s) :	
Registered address :	
E-mail ID :	
Folio No. / Client ID No. :	
*DP ID	

I/We being the member(s) of JCT Electronics Limited, holding .... equity shares of the above named Company hereby appoint.

1. Name : .... Address : ....

   E-mail ID : ....Signature .... or failing him/her

2. Name : .... Address : ....

   E-mail ID : ....Signature .... or failing him/her

3. Name : .... Address : ....

   E-mail ID : ....Signature .... or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on Thursday, 18th September, 2014 at 11.00 a.m. at A-32, Industrial Phase-VIII, SAS Nagar, Mohali-160 055 (Punjab) and at any adjournment thereof in respect of resolutions mentioned below :

Resolution No.	Description of Resolution	Vote (Optional)		
		For	Against	Abstain
1.	Adoption of Financial Statements of the Company for the year ended 31st March, 2014 together with the reports of the Director's and Auditor's thereon			
2.	Re-appointment of Mr. Pranab Kumar Ganguly as a Director			
3.	Appointment of M/s V. Sahai Tripathi and Co., Chartered Accountants as Statutory Auditors			
4.	Appointment of Mr. K. Jayabharath Reddy as an Independent Director			

Signed this ....day of 2014

Signature of member(s) .... Signature of Proxy holder(s) ....

Affix Revenue Stamp

Notes :

i) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.

ii) The Proxy Form should be signed across the Revenue Stamp as per speciment signature(s) registered with the Company/depository participant.

iii) A Proxy need not be a Member.

NOTES

JCT ELECTRONICS LIMITED

The Thapar Group

Regd. Office : A-32, Industrial Phase-VIII, SAS Nagar, Mohali-160 055 (Punjab) (CIN : L32019PB1976PLC003680)

ATTENDANCE SLIP

37th Annual General Meeting - 18th September, 2014

DP ID : .... Client ID : .... No./Folio No.: ....

No. of Share(s) held : ....

Name of the Member : ....

Name of the Proxy : ....

I/We hereby record my/our presence at the 37th Annual General Meeting of JCT Electronics Limited held on Thursday, 18th September, 2014 at 11.00 a.m., at A-32, Industrial Phase-VIII, SAS Nagar, Mohali-160 055 (Punjab).

....

Signature of Member/Proxy

Note :

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

Book – Post

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

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