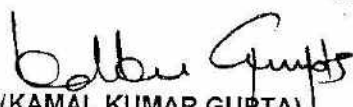


JOTINDRA STEEL AND TUBES LIMITED

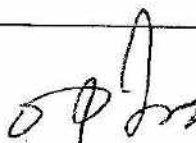
STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Notes	Year ended 31.03.2016 (Rs.)	Year ended 31.03.2015 (Rs.)
INCOME			
Revenue From Operation	16	2,851,736,593	1,599,880,059
Other Income	17	48,624,502	96,499,445
Total Revenue		2,900,361,094	1,696,379,504
EXPENDITURE			
Cost of Materials Consumed	18	112,486,908	1,015,867
Purchase of Stock-in-Trade		2,658,385,539	1,502,799,564
Changes in inventories of finished goods, Work in Process and Stock-in-Trade	19	37,961,260	107,078,875
Employee's Benefit Expenses	20	11,398,003	17,409,432
Finance Cost	21	43,169,055	61,654,701
Depreciation & Amortisation Expenses	9	19,229,418	20,124,289
Other Expenses	22	50,636,143	160,200,133
Total Expenses		2,857,343,806	1,656,125,111
Profit for the year before Taxation		43,017,288	40,254,392
Tax Expenses			
Current Tax			
Provision for current tax		(8,400,000)	7,670,475
Adjustment for MAT Credit		-	7,670,475
Deferred Tax		(124)	632,498
Profit for the year after Taxation		34,617,164	39,621,894
Earning per share Basic/diluted (Rs.)		7.10	13.20
Significant Accounting Policies and Other Notes on Accounts	23		

As per our report attached
 For **SALARPURIA & PARTNERS**
 Firm Regn. No.302113E
CHARTERED ACCOUNTANTS

(KAMAL KUMAR GUPTA)
 PARTNER
 M.No. 89190
 Place: New Delhi
 Date :30/05/2016




(A.K. SUREKA)
 MG. DIRECTOR
 (DIN : 00060206)


(O.P. BHARDWAJ)
 DIRECTOR
 (DIN : 00060405)


(SHWETA GARG)
 COMPANY SECRETARY


(GOVIND PAL SINGH)
 CFO

JOTINDRA STEEL AND TUBES LIMITED		
16 REVENUE FROM OPERATIONS	2015-16	2014-15
	Rs.	Rs.
Sales	2,867,489,717	1,557,931,337
Income From Services*	-	43,132,116
Less Excise Duty/Service Tax Recovered	(15,753,124)	(1,183,394)
	<u>2,851,736,593</u>	<u>1,599,880,059</u>
* Includes Rs.3,56,98,254/- in relation to earlier years		
17 : OTHER INCOME	2015-16	2014-15
	Rs.	Rs.
Rent	11,660,500	12,261,230
Sub Lease Rent & Storage Charges	22,680,000	34,762,500
Brokerage, Commission & Incentives, Consultancy services	533,036	33,660,738
Interest (Gross)	7,469,472	11,454,937
Vehicle Plying/Hiring Income	2,264,400	3,929,300
Miscellaneous Income	38,689	19,888
Insurance Claim Received	3,869,915	
Profit on dealing in Shares and Securities (Investment)	5,154	
Excess provision written back	103,338	
Previous year Adjustments	-	410,852
	<u>48,624,502</u>	<u>96,499,446</u>
18 : COST OF MATERIALS CONSUMED	2015-16	2014-15
	Rs.	Rs.
RAW MATERIALS CONSUMED		
Opening Stocks	657,021	801,905
Add: Purchases	123,086,141	870,983
	123,743,162	1,672,888
Less: Closing Stocks	11,256,254	657,021
	<u>112,486,908</u>	<u>1,015,867</u>
19: CHANGES IN INVENTORIES OF FINISHED GOODS , WORK IN PROCEED AND STOCK IN TRADE	2015-16	2014-15
	Rs.	Rs.
Opening Stocks		
Finished goods	107,899,275	122,699,664
Work in Progress	230,681	-
Scrap	79,260	1,650,231
Construction - Work in Progress (Refer note No. 23(7))	123,219,554	-
	<u>231,428,770</u>	<u>124,349,895</u>
Less: Closing Stocks		
Finished Goods	154,112,790	107,899,275
Work in Progress	-	230,681
Scrap	920,241	79,260
Construction - Work in Progress (Refer note No. 23(7))	54,027,942	123,219,554
Stock in Transit	60,329,057	-
	<u>269,390,030</u>	<u>231,428,770</u>
INCREASE/(DECREASE) IN STOCKS	<u>37,961,260</u>	<u>107,078,875</u>
20 : EMPLOYEE'S BENEFIT EXPENSES	2015-16	2014-15
	Rs.	Rs.
Remuneration to Whole time Directors		
Remuneration & Allowances	2,268,000	2,124,000
Contribution to Provident & Other allied Funds	218,160	212,400
Remuneration to Others		
Salary, Wages, Bonus, Allowances & Gratuity	8,393,497	14,452,048
Contribution to Provident & Other allied Funds	268,930	356,467
Workmen and Staff Welfare Expenses	249,416	264,517
	<u>11,398,003</u>	<u>17,409,432</u>
21 : FINANCE COST	2015-16	2014-15
	Rs.	Rs.
Interest & Finance Charges:		
To Banks	39,640,361	45,549,389
" Others	3,528,694	16,105,312
	<u>43,169,055</u>	<u>61,654,701</u>



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JOTINDRA STEEL AND TUBES LIMITED

22 : OTHER EXPENSES	2015-16	2014-15
	Rs.	Rs.
Manufacturing Expenses		
Stores, Spares and Packing Materials Consumed	3,955,466	6,142,842
Power & Fuel	9,450,637	3,481,777
Labour, Erection & Fabrication Charges	5,440	140,835
	<u>13,411,543</u>	<u>9,765,454</u>
Construction Site Expenses		
Land and Site		
Licence Fees for Land Use Conversion/ (Refund)	(69,191,612)	71,122,663
Professional Charges	-	200,000
	<u>(69,191,612)</u>	<u>71,322,663</u>
Selling & Distribution Expenses		
Freight & Forwarding (Net)	16,062,405	19,237,011
Brokerage, Commission & Incentives (Net)	-	288,130
Advertisement & Publicity	115,421	140,065
	<u>16,177,826</u>	<u>19,665,205</u>
Establishment Expenses		
Rent, Rates & Taxes	10,099,730	9,195,636
Insurance	1,410,757	771,271
Postage, Telegram, Telephone & Telex	1,517,848	1,208,796
Travelling & Conveyance	5,128,887	5,036,548
Vehicles' Expenses	2,415,942	2,019,065
Bank Charges/ LC discounting charges	9,697,349	7,526,114
Directors' Meeting Fee	12,500	12,500
Claims Recoverable written off (Net)	40,681,279	-
Sundry Balances Written off (Net)	4,634,823	5,361,185
Loss on Dealing in shares and securities	8,481	-
Loss on exchange fluctuation	2,090,600	10,216,561
Loss on sale of Fixed Assets (including loss on sale of decapitalised assets Rs. 7,33,545)	4,797,409	7,522,083
Auditors' Remuneration:		
As Audit Fee	65,000	65,000
As Tax Audit Fee	15,000	80,000
Cost Audit Fee	25,880	36,100
Repairs & Maintenance:		
Plant & Machinery	579,780	52,208
Building	187,675	1,244,090
Others	740,810	289,169
Miscellaneous Expenses	6,128,635	8,875,485
	<u>90,238,387</u>	<u>59,446,812</u>
TOTAL OTHER EXPENSES	<u><u>50,636,143</u></u>	<u><u>160,200,133</u></u>



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JOTINDRA STEEL AND TUBES LIMITED

NOTE :23: SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

I SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accounts of the company are prepared under the historical cost convention, in accordance with applicable Accounting Standards, for recognition of income and expenditure mercantile systems of accounting is followed.

B. Use of Estimates

The preparation of financial statements in under generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that effect the reported statements of assets and liabilities and the disclosure of contingent liabilities on the date of financial statement and the reported amounts of revenue and expenses during the year. The actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

C. Revenue Recognition

- Sales are inclusive of excise duty and net of discounts/returns. Exports sales include Goods Invoiced against confirmed orders and cleared from Excise and Custom Authorities, also goods exported as third party exporter and exchange fluctuations. In respect of fabrication and erection activities, bills raised for extra work, over run charges and other miscellaneous claims are accounted for on the basis of certainty of realisation. Bills/final bills of Job Work done by the company are accounted for on the basis of certification by the principals and correspondingly the liability for job work done by the sub contractors are accounted for at the same time.
- Export incentives in cash are recognized as income on Export being made. Benefits receivable under various schemes like Advance Licenses, Target Plus, Duty Free Import Authorisation etc. are recognized on certainty of their utilization and realization.
- Other items of Revenue are recognized in accordance with the accounting standard (AS 9) accordingly, wherever there are uncertainties in the ascertainment/realization of income are recognised at the time of receipt of payment thereof.
- Overdue interest and other claims are accounted for on the basis of certainty of realisation.

D. Recognition of Profit on Long Term Contracts

In respect of fabrication and erection activities, the work certified by the principals is included in Sales at contractual

E. Fixed Assets

Fixed Assets are stated at cost less depreciation.

De-Capitalised Assets are stated at lower of written down value as on the date of decapitalisation or estimated net realisable value.

F. Depreciation

Depreciation on Fixed Assets is provided under Reducing Balance Method using the rates arrived at based on useful lives as prescribed in Schedule II of the Companies Act, 2013.

Depreciation has been calculated on assets acquired up to 30th June, 1987 on straight line method as per provisions of Section 205 (2)(b) of the Companies Act, 1956 to fall in line with the views expressed by the department of Company Affairs vide its Circular No.1/86 dated 21st May, 1986. Depreciation on assets acquired thereafter has been provided on straight line method in accordance with the rates and basis prescribed in Schedule XIV of the Companies Act, 1956 upto 31.03.2014 and From the current year, Schedule XIV has been replaced by Schedule II of the Companies Act, 2013. Effective from 1st April, 2014, the Company has provided depreciation on fixed assets based on useful lives provided in Schedule II of the Companies Act, 2013.

Further, on application of Schedule II to the Companies Act, 2013, the Company has changed the manner of providing depreciation for its fixed assets. Now, the Company identifies and determines separate useful life for each major component of the fixed asset, if they have useful life that is materially different from that of the remaining asset.

G. Expenditure during construction period

Direct cost of procurement/ installation of Fixed Assets have been capitalised.

H. Investments

Investments are stated at cost less provision for diminution in value of investments.

I. Valuation of Inventories

Loose Tools

- At Cost

Stores, Spares and Packing Materials & Raw Materials,

Work in process & Finished goods

- At lower of cost or net realisable value.

Scrap

- At estimated realisable value

Note: Cost of raw material, components and stores & spares is determined on first in first out/weighted average basis. Cost of finished goods & work in process comprises of materials, labour and other related overheads including depreciation.

