




ANNUAL REPORT 2012-2013



CHAIRMAN' MESSAGE

Dear Shareholders,

It gives me immense pleasure to extend a warm welcome to all the members of the company at the 27th Annual General Meeting. I am very pleased and elated to note the keen level of interest in Jaihind Projects Limited.

As a pre-eminent oil and gas transmission company established over four decades ago, Jaihind Projects Limited has, over the years, strongly developed itself into leading contractors of India. Today, it is acknowledged as a company that continues to empower pipeline infrastructure in India, enabling the nation to surge ahead in core infrastructure.

Jaihind Projects Limited is an Engineering, Procurement and Construction (EPC) company currently nurturing projects that span across various segments such as oil and gas pipeline construction, city gas distribution, horizontal directional drilling, water transmission projects, cathodic protection, tankages and civil infrastructure. Having successfully carried out mega-budget projects in cross country pipelines & associated facilities for petrochemicals, refineries, power & fertilizer plants, water supply & sewerage systems and many other sectors, Jaihind has always been relentlessly pursuing the vision to build a better tomorrow by providing a better today.

JPL specializes in large scale oil and gas pipeline construction, along with water transmission projects by leveraging new age construction technologies for over four decades now. **JPL has laid over 14000 kilometer pipeline which is highest in India. JPL has the second largest fleet of equipment in the oil and gas construction industry in India.**

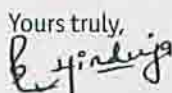
JPL has been a part of prestigious projects across the nation, along with focus on international projects. **JPL has been certified ISO: 9001 for Quality Management System, ISO : 14001 for Environment Management System and OHSAS : 18001 for Occupational Health and Safety Management System. JPL is also among the few companies in India to implement SAP (ERP) software at all site locations across the world.**

This year is marked with challenges due to slowdown in local and global economy, it is my pleasure in presenting before you the performance of JPL for the year 2012-13. The Company has earned consolidated revenue of ₹ **34737.71 Lacs** in Financial Year 2012-13 from ₹ **57390.29 Lacs** in the FY 2011-12. The company has incurred loss of ₹ **6598.70 Lacs for (FY 2012-13)** from profit after tax of ₹ **2803.53 Lacs** (FY 2011-12).

The company is in process of sailing through great challenges that have strengthened the team work and enhanced the efficiency of every member of JPL and set a path to achieve greater milestones.

I take this opportunity to express gratitude for all the support, co-operation extended by Banks, Government and Statutory Auditors, Shareholders, Suppliers and all our valuable Clients. I wish to appreciate and thank all the Executives, Employees and Consultants of the company for rendering impeccable services.

Thank you very much.

Yours truly,


Prakash L. Hinduja
Chairman & Managing Director

Corporate Information

BOARD OF DIRECTORS

Mr. Prakash L. Hinduja	Chairman & Managing Director
Mr. Gaurav P. Hinduja	Whole Time Director
Mr. Pradyuman R. Tiwari	Whole Time Director
Mr. Akhilesh B. Negi	Director
Mr. Dharmendra S. Sheth	Director
Mr. S. Nagarajan Iyer	Additional Director w.e.f. 14/08/2013
Mr. Ravinder S. Gupta	Nominee Director w.e.f. 14/08/2013

COMPANY SECRETARY

Mr. Vivek Rawal

AUDITORS

M/s. R. K. Doshi & Co.
Chartered Accountants,
Rajkot,

PRINCIPLE BANKERS

IDBI Bank
Canara Bank
State Bank of India
Axis Bank
Indian Bank
ICICI Bank
HDFC Bank
Bank of Baroda
Kotak Mahindra Bank

REGISTERED & CORPORATE OFFICE

3rd Floor, Venus Atlantis Corporate Park,
Nr. Prahladnagar AUDA Garden,
Anandnagar Road, Satellite,
Ahmedabad-380015, Gujarat, India.

DOMESTIC:

DELHI OFFICE

17/15, 2nd Floor, Old Rajendra Nagar
Nr. Bada Golchakar,
B/H Agarwal Sweets,
New Delhi-110060.

INTERNATIONAL:

UAE OFFICE

Room no. 01, Office No. 802, 8th floor,
Abdullah Sultan Bin Sulayem Building,
NABD/ADNIF Building,
Post Box:61849, Liwa Street,
Corniche, UAE

KINGDOM OF SAUDI ARABIA OFFICE

Door No. 209, Al-Rosais Building,
Dabbab Street,
Post Box:220722,
Riyadh-11311.

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Pvt. Ltd.
Unit NO. 303, 3rd floor Shoppers Plaza V,
Opp Municipal Market,
Behind Shoppers Plaza II,
Off C.G.R. Road,
Ahmedabad -380009
Gujarat, India.

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Notice

NOTICE is hereby given that the TWENTY SEVENTH Annual General Meeting of Members of Jaihind Projects Limited will be held on Thursday, the 26th September, 2013, at 11:00 A.M. at the Registered Office at 3rd Floor, Venus Atlantis Corporate Park, Nr. Prahladnagar AUDA Garden, Anandnagar Road, Satellite, Ahmedabad- 380015 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013, the Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date along with the Report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Pradyuman R. Tiwari who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Akhilesh B. Negi who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. R. K. Doshi & Co., Chartered Accountants, Rajkot, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

Registered Office

3rd Floor, Venus Atlantis Corporate Park,
Nr. Prahladnagar AUDA Garden,
Anandnagar Road, Satellite,
Ahmedabad 380015

Date: 14.08.2013

For and On behalf of Board of Directors

Prakash L. Hinduja

Chairman & Managing Director

Notes:

- (a) Details as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges in respect of Directors seeking reappointment at this Annual General Meeting are annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization.
- (c) The Register of Members and Transfer Books of the Company will be closed from (Thursday) 19th September, 2013 to (Thursday) 26th September, 2013 both days inclusive for the purpose of Annual General Meeting.
- (d) Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
- (e) In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (f) Members are requested to notify immediately any change in their addresses/ bank account to M/s. Link Intime (India) Pvt. Ltd. Company's Register Share Transfer Agent) having office at 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off, C.G Road, Ahmedabad- 380009 or at the Company Registered Office.
- (g) The Members are requested to bring their copies of the Annual Report at the Meeting.
- (h) The Members/ Proxies should bring the Attendance Slip sent herewith duly filled for attending the meeting.
- (i) All documents referred to the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Saturday and between 11.00. a. m. to 1 .00. p.m upto the date of Annual General Meeting.

Notice (Contd...)

- (j) Members holding shares in De-mat mode are requested to notify the change in their address/ bank account to their respective Depository Participant(s) (DPs)
- (k) Members must quote their Folio No./ Demat Account No. in all correspondence with Company/ RTA.
- (l) No gifts will be distributed at the Annual General Meeting.
- (m) Annual Listing Fee for the year 2012-13 has been paid to all Stock Exchange wherein the shares of the Company are listed.
- (n) THE MINISTRY OF CORPORATE AFFAIRS HAS TAKEN A "GREEN INITIATIVE IN CORPORATE GOVERNANCE" BY ISSUING CIRCULAR ALLOWING PAPERLESS COMPLIANCE BY THE COMPANIES THROUGH ELECTRONIC MODE. THE SHAREHOLDERS CAN NOW RECEIVE VARIOUS NOTICES AND DOCUMENTS THROUGH ELECTRONIC MODE BY REGISTERING THEIR EMAIL ADDRESSES WITH THE COMPANY. SHAREHOLDERS WHO HAVE NOT REGISTERED THEIR EMAIL ADDRESS WITH THE COMPANY CAN NOW REGISTER THE SAME BY SUBMITTING DULY FILLED IN 'E-COMMUNICATION REGISTRATION FORM' ATTACHED AT THE END OF THIS REPORT (ALSO AVAILABLE ON OUR WEBSITE www.jpl.co.in.) WITH M/S. LINK INTIME (INDIA) PVT. LTD. RTA OF THE COMPANY. THE MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE REQUESTED TO REGISTER THEIR EMAIL ADDRESSES WITH THEIR DEPOSITORY PARTICIPANTS ONLY.

Details of Directors retiring by rotation seeking re-appointment at this Annual General Meeting:

Particular	Mr. Akhilesh B. Negi	Mr. Pradyuman R. Tiwari
Date of Birth	02/08/1974	09/05/1969
Appointed	29/09/2008	20/06/2011
Qualification	Mechanical Engineer, MBA	B.Sc, AMIE
Expertise in specific functional areas	He has vast experience in mechanical activates	He Has vast experience of 17 years in the field of Engineering and related activities
Directorships held in other Public companies excluding foreign and private companies	NA	NA
Memberships/ Chairmanships of Audit Committees and Investors' Grievance Committees across public companies	3	2
Shareholding	NA	NA

Directors' Report

To

The Members

Your Directors have pleasure in presenting their 27th Annual Report together with the Audited Statements of Accounts for the financial year ended on March 31, 2013.

FINANCIAL RESULTS:

Year ended March 31 st			(Rupees in lacs)	
	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Total Income	31012.07	53671.58	34737.71	57390.29
Less : Expenditure	29373.22	43500.55	33204	46104.48
Profit / (Loss) before Interest and Depreciation	1638.85	10171.03	1533.71	11285.81
Less : Interest	6516.51	5735.39	7152.66	5923.64
Less : Depreciation	1258.08	765.98	1636.91	865.59
Profit/(Loss) Before Tax	(6135.75)	3669.67	(7255.86)	4496.59
Less : Provision For Taxation	(665.95)	1318.21	(657.16)	1693.06
Profit/(Loss) After Tax	(5469.80)	2351.46	(6598.70)	2803.53

OPERATIONS:

➤ Standalone financial performance

During the Period under review the total revenue has decreased from Rs. 53,671.58 Lacs to Rs. 31,012.07 Lacs due to adverse market conditions & temporary global slowdown in the sector. Yours Directors assure that in the coming years there will be huge profit as the company is hopeful in bagging various contracts which shall be profitable and beneficial to the company and to its stakeholders.

For the year ended on 31st March, 2013, The Company has achieved the Earning Before Interest, Deprecation & Amortization & Tax (EBIDTA) of Rs. 1638.85 Lacs as against Rs. 10171.03 Lacs for the previous year representing an decrease by Rs. 8532.18 Lacs.

➤ Consolidated Operations

In compliance with the applicable Clauses of the Listing Agreement(s) with the Stock Exchange, the Company has prepared Consolidated Financial Statements as per the Accounting Standard on consolidated Financial Statement(AS-21, AS-23 & AS 27) issued by the Institute of Chattered Accountants of India. The Audited Consolidated Financial Statement along with the Auditors' Report is annexed have been annexed to this Annual Report.

During the period under review the total consolidated revenue for the year 2012-13 was Rs. 34737.71 Lacs as against Rs. 57390.29 Lacs for the previous year representing a decrease of Rs. 22652.58 Lacs.

EBIDTA was Rs. 1533.71 Lacs as against Rs. 11285.81 Lacs for the previous year representing a decrease of Rs. 9752.1 Lacs.

- For the financial year 2012-13 the Company has incurred consolidated loss of Rs. 6598.70 Lacs against the profit after tax of Rs. 2803.53 Lacs for the previous year due increase in financial cost.

FINANCIAL PERFORMANCE:

The Company is facing financial crunch on account of local and global slowdown in the economy which has resulted into the scarcity in getting the viable projects. Apart from this the funds of the Company are blocked in domestic and as well as in global market without the adequate reduction in expenses as a result of which Company has entered into Corporate Debt Restructuring (CDR) with the Bankers and Financial Institutions and has successfully implemented the CDR package.

Directors' Report (Contd...)

In view of the same, the Management is hopeful for revival in 2 -3 years.

Some parties have filed complaint u/s 138 of the Negotiable Instrument Act, 1881 against the Company. The Management is taking adequate measures to defend the cases filed against the Company and its Directors by appointing senior advocates in this regards.

DIVIDEND:

During the period under review your Directors are unable to recommend any dividend for the year ended 31st March, 2013 due to financial loss incurred by the company.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

- i. That in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure;
- ii. That the selected accounting policies were applied consistently and the Directors 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 as at March 31, 2013;
- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the annual accounts have been prepared on a going concern basis; and
- v. That the Company has adequate internal systems and controls in place to ensure compliance of laws applicable to the Company except some of the parties have filed petition before the Hon'ble High Court of Gujarat against the Company u/s 433 and 434 of the Companies Act, 1956. The Company has appointed Senior Advocates in this regard to defend the same.

DIRECTORS:

Retire by Rotation

During the year under review Mr. Pradyuman R. Tiwari & Mr. Akhilesh B. Negi retires by rotation at forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

New Appointment

Mr. S. Nagarajan Iyer was appointed as Additional Director of the Company with effect from 14th August, 2013. Mr. Ravinder S. Gupta was appointed as the Nominee Director representing 'IDBI Bank Ltd.' in pursuant to the terms of the Corporate Debt Restructuring.

The Board welcomes Mr. S. Nagarajan Iyer & Mr. Ravinder S. Gupta to consider it an advantage to the company and to avail the expertise of the new board members.

Resignation from Directorship

Mr. Manoj K. Kapoor, Director of the Company resigned with effect from 7th October, 2012. Mr. Sankaran V. Manikutty, Director of the Company resigned from his Directorship due to pre occupation with effect from 8th October, 2012. Mr. Mukesh Keswani, Director- Finance & CFO of the Company ceased to hold his office with effect from 15th October, 2012. Mr. Dinker M. Rawal, Director of the Company resigned from the Directorship with effect from 18th February, 2013 and Mr. Ghanshyam S. Prasad, Whole-time Director of the Company ceased from his office with effect from 21st February, 2013.

The Board appreciates their interest shown in the Company for the assistance and guidance provided by them.

AUDITORS:

During the period under review M/s. Deloitte Haskins & Sells, Chartered Accountants, rendered their resignation from the position of Statutory Auditors and pursuant to fill the vacancy created due to resignation M/s. R.K. Doshi & Co. Chartered

Directors' Report (Contd...)

Accountants, Rajkot was appointed as the Statutory Auditors of the Company at the Extra Ordinary General Meeting of the Members of the Company held on 22nd May, 2013. Further M/s. R.K. Doshi & Co. Chartered Accountants retires as Auditor at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS' REPORT:

The Auditors' Report to the Shareholders does not contain any qualification.

SUBSIDIARY COMPANIES:

Your company has the following subsidiary Companies.

Name of the Company	Date of Incorporation
Jaihind Infratech Projects Private Limited	10.04.2010
Jaihind Green Energy Limited	13.09.2010
Newton Solar Private Limited	13.09.2010
Jaihind Offshore Services Private Limited	07.01.2011
Jaihind Engineering Private Limited	06.06.2011

During the year under review the company had sold its investment from M/s. Newtonne Machinery Private Limited.

CORPORATE GOVERNANCE:

As per clause 49 of the listing agreement, a report on corporate governance, together with management discussion and analysis and a certificate from Mr. Dilip Motwani, Company Secretary in practice forms part of this report. At present the Composition of Board is not complied in pursuance to sub-clause IA of clause 49 of the Listing Agreement due the resignations rendered by some independent directors of the Company.

FIXED DEPOSITS:

Your Company has not accepted any deposits from public or its employees and, as such, the question of repayment of any amount of principal or interest does not arise. However the Company has accepted short term deposit from director, bodies corporate etc.

PARTICULARS OF EMPLOYEES:

Statement as per Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees) Rules, 1975 as amended is annexed to this as Annexure 'A', forming part of this Report.

DISCLOSURE OF PARTICULARS CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, ADOPTION & FOREIGN EXCHANGE EARNINGS & OUTGO:

Information as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in Annexure 'B' forming part of this Report.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to thank the Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities, Stock Exchanges and all the stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from the Joint Venture partners/Associates.

For and on behalf
of the Board of Directors

Date : 14.08.2013
Place : Ahmedabad

Prakash L. Hinduja
Chairman & Managing Director

Directors' Report (Contd...)

Annexures to Directors Report Annexure A

Statement under Section 217(2A) (a) (i) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Director's Report for the year ended to 31st March, 2013,

Sr. No.	Name	Age	Qualification	Date of Commencement of Employment	Designation/ Nature of Duties	Experience in Years	Remuneration
NA							
(B) Name of Employee employed for part of the year and was in receipt of the remuneration which is in aggregate not less than 5,00,000/- p.m.							
NA							

Annexure – B

Particulars required under section 217(1)(e) of the companies act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

(a) Conservation of Energy:

Care is taken for economic consumption of energy in all the project sites/ workshops of the Company. Company had consumed electricity and the cost of power fuel is reasonable. Company has maintained various power generators/ DG sets periodically to achieve maximum efficiency with minimum fuel consumption. Company has successfully worked out effective and efficient design of the lighting and energy devices in the offices of site working areas.

(b) Technology Absorption:

Research & Development (R & D)

(i) Specific areas in which R & D is carried out by the Company.

(a) Improvement of Product Quality for pipe lining/ coaltar coating

(b) Process Optimization.

(c) Process development/ modification

(ii) Benefits derived as result of above R & D

Lower cost due to higher quality and better process Optimization

(iii) Future plan of action

The Company efforts will continue in the above area of R & D.

(c) Technology absorption, adoption & innovation:

(1) Effort, in brief, towards technology absorption, adoptions and Innovations:

The Company has instituted state of the art machinery at various sites, workshops, which operate under excellent technological parameters.

(2) Benefits derived as result of the above:

Enabled the Company to execute projects demonstrating quality workmanship and delivering the same as per schedule.

(3) Future Plans:

The Company will continue its efforts in the right direction that will enable it to improve the product quality and productivity by carrying out various process/ quality improvements through indigenous technology.

Directors' Report (Contd...)

(d) Foreign Exchange Earning & Outgo :

Additional information pursuant to the provisions of Part-II Schedule VI of the Companies Act, 1956 (wherever applicable)

(₹ In lacs)

Sr. No.	Particulars	2012-13	2011-12
1.	Value of Imports calculated on CIF basisPurchase of Raw Material Goods	-	235.19
2.	Purchase of Fixed Assets	10.35	905.91
3.	Expenditure in foreign currencies	10.94	42.04

For and on behalf of the Board of Directors

Date : 14.08.2013
Place : Ahmedabad

Prakash L. Hinduja
Chairman & Managing Director