



JYOTI STRUCTURES LIMITED

CIN No.: L45200MH1974PLC017494

Regd. Office: Valecha Chambers, 6th Floor, New Link Road, Andheri West, Mumbai 400053
Tel.: (91-22) 4091 5000 Fax : (91-22) 40915014 / 15; E-mail: investor@jsl.in; Web site : www.jsl.in

NOTICE

NOTICE is hereby given that the Thirty Ninth Annual General Meeting of the Members of the Company will be held on Monday, the 22nd September, 2014, at 3.00 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Statement of Profit and Loss for the financial year ended 31st March, 2014, Balance Sheet as at that date and the Report of Directors and Auditors thereon.
2. To confirm declaration of dividend on preference shares.
3. To appoint a Director in place of Mr. S. H. Mirchandani (DIN: 00531110), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. G. L. Valecha (DIN: 00001267), who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint Auditors and in this connection, to consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

"RESOLVED THAT the retiring auditors R. M. Ajgaonkar & Associates, Chartered Accountants (Registration No.31927), being eligible for re-appointment, be and are hereby appointed to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting, on a remuneration of such sum as may be fixed by the Board of Directors / any Committee of the Board of Directors, plus service tax and reimbursement of out of pocket expenses as may be incurred in the performance of their duties."

SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT Mr. Kalpesh Kikani (DIN: 03534772), who was appointed as an Additional Director of the Company in a meeting of the Board of Directors held on 30th January, 2014 and who ceases to hold office at this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 (Act) and who is eligible for appointment and in respect of whom the Company has received a notice under Section 160 of the Act from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

"RESOLVED FURTHER THAT each of the Directors and Company Secretary of the Company be and are hereby jointly and severally authorized to do all such acts and things and deal with all such matters and take all such steps as may be required to give effect to this resolution."

7. To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution:-**

"RESOLVED THAT Mr. Ashok Goyal (DIN: 00035392), who was appointed as an Additional Director of the Company in a meeting of the Board of Directors held on 18th August, 2014 and who ceases to hold office at this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 (Act) and who is eligible for appointment and in respect of whom the Company has received a notice under Section 160 of the Act from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), and subject to the approval of the Central Government, if necessary, consent of the Company be and is hereby accorded to the appointment of Mr. Ashok

Goyal [DIN: 00035392] as Joint Managing Director of the Company for a period of three years effective from 18th August, 2014 on the terms and conditions of appointment and remuneration as contained in the Agreement dated 18th August, 2014 entered into between the Company and Mr. Ashok Goyal.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds and things as may be considered necessary or expedient to give effect to this resolution.”

8. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder, read with Schedule IV to the said Act, Mr. S. D. Kshirsagar (DIN: 00001266), Director of the Company, who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term upto the conclusion of the 42nd Annual General Meeting of the Company in the calendar year 2017.”

9. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder, read with Schedule IV to the said Act, Mr. T. C. Venkat Subramanian (DIN: 00040526), Director of the Company, who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term upto the conclusion of the 42nd Annual General Meeting of the Company in the calendar year 2017.”

10. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder, read with Schedule IV to the said Act, Mr. R. C. Rawal (DIN: 02932427), Director of the Company, who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term upto the conclusion of the 42nd Annual General Meeting of the Company in the calendar year 2017.”

11. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder, read with Schedule IV to the said Act, Mr. V. M. Kaul (DIN: 00015245), Director of the Company, who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term upto the conclusion of the 42nd Annual General Meeting of the Company in the calendar year 2017.”

12. To consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 (Act) including Section 62 and all other applicable provisions, if any, of the Act and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (“ICDR Regulations”), and any other Rules / Regulations / Guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and / or any other statutory / regulatory authority whether in India or abroad, the Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorised on behalf of the Company to create, offer, issue and allot, from time to time and in one or more tranches, upto 77,00,000 equity shares of face value of ₹ 2 each and/or warrants to Surya India Fingrowth Private Limited, a Promoter Group company, by way of a preferential issue, through offer letter and/or circular and/or information memorandum and/or private placement memorandum and/or such other documents / writings, in such

manner and on such terms and conditions as may be determined by the Board in its absolute discretion; provided that each such warrant shall entitle the holder(s) thereof to subscribe for and be allotted one equity share of the face value of ₹ 2 of the Company (the "Equity Share"), at a minimum exercise price of ₹ 52 (including a premium of ₹ 50) per equity share or such other higher price as may be arrived at in accordance with the ICDR Regulations ("Issue Price")."

"RESOLVED FURTHER THAT an amount equivalent to 25 per cent of the issue price shall be payable at the time of subscription to and allotment of each warrant. The balance 75 per cent of the issue price shall be payable by the warrant holder(s) upon exercise of the entitlement attached to warrant(s) to subscribe for equity share(s). The amount paid against warrants shall be adjusted / set off against the issue price payable for the resultant equity shares."

"RESOLVED FURTHER THAT in accordance with the provisions of ICDR Regulations, the "Relevant Date" for the purpose of calculating the price of equity shares to be issued in terms hereof shall be 6th August, 2014, being the date on which the joint lender forum accepted and agreed the restructuring scheme."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, to issue and allot equity shares upon exercise of the entitlement attached to warrants, issuing certificates / clarifications, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the warrants and equity shares and utilisation of proceeds of the warrants / equity shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decisions of the Board shall be final, binding and conclusive in all respects."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolutions to any Director or to any Committee of Directors or any other executive(s) / officer(s) of the Company or any other person as the Board at its discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution."

13. To consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution**:-

"RESOLVED THAT subject to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, including any statutory modification(s) or re-enactment thereof, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of Board which the Board may have constituted or hereinafter constitutes to exercise any or all of its powers including the powers conferred by this resolution), for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures on private placement basis, in one or more series/tranches, such that the total amount shall not exceed ₹ 200 Crore (Rupees Two Hundred Crore only) during a period of one year from the date of passing of this resolution and that the said borrowing is within the overall borrowings of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertaking as may be necessary to give effect to this resolution."

14. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:-

"RESOLVED THAT pursuant to the provisions of Section 143(8) and all other applicable provisions of the Companies Act, 2013 (Act) and the Rules made thereunder, as amended from time to time, the Board of Directors be and is hereby authorized to appoint Branch Auditor(s) of any branch office of the Company, whether existing or which may be opened/acquired hereafter, outside India, in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditor(s) within the provisions of Section 143(8) of the Act and to fix their remuneration."

15. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:-

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 2,50,000 plus service tax as applicable and reimbursement of actual travel and

out of pocket expenses for the financial year 31st March, 2015 as approved by the Board of Directors of the Company, to be paid to Mr. Narhar Krishnaji Nimkar, Cost Accountant, for the conduct of cost audit of the Company, be and is hereby ratified and confirmed.”

“RESOLVED FURTHER THAT each of the Directors and Company Secretary of the Company be and are hereby jointly and severally authorized to do all such acts and take all such steps as may be required to give effect to this resolution”.

By order of the Board
For **Jyoti Structures Limited**

L. H. Khilnani
Company Secretary

Mumbai; 18th August, 2014

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
- 2) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 3) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 4) A Statement pursuant to Section 102 (1) of the Companies Act, 2013 (Act), relating to the Special Business to be transacted at the meeting is annexed hereto.
- 5) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 6) The Register of Members and Share Transfer Registers of the Company will remain closed from Friday, the 12th September, 2014 to Monday, the 22nd September, 2014, both days inclusive.
- 7) Members are requested to notify immediately any change in their addresses and / or Bank Mandate details to the Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd. for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.
- 8) Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned DP and with Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agent for shares held in physical form.
- 9) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed / unpaid dividends upto and including the financial year ended on 31st March, 2006 have been transferred to the Investor Education and Protection Fund of the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unclaimed and unpaid amounts lying with the Company as on 27th July, 2013 (date of last Annual General Meeting) on the website of the Company (www.jsl.in), as also on the Ministry of Corporate Affairs website.
- 10) Pursuant to Section 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred, to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

- 11) Those Members who have not received the dividends for the financial year 2007-08 and / or 2008-09 and / or 2009-10 and / or 2010-11 and / or 2011-12 and / or 2012-13 declared and paid by the Company, are requested to write to the Company's Registrar and Share Transfer Agents, Bigshare Services Private Limited.
- 12) As the equity shares of the Company are compulsorily traded in demat form, members holding equity shares in physical form are requested to get the shares converted in demat form.
- 13) Any member seeking further information on the Accounts at the meeting is requested to send their queries in writing to the Company so as to reach at least one week in advance to enable the Management to keep the information ready. Replies will be provided only at the meeting.
- 14) Members are requested to make use of Nomination facility by filing Form SH-13. In case of shares held in demat mode nomination to be lodged with the respective DP and in case of the shares held in physical mode the same to be lodged with the Company or its Share Transfer Agents.
- 15) Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions, is mandatory.
- 16) Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
- 17) Members may also note that the Notice of the 39th Annual General Meeting of the Company and the Annual Report 2014 will also be available on the Company's website www.jsl.in for download.
- 18) Electronic copy of the Annual Report for the financial year 2013 - 14 is being sent to all members whose email IDs are registered with the Registrars and Share Transfer Agent / Depository Participants for communication purpose. Hard copy of the same has been sent to all the members.
- 19) Electronic copy of Notice of the 39th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy form is being sent to all members whose email IDs are registered with the Registrars and Share Transfer Agent / Depository Participants for communication purpose. Hard copy of the same has been sent to all the members.
- 20) In compliance with the provisions of Section 108 of the Act, the Rules framed thereunder and the Listing Agreement, the members are provided with the facility to cast their vote electronically through the e-voting services provided by Central Depository Services Limited (CDSL), on all resolutions set forth in the notice.

Instructions for members for voting electronically are as under:

- (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select "JYOTI STRUCTURES LIMITED" from the drop down menu and click on "SUBMIT".
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
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- (vii) For shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Date of Birth or Date of Incorporation or Bank account Number	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account in dd/mm/yyyy format or enter folio no.</p> <p>OR</p> <p>Enter the Bank Account Number as recorded in your demat account or in the company's records for the said demat account or folio no.</p> <p>Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or the Company, please enter the number of shares held in the Bank Account Number field.</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for JYOTI STRUCTURES LIMITED.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- a) The e-voting period commences on Tuesday, the 16th September, 2014 (9.00 a.m) IST and ends on Thursday, the 18th September, 2014 (6.00 p.m) IST. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the relevant date of 14th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the member, he shall not be allowed to change it subsequently.
- b) The voting rights of members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 14th August, 2014.
- c) M/s. S. S. Rauthan & Associates, Practicing Company Secretaries (Membership No. FCS 4807), has been appointed as the Scrutinizer to conduct the e-voting process in a fair and transparent manner.
- d) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman / Managing Director of the Company.
- e) The results declared alongwith the Scrutinizers Report shall be placed on the Company's website www.jsl.in and on the website of CDSL www.evotingindia.com within two days of the passing of the resolutions at the 39th AGM of the Company on 22nd September, 2014 and communicated to National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd., where share of the Company are listed.

ANNEXURE TO THE NOTICE

STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")

ITEM NO. 6

The Board of Directors of the Company appointed Mr. Kalpesh Kikani (DIN: 03534772) as an Additional Director of the Company with effect from 30th January, 2014.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Kalpesh Kikani for the office of Director of the Company, liable to retire by rotation.

Mr. Kalpesh Kikani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Mr. Kalpesh Kikani is interested in the resolution as it relates to his appointment. None of the other Directors of the Company are concerned or interested in the resolution.

The Directors recommend the resolution at item no.6 for your approval.

ITEM NO. 7

The Board of Directors at their meeting held on 18th August, 2014 appointed Mr. Ashok Goyal (DIN: 00035392) as an Additional Director and a Joint Managing Director of the Company with effect from 18th August, 2014, subject to necessary approvals from the shareholders and the Central Government, for a period of three years.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ashok Goyal for the office of Director of the Company.

Mr. Ashok Goyal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Mr. Ashok Goyal holds a B. Tech degree from IIT Kharagpur and a PGDBM from IIM, Kolkata. He has also attended the Senior Executive Programme from London Business School. He has over 4 decades of professional experience in India and Africa. He is well known as an innovative turnaround artiste and has been instrumental in successfully turning around the companies with whom he has been associated in the recent past. He is a proficient leader having held several leadership positions as Profit Centre Head, Managing Director and Management Board Member.

Considering the present difficult times, the appointment of Mr. Goyal is appropriate and in the best interests of the Company.

The approval of members is being sought to the terms, conditions and stipulations for the appointment of Mr. Goyal as Joint Managing Director and the remuneration payable to him. The terms and conditions fixed by the Board of Directors at their meeting held on 18th August, 2014 are keeping in line with the remuneration package that is necessary to engage good professional managers with a sound career record to the important position as a Joint Managing Director.

The material terms of appointment and remuneration as contained in the Agreement dated 18th August, 2014 are given below:

a) Remuneration:

- i. Basic Salary : ₹12,00,000 (Rupees Twelve Lacs only) per month, in the scale of ₹ 12,00,000 – 1,00,000 – 15,00,000.
- ii. Allowances : 100% of Basic Salary.
- iii. Bonus : Annual bonus @20% of Basic Salary.
- iv. The first annual increment will be due on 1st April, 2015 and thereafter on 1st April each year, up to the tenure of appointment

b) Perquisites:

Part - A

- i. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962, subject to a ceiling of 10% of the salary.
- ii. The Company shall reimburse the Joint Managing Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or three month's salary in a block of three years.
- iii. The Company shall reimburse the Joint Managing Director actual traveling expenses for proceeding on leave from Mumbai to any place in India and returning there from once in a year for self and family, in accordance with the rules of the Company.
- iv. The Company shall reimburse the Joint Managing Director actual expenses incurred for one club membership.
- v. The Company shall arrange to insure the Joint Managing Director against personal accident risk, in accordance with the rules of the Company.

(Family means spouse, dependent children and dependent parents of the Joint Managing Director).

Part - B

- i. Contribution to the Provident Fund, Superannuation Fund or Annuity Fund as per the Company's rules, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- ii. Employees stock options granted / to be granted, from time to time, shall not be considered as perquisites and are not to be included for the purpose of computation of the overall ceiling of remuneration.
- iii. Gratuity as per the rules of the Company.

Part - C

Provision of the car for use on Company's business and telephone at residence will not be considered perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Joint Managing Director.

Other Relevant Provisions

- i. The terms and conditions of the said appointment and / or agreement may be altered and varied from time to time by the Board as it may in its discretion, deem fit.
- ii. In the event of loss or inadequacy of profits in any year, the remuneration including perquisites as aforesaid will continue to be paid to Mr. Ashok Goyal.
- iii. The agreement may be terminated by either party giving the other party three months' notice.
- iv. If at any time the Joint Managing Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Joint Managing Director.
- v. The Joint Managing Director undertakes not to become interested or otherwise concerned directly or through his wife and / or minor children in any selling agency of the Company in future without the prior approval of the Central Government and the Agreement shall cease and determine upon the contravention of this undertaking.
- vi. The Joint Managing Director shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission.
- vii. The Joint Managing Director shall not be entitled to sitting fees for attending the meetings of the Board or any committee or committees thereof.

- viii. The Joint Managing Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service.
- ix. The Joint Managing Director in accordance with the provisions of the Articles of Association of the Company shall not be liable to retire by rotation.

Information required to be disclosed under Clause (iv) of the second proviso to Section II (B) of Part II of Schedule V to the Companies Act, 2013

I GENERAL INFORMATION

1. Nature of Industry

The Company is primarily engaged in manufacture of transmission line towers and undertakes engineering procurement construction contracts in the power transmission, distribution and substation sectors. The Company offers end-to-end services from design and construction to commissioning of extra high voltage power transmission lines. It has strategized its business activities into three main business activities- transmission lines, substation & rural electrification on turnkey basis.

2. Date or expected date of commencement of commercial production

The Company is an existing Company and commenced its operations in the year April, 1979.

3. Financial performance based on given indicators

Key financials for last three years are given as below:

(₹ in lacs)

Financial year	Gross Turnover	Profit (Loss) before Tax	Profit (Loss) after Tax	Dividend (%)
31.03.2014	3,38,268	5,230.75	3,232.45	-
31.03.2013	2,84,219	9,792.77	6,487.67	40
31.03.2012	2,64,779	12,856.83	8,554.03	55

4. Foreign investments or collaborations

There is no foreign collaboration and direct capital investment in the Company. Foreign investors, mainly comprising FIIs, NRIs are investors in the Company on account of past issuances of securities/secondary market purchases.

II INFORMATION ABOUT THE APPOINTEE

Mr. Ashok Goyal

1. Background details

Mr. Ashok Goyal holds a B. Tech degree from IIT Kharagpur and a PGDBM from IIM, Kolkata. He has also attended the Senior Executive Programme from London Business School. He has over 4 decades of professional experience in India and Africa. He is well known as an innovative turnaround artiste and has been instrumental in successfully turning around the companies with whom he has been associated in the recent past. He is a proficient leader having held several leadership positions as Profit Centre Head, Managing Director and Management Board Member.

2. Past remuneration

For the year ended 31st March, 2014, Mr. Goyal's total remuneration was ₹ 241.50 lakhs.

3. Recognition or awards

Please see item 1 above.

4. Job profile and his suitability

Please see item 1 above.

5. Remuneration proposed

The remuneration proposed to Mr. Ashok Goyal is as set out in the Annexure to the Notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration proposed for Mr. Goyal, is reasonably in line with the remuneration in similar sized companies in the same segment of business.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any

Mr. Goyal does not have any pecuniary relationship directly or indirectly, with the Company and its managerial personnel that may have potential conflict with the interest of the Company at large.

III OTHER INFORMATION

1. Reasons for loss or inadequate profits

Present times are challenging for transmission & distribution segment. Overall, business environment is expected to remain challenging in the near future with pricing pressure on margins. Project execution and completion is another area of concern as most of the transmission projects face delay because of developer's inability to get right of way and get timely clearances from authorities like forest, aviation, defense and railway.

The Company has been facing significant lag in sanction and release of assessed working capital facilities which resulted in stress in cashflow, delay in project execution, delay in realization leading to engorgement of debtors

2. Steps to be taken for improvement

To overcome these challenges, the Company has concentrated its efforts on completing its projects speedily by mobilizing required resources with focus on speedy recovery of dues, revamping the entire execution system of projects and strengthening senior management team. In addition to this, the Company has resorted to proper selection process at the bidding stage, increasing the share of international business and lastly, aligning the culture of the organization to the Company's nature of business.

3. Expected increase in productivity and profits in measurable terms

The Company has taken all out measures and will be in a position not only to correct the present scenario but be ready to address growth opportunities in the near future and is expected to turnaround sooner than later.

IV DISCLOSURES

The following disclosures have been mentioned in the Board of Director's report under the heading "Corporate Governance", forming a part of the annual report of the Company

The required disclosures as to remuneration package, etc. have been appropriately provided in the Report on Corporate Governance, forming a part of this Annual Report which may be referred to.

The unaudited quarterly financial results for the first quarter of FY 2014-15 indicate that the Company may have no profits or inadequate profits for the said financial year. Accordingly, approval of the Central Government for the payment of remuneration to Mr. Goyal in terms of the Agreement dated 18th August, 2014 will be necessary pursuant to the provisions of Section 197 of the Act read with Schedule V.

Except Mr. Goyal, none of the directors / key managerial personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise in this resolution.

A copy of the Agreement dated 18th August, 2014 referred to in the resolution will be available for inspection by the members at the registered office of the Company between 10.00 a.m and 12.00 noon on any working day except Saturday and Sunday.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Goyal under Section 190 of the Act.

The Board recommends the resolution as set out at item no. 7 for the approval of members as a Special Resolution.

ITEM NO. 8 - 11

The Board of Directors of the Company comprises of twelve Directors, out of which five Directors qualify as Independent Directors, whose appointment is proposed in terms of resolutions at item no.8 to 11.

These Directors were duly appointed under the Companies Act, 1956 as Directors liable to retire by rotation. Now it is proposed that these Directors be appointed as Independent Directors under section 149 of the Act to hold office for 3 (three) consecutive years for a term upto the conclusion of the 42nd Annual General Meeting of the Company in the calendar year 2017.

None of these Directors are disqualified from being appointed as Directors in terms of Section 164 of the Act and have given consent to act as Directors.

The Company has received declarations from all the above Directors that they meet with the criteria of independence as prescribed both under Section 149 (6) of the Act and under Clause 49 of Listing Agreement.

In the opinion of the Board, they fulfil the conditions for their appointment as Independent Directors as specified in the Act and the Listing Agreement. They are independent of the management.

Brief resume of these Directors, nature of their expertise in specific functional areas and names of Companies in which they hold directorships, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of Listing Agreement with the stock exchanges, are provided in the Corporate Governance report forming part of the Directors' Report.

Keeping in view their expertise and knowledge, it will be in the interest of the Company that these Directors are appointed as Independent Directors.

Copy of the draft letter for appointment of these Directors as Independent Directors setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Except for the respective Directors / their relatives who may be deemed to be interested in the respective resolutions at item nos. 8 to 11 to the notice as it concerns their appointment as Independent Directors, none of the other Directors / Key Managerial Personnel of the Company / their relative are, in any way, concerned or interested, financially or otherwise in the respective resolutions set out at item nos. 8 to 11 of the notice.

The Directors recommend the ordinary resolutions set out at item nos. 8 to 11 of the notice for approval of the shareholders.

ITEM NO. 12

Members are aware that Company is operating in Engineering, Procurement and Construction business in power transmission, distribution and sub-station sectors, which is highly working capital intensive. It needs regular augmentation of funds to meet business requirements, including execution of ongoing projects and exploring business opportunities available in the sector. While internal generation of funds would partially finance the need for capital and debt raising would be another source of funds, it is thought prudent for the Company to raise part of such funding requirements through issuance of equity share(s) / warrant(s), which would be used for the said purposes as well as for general corporate purposes.

State Bank of India, consortium leader as convener of the joint lender forum has proposed a restructuring scheme whereby your Company is required to bring in contribution to the extent of ₹ 120 crore. Your Company accordingly sought member's approval by way of postal ballot on 12th August, 2014 to issue and allot equity shares not exceeding ₹ 120 crore to qualified institutional buyers (QIB) under qualified institutions placement (QIP). Now, members approval is being sought to issue 77,00,000 equity shares of a face value of ₹ 2 each and/or warrants to Surya India Fingrowth Private Limited, a Promoter Group company, by way of a Preferential issue, within the overall limit of ₹ 120 crore.

The other disclosures in accordance with the Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") and the other applicable provisions of law, in relation to the Special Resolution set out in the accompanying Notice are as follows:

1. The Objects of the Preferential issue: To augment long term resources of the Company for repayment of debt, and for general corporate purposes.
2. The proposal of the promoters / directors or key management personnel to subscribe to the offer: Surya India Fingrowth

Private Limited a Promoter Group company, has agreed to subscribe, to 77,00,000 equity shares / warrants at a minimum exercise price of ₹ 52 (including a premium of ₹ 50) per equity share / warrant or such other higher price as may be arrived at in accordance with the ICDR Regulations ("Issue Price") under the Preferential issue.

3. The Shareholding pattern before and after the Preferential issue: The shareholding pattern of the Company pre and post the preferential allotment, as also based on the fully diluted capital of the Company considering the issue of upto 1,59,92,000 equity shares under the proposed QIP, is given below:

(₹ in lacs)

Category	Pre Issue		Post Preferential issue (assuming full conversion of warrants)		Post Preferential issue & post proposed QIP (Fully diluted)	
	No. of Shares held	% of share holding	No. of Shares held	% of share holding	No. of Shares held	% of share holding
Promoters' holding:						
Indian :						
Individual	147,10,926	17.88	147,10,926	16.35	147,10,926	13.88
Bodies Corporate	75,45,965	9.17	152,45,965	16.94	152,45,965	14.39
Sub Total	222,56,891	27.05	299,56,891	33.29	299,56,891	28.27
Foreign Promoters	-	-	-	-	-	-
Sub Total (A)	222,56,891	27.05	299,56,891	33.29	299,56,891	28.27
Non-Promoters' holding :						
Institutional Investors	177,76,164	21.60	177,76,164	19.75	177,76,164	16.77
Qualified Institutional Placement (QIP)					159,92,000	15.09
Non-Institution :						
Private Corporate Bodies	59,43,105	7.22	59,43,105	6.60	59,43,105	5.61
Directors and Relatives	3,04,291	0.37	3,04,291	0.34	3,04,291	0.29
Indian Public	2,71,96,933	33.05	2,71,96,933	30.22	2,71,96,933	25.66
Others (Including NRIs)	88,11,538	10.71	88,11,538	9.79	88,11,538	8.31
Sub Total(B)	422,55,867	51.35	422,55,867	46.96	422,55,867	39.87
GRAND TOTAL	822,88,922	100.00	899,88,922	100.00	10,59,80,922	100.00

Notes:

- a. The Company proposes to issue such number of equity shares of face value of ₹ 2 each for an amount not exceeding ₹ 80 crore to QIB under QIP route. The Company is in the process of launching the QIP issue by filing the placement document with the exchanges, where the equity shares of the Company are listed. The above shareholding pattern based on fully diluted capital shall stand changed to the extent of equity shares that may finally be subscribed and allotted at such price as may be determined in accordance with pricing guidelines prescribed under Chapter VIII of SEBI (ICDR) Regulations. For the purpose of disclosure, the issue price for QIP has been assumed at ₹ 50 per share.
4. Proposed time within which the Preferential issue shall be completed: The allotment of Equity shares / warrants shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders provided that where the allotment is pending on account of pendency of any approval from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

5. Relevant date and pricing of the issue: In accordance with the provisions of SEBI (ICDR) Regulations, the "Relevant Date" for the purpose of calculating the price of equity shares shall be 6th August, 2014, being the date on which the joint lender forum accepted and agreed the restructuring scheme. The price so calculated is ₹ 51.96 (Rupees fifty-one and paise ninety six only) per equity share. The issue price of each equity share / warrant is fixed at ₹ 52 (Rupees Fifty-two only)
6. Auditors' Certificate: A copy of certificate from the Statutory Auditors of the Company certifying that the above issue of the equity shares / warrants is being made in accordance with the SEBI (ICDR) Regulations, shall be placed before the shareholders of the Company at the Annual General Meeting and will also be open for inspection by the Members.
7. Particulars of the proposed allottees and the identity of the natural persons who are the ultimate beneficial owners of the equity shares / warrants proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue.
8. Equity shares / warrants shall be allotted to Surya India Fingrowth Private Limited, a promoter group company. Mr. K. R. Thakur and his family shall directly / indirectly hold 23.22 per cent of the post preferential issue equity capital of the Company, assuming full conversion of warrants. However, considering the issue of 1,59,92,000 shares under QIP, Mr. K. R. Thakur and his family shall directly / indirectly hold 19.72 per cent of the fully diluted equity capital of the Company, the same shall however change to the extent of equity shares that may finally be subscribed and allotted under the said QIP.

There will be no change in the control or composition of the Board of the Company consequent to the said preferential issue.

Save and except the preferential issue as proposed in the resolution as set in the accompanying Notice, the Company has made no other issue or allotment of securities on preferential basis during the year.

9. Lock-in:
 - i. The warrants and the equity shares allotted pursuant to exercise of entitlement attached to warrants shall be subject to 'lock-in' as per the ICDR Regulations. Such locked-in equity shares may however be transferred to and amongst the promoters / promoter group subject to the provisions of ICDR Regulations.
 - ii. The entire pre-preferential allotment shareholding of the above allottee, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval as per Regulation 78(6) of the ICDR Regulations.
10. General:
 - i. An amount equivalent to 25 per cent of the issue price of the equity shares shall be payable at the time of subscription of warrants.
 - ii. The holder of warrants will be entitled to apply for and be allotted, in one or more tranches, 1 (one) Equity Share of ₹ 2 each of the Company per warrant at any time within 18 months from the date of allotment of warrants .
 - iii. Upon exercise of the right to subscribe for equity shares, the warrant holders shall be liable to make the payment of balance sum, being 75 per cent of the issue price, towards subscription to each equity share, as may be applied. The amount paid against warrants shall be adjusted / set off against the issue price of the resultant equity shares.
 - iv. In the event of entitlement attached to warrants to subscribe for equity shares is not exercised within the period as mentioned above, the same shall lapse and the amount paid on the warrants shall stand forfeited.
 - v. Upon receipt of the payment as above, the Board (or a Committee thereof) shall allot one equity share per warrant by appropriating ₹ 2 towards equity share capital and the balance amount paid against each warrant, towards the securities premium.
 - vi. The warrant holders shall also be entitled to any future issue of bonus / rights, if any, of equity shares or warrants convertible into equity shares or such other securities by the Company, in the same proportion and manner as any other shareholders of the Company for the time being and the Company shall reserve proportion of such entitlement for the warrant holders.
 - vii. The warrant by itself does not give to the holder(s) thereof any rights of the shareholders of the Company.

viii. The equity shares to be issued and allotted by the Company on exercise of the warrants in the manner aforesaid shall be in dematerialised form and subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the then existing equity shares of the Company and be listed on stock exchanges where the equity shares of the Company are listed.

11. The Company undertakes that if required, the price shall be recomputed in terms of the provision of the ICDR Regulations. If the amount payable upon the re-computation is not paid within the stipulated time as mentioned in the ICDR Regulations, the specified securities shall continue to be locked in till such amount is paid by the allottee.

The Board at its meeting held on 18th August, 2014 has approved the issue and allotment of equity shares / warrants on preferential basis in the manner stated hereinabove.

Pursuant to the provisions of Section 62 of the Act and Regulation 72(1)(a) of the ICDR Regulations, the above preferential issue requires approval of its shareholders by way of a Special Resolution. The Board, therefore, recommends the above mentioned resolution to be passed as a Special Resolution.

Except Mr. K. R. Thakur and Mr. P. K. Thakur, none of the Directors and or Key Managerial Personnel of the Company / their relatives, are in any way concerned or interested financially or otherwise in the Resolution set out at item no. 12 of the notice.

The Board recommends the resolution as set out at item no. 12 for the approval of members as a Special Resolution.

ITEM NO. 13

Pursuant to the provisions of the Act and the Rules framed thereunder, the Board of Directors of the Company can issue securities on private placement basis, subject to the approval of the members of the Company by way of a Special Resolution.

Non-Convertible Debentures (NCDs), issued on private placement basis, is an important source of borrowings for the Company. The Borrowings of the Company under NCDs presently aggregate approximately ₹ 49.74 crore. The proceeds of debentures, issued by the Company pursuant to the authority granted by the members, will be used for working capital requirements of the Company including repayment of existing debts.

Approval of members is being sought by way of a special resolution under sections 42 and 71 of the Act and rules made thereunder, to enable the Company to offer or invite subscriptions of NCDs on a private placement basis, in one or more tranches during the period of one year from the date of passing of the resolution at item no. 13, within the overall borrowing limits of the Company, as approved by the members from time to time.

None of the Directors and / or Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item no.13 of the Notice.

The Board recommends the Resolution as set out at item no. 13 for the approval of members as a Special Resolution.

ITEM NO. 14

As the Members are aware, that the Company operates in the Engineering Procurement Construction (EPC) business in power transmission, distribution and substation sectors in India as well as outside India.

To enable the Directors to appoint Branch Auditors for the purpose of auditing the accounts of the Company's Branch Offices in India and abroad (whether now existing or as may be established), the necessary authorization of the Members of the Company is being obtained in accordance with the provisions of Section 143 of the Act, in terms of the Resolution at item no.14 of the accompanying Notice.

None of the Directors and / or Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item no.14 of the Notice.

The Board recommends the Resolution as set out at item no. 14 for the approval of members as an Ordinary Resolution.

ITEM NO. 15

On recommendation of the Audit Committee, the Board appointed Mr. Narhar Krishnaji Nimkar, Cost Accountant, to conduct the audit of the cost records of the Company, at a remuneration of ₹ 2,50,000 plus service tax as applicable and reimbursement of actual travel and out of pocket expenses for the financial year ending 31st March, 2015.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 15 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2015.

None of the Directors and / or Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item no.15 of the Notice.

The Directors recommend the resolution at item no.15 for your approval.

By Order of the Board
For Jyoti Structures Limited

L. H. Khilnani
Company Secretary

Mumbai; 18th August, 2014



JYOTI STRUCTURES LIMITED



ANNUAL REPORT 2013 - 2014

FINANCIAL HIGHLIGHTS

₹ in Lacs

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
SALES & EARNINGS :							
Gross Sales & Other Income	342,685	285,514	265,872	246,925	206,883	174,586	140,068
Profit before Taxes	5,231	9,793	12,857	16,736	14,436	12,636	12,026
Profit after Taxes	3,232	6,483	8,554	11,091	9,101	7,974	7,241
Equity Dividend	Nil	40%	55%	75%	50%	45%	40%
ASSETS :							
Gross Block	33,923	32,490	31,534	26,887	23,886	17,399	10,700
(Including Capital W.I.P.)							
Net Block	18,903	19,669	21,049	18,390	17,155	12,187	6,164
Total Assets	420,594	281,433	245,236	180,721	152,796	124,601	90,492
EQUITY AND LIABILITIES :							
Share Capital	4,145	4,145	1,644	1,643	1,640	1,633	1,624
Reserves & Surplus	73,712	70,454	64,816	58,531	48,685	40,039	32,498
Total Liabilities	420,594	281,433	245,236	180,721	152,796	124,601	90,492
Net Worth	75,323	72,061	66,420	60,131	50,281	41,555	33,950
OTHER HIGHLIGHTS :							
Foreign Exchange Earnings (Including Deemed Exports & Sales through Export Houses)	103,485	61,033	46,489	34,814	45,769	69,202	35,753
Foreign Exchange Outgo	9,131	5,631	6,606	3,479	6,827	2,334	205
INSTALLED CAPACITY AND PRODUCTION :							
Installed Capacity (M.T.p.a.)	116,160	116,160	116,160	116,160	110,000	110,000	95,800
Production (M.T.)	102,521	71,392	100,105	150,985	118,555	85,377	74,330
EARNING PER SHARE :							
EPS - Basic (In ₹)	₹ 3.89	₹ 7.89	₹ 10.41	₹ 13.52	₹ 11.23	₹ 9.8	₹ 8.95
EPS - Diluted (In ₹)	₹ 3.88	₹ 7.86	₹ 10.37	₹ 13.46	₹ 11.18	₹ 9.74	₹ 8.85
Book Value (In ₹)	₹ 91.55	₹ 87.6	₹ 80.79	₹ 73.22	₹ 61.31	₹ 50.88	₹ 41.82

BOARD OF DIRECTORS

S. D. Kshirsagar	Chairman
P. K. Thakur	Vice-Chairman
S. V. Nayak	Managing Director
Ashok Goyal (w.e.f. 18 th August 2014)	Joint Managing Director
K. R. Thakur	Whole-time Director
A. J. Khan	
G. L. Valecha	
Kalpesh Kikani (w.e.f. 30 th January 2014)	
R. C. Rawal	
S. H. Mirchandani	
T. C. Venkat Subramanian	
V. M. Kaul	

COMPANY SECRETARY

L. H. Khilnani

STATUTORY AUDITORS

M/s. R. M. Ajgaonkar & Associates, Chartered Accountants

LEGAL ADVISORS

Bharucha & Partners

BANKERS

Allahabad Bank
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Corporation Bank
DBS Bank
Dena Bank
EXIM Bank
ICICI Bank
IDBI Bank
Indian Bank
Indusind Bank
South Indian Bank
Standard Chartered Bank
State Bank of Hyderabad
State Bank of India
Syndicate Bank
UCO Bank
Union Bank of India
Vijaya Bank

REGISTERED OFFICE

Valecha Chambers, 6th Floor, New Link Road,
Andheri (West), Mumbai - 400 053
Maharashtra, India
Tel : +91 22 4091 5000
Fax : +91 22 4091 5014/15
Website : www.jsl.in
Email : investor@jsl.in

REGISTRARS & SHARE TRANSFER AGENTS

Big Share Services Private Limited
E/2, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (East), Mumbai – 400 072
Tel: +91 22 2847 0652 / 4043 0200
Fax: +91 22 2847 5207
e-mail: bss@bigshareonline.com

39TH ANNUAL GENERAL MEETING

Day	: Monday
Date	: 22 nd September, 2014
Time	: 3:00 p.m.
Venue	: M. C. Ghia Hall, Bhogilal Hargovindas Building, 4 th Floor 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001

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JYOTI STRUCTURES LIMITED

DIRECTORS' REPORT

Your Directors take pleasure in presenting the Thirty Ninth Annual Report on business and operations of the Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2014.

FINANCIAL RESULTS

Performance of the Company, on standalone basis, for the financial year ended 31st March, 2014 is as summarized below:

	(₹ in Lacs)	
	2013-14	2012-13
Gross Turnover	3,38,268	2,84,219
Profit before tax	5,231	9,793
Provision for taxation including deferred tax	(1,999)	(3,310)
Profit after tax	3,232	6,483
Dividend - Equity	-	658
- Preference Shares	25	1
Dividend Tax	4	107
Transfer to General Reserve	350	650
Transfer to Debenture Redemption Reserve	826	418
Surplus in the statement of Profit and Loss	2,027	4,649

PERFORMANCE HIGHLIGHTS

During FY 2014, against the backdrop of a challenging business environment, your Company reported a top-line growth of 19.72% over the previous year. At standalone level, the gross revenue from operations stood at ₹ 3,38,268 Lacs, as compared to ₹ 2,84,219 Lacs in the previous year. The operating profit before tax stood at ₹ 5,231 Lacs, as compared to ₹ 9,793 Lacs in the previous year. The net profit for the year stood at ₹ 3,232 Lacs, as compared to ₹ 6,483 Lacs in the previous year.

The consolidated gross revenue from operations for FY 2014 was placed at ₹ 3,69,297 Lacs, as compared to ₹ 3,05,302 Lacs in the previous year. The net loss for the year stood at ₹ 936 Lacs, as compared to a net profit of ₹ 3,779 Lacs in the previous year.

The total exports of the Company amounted to ₹ 1,03,485 Lacs (previous year ₹ 61,033 Lacs) representing about 30% of the net sales.

Supply of towers and structures were 87,587 MT during the year as compared to 72,181 MT in the previous year.

Order backlog at the end of the year was at ₹ 4,35,390 Lacs as compared to ₹ 4,41,200 Lacs at the end of the previous year.

DIVIDEND

Although your Company has earned profits during the year but considering the challenging times and growth strategy of the Company, the Board of Directors of your Company have decided to plough back the profits and thus, not recommended any dividend for the FY 2014.

However, your Directors recommend a dividend of ₹ 1 (₹ 1 previous year) per share on preference shares of ₹ 100 each.

SHARE CAPITAL AND LISTING OF SHARES

During the year under review, your Company allotted 13,675 equity shares of ₹ 2 each to its employees against exercise of options granted to them under Employee Stock Option Scheme.

Pursuant to restructuring scheme approved by joint lender forum constituted under RBI guidelines, the Company is required to bring in contribution to the extent of ₹ 120 crores. Accordingly, members approval was sought to issue equity shares to Qualified Institutional Buyers under Qualified Institutional Placement route and now, approval of members is being sought vide requisite resolution at item no. 12 in the accompanying notice, to offer, issue and allot equity shares / warrants to promoters on preferential basis, within overall limit of ₹ 120 crores.

The equity of the Company are listed and traded in compulsory dematerialized form on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Your Company has paid Annual Listing fees to the Stock Exchanges and Depositories up-to-date.

DEBENTURES

During the year, your Company allotted secured Redeemable Non-Convertible Debentures aggregating to ₹ 3,304 lacs, on preferential basis.

SUBSIDIARY COMPANIES

During the year, a step down subsidiary company namely Jyoti Structures Kenya Limited was established in Kenya.

In view of the general exemption granted by the Ministry of Corporate Affairs from applicability of the provisions of Section 212 of the Companies Act, 1956, the stand-alone audited financial statements of the subsidiary companies are not attached to this report.

The statement pursuant to Section 212 of the Companies Act, 1956 relating to the subsidiary companies is attached and forms part of this report. Annual Accounts of subsidiary companies are available for inspection at the registered office of the Company. Copy of annual report of the subsidiary companies and related information, will be made available free of cost to the shareholders, on request.

The Audited Consolidated Financial Statements prepared in accordance with the prescribed accounting standards, form part of this Annual Report.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 (ACT) and the Company's Articles of Association, Mr. S. H. Mirchandani and Mr. G. L. Valecha, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Pursuant to the provisions of Section 161 of the Act, Mr. Kalpesh Kikani was appointed as an Additional Director of the Company with effect from 30th January 2014. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

Pursuant to the provisions of Section 161 of the Act, Mr. Ashok Goyal was appointed as an Additional Director of the Company with effect from 18th August 2014. Approval of members for appointing him as the Joint Managing Director of the Company is being sought vide requisite resolution in the accompanying Notice dated 18th August 2014 convening the Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

In accordance with the provisions of Section 149 and other applicable provisions of the Act, your Company is seeking appointment of Mr. S. D. Kshirsagar, Mr. T. C. Venkat Subramanian, Mr. R. C. Rawal and Mr. V. M. Kaul as Independent Directors for three consecutive years.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Brief profiles of Directors seeking appointment form part of Report on Corporate Governance.

The Board of Directors recommends the appointment of all the above Directors at the ensuing General Meeting.

AUDITORS AND AUDITORS' REPORT

M/s. R. M. Ajgaonkar & Associates, Chartered Accountants, who are Statutory Auditors of the Company hold office upto the forthcoming Annual General Meeting and are recommended for re-appointment for the financial year 2014-15. As required under the provisions of Section 139 of the Act, the Company has obtained written confirmation from M/s. R. M. Ajgaonkar & Associates that their appointment, if made, would be in conformity with the limits specified in the said section.

Auditors comments on your Company's accounts for the year ended 31st March, 2014 are self-explanatory in nature and do not require any explanation as per provisions of Section 134 (3) (f) of the Act.

JYOTI STRUCTURES LIMITED

The Company has appointed Mr. Narhar Krishnaji Nimkar, Cost Accountant, as the Cost Auditor to audit the cost accounts of the Company for the financial year 2014-15. The cost audit report for the financial year 2012-13 was filed with the Ministry of Corporate Affairs on 16th September, 2013.

DEPOSITS

The Company discontinued acceptance and renewal of fixed deposits from the public and shareholders with effect from 1st April, 2014. The Company has no overdue deposits other than unclaimed deposits.

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

Pursuant to the provisions of

- a. Section 205A (5) and 205C of the Companies Act, 1956, relevant amounts which remain unpaid or unclaimed for a period of 7 years have been transferred to Investor Education and Protection Fund; and
- b. Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 27th July, 2013 (date of last Annual General Meeting) on the website of the Company (www.jsl.in), as also on the Ministry of Corporate Affairs' website.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

The information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 forms part of this report. However, as per the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956 the report and accounts are being sent excluding the statement containing the particulars of employees drawing remuneration as provided under Section 217 (2A) of the Companies Act, 1956. Any member interested in obtaining such particulars may write to Company Secretary for a copy thereof.

A Statement pursuant to 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 forms part of this report, as Annexure.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Management's Discussion and Analysis, the Corporate Governance Report, together with Auditors' Certificate on compliance with the conditions of Corporate Governance as laid down, forms part of this report, as an Annexure.

CODE OF CONDUCT

Your company is committed to conducting its business in accordance with the applicable laws, rules and regulations and the highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors and Senior Management Personnel of the Company. This helps in dealing with ethical issues and also in fostering a culture of accountability and integrity.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, your Directors have constituted a Corporate Social Responsibility Committee (CSR Committee) comprising of Mr. S. D. Kshirsagar as the Chairman and Mr. T. C. Venkat Subramanian, Mr. V. M. Kaul and Mr. R. C. Rawal as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

OCCUPATIONAL HEALTH & SAFETY AND ENVIRONMENTAL POLICY

Your Company is conscious of the importance of environmentally clean and safe operations. Company conducts self-assessment of operational discipline at all sites, with total involvement of employees, to increase awareness, improve standards and to measure implementing improvement.

In its pursuit of excellence in environmental management towards sustainable business development, your Company continues

to be committed to develop and implement Environmental Management System (EMS) to measure, control and reduce the environmental impact. Your Company is committed to achieve a culture of 'No Harm' based on proactive, monitoring, review, corrective and preventive measures.

EMPLOYEES STOCK OPTION SCHEME

Pursuant to the provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended, the details of Stock Options as on 31st March, 2014 under the 'Jyoti Structures Limited Employees Stock Option Scheme' form part of this report, as Annexure.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- i in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii the Directors have 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 at the end of the financial year and of the profit or loss of the company for that period;
- iii the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding assets of the company and for preventing and detecting fraud and other irregularities;
- iv the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank all its shareholders and other stakeholders, valued customers, banks, government and statutory authorities, investors and stock exchanges for their continued support to the Company. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees.

For and on behalf of the Board

S. D. Kshirsagar
Chairman

Mumbai; 18th August, 2014

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ANNEXURE TO THE DIRECTORS' REPORT

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 for the Financial Year 2013-14

S No	Description	Details
1	Options Granted during F.Y. 2013-14	NIL
2	The Pricing formula	Under the Scheme, the employee is entitled to subscribe to equity shares at an exercise price of ₹ 17 for each Equity Share (inclusive of premium) of the face value of ₹ 2
3	Options Vested during F.Y. 2013-14	31,460
4	Options Exercised during F.Y. 2013-14	2,735
5	The Total number of Shares arising as a result of exercise of option	13,675
6	Options lapsed	NIL
7	Variation of terms of options	None
8	Money realized by exercise of options	₹ 2,32,475
9	Total Number of options in force	1,16,300
10	Employee wise details of options granted to	
	i. Senior Managerial personnel	Options granted to all eligible employees
	ii. Any other Employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year	None
	iii. Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None
11	Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	₹ 3.88
12	The difference between the employee compensation cost computed under Intrinsic Value Method and the Employee compensation cost computed under Intrinsic Value Method and the Employee compensation Cost that shall have been recognized if the Company had used the Fair Value Method and its impact on profits and on EPS of the Company.	₹ (5.45) Lacs Profits would have been Lower by ₹ 5.45 Lacs
13	Weighted-average exercised prices and weighted-average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock.	N.A.
14	Description of the method and significant assumptions used during the year to estimate the fair values of options: (i) Risk-free interest rate, (ii) Expected life, (iii) Expected volatility, (iv) Expected dividends, and (v) The price of the underlying share in market at the time of option grant	Ref Annex

ANNEXURE TO THE DIRECTORS' REPORT

Grant	I	II	III	IV	V	VI	VII	VIII	IX
(i) Risk-free interest rate	10%								
(ii) Expected life	2.10 years								
(iii) Expected volatility	53.30%	105.67%	191.73%	169.88%	179.57%	221.50%	211.42%	323.34%	306.62%
(iv) Expected dividends	Nil								
(v) The price of the underlying share in market at the time of option grant (₹ 2/- Each)	59.05	114.35	195.25	224.10	244.60	279.45	200.00	88.00	61.65

Grant	X	XI	XII	XIII	XIV	XV	XVI	XVII
(i) Risk-free interest rate	10%							
(ii) Expected life	2.10 years							
(iii) Expected volatility	132.41%	145.13%	203.49%	73.55%	58.54%	126.55%	138.75%	30.04%
(iv) Expected dividends	NIL							
(v) The price of the underlying share in market at the time of option grant (₹ 2/- Each)	84.95	162.35	151.80	146.35	145.90	91.55	84.85	46.95

Information pursuant to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

1 Conservation of Energy :	During the year under review, all possible efforts were made to ensure optimum consumption of electricity and fuel at the plants of the Company.			
Consumption	2013-14		2012-13	
	Units	Amount (₹ in Lacs)	Units	Amount (₹ in Lacs)
Electricity (KWH)	40,36,147	274.55	36,96,342	267.62
Furnace Oil (KL)	2,824	1,243.48	2,229	929.59
2 Foreign Exchange Earnings & Outgo :				
Earnings:				
Export of goods / services (including Deemed Exports and sales through Export House) At FOB Price		1,00,821.52		58,792.25
At Invoice Value (Tower testing Charges)		2,162.09		1,836.50
Rent on Equipments		501.21		404.09
Outgo :				
Expenses of overseas projects (Including foreign taxes)		8,098.20		4,985.49
Interest		367.90		440.68
Professional Fees		Nil		114.57
Others (Like Traveling, Bank Charges etc)		665.23		90.01
3 Technology Absorption and Expenditure on Research and Development :	The R & D Centre and Tower Testing Station suitable for Testing of Double Circuit Towers upto 1,000 kV at Ghoti, Nasik Dist.was commissioned in the year 1998. During the year 33 Nos. of tower proto types were tested and the operations of the centre are satisfactory.			

JYOTI STRUCTURES LIMITED

CORPORATE GOVERNANCE REPORT

In compliance with corporate governance requirement as per the format prescribed by SEBI and incorporated under clause 49 of the Listing Agreement with the Stock Exchanges, the Company's policies on Corporate Governance and compliance thereof in respect of specific areas, as applicable for the year ended 31st March, 2014, are set out below for the information of shareholders and investors of the Company.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance philosophy of your Company stems from its belief that Corporate Governance is a key element in improving efficiency as well as enhancing investor confidence. Your Directors are committed to practice sound governance principles and believe that good governance is an ongoing process. We, at Jyoti Structures are guided by core principles of governance like integrity, fairness, equity, transparency, accountability, disclosures, commitment to values and compliances to enhance the value for stakeholders' viz. customers, shareholders, employees, lenders, vendors including society of which the Company is a part. Jyoti Structures is committed to achieve and maintain the highest standard of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

BOARD OF DIRECTORS

Composition of Board of Directors of the Company is governed by the Companies Act, 2013 (Act) and is in conformity with the stipulation laid down in the code of Corporate Governance prescribed by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchanges.

The present strength of the Board of Directors is twelve. Of the total twelve Directors, nine Directors are non-executive including five Independent Directors, one of whom is Chairman of the Board.

In keeping with the commitment of the management towards principles of integrity and transparency in business operations for good corporate governance, your Company's policy is to have an appropriate blend of executive and independent directors to maintain independence of the Board, and to separate the Board's functions of governance and management.

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149 of the Act and Rules made thereunder and meet with the requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The Board consists of eminent persons with considerable professional expertise and experience in finance, legal, commercial, business administration and other related fields, who, not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board. The Board's role, functions, responsibilities and accountability are clearly defined. The day-to day management of the Company is entrusted with the senior management personnel of the Company and is headed by the Managing Director who functions under the overall supervision, direction and control of the Board of Directors. The Board reviews and approves the strategy and oversees the actions and results of management to ensure that long term objectives of enhancing stakeholder's value are achieved.

All Directors have confirmed that they are not members of more than 10 Committees and do not act as the Chairman of more than 5 Committees across all the companies in which they are Directors.

The Board of Directors meets at least once in a quarter and the maximum time gap between two meetings is not more than four months. Board meetings are generally held at the Registered Office of the Company.

The Managing Director, Joint Managing Director and the Whole-time Director are responsible for corporate strategy, planning, external contracts and Board matters. The senior management personnel heading respective divisions are responsible for day-to-day operations.

During the year ended 31st March, 2014, the Board met 8 (eight) times on 22nd April, 2013, 29th May, 2013, 8th June, 2013, 25th June, 2013, 27th July, 2013, 6th September, 2013, 6th November, 2013 & 30th January, 2014.

Details of number of Board meetings attended by Directors, attendance at AGM, number of other directorships / committee memberships held by them during the year ended 31st March, 2014 are tabulated below:

Sr. No.	Name of Director	Category	No. of Board Meetings		Attendance at last AGM	No. of other directorships	Membership / Chairmanship of Committees of other Companies #
			Held during their tenure	Attended			
1	S. D. Kshirsagar	Independent	8	8	Yes	1	Nil
2	P. K. Thakur	Non-executive	8	6	Yes	12	Nil
3	S. V. Nayak	Executive	8	8	Yes	10	Nil
4	Ashok Goyal @	Executive	-	-	-	1	Nil
5	K. R. Thakur	Executive	8	8	Yes	5	Nil
6	A. J. Khan	Independent	8	7	Yes	Nil	Nil
7	G. L. Valecha	Non-executive	8	6	Yes	Nil	Nil
8	Kalpesh Kikani *	Non-executive	1	1	NA	5	Nil
9	R. C. Rawal	Independent	8	6	Yes	Nil	Nil
10	S. H. Mirchandani	Non-executive	8	2	No	6	Nil
11	T. C. Venkat Subramanian	Independent	8	8	Yes	6	1
12	Vijay Mohan Kaul	Independent	8	6	Yes	2	Nil

includes only Audit Committees and Shareholders' Grievance Committees.

@ Appointed w.e.f. 18th August, 2014.

* Appointed w.e.f 30th January, 2014.

COMMITTEES OF THE BOARD

The Board has constituted various committees to focus on critical functions of the Company and also for smooth and efficient business operations. The Committees meet at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. Minutes of the proceedings of each committee meeting are circulated to the members of that Committee for their comments and thereafter, confirmed and signed by the Chairman of the respective Committee. The Board also takes note of minutes of the meetings of the Committees duly approved by their respective Chairman and the material recommendations / decisions of the Committees are placed before the Board for approval / information.

During the year, the Board had 6 Committees, viz.

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Compensation Committee
- Executive Committee

i. Audit Committee

The Company had constituted an Audit Committee in the year 2000. Scope of activities of the Audit Committee is in compliance with Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 177 of the Act. Terms of reference of Audit Committee broadly includes various matters in conformity with statutory guidelines including the following:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- approval of appointment of CFO;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.

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The Company continued to derive immense benefits from deliberations of the Audit Committee. The Committee comprises of Independent Directors and eminent professionals having vast experience and knowledge in accounts, finance and principles of good governance. Minutes of each audit committee meeting are placed and discussed in meetings of the Board.

During the financial year under review, four meetings of the Committee were held on the following dates: 29th May, 2013, 27th July, 2013, 6th November, 2013 and 30th January, 2014. Composition of the Audit Committee and the details of meetings attended by the members of the Audit Committee as on 31st March, 2014, are given below:

Name of the Director	Designation	Category	No. of meetings during the year 2013-14	
			Held	Attended
T. C. Venkat Subramanian *	Chairman	Independent	4	4
S. D. Kshirsagar #	Member	Independent	4	4
A. J. Khan @	Member	Independent	4	1
R. C. Rawal	Member	Independent	4	3
V. M. Kaul &	Member	Independent	4	3

* Chairman of the Committee w.e.f 18th April, 2014.

Chairman of the Committee upto 18th April, 2014.

@ Member of the Committee upto 29th May, 2013.

& Member of the Committee w.e.f 29th May, 2013.

Audit Committee meetings are also attended by Vice-Chairman, Managing Director, Sr. Vice President (Internal Audit and Risk Management) and a representative of Auditors.

ii. Stakeholders Relationship Committee

During the year, Stakeholders Relationship Committee was constituted consequent to the dissolution of Finance, Share Transfer and Investor Grievances Committee. The primary responsibility of the Committee is to redress investor's grievance and to improve relationship with stakeholders, approve share transfers and transmission, issue of duplicate certificates and oversight of all matters connected with securities issued by the Company. The Committee oversees performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investors' service. As on 31st March, 2014, no instruments of share transfer were pending. The terms of reference of the Committee includes the following:

- transfer, transmission, issue of duplicate certificate or receipt, dematerialization, rematerialization, consolidation, sub-division and or dealing with all matters connected with the securities issued by the company;
- redressal of shareholders, debenture holders, deposit holders, investors and other security holders grievances;
- performance and service standards of the Registrar and Share Transfer Agents of the company; and
- implementation and compliance of all provisions of applicable security laws, rules, guidelines and regulations including listing agreements, codes and standards.

The Committee comprises of four members under the Chairmanship of a non-executive director Mr. T. C. Venkat Subramanian, Chairman (since 18th April, 2014), Mr. S. D. Kshirsagar, Member (Chairman upto 18th April, 2014), Mr. S. V. Nayak, Member and Mr. K. R. Thakur, Member.

During the year under review, the Company had received 13 complaints from shareholders and the same have been redressed to their satisfaction.

iii. Nomination & Remuneration Committee

During the year Remuneration Committee was reconstituted and effective 18th April, 2014 Mr. Kalpesh Kikani was inducted as a member of the Committee. The terms of reference of the Committee broadly includes the following:

- to identify persons who are qualified to become directors and who may be appointed in key managerial / senior management personnel and to recommend to the Board their appointment and removal;

- ii. to formulate and recommend to the Board nomination process including criteria for independence of director, compensation plans, policies and programs of the Company as they may affect the directors and key managerial / senior management personnel;
- iii. to oversee executive succession plans;
- iv. to develop and recommend to the board of directors for its approval an annual self-evaluation process of the board and its committees. The committee shall oversee the annual self-evaluations;
- v. to assess, evaluate and monitor directors and key managerial / senior management personnel performance and recommend compensation package including share incentive plans; and
- vi. to recommend director indemnification including insurance protection against risk of personal liability to the extent permitted by law.

The Committee comprises of Mr. T. C. Venkat Subramanian, Chairman (since 18th April, 2014), Mr. S. D. Kshirsagar, Member (Chairman upto 18th April, 2014), Mr. A. J. Khan, Member and Mr. Kalpesh Kikani, Member.

Details of Remuneration paid/payable to the Directors during the year under review are as under:

(₹ in lacs)

Name of Director	Sitting fees for Board & Audit Committee Meetings	Salaries and Perquisites	Commission
Executive Directors			
K. R. Thakur	Nil	159.31	Nil
P. K. Thakur	Nil	168.62	Nil
S. V. Nayak	Nil	168.62	Nil
Ashok Goyal@	Nil	Nil	Nil
Non-Executive Directors			
S. D. Kshirsagar	0.60	Nil	12.00
A. J. Khan	0.40	Nil	6.00
G. L. Valecha	0.30	Nil	Nil
R. C. Rawal	0.45	Nil	6.00
S. H. Mirchandani	0.10	Nil	Nil
T. C. Venkat Subramanian	0.60	Nil	12.00
V. M. Kaul	0.45	Nil	9.00

@Appointed w.e.f. 18th August, 2014.

No Stock Option has been granted to any of the Directors under Jyoti Structures Limited Employees Stock Option Scheme.

iv. Corporate Social Responsibility Committee

The Committees prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy'. The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Mr. T. C. Venkat Subramanian (Member), Mr. V. M. Kaul (Member) and Mr. R. C. Rawal (Member).

v. Compensation Committee

The Compensation Committee administers the Employee Stock Option Schemes.

The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Mr. A. J. Khan, Member and Mr. T. C. Venkat Subramanian, Member.

During the year, the Committee allotted 13,675 Equity Shares of ₹ 2 each under Employees Stock Option Scheme.

vi. Executive Committee

During the year, Executive Committee was constituted consequent to the dissolution of Finance, Share Transfer and Investor

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Grievances Committee. The Executive Committee has the authority to exercise the power of the Board of Directors between the Board meetings except the powers reserved for the Board or the shareholders under the Companies Act.

The Committee comprises of four members - Mr. S. D. Kshirsagar, Chairman, Mr. P. K. Thakur, Member, Mr. K. R. Thakur, Member and Mr. S. V. Nayak, Member.

Profile of Directors seeking appointment:

Name of the Director	S. H. Mirchandani
Date of Birth	7 th March, 1965
Date of Appointment as Director	29 th May, 1991
Qualification	B. E. (Mech.), MBA (Finance)
Relation	None
Experience and Expertise in Specific functional area	<p>Mr. Sanjay H. Mirchandani, Promoter and Non-Executive Director, holds a Bachelor's degree in Mechanical Engineering and also holds a Masters of Business Administration (MBA) from Michigan University, US. He has played a key role in starting JNS Co-operative Bank Limited at Bhopal, Madhya Pradesh, with an aim to provide micro financing to small and medium enterprises. He is also the founder member and current President of University of Michigan India Alumni Association (UMIAA) founded with a vision to build a brand 'Michigan' as a university and for Michigan Business School within India and to facilitate networking among Alumni in India.</p> <p>He has over 20 years of experience in real estate development and investments, as a business owner and director. As a member of the Mirchandani Group, he has contributed by delivering five million square feet of quality residential and commercial spaces at an affordable cost in Tier II towns of India.</p>
Shareholding as on 31.03.2014 - No. of Equity Shares of ₹2 each	4,70,000
Other Directorships	<ul style="list-style-type: none"> - Mirchandani Infrastructure Pvt. Ltd. - Mircon Realty Pvt. Ltd. - Morya Estates Pvt. Ltd. - Shantani Proteome Analytics Pvt. Ltd. - Turquoise Housing Private Limited - Imagine Spaces LLP

Name of the Director	G. L. Valecha
Date of Birth	8 th May, 1932
Date of Appointment as Director	26 th April, 2003
Qualification	B. A.
Relation	None
Experience and Expertise in Specific functional area	<p>Mr. Gopaldas L. Valecha, Promoter and Non-Executive Director, is an Arts graduate from the University of Mumbai. He is an active partner in Lilaram Pamandas & Sons, a leading finance merchants firm. Before joining the Board, he was an active partner in Gopaldas Vasudev & Company, a pioneer construction company which was taken over by Valecha Bros (EC) Private Limited on February 3, 1988, of which he was a director until 1993.</p> <p>He brings with him rich and varied experience of more than five decades in businesses like construction industry, financial services and has vast knowledge in accounting and project monitoring.</p>
Shareholding as on 31.03.2014 - No. of Equity Shares of ₹2 each	1,60,000
Other Directorships	None

Name of the Director	Kalpesh Kikani
Date of Birth	3 rd September, 1972
Date of Appointment as Director	30 th January, 2014
Qualification	B.E (Computer Engineering), MBA (University of Bombay), Charter Holder Member (CFA Institute, USA)
Relation	None
Experience and Expertise in Specific functional area	<p>Mr. Kalpesh Kikani, Director, holds a Bachelor's degree in Computer Engineering and an MBA from the University of Bombay and is a charter holder member of the CFA Institute, USA. Mr. Kikani is Managing Director and Senior Partner of AION India Investment Advisors Private Limited. Prior to joining AION he spent over 15 years with ICICI Bank Limited.</p> <p>As part of ICICI Bank's senior management team, he most recently served as the Global Head of Structured Finance & Special Situations at ICICI Bank, where he oversaw India focused investment teams based in Mumbai, Singapore and London. Prior to this, Mr. Kikani established and headed the corporate and investment banking business for ICICI Bank UK PLC focusing on leveraged and structured finance transactions, both outbound and inbound for Indian companies, with teams based in the United Kingdom, Germany and Belgium. Over the course of his career, Mr. Kikani has experience in investing in Indian enterprises in the areas of project finance, structured finance and debt restructuring.</p>
Shareholding as on 31.03.2014 - No. of Equity Shares of ₹2 each	NIL
Other Directorships	<ul style="list-style-type: none"> - AION India Investment Advisors Private Limited - Avantha Holdings Limited - Jyoti International INC. - Jyoti Americas LLC - Jyoti Structures Canada Limited

Name of the Director	Ashok Goyal
Date of Birth	16 th December, 1950
Date of Appointment as Director	18 th August, 2014
Qualification	B. Tech from IIT Kharagpur, PGDBM from IIM, Kolkatta.
Relation	None
Experience and Expertise in Specific functional area	<p>Mr. Ashok Goyal holds B. Tech degree from IIT Kharagpur, PGDBM from IIM, Kolkata and attended Senior Executive Programme from London Business School. He has over 4 decades of professional experience in India and Africa. He is well known as an innovative turnaround artiste and has been instrumental in successfully turning around the companies with whom he has been associated in the recent past. He is a proficient leader having held several leadership positions as Profit Centre Head, Managing Director and Management Board Member.</p>
Shareholding as on 31.03.2014 - No. of Equity Shares of ₹2 each	NIL
Other Directorships	- RPG Power Trading Company Limited

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Name of the Director	S. D. Kshirsagar
Date of Birth	4 th May, 1937
Date of Appointment as Director	1 st April, 2003
Qualification	P.G.D.I.A. (UK), M.A.(Economics)
Relation	None
Experience and Expertise in Specific functional area	<p>Professor Sadashiv D. Kshirsagar, Chairman and Non-Executive Independent Director, holds a Master's Degree in Arts (Economics), from the University of Mumbai and also has a Post Graduate Diploma in Industrial Administration from Manchester College of Science & Technology, University of Manchester, U.K. After working for numerous projects, in India as well as overseas in companies belonging to the Tata group, he headed the International Trading Division at Tata International Limited. He was also associated with the S. P. Jain Institute of Management & Research, Mumbai in the capacity of a professor and advisor to the Dean.</p> <p>He has over four decades of experience in various facets of international marketing, corporate affairs & governance, project management and project control. His knowledge area and competencies wrap around international business, business strategy & planning, marketing and project management. He has published several articles in research journals and financial papers.</p>
Shareholding as on 31.03.2014 - No. of Equity Shares of ₹2 each	3,200
Other Directorships	Unived Corporate Research Private Limited

Name of the Director	T. C. Venkat Subramanian
Date of Birth	30 th October, 1949
Date of Appointment as Director	1 st November, 2011
Qualification	B.E from Madras University, Certified Associate of Indian Institute of Bankers (CAIIB)
Relation	None
Experience and Expertise in Specific functional area	<p>Mr. T. C. Venkat Subramanian, Non-Executive Independent Director, holds a Bachelor's degree in Engineering and is a certified associate of the Indian Institute of Bankers. He has experience of more than three decades in the financial sector and retired as the Chairman & Managing Director of Export Import Bank of India (Exim Bank).</p> <p>Before joining Exim Bank of India in 1982 he worked in Bank of India and Industrial Development Bank of India. As a consultant he helped setting up Exim Bank of Turkey (Turk Exim Bank). He also undertook consultancy assignments in Armenia (for setting up Export Development Project) and in Ukraine (for designing export development schemes for Ukraine Exim Bank). He was the Hon. President of Global Network of Exim Banks and Development Finance Institutions (G-NEXID), Geneva, under the auspices of UNCTAD for three years (2006-09).</p> <p>He is well networked in the International financial sector and had been a regular speaker at various fora and conferences of the World Bank, African Development Bank, Asian Development Bank, OECD, UNCTAD and Afrexim Bank. He was conferred with "Outstanding CEO" award by Association of Development Finance Institutions of Asia Pacific (ADFIAP), Manila, Philippines in 2008. He was nominated by Government of India as a Member of Indian Council of World Affairs, Delhi (Think Tank on International Affairs under the Ministry of External Affairs, Govt. of India) for a three year term (2010-2013).</p>
Shareholding as on 31.03.2014 - No. of Equity Shares of ₹2 each	NIL
Other Directorships	<ul style="list-style-type: none"> - LIC- Nomura MF Trustee Company Private Ltd. - STCI Finance Ltd. - AFC India Ltd. - Foundation of Organizational Research & Education (FORE School of Management) Delhi (Trust) - Rolta India Ltd. - Investec Capital Services (India) Pvt. Ltd.

Name of the Director	R. C. Rawal
Date of Birth	5 th November, 1944
Date of Appointment as Director	25 th January, 2010
Qualification	B.Sc (Engg.) Mechanical
Relation	None
Experience and Expertise in Specific functional area	<p>Mr. Ramesh Chandra Rawal, Non-Executive Independent Director, holds a Bachelor's degree in Mechanical Engineering from the National Institute of Technology, Bhopal, Madhya Pradesh. He has also completed a post graduate course in 'Nuclear Science & Engineering' from the Bhabha Atomic Research Centre Training School, Mumbai. He has experience of more than four decades in the construction and commissioning of several atomic power projects in India.</p> <p>He also held the position of Principal Project Director (TAPP) in the grade of "Outstanding Scientist" at Nuclear Power Corporation of India Limited. He is associated with the All India Management Association, Indian Nuclear Society and Indian Society for Non-destructive Testing. Further, he is the recipient of the "INS Award 2003" awarded by the Indian Nuclear Society for his outstanding contribution in the areas of nuclear science and technology and has presented several technical papers on aspects of quality assurance, safety and project management at various national and international seminars.</p>
Shareholding as on 31.03.2014 - No. of Equity Shares of ₹2 each	NIL
Other Directorships	None

Name of the Director	V. M. Kaul
Date of Birth	18 th March, 1952
Date of Appointment as Director	22 nd April, 2013
Qualification	Bachelor of Mechanical Engineering, MBA from IGNOU
Relation	None
Experience and Expertise in Specific functional area	<p>Mr. Vijay Mohan Kaul, Director, is a first class Bachelor of Mechanical Engineering from IIT, Delhi with MBA Degree from IGNOU. He is a fellow member of All India Management Association and a member of the Institute of Engineers. Mr. Kaul has over 38 years of work experience in premier Organizations like Engineers India Limited, NTPC Limited and Power Grid Corporation of India.</p> <p>He retired as Director Personnel of PGCIL. He was also on the Board of Nuclear Power Corporation, Power Trading Corporation and Power Links Transmission Limited. Mr. Kaul has handled various multi-disciplinary functions like contract management, project management, joint venture, quality assurance and inspection and Human Resource Management.</p>
Shareholding as on 31.03.2014 - No. of Equity Shares of ₹2 each	NIL
Other Directorships	<ul style="list-style-type: none"> - Uttar Haryana Bijli Vitran Nigam Ltd. - Power Finance Corporation Limited

SUBSIDIARY COMPANIES

None of the subsidiary companies is covered under the term "material non-listed Indian subsidiary company".

Minutes of Board Meetings of subsidiary companies are placed before the Board of Directors of the Company on regular basis thereby bringing to their attention all significant transactions and arrangements entered into by the subsidiary companies.

JYOTI STRUCTURES LIMITED

GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 001, as per details below:

Date	Time	Details of Special Resolutions	Relevant Section(s) of Companies Act, 1956
25 th July, 2011	3.30 P.M	1) Payment of remuneration to the Non – Executive Directors of the Company	309
		2) Employees Stock Option Scheme 2011	81(1A)
23 rd July, 2012	3.30 P.M	Extension of coverage of ESOS 2011 to eligible employees of the subsidiary companies	81(1A)
27 th July, 2013	3.00 P.M	1) Appointment of Mr. K. R. Thakur as a Whole-time Director of the Company including payment of remuneration	198, 269, 309 read with Schedule XIII
		2) Approval for Mr. Prakash Thakur for holding office of profit	314

Resolutions passed through Postal Ballot

No special resolution was passed through postal ballot during the financial year 2013-14.

The Company conducted two Postal Ballots pursuant to the provisions of Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules 2014.

- The following special resolutions were passed with requisite majority on 29th May, 2014:
 - Borrowing Powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013;
 - Creation of Charges on the Company's properties pursuant to Section 180(1)(a) of the Companies Act, 2013; and
 - Payment of remuneration to Mr. Prakash Thakur by Jyoti Structures FZE pursuant to Section 188 of the Companies Act, 2013.
- The following special resolution was passed with requisite majority on 12th August, 2014:
 - Issue and allotment of equity shares of ₹ 2 each for an amount not exceeding ₹ 120 Crores (Rupees One Hundred Twenty Crores only) to qualified institutional buyers under the Qualified Institutions Placement.

Mr. Santosh V. Nayak, Managing Director conducted the Postal Ballots and M/s. S. S. Rauthan & Associates, Company Secretaries were appointed as Scrutinizers.

DISCLOSURES

1. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

There are no transactions of material nature other than reported under "Related Party Disclosures" that have been entered into by the Company with the promoters, directors, their relatives and the management and in any Company in which they are interested and that may have potential conflict with the interest of the Company.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

2. INSTANCES OF NON-COMPLIANCE

There were no instances of non-compliances during the last three years by the Company on any matter related to capital market. Consequently, there were neither penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authorities.

- Though there is no formal Whistle Blower Policy, the Company takes cognizance of complaints made and suggestions given by the employees and others.
- All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
- Certificate from Mr. Santosh V. Nayak, Managing Director in terms of Clause 49 (V) of the Listing Agreement with the Stock Exchanges for the financial year ended 31st March, 2014 was placed before the Board of Directors of the Company.

SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

MEANS OF COMMUNICATION

Quarterly/Half Yearly/Yearly Financial Results of the Company are forwarded to The Bombay Stock Exchange Limited and National Stock Exchange of India Limited, where the Company's shares are listed. The results are published in Economic Times and Maharashtra Times.

Management Discussion & Analysis Report forms part of Directors' Report.

The Ministry of Corporate Affairs vide its Circular No. 18/2011 dated 29.04.2011 has allowed paperless compliance by companies under the Companies Act, 1956 through electronic mode. To enable your Company to support the Green Initiative in the Corporate Governance adopted by the Ministry of Corporate Affairs we request the members to register their email address with the Company or with the concerned depository.

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc. to all Stock Exchanges where shares of the Company are listed. Such information is also simultaneously displayed on the Company's website "www.jsl.in". The financial results, quarterly and annual results and other statutory information were communicated to the shareholders by way of advertisement in Economic Times and Maharashtra Times as per the Listing requirements of the Stock Exchanges.

Reminders for unclaimed dividend are sent to the shareholders periodically every year.

All periodical compliance filings like shareholding pattern, corporate governance report among others are also filed electronically on the web based application designed for corporates by the Stock Exchanges where the equity shares of the Company are listed.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the same is posted on the Company's website "www.jsl.in". All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Managing Director has been obtained and is enclosed at the end of this report.

JSL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for prevention of Insider Trading. This Code of Conduct is applicable to all Board Members and Senior Officials of the Company.

SHAREHOLDERS' INFORMATION

A. Annual General Meeting

Day, Date and Time	: Monday, the 22 nd September, 2014 at 3.00 p.m.
Venue	: M.C. Ghia Hall, Bhogilal Hargovindas Building, 4 th Floor 18/20 Kaikhushru Dubash Marg, Mumbai – 400 001

B. Financial Calendar

April to March (financial year)	
First Quarter Results	- 4 th week of July
Second Quarter Results	- 4 th week of October
Third Quarter Results	- 4 th week of January
Annual Audited Results	- 4 th week of May

C. Book Closure

: Friday, the 12th September, 2014 to Monday, the 22nd September, 2014 (both days inclusive)

JYOTI STRUCTURES LIMITED

D. Listing at Stock Exchanges:

Name of Stock Exchange	ISIN No.	Stock Code No.	Code on Screen
The Bombay Stock Exchange Limited	INE197A01024	513250	JYOTIST
The National Stock Exchange of India Ltd.		-	JYOTISTRUC

The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2014-15.

E. Market Price Data:

MONTH	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April - 13	32.60	29.60	32.65	29.60
May - 13	31.95	27.45	31.90	27.35
June - 13	26.95	19.90	27.00	19.95
July - 13	21.60	16.75	21.60	16.75
Aug - 13	17.95	15.35	17.95	15.35
Sept - 13	23.45	17.65	23.40	17.70
Oct - 13	25.30	19.45	25.35	19.40
Nov - 13	26.30	21.35	26.15	21.30
Dec - 13	31.20	25.50	31.20	25.50
Jan - 14	33.45	27.00	33.55	27.55
Feb - 14	28.80	26.05	28.65	26.00
Mar - 14	32.20	27.90	31.95	27.90

F. Registrar and Share Transfer Agent

Shareholders should address their correspondence to the Registrar and Share Transfer Agents of the Company at the following address:

Big Share Services Private Limited

(Unit- Jyoti Structures Ltd.)

E/2, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri (E), Mumbai – 400 072

website: www.bigshareonline.com

e-mail : bss@bigshareonline.com

Tel no. : +91 22 2847 0652 / 4043 0200

Fax. No. : +91 22 2847 5207

Share Transfer System

The Company's equity shares which are in compulsory dematerialized (demat) form are transferable through the depository system. Equity shares in physical form are processed by the Registrar and Share Transfer Agents, Bigshare Services Private Limited and approved by the Stakeholder Relationship Committee of the Board of the Company, which meets at regular intervals.

G. Distribution of shareholding and shareholding pattern as on 31st March, 2014

Distribution of Shareholding

Range			No. of shareholders	% of shareholding	Shares held in each class (in ₹)	% of shares
1	-	5,000	40,985	95.40	2,64,40,408	16.07
5,001	-	10,000	1,008	2.35	75,45,480	4.58
10,001	-	20,000	454	1.06	67,78,298	4.12
20,001	-	30,000	141	0.33	35,40,858	2.15
30,001	-	40,000	100	0.23	35,75,460	2.17
40,001	-	50,000	51	0.12	2334608	1.42
50,001	-	1,00,000	102	0.24	75,46,468	4.59
1,00,001 and above			119	0.27	10,67,86,064	64.90
Total			42,960	100.00	16,45,47,644	100.00

Shareholding Pattern as on 31st March, 2014

Category of shareholders	No. of Shares	% of shares
Promoters - Individuals	1,47,60,926	17.94
- Bodies Corporate	75,45,965	9.17
Other Bodies Corporate	62,48,737	7.60
NRIs / FIIs	78,81,959	9.58
Financial Institutions/Banks/Mutual Fund	1,64,12,128	19.95
Indian Public	2,94,24,107	35.76
Total	8,22,73,822	100.00

H. Dematerialization of Shares

As on 31st March, 2014, 99.29% of the total equity share capital of the Company is held in dematerialized form with NSDL and CDSL and the rest in physical form.

I. Outstanding GDRs/ADRs/Warrants or any convertible instruments

There are no outstanding GDRs/ADRs/Warrants.

J. Plant Locations

Nasik Factory (Plant - I):

52/53A, "D" Road,
M.I.D.C., Satpur,
Nasik - 422 007 (Maharashtra)
Tel : +91 253 2201 700 / 800
Fax : +91 253 2351 134

Nasik Factory (Plant - II):

E-60/61, "D" Road,
M.I.D.C., Satpur,
Nasik - 422 007 (Maharashtra)
Tel : +91 253 6603 225 / 227
Fax : +91 253 6603 226

Raipur Factory:

1037/1056, Sarora Ring Road,
Urla Industrial Complex,
Raipur - 493 221 (Chhattisgarh)
Tel : +91 771 4213 100 / 101
Fax: +91 771 2324 767 / 2325 567

K. Tower Testing Station:

Ubhade Shivar, Village-Deole,
Ghoti, Igatpuri,
Dist - Nasik - 422 002
Maharashtra.
Tel : +91 2553 282 211
Fax : +91 2553 282 212

L. Training Centre:

"Gurukul", Plot No. H-37,
Shivaji Nagar, M.I.D.C.,
Satpur, Nasik - 422 007
Maharashtra.
Tel. : +91 253 2350 099

M. Address for Correspondence:

Jyoti Structures Limited
Valecha Chambers, 6th Floor,
New Link Road,
Andheri (West),
Mumbai 400053
Tel No: +91 22 4091 5000
Fax No: +91 22 4091 5014/15
E-mail: investor@jsl.in

JYOTI STRUCTURES LIMITED

DECLARATION – CODE OF CONDUCT

All Board Members and senior management personnel have, for the year ended 31st March, 2014, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered into with the Stock Exchanges.

For **Jyoti Structures Limited**

Mumbai; 30th May, 2014

Santosh Nayak
Managing Director

CERTIFICATE

We M/s. R. M. Ajgaonkar & Associates, Statutory Auditors of Jyoti Structures Limited hereby certify that, based on the records examined by us and the information and explanations given to us, Jyoti Structures Limited has implemented the Employees Stock Option Scheme, 2005 in accordance with:

- i. SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 as amended;
- ii. Resolution passed at the Annual General Meeting of the Company held on 3rd August, 2005.

For **R. M. Ajgaonkar & Associates**
Chartered Accountants
Firm Registration No. 117247W

Mumbai; 30th May, 2014

R. M. Ajgaonkar
Partner
Membership No. 31927

Certificate of Compliance from Auditors as stipulated under Clause 49 of the Listing Agreement of the Stock Exchanges in India

CERTIFICATE

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

We have examined the compliance of conditions of Corporate Governance by Jyoti Structures Limited, for the year ended 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s) in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For **R. M. Ajgaonkar & Associates**
Chartered Accountants
Firm Registration No. 117247W

Mumbai; 30th May, 2014

R. M. Ajgaonkar
Partner
Membership No. 31927

MANAGEMENT'S DISCUSSION AND ANALYSIS

About the Company

The Company is an Engineering, Procurement and Construction (EPC) contracting Company in the power transmission and distribution networks across the home country and global markets with a key presence in Asia, Africa and North America. It undertakes turnkey projects offering a complete range of services in design, engineering, procurement, tower testing, manufacturing, instruction and project management. Over a period of time, it has developed global business in forty-five countries.

Industry overview

The transmission & distribution segment is a very important one in the power sector which provides a crucial link between a power generator and a power consumer. The economic growth of a country and optimum working of the power sector hinges on the viability of this segment.

All the power developers generally outsource, after undertaking all the pre-investment activities, all other activities such as project planning, implementation and testing & commissioning activities to EPC contracting companies on a turnkey basis. The latter, in turn, integrates all the activities except, construction activities which they supervise and control. In such a broad industry structure, it is possible for EPC contractors to integrate activities and outsource activities in a variety of ways.

The transmission & distribution segment is characterized by medium level technology, complex major systems (10) and a host of sub systems (about 40), requiring a very high level of managerial skills of leadership, financial acumen, project management, relationship management, management of subcontractors, detailed planning & meticulous coordination and managerial coordination.

The global potential for this segment is very high. For example, as per the Global Transmission Annual Reports of 2013 and 2014, the global investment in transmission & distribution by 2035 is expected to exceed US\$ 8,000 billion. These estimates have been corroborated by a few other international agencies.

Power Grid Corporation of India has prepared Desert Plan 2050. The plan focuses on solar energy (and some hydro) development and on desert transmission systems in the Rann of Kutch, Thar, Ladakh, Lahaul & Spiti and NEA/ER/NR interconnections. The total number of projects envisaged by 2050 is 36 with a total investment of Indian Rupees 3,000 billion.

This is in addition to the investment envisaged in the Twelfth Five Year Plan of the country.

The opportunities for business in transmission and distribution segment are immense. However, these opportunities are not without challenges.

The challenges which limit the potential for this segment in the country are four; and they principally arise because of monopsony industry structure in the country.

The Challenges

The first challenge is an outcome of the business practice, of project developers (mainly in the public sector) of starting implementation of a project before obtaining the right of way, environmental and other permissions from the concerned Environmental Authority, Forest Department, Aviation Department, Defence and Railways.

JYOTI STRUCTURES LIMITED

The second challenge is the practice of project developers to pass on the entire burden of time overrun resulting from lack of statutory clearances to the EPC contractors in terms of higher costs, mobilisation and demobilisation costs, blocking of working capital funds, resulting in high interest cost burden.

The third challenge relates to the very involved and complex system of approving additional scope of work, delay in reimbursing additional cost arising on account of additional scope of work, delayed payments, and inept handling of legitimate cost escalations claims and granting extension of time due to factors beyond the control of EPC contractors and attributable to project developers and at times imposing liquidated damages or invocation of performance guarantee on the EPC contractor during or after the completion of a contract.

The fourth challenge is for the EPC contractors. They suffer from the non availability of effective project managers and highly skilled construction gangs at remote sites and their own inability to deal with complex managerial coordination issues on time.

The scenario becomes more challenging due to the tardy growth of infrastructure in the last few years in the country, slow appraisal process by the banks on account of the problems faced by them on account of nonperforming assets (NPA), coupled with extremely stringent norms attached to restructuring of loans.

Company Strategy

The company has concentrated its efforts on completing its projects speedily by mobilizing required funds through speedy recovery of dues from the clients, exploring other innovative ideas for raising funds, revamping the entire execution system of projects and strengthening senior management team.

At the core level, it has already initiated steps to resort to proper selection of projects at the bidding stage, taking full advantage of recently implemented SAP system for project execution, increasing the share of international business in the total revenue and lastly, aligning the culture of the organization to the company's nature of business.

Threats, Risks & Concerns

The company recognizes project risks, identifies them early and takes prompt steps to mitigate risks at project acquisition and project implementation stage on time. It is the company's constant endeavour to be proactive in risk identification, its timely mitigation and even in some cases, its avoidance.

Outlook

The outlook for power sector remains positive. Going forward, the anticipation of an increase in the demand for power will drive investment in generation capacity and in the associated transmission networks. The expected changes in the policy by the Government of India will play a significant growth in the power sector.

With motto of the new government at the centre 'to light up all houses in the country' will certainly open up growth opportunities in the near future.

Segment-wise performance and outcome

The Company is in the business of execution of projects relating to power transmission and distribution and hence operates in a single business segment. Performance of the company has been dealt with in the Directors' Report

Internal Controls

With implementation of SAP ERP software, the Company has an internal control process in place which provides reasonable assurance in terms of reliability of financial information, compliances with applicable laws and regulations and optimization of operations.

Internal Control assessments by the Company and review by the independent auditors / internal auditors bring out the areas of control weakness and remediation.

Human Resources

Your Company recognizes the fact that committed and competent human resources are the key drivers of growth. Your Company's Human Resource Development strategy seeks to fulfil this mandate through careful selection and rigorous implementation of a wide range of programmes and interventions. The Directors of your Company deeply appreciate the spirit and commitment of its dedicated team of nearly 2,050 employees.

Cautionary Statement

Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statements. Important factors that could influence the company's operations include cost of steel, aluminium and zinc, changes in government regulations, tax laws, interest rates, abrupt currency fluctuations, economic developments within the country and such other factors.

For and on behalf of the Board

Mumbai; 18th August, 2014

S. D. Kshirsagar
Chairman

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Jyoti Structures Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss, 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 notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis of Qualified Opinion

The trade receivables of the Company include amount of ₹ 7,045.80 Lacs outstanding from Joint Venture Company namely, Lauren Jyoti Private Limited. As informed to us, the accounts of the Joint Venture are not available for financial year ended 31st March, 2013 as well as for the financial year ended 31st March, 2014. Considering the facts that the accounts of that company are not available and considering the fact that the joint venture company is not regular in the payment of the above outstanding, we are not able to comment on the recovery of the debt and impact of the same on the Balance Sheet and Statement of Profit and Loss of the Company for the year.

The Company has invested ₹ 500 Lacs in 50 Lacs equity shares of Lauren Jyoti Private Limited. In absence of availability of annual accounts of the company for the financial year ended on 31st March 2013 and for the financial year ended on 31st March, 2014, we are not able to comment, if there is other than temporary diminution in the value of the said investment and impact of the same on the Balance Sheet and Statement of Profit and Loss of the Company for the year.

Opinion

Subject to our observations stated in 'basis of qualified opinion' above, in our opinion and to the best of our information and according to the explanations given to us, 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 Profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of Section 227(4A) 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) Except as stated in our comments under Basis of Qualified Opinion, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
 - (c) The audit reports on the accounts of the Company's overseas branch offices at Uganda, Bhutan, South Africa, Bangladesh, Tunisia and Kenya for the year ended March 31, 2014 have been forwarded to the company by the respective branch auditors and those have been considered in preparing our report.
 - (d) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from branches not visited by us];
 - (e) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - (f) On the basis of the 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 Act.

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 117247W

R. M. AJGAONKAR

Partner

Place: Mumbai

Date: 30th May, 2014

Membership Number: 31927

ANNEXURE TO AUDITORS' REPORT

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

- 1)
 - a) The company has maintained proper records showing full particulars including the quantitative details and situation of fixed assets on the basis of available information.
 - b) The fixed assets have been physically verified by the management in a phased periodic manner during the year, which in our opinion is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
 - c) The company has not disposed off any substantial part of its fixed assets during the year.
- 2)
 - a) The inventories have been physically verified by the management at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the records of inventories and according to the information and explanations given to us, we are of the opinion that the Company has maintained proper book records of inventories. As explained to us, the discrepancies noticed on verification of inventories between the physical stocks and book records have been properly dealt in the books of accounts.
- 3)
 - a) As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii)(a), 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the Order are not applicable to the Company.
 - b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore the provisions of clause 4(iii)(e), 4(iii)(f) and 4(iii)(g) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, there is generally adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventories and fixed assets and for sale of goods and services, *except for timely billing from certain sites which needs improvement*. During the course of our audit, we have observed that the Company has installed and implemented SAP software but the same is not fully stabilized as yet.
- 5) According to the information and explanations given to us, in our opinion there are no contracts or arrangements, particulars of which are needed to be entered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(v)(a) and 4(v)(b) of the Order are not applicable to the Company.
- 6) The Company has accepted deposits from public during the year and as per the information and explanation given to us and based on the records examined by us, we are of the opinion that the directives issued by Reserve Bank of India and the provisions of section 58A and 58AA of the Companies Act, 1956 and other provisions of the Act and rules framed there under as applicable have been complied with.
- 7) In our opinion the Company has an internal audit system commensurate with its size and nature of the business.
- 8) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have however, not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- 9)
 - a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, and other applicable statutory dues with the appropriate authorities *except Income Tax, wherein there are delays*. As per the information and explanations given to us, there are no undisputed arrears of statutory dues as at 31st March 2014, which are outstanding for more than six months from the date they became payable *other than Income Tax dues amounting to ₹ 183.11 Lacs*.

b) As explained to us and according to the records of the Company, the outstanding disputed statutory dues are as follows:
(₹ in Lacs)

Type of the Statute	Nature of Dues dispute is pending	Forum where dispute is pending	Financial Year	Amount
Sales Tax	Tax and Interest	Appellate Tribunal – Orissa	1995-96 to 1998-99	32.68
Entry Tax	Tax and Interest	Appellate Tribunal	2004-05 and 2005-06	18.86
Commercial Tax	Tax and Interest	Board	2006-07	70.34
Commercial Tax	Tax and Interest	Tribunal	2005-06	333.59
Income Tax	Tax and Interest	CIT – Appeals	2005-06 and 2006-07	304.59
Income Tax	Tax and Interest	ACIT (Rectification)	2007-08	42.45

- 10) The Company does not have any accumulated losses as at March 31st, 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 11) *Based on our Audit procedures and according to the information and explanations given to us and based on the documents and the books and records examined by us, we report that the Company has defaulted in payments of ₹ 1,000 Lacs to a financial institution, and the amount is outstanding on the balance sheet date. It has also made delayed repayments to foreign banks amounting to ₹ 5,742.96 Lacs (USD 93.73 Lacs) during the year, which are paid with delay of 7 to 73 days, except an amount of ₹ 717.39 Lacs (USD12.01 Lacs), which is unpaid on the balance sheet date.*
- 12) According to the information and explanations given to us and based on the records produced before us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the Company is not a Chit Fund / Nidhi / Mutual benefit Fund / Society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- 14) According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- 15) According to the information and explanations given to us, the Company has given corporate guarantees for loans taken by two of its subsidiaries and a joint venture company from banks. We are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the company.
- 16) According to the information and explanations given to us and on the basis of examination of the relevant records, prima facie, it appears that the term loans are applied for the purpose for which they are obtained.
- 17) According to the information and explanations given to us and an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short- term basis have been used for long-term investments.
- 18) During the year, the Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained u/s 301 of the Companies Act, 1956. Therefore, the provisions of the clause 4(xviii) of the Order are not applicable to the Company.
- 19) The Company has created securities / charges in respect of secured debentures issues.
- 20) The Company has not raised any money by way of public issue during the year. Therefore, the provisions of clause 4(xx) of the Order are not applicable to the Company.
- 21) According to the information and explanation given by the management, we report that no material fraud on or by the Company has been noticed or reported during the year or has been informed to us by the management.

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants
Firm's Registration Number: 117247W

Place: Mumbai
Date: 30th May, 2014

R. M. AJGAONKAR
Partner
Membership Number: 31927

JYOTI STRUCTURES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

	Note	As at 31-Mar-2014 ₹ in Lacs	As at 31-Mar-2013 ₹ in Lacs
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	1	4,145.48	4,145.20
b) Reserves and Surplus	2	73,712.49	70,453.56
		<u>77,857.97</u>	<u>74,598.76</u>
2) Share Application Money Pending Allotment	3	3.00	0.92
3) Non Current Liabilities			
a) Long Term Borrowings	4	15,292.17	17,107.58
b) Deferred Tax Liabilities (Net)	5	13.32	1,091.65
c) Other Long Term Liabilities	6	15,949.68	13,257.55
d) Long Term Provisions	7	836.98	680.18
		<u>32,092.15</u>	<u>32,136.96</u>
4) Current Liabilities			
a) Short Term Borrowings	8	89,353.58	61,748.47
b) Trade Payables	9	1,68,977.74	66,832.81
c) Other Current Liabilities	10	49,550.66	43,740.07
d) Short Term Provisions	11	2,758.55	2,374.52
		<u>3,10,640.53</u>	<u>1,74,695.87</u>
TOTAL		<u><u>4,20,593.65</u></u>	<u><u>2,81,432.51</u></u>
II ASSETS			
1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	12	17,592.71	18,345.57
ii) Intangible Assets	12	1,308.59	1,215.59
iii) Capital Work-in-Progress		1.60	107.52
		<u>18,902.90</u>	<u>19,668.68</u>
b) Non Current Investments	13	8,655.67	8,655.45
c) Long Term Loans and Advances	14	715.52	698.90
d) Other Non Current Assets	15	4,524.14	4,209.40
2) Current Assets			
a) Inventories	16	45,621.70	22,324.96
b) Trade Receivables	17	2,79,512.56	1,80,399.16
c) Cash and Bank Balances	18	8,223.67	3,299.07
d) Short Term Loans and Advances	19	54,291.13	42,175.20
e) Other Current Assets	20	146.36	1.69
		<u>3,87,795.42</u>	<u>2,48,200.08</u>
TOTAL		<u><u>4,20,593.65</u></u>	<u><u>2,81,432.51</u></u>
Significant Accounting Policies	30		
Other Notes to Financial Statements	31		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For and on behalf of the Board

For R. M. AJGAONKAR & ASSOCIATES

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 30th May, 2014

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Vice Chairman

S. D. KSHIRSAGAR

Chairman

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note	Year Ended 31-Mar-2014 ₹ in Lacs	Year Ended 31-Mar-2013 ₹ in Lacs
I INCOME			
Revenue from Operations (Gross)	21	3,38,268.24	2,84,219.36
Less: Excise duty		5,692.49	4,032.47
Revenue from Operations (Net)		3,32,575.75	2,80,186.89
Other Income	22	4,417.24	1,294.63
Total Revenue		3,36,992.99	2,81,481.52
II EXPENSES			
Cost of Materials Consumed	23	2,39,001.35	1,72,480.27
Erection and Sub-contracting Expense	24	51,699.03	44,603.36
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	(23,236.41)	565.84
Employee Benefits Expense	26	8,828.80	8,492.70
Finance Costs	27	22,031.07	16,872.93
Depreciation and Amortization Expense (Net)	28	2,696.29	2,515.01
Other Expenses	29	30,742.11	26,158.64
Total Expenses		3,31,762.24	2,71,688.75
III Profit Before Tax (I-II)		5,230.75	9,792.77
IV Tax Expense:			
Current Tax		3,033.00	3,492.00
Deferred Tax (Net)		(1,078.33)	(186.90)
(Excess)/Short Provision of Taxes for earlier year		43.63	4.43
		1,998.30	3,309.53
V Profit for the year (III-IV)		3,232.45	6,483.24
VI Earnings Per Equity Share (In ₹)			
[Nominal value of share ₹ 2]			
1) Basic		₹ 3.89	₹ 7.88
2) Diluted		₹ 3.88	₹ 7.86
Significant Accounting Policies	30		
Other Notes to Financial Statements	31		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For and on behalf of the Board

For R. M. AJGAONKAR & ASSOCIATES

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 30th May, 2014

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

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

		Year Ended 31-Mar-2014 ₹ in Lacs	Year Ended 31-Mar-2013 ₹ in Lacs
I CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Taxes and Extraordinary Items	[A]	5,230.75	9,792.77
ADJUSTMENTS FOR			
i) Depreciation and Amortisation		2,698.71	2,517.43
ii) Transferred from Revaluation Reserve		(2.42)	(2.42)
iii) Finance Cost		22,031.07	16,872.93
iv) (Gain)/Loss on Sale of Fixed Assets (Net)		98.21	10.49
v) Interest Received		(2,082.59)	(890.53)
vi) Employee Compensation Expense - ESOS		56.15	(83.99)
	[B]	22,799.13	18,423.91
Operating Profit before Working Capital changes	[A+B] = [C]	28,029.88	28,216.68
ADJUSTMENTS FOR			
i) Inventories		(23,296.75)	4,244.83
ii) Trade Receivable & Other Receivable, Loans & Advances, Other Current Assets		(1,06,171.47)	(33,022.49)
iii) Current Liabilities and Provisions		110,567.47	12,045.78
	[D]	(18,900.75)	(16,731.88)
Cash Generated from Operations	[C+D] = [E]	9,129.13	11,484.80
i) Direct Taxes Paid (Net)		(1,875.57)	(6,354.84)
	[F]	(1,875.57)	(6,354.84)
Net Cash (used in) / from Operating Activities [I]	[E+F] = [G]	7,253.56	5,129.96
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Proceeds from Sale of Fixed Assets		73.87	62.41
ii) Purchase of Fixed Assets [After adjustment of (Increase)/ Decrease in Capital Work-in-Progress]		(2,105.02)	(1,209.89)
iii) Purchase of Investments Net of Proceeds		(0.22)	-
iv) Interest Received		2,082.58	890.53
v) Net Advances to Subsidiary Companies		(2,490.01)	(8,377.19)
vi) Net Advances to Companies other than Subsidiaries		(2,633.20)	(2,467.48)
Net Cash (used in) / from Investing Activities [II]		(5,072.00)	(11,101.62)

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

	Year Ended 31-Mar-2014 ₹ in Lacs	Year Ended 31-Mar-2013 ₹ in Lacs
III CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Issue of Equity Share (inclusive of Share Premium and after considering ESOS allotted to employees)	4.40	8.39
ii) Proceeds from Issue of Preference Share	-	2,500.00
iii) Proceeds from issue of Non Convertible Debentures	3,304.00	1,670.00
iv) Repayment of Non convertible Debentures	-	(12,086.41)
v) Proceeds from Long Term Borrowings	1,334.40	12,972.61
vi) Repayment of Long Term Borrowings	(6,882.34)	(3,847.19)
vii) Net Increase/(Decrease) in Interest Free Sales Tax Defferal Loan	(27.74)	(14.90)
viii) Proceeds from Short Term Borrowings from banks	27,605.11	20,584.24
ix) Proceeds from Asset Finance from Banks	-	150.12
x) Repayment of Asset Finance from Banks	(77.61)	(83.71)
xi) Proceeds from Asset Finance from Financiers	613.98	-
xii) Repayment of Asset Finance from Financiers	(32.98)	(7.74)
xiii) Dividends Paid	(655.19)	(899.54)
xiv) Dividends on Pref Share Capital	(1.23)	-
xv) Dividend and Dividend Distribution Tax for earlier year	(0.03)	(0.13)
xvi) Net Corporate Dividend Tax Paid	-	(146.71)
xvii) Finance Cost	(22,031.07)	(16,872.93)
Net Cash (used in) / from Financing Activities [III]	3,153.70	3,926.10
Net Increase/(Decrease) in Cash and Cash Equivalents [I + II + III]	5,335.26	(2,045.56)
Cash and Cash Equivalents at the beginning of the year	1,911.79	3,957.35
Cash and Cash Equivalents at the end of the year	7,247.05	1,911.79

Note: Cash and Cash Equivalents includes ₹ 32.60 Lacs (P.Y. ₹ 29.71 Lacs) on account of Unclaimed Dividend, which are not available for the use by the Company.

As per our report attached

For and on behalf of the Board

For R. M. AJGAONKAR & ASSOCIATES

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 30th May, 2014

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

1 SHARE CAPITAL

	31-Mar-2014		31-Mar-2013	
	Number	₹ in Lacs	Number	₹ in Lacs
Authorised :				
Equity Shares of ₹ 2/- each	17,50,00,000	3,500.00	17,50,00,000	3,500.00
Redeemable Preference Shares of ₹ 100/- each	50,00,000	5,000.00	50,00,000	5,000.00
	<u>18,00,00,000</u>	<u>8,500.00</u>	<u>18,00,00,000</u>	<u>8,500.00</u>
Issued :				
Equity Shares of ₹ 2/- each	8,22,89,082	1,645.78	8,22,75,407	1,645.51
Redeemable Preference Shares of ₹ 100/- each	25,00,000	2,500.00	25,00,000	2,500.00
	<u>8,47,89,082</u>	<u>4,145.78</u>	<u>8,47,75,407</u>	<u>4,145.51</u>
Subscribed and Paid-up :				
Equity Shares of ₹ 2/- each fully paid up	8,22,73,822	1,645.48	8,22,60,147	1,645.20
Redeemable Preference Shares of ₹ 100/- each fully paid up	25,00,000	2,500.00	25,00,000	2,500.00
TOTAL	<u>8,47,73,822</u>	<u>4,145.48</u>	<u>8,47,60,147</u>	<u>4,145.20</u>

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period Equity Shares

At the beginning of the period	8,22,60,147	1,645.20	8,22,13,897	1,644.27
Issued during the period - ESOS	13,675	0.28	46,250	0.93
Outstanding at the end of the period	<u>8,22,73,822</u>	<u>1,645.48</u>	<u>8,22,60,147</u>	<u>1,645.20</u>

b) Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting period Preference Shares

At the beginning of the period	25,00,000	2,500.00	-	-
Issued during the period	-	-	2,500,000	2,500.00
Outstanding at the end of the period	<u>25,00,000</u>	<u>2,500.00</u>	<u>2,500,000</u>	<u>2,500.00</u>

c) Names of Equity shareholders holding more than 5 % shares

	Number	%	Number	%
1) Valecha Infrastructure Ltd.	54,31,400	6.60%	54,31,400	6.60%
2) Prakash K Thakur	49,42,488	6.00%	52,48,235	6.38%
3) K. R. Thakur	36,55,973	4.45%	46,46,426	5.65%
4) Reliance Capital Trustee Ltd.	46,14,900	5.61%	46,14,900	5.61%

d) Names of preference shareholders holding more than 5 % shares

1) Amtek India Limited	4,00,000	16.00%	15,00,000	60.00%
2) Amtek Auto Limited	4,50,000	18.00%	10,00,000	40.00%
3) Aarken Advisors Private Limited	4,50,000	18.00%		
4) Aryahi Buildwell Private Limited	4,75,000	19.00%		
5) Vishwas Marketing Services Private Limited	3,50,000	14.00%		
6) Mukund Motorparts Private Limited	3,75,000	15.00%		

e) Shares reserved for issue under options Employee Stock Options Scheme (ESOS)

1) Under ESOS 2005, eligible employee on grant of option & on vesting shall be entitled to apply for five equity shares of ₹. 2/- each at an exercise price of ₹. 17/- per equity share for each option.	5,81,500	5,95,175
2) Under ESOS 2011, eligible employee on grant of option & on vesting shall be entitled to apply for five equity shares of ₹ 2/- each at an exercise price of ₹. 25/- per equity share for each option.	25,00,000	25,00,000

- f) The Company has equity shares having a par value of ₹ 2/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- g) The Company has preference shares having a par value of ₹ 100/- each. The Share carries dividend @ 1%. In the event of liquidation, the shareholders will have preference in repayment over equity shareholders.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
2 RESERVES AND SURPLUS		
a. Capital Reserve		
As per last Balance Sheet	6.06	6.06
b. Capital Redemption Reserve		
As per last Balance Sheet	300.00	300.00
c. Securities Premium Reserve		
As per last Balance Sheet	16,140.75	16,087.95
Add: On Allotment of Equity Shares	15.20	52.80
	16,155.95	16,140.75
d. Debenture Redemption Reserve		
As per last Balance Sheet	417.50	6,044.00
Add: Transferred from Surplus in the Statement of Profit and Loss	826.00	417.50
Less: Transferred to General Reserve	-	6,044.00
	1,243.50	417.50
e. Revaluation Reserve*		
As per last Balance Sheet	37.58	40.00
Less: Transferred from the Statement of Profit and Loss as Reduction from Depreciation	2.42	2.42
	35.16	37.58
f. Employee Stock Option Outstanding [Note No. 31 (19)]		
Add: Employee Stock Option Outstanding	374.20	387.36
Less: Deferred Employee Compensation Expense	27.95	84.10
	346.25	303.26
g. General Reserve		
As per last Balance Sheet	16,256.64	9,562.64
Add: Transferred from Debenture redemption reserve	-	6,044.00
Add: Transferred from Surplus in the Statement of Profit and Loss	350.00	650.00
	16,606.64	16,256.64
h. Surplus in Statement of Profit and Loss		
As per last Balance Sheet	36,991.77	32,342.43
Add: Profit for the year	3,232.45	6,483.24
Less: Appropriations		
Proposed Dividend - Equity Shares [amount per share ₹ Nil (P.Y.: ₹ 0.80/-)]	-	658.08
Tax on Dividend	-	106.96
Dividend and Dividend Distribution Tax for an earlier year	0.04	0.13
Preference Share Dividend and Dividend Distribution Tax	29.25	1.23
Transfer to Debenture Redemption Reserve	826.00	417.50
Transfer to General Reserve	350.00	650.00
	1,205.29	1,833.90
Net Surplus in the Statement of Profit and Loss	39,018.93	36,991.77
TOTAL	73,712.49	70,453.56

*Cumulative amount withdrawn from Revaluation Reserve is ₹ 48.47 Lacs (P.Y. ₹ 46.04 Lacs)

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

3

SHARE APPLICATION MONEY PENDING ALLOTMENT

31-Mar-2014

31-Mar-2013

₹ in Lacs

₹ in Lacs

Share Application Money Pending Allotment

For Equity Shares

3.00

0.92

Number of Shares proposed to be allotted

17,650

5,425

Amount of Premium, if any

2.65

0.81

Terms and Conditions of shares proposed to be issued

Option Grantees, in accordance with the Employees Stock Option Scheme have an option to exercise their rights to apply for 5 Equity shares for each options held, at an exercise price of ₹ 17 per Share within the vesting period

Date by which the shares shall be allotted

15-Apr-2014

15-Apr-2013

Whether sufficient authorised share capital to cover allotment of shares out of such share application money

YES

YES

The period overdue from the proposed date of allotment

NA

NA

Non- Current

Current

31-Mar-2014

31-Mar-2013

31-Mar-2014

31-Mar-2013

₹ in Lacs

₹ in Lacs

₹ in Lacs

₹ in Lacs

4

LONG TERM BORROWINGS

Secured Loans

Non Convertible Debenture

4,974.00

1,670.00

-

-

Term Loan

From Bank

3,000.71

2,719.24

16,472.98

12,771.90

From Other

457.71

-

128.19

4.90

TOTAL - A

8,432.42

4,389.24

16,601.17

12,776.80

Unsecured Loans

Term Loan

From Bank

-

5,220.26

-

3,260.21

From Other

Deferred Payment Liabilities

297.70

362.43

67.30

30.30

Deposits

6,562.05

7,135.65

2,134.56

2,688.60

TOTAL - B

6,859.75

12,718.34

2,201.86

5,979.11

Amount disclosed under the head "Other Current Liabilities"(Note No. 10) (Refer a)

(18,803.03)

(18,755.91)

TOTAL - A + B

15,292.17

17,107.58

-

-

Nature of Securities for Secured Loan

Debenture

a) ₹ 4,974.00 Lacs (P.Y. ₹ 1,670.00 Lacs) Non-Convertible Debentures Mortgage over identified immovable property of the subsidiary company; Subservient charge on all moveable and immoveable properties of the company;

Term Loan from bank

a) ₹ 432.39 Lacs (P.Y. ₹ 3,707.79 Lacs) Secured by i) first pari passu charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. ii) second charge on current assets of the company and iii) exclusive charge on specific machinery and equipment;

b) ₹ Nil in C.Y. (P.Y. ₹ 148.97 Lacs) Secured by i) first pari passu charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. and ii) hypothecation on specific Plant & Machinery

c) ₹ 183.30 Lacs (P.Y. ₹ 508.90 Lacs) Secured by hypothecation on specific Plant & Machinery

d) ₹ 1,300.00 Lacs (P.Y. ₹ Nil) Secured by hypothecation on specific Plant & Machinery

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

4 LONG TERM BORROWINGS (Contd.....)

- e) ₹ 10,960.00 Lacs (P.Y. ₹ 10,960.00 Lacs) Secured by Pari pasu charges on stock and receivables of the contract and Escrow of receivable of the Project.
- f) ₹ 6,475.74 Lacs (P.Y. ₹ Nil) Secured by i) first pari passu charge by hypothecation of moveable assets of the company and first pari passu charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. ii) second charge on current assets of the company and iii) exclusive charge on specific machinery and equipment;
- g) ₹ 170.38 Lacs (PY. ₹ 170.38 Lacs) Secured by hypothecation of Specific plant and machinery and vehicles.
- h) The Company has defaulted in repayment of loans and interest in respect of following :-

Particulars	Period of Default	31-Mar-2014	31-Mar-2013
		₹ in Lacs	₹ in Lacs
i) Term Loan	Various dates from 20th Feb 2014 to 31st March 2014	1,000.00	-
ii) Term Loan - ECB Loan	Various dates from 23rd March 2014 to 31st March 2014	717.39	-

Maturity Profile of Unsecured Term Loans are as below :	Maturity Profile			₹ in Lacs
	1-2 Years	2-3 Years	3-4 Years	4-5 Years
Deposits	6,186.15	375.90	-	-

Redemption of Secured Non Convertible Debentures are as below :

7.00 % Debentures	-	-	-	2,700.00
14.00 % Debentures	-	-	650.00	214.00
12.50 % Debentures	1,020.00	390.00	-	-

5 DEFERRED TAX LIABILITIES (NET)

	Deferred Tax Liability/ (Asset) as at 31-Mar-2014	Current Year Liability/ (Asset)	Deferred Tax Liability/ (Asset) as at 31-Mar-2013
Deferred Tax Liabilities			
On Account of difference in Book and Tax Depreciation	2,053.86	(115.40)	2,169.26
Deferred Tax Assets			
Disallowance under the Income Tax Act, 1961	(2,040.54)	(962.93)	(1,077.61)
TOTAL	13.32	(1,078.33)	1,091.65

6 OTHER LONG TERM LIABILITIES

	31-Mar-2014	31-Mar-2013
	₹ in Lacs	₹ in Lacs
Trade Payables*	9,688.12	8,079.38
Others (Advances received from Customers)	6,261.56	5,178.17
TOTAL	15,949.68	13,257.55

*Amount payable beyond one year

7 LONG TERM PROVISIONS

Provision for Gratuity	548.98	432.37
Provision for Compensated Absences	288.00	247.81
TOTAL	836.98	680.18

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014	31-Mar-2013
	₹ in Lacs	₹ in Lacs
8 SHORT TERM BORROWINGS		
Secured Loan		
Loans repayable on Demand		
From Bank	89,353.58	59,602.55
Unsecured Loan		
From Bank	-	2,145.92
TOTAL	89,353.58	61,748.47

Secured Loan from Bank

₹ 89,353.58 Lacs (PY. ₹ 59,602.55 Lacs) Secured by a first charge on all present and future current assets, monies receivable and claims, except assets for which an exclusive charge has been created and secured by a charge which is second and subservient to the charge created in favour of IDBI and Standard Chartered Bank, by way of deposit of Title Deeds in respect of the Company's immovable property in M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh), Ghoti Dist. Nashik (Maharashtra), Malvan Dist. Sindhudurgh (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai.

	31-Mar-2014	31-Mar-2013
	₹ in Lacs	₹ in Lacs
9 TRADE PAYABLES		
Trade Payables (Including Acceptances)*	1,68,977.74	66,832.81
TOTAL	1,68,977.74	66,832.81

* (Refer Note No. 31 (23) for details of due to Micro, Small and Medium Enterprises)

10 OTHER CURRENT LIABILITIES

a) Current Maturities of Long Term Borrowings (Note No. 4)	18,803.03	18,755.91
b) Interest Accrued But Not Due on Borrowings	821.40	555.28
c) Advances from Customers	23,332.48	17,044.11
d) Unclaimed Dividend*	32.60	29.71
e) Other Payables (Including expenses)	4,682.46	6,148.86
f) Statutory Liabilities	1,878.69	1,206.20
TOTAL	49,550.66	43,740.07

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2014. These amount shall be paid to the fund as and when they became due.

11 SHORT TERM PROVISIONS

a) Provision for Employee Benefits	133.93	190.16
b) Proposed Dividend	-	658.08
c) Provision for Income Tax on Proposed Dividend	4.25	106.96
d) Provision for Tax*	2,620.37	1,419.32
TOTAL	2,758.55	2,374.52

* The Provision for Income Tax amounting to ₹ 2,620.37 Lacs (P.Y. ₹ 1,419.32 Lacs) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other adjustments.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

12 FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTISATION			NET BLOCK	
	As at	Additions	Deletions/ Adjustments	As at	As at	For the Year	Deletions/ Adjustments	As at	As at	As at
	01-Apr-2013			31-Mar-2014	01-Apr-2013			31-Mar-2014	31-Mar-2014	31-Mar-2013
Tangible Assets : Ownership										
Freehold Land	112.02	-	-	112.02	-	-	-	-	112.02	112.02
Leasehold Land	188.82	34.88	-	223.70	17.24	3.42	-	20.66	203.04	171.58
Buildings	2,830.21	50.93	-	2,881.14	742.69	72.28	-	814.97	2,066.17	2,087.52
Plant & Machinery	20,196.46	342.89	475.24	20,064.11	8,239.98	1,543.25	314.74	9,468.49	10,595.62	11,956.48
Furniture & Fixtures	696.51	26.82	10.06	713.27	449.51	42.30	10.06	481.75	231.52	247.00
Computer & Office Equipments	1,577.33	142.08	160.66	1,558.75	991.35	125.13	159.48	957.00	601.75	585.98
Vehicles	3,300.78	1,152.03	27.00	4,425.81	1,387.12	385.65	16.60	1,756.17	2,669.64	1,913.66
TOTAL - A	28,902.13	1,749.63	672.96	29,978.80	11,827.89	2,172.03	500.88	13,499.04	16,479.76	17,074.24
Tangible Assets : On Operating Lease										
Plant & Machinery	162.08	-	-	162.08	14.03	12.03	-	26.06	136.02	148.05
Vehicles	1,294.03	-	-	1,294.03	170.75	146.35	-	317.10	976.93	1,123.28
TOTAL - B	1,456.11	-	-	1,456.11	184.78	158.38	-	343.16	1,112.95	1,271.33
TOTAL - C = A+B	30,358.24	1,749.63	672.96	31,434.91	12,012.67	2,330.41	500.88	13,842.20	17,592.71	18,345.57
Intangible Assets :										
Software	1,723.59	461.30	-	2,184.89	568.23	308.07	-	876.30	1,308.59	1,155.36
Goodwill on Amalgamation	301.13	-	-	301.13	240.90	60.23	-	301.13	-	60.23
TOTAL - D	2,024.72	461.30	-	2,486.02	809.13	368.30	-	1,177.43	1,308.59	1,215.59
TOTAL - E = C+D	32,382.96	2,210.93	672.96	33,920.93	12,821.80	2,698.71	500.88	15,019.63	18,901.30	19,561.16
Previous Year	30,649.80	1,987.03	253.87	32,382.96	10,485.34	2,517.43	180.97	12,821.80	19,561.16	20,164.46

Note :- The Land includes leasehold land and the amount shown in the Depreciation column represents amortisation of the lease cost over the period of the lease

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

13 NON-CURRENT INVESTMENTS

	Subsidiary / Associate / Joint Venture	Face Value	No. of Shares / Units		Amount	
			31-Mar-2014 Nos	31-Mar-2013 Nos	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
Trade Investment						
Investment in Equity Instruments						
Unquoted - At Cost						
JSL Corporate Services Ltd. - Eq. Shares	Subsidiary	₹ 10 Each	35,00,000	35,00,000	350.00	350.00
Jyoti Energy Ltd. - Eq. Shares	Subsidiary	₹ 10 Each	50,000.00	50,000.00	5.00	5.00
Jyoti Structures Africa (pty.) Ltd. - Eq. Shares	Subsidiary	Rand 1 Each	70.00	70.00	0*	0*
Jyoti International Inc. - Eq. Shares	Subsidiary	\$ 0.01 Each	100.00	100.00	6,000.65	6,000.65
Jyoti Structures FZE. - Eq Share	Subsidiary	AED 10,00,000 Each	1.00	1.00	134.18	134.18
Gulf Jyoti International LLC - Eq. Shares	Joint Venture	AED 1000 Each	12,930.00	12,930.00	1,642.77	1,642.77
Lauren Jyoti Pvt Ltd. - Eq Shares	Joint Venture	₹ 10 Each	50,00,000	50,00,000	500.00	500.00
Jankalyan Sahakari Bank Ltd. - Eq. Shares	Other	₹ 10 Each	49,955.00	49,955.00	5.85	5.85
					8,638.45	8,638.45
Other Investment						
Investment in mutual fund						
Quoted - At Cost						
SBI Blue Chip Fund	Mutual Fund	₹ 10 Each	20,000	20,000	2.00	2.00
SBI Infrastructure Fund	Mutual Fund	₹ 10 Each	50,000	50,000	5.00	5.00
SBI One India Fund	Mutual Fund	₹ 10 Each	Nil	50,000	-	5.00
SBI Magnum Equity Fund	Mutual Fund	₹ 10 Each	12,136	Nil	5.22	-
UTI Bond Fund	Mutual Fund	₹ 10 Each	28,352	28,352	5.00	5.00
					17.22	17.00
TOTAL						
					8,655.67	8,655.45

Book value of Unquoted Investments is ₹ 8,638.45 Lacs (P.Y. ₹ 8,638.45 Lacs)

Book value of Quoted Investments is ₹ 17.22 Lacs (P.Y. ₹ 17.00 Lacs)

Market value of Quoted Investments is ₹ 24.39 Lacs (P.Y. ₹ 22.74 Lacs)

*Investment at the end of the year in Jyoti Structures Africa (Pty) Ltd. is ₹ 419/- (P.Y. ₹ 419/-)

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
14 LONG TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Capital Advances	24.32	-
b) Security and Other Deposits	644.56	641.84
c) Other Loans and Advances (Loan to Employees)	46.64	57.06
TOTAL	715.52	698.90
15 OTHER NON CURRENT ASSETS		
Unsecured, considered good		
Trade Receivables	4,524.14	4,209.40
TOTAL	4,524.14	4,209.40

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
16 INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)		
a) Raw Materials		
i) In Stock	7,255.11	6,283.62
ii) In Transit	198.77	589.47
b) Construction Materials at Site	1,828.27	2,592.81
c) Semi Finished Goods	1,271.76	537.06
d) Work-in-Progress	18,244.17	6,570.34
e) Finished Goods	14,078.41	3,272.38
f) Stores and Consumables	228.09	381.53
g) Tools and Tackles	2,412.61	2,015.08
h) Scrap	104.51	82.67
TOTAL	45,621.70	22,324.96
17 TRADE RECEIVABLES		
Unsecured, considered good		
a) Trade Receivables (overdue more than six months)	22,694.42	9,476.49
b) Other Trade Receivables	2,56,818.14	1,70,922.67
TOTAL	2,79,512.56	1,80,399.16
18 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
a) Balances with Banks	7,172.52	1,567.46
b) Fixed Deposit with original maturity for less than 3 months	-	265.99
c) Unpaid Dividend Bank Balanance	32.60	29.71
d) Cash On Hand	41.93	48.63
	7,247.05	1,911.79
Other Bank Balances		
a) Margin money with bank	976.62	1,387.28
	976.62	1,387.28
TOTAL	8,223.67	3,299.07
19 SHORT TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Loan and Advances to Related Parties [Note No. 31(16)]	23,479.49	21,937.98
b) Other Loans and Advances		
i) Prepaid Expenses	5,981.30	4,671.87
ii) Loans to Employees	15.72	20.24
iii) Balances With Statutory/Government Authorities	13,718.89	9,404.21
iv) Advances to Supplier	9,247.64	3,943.74
v) Sundry Deposits	264.58	443.86
vi) Other Advances and Claim Receivables	1,583.51	1,753.30
TOTAL	54,291.13	42,175.20
20 OTHER CURRENT ASSETS		
Unsecured and considered good		
Interest Accrued But Not Due on Fixed Deposit	146.36	1.69
TOTAL	146.36	1.69

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014	31-Mar-2013
	₹ in Lacs	₹ in Lacs
21 REVENUE FROM OPERATIONS		
a) Sale of Products	3,30,637.82	2,76,867.79
b) Sale of Services	3,804.60	3,262.40
c) Other Operating Revenues	3,825.82	4,089.17
Revenue from Operations (Gross)	3,38,268.24	2,84,219.36
Less: - Excise Duty	5,692.49	4,032.47
Revenue from Operations (Net)	3,32,575.75	2,80,186.89
22 OTHER INCOME		
a) Lease Rentals	501.21	404.10
b) Interest on Fixed Deposits	263.51	26.50
c) Interest on Others	1,819.08	864.03
d) Net Gain on Foreign Currency Transactions and Translation	1,833.44	-
TOTAL	4,417.24	1,294.63
23 COST OF MATERIAL CONSUMED		
Cost of Material Consumed	2,39,001.35	1,72,480.27
TOTAL	2,39,001.35	1,72,480.27
24 ERECTION AND SUB-CONTRACTING EXPENSE		
a) Construction Materials and Stores Consumed	11,871.70	11,397.27
b) Tools and Tackles Consumed	1,372.98	1,436.68
c) Sub-contracting Expenses	33,530.60	27,788.79
d) Repairs to Construction Equipments/Machinery	120.99	114.61
e) Construction Transportation Charges	4,802.76	3,866.01
TOTAL	51,699.03	44,603.36
25 CHANGES IN INVENTORIES		
a) (Increase)/Decrease Finished Goods Stock	(10,806.03)	251.61
b) (Increase)/Decrease WIP/Semi Finished Goods Stock	(12,408.54)	274.27
c) (Increase)/Decrease Scrap Stock	(21.84)	39.96
TOTAL	(23,236.41)	565.84
26 EMPLOYEE BENEFITS EXPENSE		
a) Salaries, Wages and Bonus, etc.	7,548.96	7,116.75
b) Leave Encashment	91.59	152.49
c) Employee Compensation Expense - ESOS	56.15	(83.99)
d) Contribution to Provident and Other Fund	748.77	877.96
e) Welfare Expenses	383.33	429.49
TOTAL	8,828.80	8,492.70
27 FINANCE COSTS		
a) Interest Expense	20,742.84	15,429.07
b) Other Borrowing Costs	1,060.44	1,258.03
c) Net (gain)/loss on foreign currency transactions and translation on borrowing cost	227.79	185.83
TOTAL	22,031.07	16,872.93

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
28 DEPRECIATION AND AMORTIZATION EXPENSE		
a) Depreciation of Tangible Assets (Note No. 12)	2,330.41	2,287.53
b) Amortization of Intangible Assets (Note No. 12)	368.30	229.90
	2,698.71	2,517.43
c) Less : Transfer from Revaluation Reserve	(2.42)	(2.42)
TOTAL	2,696.29	2,515.01
29 OTHER EXPENSES		
a) Stores and Consumables	787.61	623.93
b) Packing Materials	178.34	127.19
c) Power and Fuel	2,181.78	1,804.17
d) Conversion Expenses	2,148.48	2,230.34
e) Service Charges	3,136.40	2,989.17
f) Repairs to Buildings	79.16	70.02
g) Repairs to Plant and Machinery	289.75	271.46
h) Repairs to Others	1,009.43	313.45
i) Testing and Designing Expenses	183.60	286.00
j) Excise Duty on Stocks (Net)	515.87	(73.41)
k) Rent	220.07	227.14
l) Rates and Taxes	2,088.57	3,069.82
m) Insurance	743.02	830.13
n) Travelling and Conveyance	1,635.62	1,414.96
o) Postage, Telephone and Fax	333.09	360.39
p) Printing and Stationery	224.83	214.07
q) Professional and Legal Fees	1,887.35	922.80
r) Directors' Sitting Fees	2.90	2.25
s) Payment to auditors	81.70	68.98
t) Net (gain)/loss on foreign currency transactions and translation	-	200.10
u) Licence and Tender Fees	84.11	83.60
v) Donations	3.49	11.51
w) Freight Outward	3,750.79	2,900.58
x) Brokerage and Commission	1,071.53	421.39
y) Bank Charges	6,731.13	5,348.67
z) (Gain)/Loss on Sale of Fixed Assets (Net)	98.21	10.49
aa) (Gain)/Loss on Sale of Investment (Net)	(0.22)	-
ab) Bad Debts	675.21	790.54
ac) General Expenses	600.29	638.90
TOTAL	30,742.11	26,158.64

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2014

NOTE - 30 Statement of significant accounting policies

1. Basis of Preparation of Financial Statements:

The financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting, except for certain fixed assets, which are revalued in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956. They are prepared in accordance with the accounting standards notified under sub section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other relevant provisions to the extent applicable.

2. Use of Estimates:

The presentation of financial statements requires estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognised in the period in which the results are known / materialised.

3. Revenue Recognition:

- (a) Sale of goods is recognised on completion of supplies as per the terms of the contract and on transfer of risk and reward.
- (b) Sales include excise duty and adjustment for price variation and are net of claims accepted.
- (c) In case of construction / erection contracts, revenue is recognised based on the stage of completion determined as per the terms of the contract. Sales/income are booked on the basis of running account bills based on completed work and are net of claims accepted. Escalations and other claims which are not acknowledged by customers are not taken into account.
- (d) Interest income is recognised on time proportion basis. The insurance claims are accounted for on accrual basis based on fair estimation of sanctions by the insurance companies.

4. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction, net of recoverable taxes including any cost attributable for bringing the asset to its working condition for its intended use and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any.

5. Depreciation / Amortisation:

- (a) Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, except on computer software and on fixed assets of Uganda, Bhutan, Bangladesh, Kenya and South Africa branches.
- (b) Computer software is depreciated over a period of 3 to 6 years depending upon the expected useful life of the software.
- (c) On the fixed assets of Uganda, Bangladesh, Bhutan, Kenya and South Africa branches, depreciation is provided on Straight Line Method. The applicable rates are based on the local laws and practices of the respective countries.
- (d) Assets individually costing ₹ 0.05 Lacs or less are depreciated fully in the year of purchase.
- (e) In case of revalued assets, the difference between the depreciation based on revaluation and the depreciation charged on historical cost is recouped out of the revaluation reserve.
- (f) Leasehold Land is amortised over the period of lease.
- (g) Goodwill arising on amalgamation is amortised over a period of 5 years.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2014**6. Investments:**

Long term investments are stated at cost. Provision for diminution in value of such investments is made only if such a decline is other than temporary.

7. Inventories:

- (a) Raw materials, Construction materials, Components and Stores and Spares are valued at lower of cost or net realisable value.
- (b) Cost of inventories is determined by using the weighted average method.
- (c) Material purchased for supply against specific contracts is valued at cost or net realisable value as per the contract, whichever is lower.
- (d) Work-in-progress is valued at cost including material cost and attributable overheads. Provision is made when expected realisation is lesser than the carrying cost.
- (e) Finished goods are valued at cost or net realisable value, whichever is lower and inclusive of excise duty.
- (f) Tools and tackles are amortised over their estimated useful life
- (g) Scrap is valued at net realisable value.

8. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expenses in the period in which they are incurred.

9. Impairment of Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any such indication exists, then recoverable amount of the asset is estimated. An impairment loss, if any, is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

The impairment loss recognised in a prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

10. Debenture / Preference Share Issue Expenses:

Expenses incurred for issue of secured debentures and preference shares made by the Company are written off as revenue expenditure during the year of issue.

11. Foreign Currency Transactions:

- (a) Transactions denominated in foreign currencies are accounted for at the exchange rates prevailing on the dates of the transactions or that approximates the actual rate at the dates of transactions.
- (b) Monetary items denominated in foreign currencies remaining unsettled at the year end are restated at the year end rates.
- (c) Non-monetary items denominated in a foreign currency are stated at costs.
- (d) Any income or expense on account of exchange difference, either on settlement or on translation, is recognized in the Statement of Profit and Loss.
- (e) Financial Statements of Overseas Integral Operations are translated as under:

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2014

- i. Assets and liabilities are translated at the rate prevailing at the end of the year. Income and expenditure are translated on the yearly average exchange rate prevailing during the year.
 - ii. Fixed assets are translated at the average rate prevailing on purchase / acquisition of assets. Depreciation is accounted at the same exchange rate at which the assets are translated.
 - iii. The resultant exchange gains and losses are recognised in the Statement of Profit and Loss.
- (f) Forward Exchange Contracts:
- I. In case of transactions covered by forward exchange contracts which are not intended for trading or speculation purposes, premium or discount is amortised as expense or income over the life of the contract.
 - II. Exchange difference on such contracts is recognised in the Statement of Profit and Loss in the year in which the exchange rates change.
 - III. Profit or loss arising on cancellation or renewal of such forward exchange contracts is recognised as income or expense for the year.

12. Excise Duty:

The excise duty in respect of closing inventory of finished goods is included as part of the inventory. The amount of Central Value Added Tax (CENVAT) credit in respect of materials consumed for sales is deducted from cost of materials consumed.

13. Leased Assets:

Operating Lease:

- i) Lease payments are recognised as expense in the Statement of Profit and Loss on straight line basis over the term of the lease.
- ii) Assets given on operating lease are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the term of the lease.

14. Employees Retirement and Other Benefits:

a) Short Term Employee Benefits:

Short term employee benefits are recognised as expenses at the undiscounted amount in the period during which the services have been rendered.

b) Long Term Employee Benefits:

1) Defined Contribution Plan:

The Company's contribution to Provident Fund and Superannuation Fund are charged to Statement of Profit and Loss on accrual basis.

2) Defined Benefit Plan:

- i) Gratuity: The Company provides for the applicable gratuity based on actuarial valuation as per the Projected Unit Credit Method.
- ii) Leave Encashment: The Company provides for the liability at the year end on account of unavailed earned leave as per the actuarial valuation as per Projected Unit Credit Method.
- iii) The cost of employee stock option attributable to current financial year is accounted for and charged to Statement of Profit and Loss.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2014**15. Taxes on Income:**

a) Current Tax:

Provision for current Income Tax is made on the estimated taxable income using the applicable tax rates and tax laws.

b) Deferred Tax

Deferred tax arising on the timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax asset is not recognised unless there is a virtual certainty as regards to the reversal of the same in future years.

16. Earnings Per Share:

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

17. Provisions and Contingencies:

a) A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

b) A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

c) Contingent assets are neither recognised nor disclosed in the financial statement.

18. Employees Stock Option Scheme:

Stock options granted to the employees of the company, under the Employees Stock Option Scheme are evaluated as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. Accordingly, excess of market value of the stock option, as on date of grant over the exercise price of the option is recognised as deferred employee compensation and is charged to Statement of Profit and Loss as employee costs, on straight line method over the vesting period of the options.

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE - 31 NOTES FORMING PART OF THE ACCOUNTS

1. Outstanding Contracts - Capital Account:

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) are ₹ 11.28 Lacs (P.Y. ₹ Nil). Advances paid ₹ 24.32 Lacs (P.Y. ₹ Nil).

2. Contingent Liabilities not provided for:

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
i)	Outstanding of Bills Discounted	Nil	533.91
ii)	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	802.51	637.46
iii)	Civil Suits	107.87	107.87
iv)	Corporate Guarantees	68,918.04	46,247.05

The Company has given a letter of comfort for general banking facilities provided by National Bank of Abu Dhabi to Gulf Jyoti International LLC. The total loan outstanding from the bank to the said Company is AED Nil (P.Y. AED 100.97 Lacs) equivalent to ₹ Nil (P.Y. ₹ 1,498.52 Lacs) as on 31st March, 2014.

3. The gross block of fixed asset includes ₹ 83.62 Lacs (P.Y. ₹ 83.62 Lacs) on account of revaluation of fixed assets carried out by the Company in the year 1993-94. Consequent to the said revaluation, there is an additional charge of ₹ 2.42 Lacs (P.Y. ₹ 2.42 Lacs) on account of depreciation and an equivalent amount has been withdrawn from the revaluation reserve and credited to Statement of Profit and Loss. This has no impact on the profit for the year.

4. Auditors Remuneration:

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
i)	For Audit*	39.33	34.83
ii)	For Other Services*	10.11	10.11
iii)	For Uganda Branch (For Audit and Taxation Matters)	1.99	2.36
iv)	For Bhutan Branch (For Audit and Taxation Matters)	0.56	1.27
v)	For Bangladesh Branch (For Audit and Taxation Matters)	0.73	0.66
vi)	For Kenya Branch (For Audit and Taxation Matters)	2.99	1.07
vii)	For South Africa Branch (For Audit and Taxation Matters)	0.46	0.44
Total		56.18	50.76

*Figures are inclusive of Service Tax.

Professional fees of an associate firm of Statutory Auditors is ₹ 11.24 Lacs (P.Y. ₹ 11.24 Lacs).

5. CIF Value of Imports (Direct):

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
i)	Capital Goods	11.43	134.62
ii)	Raw Materials and Components	57,468.44	39,984.78
iii)	Spares and Others	4.59	1.56

6. Value of Imported and Indigenous Raw Materials and Stores & Components Consumed:

		2013-14		2012-13	
		%	₹ in Lacs	%	₹ in Lacs
a)	Raw Materials and Components				
	i) Imported	24.05%	57,468.44	24.43%	39,984.78
	ii) Indigenous	75.95%	1,81,532.87	75.57%	1,23,682.17
b)	Stores & Spares:				
	i) Imported	0.58%	4.59	0.25%	1.56
	ii) Indigenous	99.42%	783.03	99.75%	622.37

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

7. Earnings and Expenditure in Foreign Currency:

Sr No	Particulars	2013 -14 ₹ in Lacs	2012-13 ₹ in Lacs
i)	Earnings in Foreign Currency: Export of goods/services(including deemed exports and sales through export house)		
	At FOB Price	1,00,821.52	58,792.25
	At Invoice Value (Designing & testing charges)	2,162.09	1,836.50
	Rent on Equipments	501.21	404.09
ii)	Expenditure in Foreign Currency: Expenses of overseas projects (Including foreign taxes)	8,098.20	4,985.49
	Interest	367.90	440.68
	Professional Fees	Nil	114.57
	Others	665.23	90.01

8. Disclosure as required by Accounting Standard 15 (revised 2005) "Employee Benefits":

Defined Contribution Plans:

- a) Provident Fund
- b) Superannuation Fund

The provident fund is operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the Trustees of Jyoti Structures Limited Officers Superannuation Scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
i)	Contribution to Provident Fund	399.02	387.26
ii)	Contribution to Other Fund	122.36	120.84
iii)	Contribution to Employees' Superannuation Fund	41.91	97.05

Defined Benefit Plans:

Gratuity and Leave Encashment

(₹ in Lacs)

Sr	Particulars	2013-14		2012-13	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Expenses recognised in the Statement of Profit and Loss and included in Note-26 "Employee Benefits Expense" Current Service Cost	123.83	66.03	113.30	109.21
	Interest Cost	97.05	28.70	69.37	18.59
	Expected Return on Plan Assets	(46.20)	-	(42.20)	-
	Net Actuarial losses/(gain)	119.65	(3.69)	115.34	24.05
	Total Expenses	294.33	91.04	255.71	151.85

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Gratuity and Leave Encashment (Contd.....)

(₹ in Lacs)

Sr	Particulars	2013-14		2012-13	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
2	Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation:				
	Opening balance of defined benefit obligation.	1,078.35	318.86	840.88	225.33
	Current Service Cost	123.83	66.03	113.30	109.21
	Interest Cost	97.05	28.70	69.37	18.59
	Actuarial losses/(gain)	122.53	(3.69)	112.94	24.05
	Liabilities Extinguished on Settlements	-	-	-	-
	Benefits Paid	(203.08)	(79.53)	(58.13)	(58.32)
	Closing balance of defined benefit obligation	1218.67	330.37	1078.35	318.86
3	Reconciliation of opening and closing balances of changes in fair value of plan assets: Opening balance of plan assets	526.87	-	427.54	-
	Expected Returns on Plan Assets	46.20	-	42.30	-
	Actuarial (losses)/gain	2.87	-	(2.40)	-
	Assets Distributed on Settlement		-	-	-
	Contribution by Employer	7.20	-	85.00	-
	Benefits Paid	(5.00)	-	(25.58)	-
	Closing balance of plan assets	578.13	-	526.87	-
4	Net liability recognised in the Balance Sheet Closing balance of defined benefit obligation	1218.67	330.37	1078.35	318.86
	Closing balance of fair value of plan assets	578.13		526.87	-
	Present value of unfunded obligation recognised as liability	640.54	330.37	551.49	318.86
5	Actual Return on Plan Assets	49.07		39.90	
6	Actuarial Assumption				
	Discount Rate	9.00%		8.25%	
	Expected Rate of Return on Plan Assets	8.75%		9.25%	
	Expected Rate of Salary Increase	7.00%		6.00%	
	Mortality	LIC (2006-08) Indian Assured Lives Mortality Rates		LIC (1994-96) Published table of Mortality Rates	
	Withdrawal Rates	5% at younger ages and reducing to 1% at older ages according to graduated scale		5% at younger ages and reducing to 1% at older ages according to graduated scale	
	Retirement age	58 years		58 years	
	Actuarial Valuation Method	Project Unit Credit Method		Project Unit Credit Method	

Above information is as per certificates of the actuary.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

9. Disclosures in Respect of Joint Ventures under the Accounting Standard 27 "Financial Reporting of Interest in Joint Ventures":

(₹ in Lacs)

Particulars	As at 31-Mar-2014	As at 31-Mar-2013
	Share of Interest	
a) Jointly Controlled Entities Gulf Jyoti International LLC & its subsidiary GJIL Tunisie Sarl.	30%	30%
b) Aggregate amount of assets, liabilities, income and expenditure related to Company's interest in jointly controlled entity:		
Assets:		
Fixed Assets	4,654.56	4,178.90
Cash and Bank Balances	353.24	860.16
Inventories	2,821.11	2,083.84
Trade and Other Receivables	4,583.40	4,297.25
Loans and Advances	1,490.17	1,783.05
Current Liabilities:	5,809.99	8,319.25
Non-Current Liabilities	6,376.11	3,484.93
Income	14,327.33	11,287.46
Expenditure	13,707.41	10,881.53
Contingent Liability on account of Letter of Credit	200.28	1,710.01
Contingent Liability on account of Guarantees	8,673.95	5,298.00

10. The Company has invested an amount of AED 129.30 Lacs (P.Y. AED 129.30 Lacs) equivalent to ₹ 1642.77 Lacs (P.Y. ₹ 1642.77 Lacs) in its Joint Venture Company namely, Gulf Jyoti International LLC. That Company maintains its accounts on calendar year basis. The total paid up capital of the Company as on 31st March 2014 was AED 431.00 Lacs (P.Y. AED 431.00 Lacs). As against this capital, the total profit earned during the year was AED 36.97 Lacs (P.Y. AED 102.74 Lacs) and total accumulated losses as on 31st March 2014 were AED 92.23 Lacs (P.Y. AED 129.20 Lacs). However, based on the orders in hand and the business outlook of the joint venture Company, the management is of the opinion that these accumulated losses are temporary in nature and will be recovered in the next couple of years. Due to this, the management believes that there is no other than temporary diminution in value of the investment and therefore no provision for the same is made during the year.
11. The company has invested an amount of USD 129.90 Lacs equivalent to ₹ 6,000.65 Lacs in its subsidiary company namely, Jyoti International Inc. That Company maintains its accounts on financial year basis. The company has incurred total loss of USD 133.01 Lacs equivalent to ₹ 7,579.41 Lacs (P.Y. Loss of USD 57.48 Lacs equivalent to ₹ 3,022.01 Lacs) during the year. Total accumulated losses as on 31st March 2014 are USD 201.14 Lacs (P.Y. USD 68.12 Lacs). However, based on the orders in hand and the business outlook of the company, the management is of the opinion that these accumulated losses are temporary in nature and will be recovered in the next few years. Due to this, the management believes that there is no other than temporary diminution in value of the investment in that company and therefore no provision for the same is made during the year.
12. Lauren Jyoti Private Ltd. is a joint venture company (JVC) between Lauren Engineers Constructors Inc. (Lauren) and Jyoti Structures Limited (JSL) with equity participation of ₹ 500 Lacs by each partner and with technical assistance, support and know-how to be provided by Lauren and pre-qualification credentials by the Company for EPC Contracts. Due to differences and disputes arising between the partners during the execution of 50 MW Solar Thermal Power Plant EPC Contract awarded by Godavari Green Energy Limited, the financial statements of JVC have not been adopted. Based on the advice, the Company is in the process of referring the dispute to arbitration in accordance with the Joint Venture Agreement.
13. Forward exchange contracts outstanding as at 31st March, 2014 which are entered into by the Company and which are not intended for trading or speculative purposes are given below:

(₹ in Lacs)

Particulars	As at 31-Mar-2014	As at 31-Mar-2013
Forward Exchange Contracts	Nil	Nil

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

14. Foreign Currency exposures that are not hedged by derivative instruments as on 31st March, 2014 amount to ₹ 47,496.99 Lacs.

15. Disclosures for operating leases under Accounting Standard 19 – “Leases”:

a) Disclosures in respect of the agreements entered into after 1st April, 2001 for taking on leave and license/under operating leases; the residential/office premises and warehouses, including furniture fittings therein as applicable, and machinery are given below:

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
1	Lease payments recognised in the Statement of Profit and Loss for the year	248.57	149.86
2	Future minimum payments under the agreements, which are non-cancellable. (All the lease agreements are cancellable)	-	-

b) Disclosures in respect of the agreements entered into after 1st April, 2001 for giving the plant and machineries and other fixed assets under operating leases are given below:

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
1	Lease income recognised in the Statement Profit and Loss for the year	501.21	404.09
2	Future minimum lease receipt under the agreements, which are non-cancellable are as follows:		
	i) Not later than one year	-	-
	ii) Later than one year and not later than five years	-	-

The agreements provide for early termination by either party with a notice period which varies from fifteen days to three months and they contain a provision for their renewal.

16. Related Party Disclosures:

Related party disclosures as required by Accounting Standard 18, “Related Party Disclosures”, Relationships (during the year)

(a) Subsidiary of the Company:

- i) Jyoti Energy Ltd.
- ii) JSL Corporate Services Ltd.
- iii) Jyoti Structures Africa (Pty) Ltd.
- iv) Jyoti International Inc.
- v) Jyoti Americas LLC
- vi) Jyoti Structures Canada Ltd.
- vii) Jyoti Structures FZE
- viii) Jyoti Structures Namibia (Pty) Ltd.
- ix) Jyoti Structures Nigeria Ltd.
- x) Jyoti Structures Kenya Ltd.

(b) Joint Venture:

- i) Gulf Jyoti International LLC
- ii) Lauren Jyoti Pvt Ltd.

(c) Key Management Personnel:

- i) Mr. Prakash Thakur
- ii) Mr. Santosh Nayak
- iii) Mr. K. R. Thakur

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

The following transactions were carried out with the related parties in the ordinary course of business:

Sr.	Particulars	Type of Relationship	Related Party	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
1	Sale of Goods/ Services	(a)	(iii)	Nil	1,246.34
		(a)	(v)	38.28	551.87
		(a)	(viii)	1,060.10	Nil
		(b)	(i)	372.98	486.40
		(b)	(ii)	672.18	4,826.64
2	Lease Rentals	(a)	(iii)	146.98	108.07
		(b)	(i)	354.23	296.02
3	Purchase of Goods/Services	(a)	(v)	NIL	4,072.13
		(a)	(vii)	1,577.28	517.38
		(b)	(i)	4,521.43	5,468.61
4	Remuneration paid	(c)		496.56	489.64
5	Net amount given/(taken) during the year	(a)	(iii)	Nil	838.74
		(a)	(iv)	(4,244.70)	7,966.64
		(a)	(v)	452.93	208.56
		(a)	(vii)	Nil	47.58
6	Investment during the year			Nil	Nil
7	Investment at the end of the year	(a)	(i)	5.00	5.00
		(a)	(ii)	350.00	350.00
		(a)	(iii)	0.00*	0.00*
		(a)	(iv)	6,000.65	6,000.65
		(a)	(vii)	134.18	134.18
		(b)	(i)	1,642.77	1,642.77
		(b)	(ii)	500.00	500.00
8	Outstanding balances [Net of receivables/ (payables)] at end of the year	(a)	(i)	40.78	38.78
		(a)	(ii)	(465.74)	(466.21)
		(a)	(iii)	6,633.89	1,196.12
		(a)	(iv)	5,949.16	259.62
		(a)	(v)	3,562.62	2,352.76
		(a)	(vii)	474.36	5.35
		(a)	(viii)	1,077.18	Nil
		(b)	(i)	10,259.33	7,091.01
		(b)	(ii)	7,292.84	3,953.94

*Investment at the end of the year in Jyoti Structures Africa (Pty) Ltd. is ₹ 419/- (P.Y. ₹ 419/-)

17. Information in accordance with the requirement of Accounting Standard - 7 (Revised) "Construction Contracts"

Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
Contract revenue recognised during the year	70,333.11	59,982.15
Method used to determine the contract revenue recognised and the stage of completion of contracts in progress	Percentage Completion Method	
Disclosure in respect of contracts in progress as at the year end: Aggregate amount of costs incurred and recognised profits (less recognised losses)	2,01,538.20	1,30,109.25
Advances received	8,381.15	6,952.88
Retentions receivable	15,549.03	14484.52
Gross amount due from Customers (included under Note No. 17 Trade Receivable)	51,251.78	44,907.89

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

18. Remittance in Foreign Currencies for Dividend:

SN	Particulars	2013-14	2012-13
i)	Number of non-resident shareholders	Nil	Nil
ii)	Number of equity shares held by them on which dividend was paid	Nil	Nil
iii)	Year ended to which the dividend related March 31	2012-13	2011-12
iv)	Amount remitted (In ₹)	Nil	Nil

19. Employees Stock Option Scheme:

Under Jyoti Structures Limited Employees Stock Option Scheme 2005 (ESOS 2005) as amended, the Company is authorised to issue upto 500,000 (Five Lacs) stock options convertible into 25,00,000 (Twenty Five Lacs) Equity Shares of ₹ 2/- each to employees. A Compensation Committee has been constituted by the Board of Directors of the Company to administer the Scheme.

Each option is to be converted into 5 equity shares of ₹ 2/- each at an exercise price of ₹ 17/- per equity Share (being the exercise price adjusted after split of face value from ₹ 10/- to ₹ 2/-). Under the scheme, 30% of the options vest at the end of one year from the date of grant of options, 30% at the end of second year from the date of grant of options and the balance 40% at the end of third year from the date of grant of options.

The amount of ₹ 56.15 Lacs [P.Y. (₹ 83.99 Lacs)] debited/(credited) to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been credited to the revenue account.

The amount of ₹ 374.20 Lacs (P.Y. ₹ 387.36 Lacs) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

The balance un-amortized portion of ₹ 27.95 Lacs (P.Y. ₹ 84.10 Lacs) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

Sr No	Particulars	2013-14 (In Numbers)	2012-13 (In Numbers)
i)	Options granted and outstanding at the beginning of the year	1,19,035	90,785
ii)	Options granted during the year	-	60,650
iii)	Options lapsed and/or withdrawn during the year	-	23,150
iv)	Options exercised during the year against which shares were allotted	2,735	9,250
v)	Options granted and outstanding at the end of the year of which:		
	- Options vested	68,585	39,860
	- Options yet to vest	47,715	79,175

20. Earnings Per Share (EPS):

SN	Particulars	2013-14	2012-13
i)	Profit/(Loss) after Tax (Net of preference share dividend & Tax)(₹ in Lacs)	3,203.20	6,481.81
ii)	Weighted Average Number of Ordinary Shares for Basic Earning per Share (In Nos.)	8,22,68,206	8,22,30,448
iii)	Add: Equity shares for no consideration arising on grant of stock options under ESOS	2,12,640	2,48,735
iv)	Weighted Average Number of Ordinary Shares for Diluted Earning per Share (In Nos.)	8,24,80,846	8,24,79,183
v)	Nominal value of Ordinary Share	₹ 2	₹ 2
vi)	Basic Earning Per Ordinary Share	₹ 3.89	₹ 7.88
vii)	Diluted Earning Per Ordinary Share	₹ 3.88	₹ 7.86

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

21. Engineering Procurement Construction (EPC) Contracts provide for levy of liquated damages (LD) to the extent of 10% of the contract value for delay in execution of the contracts. As a trade practice, on completion of the contracts such delay is generally condoned by granting time extension. It is not possible to ascertain the quantum of the LD for the projects where execution is delayed, as the proposals for time extension are pending with the customers and in the past, time extensions have been granted in similar circumstances.

22. Power Grid Corporation of India Ltd. had awarded Tangla-Kokrajhar-Barabisa transmission line contract in Assam on turnkey basis for total value of ₹ 330 crores consisting of ₹ 200 crores supply portion and ₹ 130 crores construction portion. The execution of the contract was delayed due to local agitation and ethnic strife, reasons which were beyond control of the Company.

Power Grid Corporation of India Ltd. terminated the contract on 10th April 2014 and encashed the guarantees including performance guarantee of ₹ 3,302.68 Lacs. Until termination of contract, the Company had completed

a) Supply of towers amounting to ₹ 185 crores and balance supply of towers of ₹ 15 crores are under dispatch;

b) Construction work amounting to ₹ 69 crores.

Though the events have occurred after the balance sheet date and the liability is disputed, the Company has provided for Rs. 3,302.68 Lacs in the Statement of Profit and Loss for the current year. The Company has been advised to initiate dispute resolution mechanism provided in the contract.

23. Trade Payable includes dues to micro and small enterprises to whom the Company owes amounts outstanding for more than 45 days. The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

The details are as follows:

Sr.	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
1	The Principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	133.19	154.34
2	The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

JYOTI STRUCTURES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

24. The Ministry of Corporate Affairs, Government of India vide its notification no. 2/2011 dated 8th Feb, 2011 has granted a general exemption from compliance with section 212 of the Companies Act, 1956 subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled for the exemption. Necessary information relating to the subsidiaries have been included in the consolidated financial statements.

25. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

The Notes referred to above form an integral part of the Statement of Accounts.

As per our report attached

For and on behalf of the Board

For R. M. AJGAONKAR & ASSOCIATES

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 30th May, 2014

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Vice Chairman

S. D. KSHIRSAGAR

Chairman

DETAILS OF SUBSIDIARY COMPANIES

Figures in Lacs

Sr. No.	Name of Subsidiary Company	JSL Corporate Services Ltd.	Jyoti Energy Ltd.	Jyoti Structures Africa (Pty.) Ltd.		Jyoti International Inc.		Jyoti Americas LLC		Jyoti Structures Canada Ltd.		Jyoti Structures FZE		Jyoti Structures Namibia (Pty.) Ltd.	
		INR	INR	ZAR	INR	USD	INR	USD	INR	USD	INR	AED	INR	NAD	INR
	Reporting Currency														
1	Capital	350.00	5.00	0.00	0.01	129.90	7,785.63	(36.21)	(2,170.39)	0.00	0.06	20.00	326.36	0.00	0.01
2	Reserves	139.03	(21.92)	18.41	104.31	(201.14)	(12,055.16)	-	-	(8.61)	(516.32)	187.49	3,059.44	0.56	3.19
3	Total Assets	489.46	34.89	1,251.65	7,093.75	554.96	33,261.87	474.12	28,416.94	0.02	1.36	407.64	6,651.82	331.25	1,877.37
4	Total Liabilities (excluding Capital and Reserves)														
		0.44	51.80	1,233.25	6,989.44	626.20	37,531.39	510.34	30,587.33	8.64	517.62	200.15	3,266.03	330.69	1,874.17
5	Details of Investment (except in case of Investment in the Subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Turnover	-	-	1,454.84	8,245.33	85.88	5,147.21	85.88	5,147.21	-	-	515.58	8,413.07	458.40	2,598.00
7	Profit before Taxation	(0.55)	(1.00)	4.82	27.34	(185.89)	(11,141.32)	(164.21)	(9,841.91)	(8.61)	(516.32)	187.48	3,059.22	0.84	4.77
8	Provision for Taxation	-	-	(1.40)	(7.92)	52.87	3,168.96	-	-	-	-	(0.10)	(1.69)	(0.28)	(1.57)
9	Profit after Taxation	(0.55)	(1.00)	3.43	19.42	(133.02)	(7,972.36)	(164.21)	(9,841.91)	(8.61)	(516.32)	187.37	3,057.53	0.56	3.19
10	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

- i) Please refer to consolidated financial statement and notes appearing thereon.
- ii) The Exchange Rate of ₹ 5.6675 is considered for conversion of South Africa Rand (SAR) to Indian rupee and ₹ 59.9356 is considered for conversion of US Dollar (USD) to Indian rupee & ₹ 16.3178 is considered for conversion of Arab Emirates Dirham (AED) to Indian rupee and ₹ 5.6675 is considered for conversion of Namibian Dollar (NAD) to Indian rupee

JYOTI STRUCTURES LIMITED

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Jyoti Structures Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Jyoti Structures Limited ('the Company') and its subsidiaries and joint venture (collectively referred to as 'the group'), which comprise of the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Basis of qualified opinion

- a) *The trade receivables of the Company include amount of ₹ 7,045.80 Lacs outstanding from Joint Venture Company namely, Lauren Jyoti Private Limited. As informed to us, the accounts of the Joint Venture are not available for financial year ended 31st March, 2013 as well as for the financial year ended 31st March, 2014. Considering the facts that the accounts of that company are not available and considering the fact that the joint venture company is not regular in the payment of the above outstanding, we are not able to comment on the recovery of the debt and impact of the same on the Balance Sheet and Statement of Profit and Loss of the Company for the year.*
- b) *The Company has invested ₹ 500 Lacs in 50 Lacs equity shares of Lauren Jyoti Private Limited. In absence of availability of annual accounts of the company for the financial year ended on 31st March 2013 and for the financial year ended on 31st March, 2014, we are not able to comment, if there is other than temporary diminution in the value of the said investment and impact of the same on the Balance Sheet and Statement of Profit and Loss of the Company for the year.*
- c) *Due to non availability of audited financial statements of the Joint Venture Company namely Lauren Jyoti Pvt. Ltd. as on 31st*

March 2014, the company has not consolidated the financial statements of the said joint venture company with its financial statements. In this connection, we draw attention of the members to note no 31(7) of the Notes to consolidated financial statements. In absence of such consolidation and the audited accounts for the year of the said joint venture company, we are not able to comment as regards the effects of the same on the consolidated financial statements of the company for the year ended 31st March, 2014.

- d) The company has reported that it has provided for deferred tax asset of US \$ 52.87 Lacs (₹ 3,025.06 Lacs) for the year in the consolidated Statement of Profit and Loss and it has considered the deferred tax asset of US \$ 87.68 Lacs (₹ 5,254.91 Lacs) in the consolidated Balance Sheet. In light of AS-22 paragraph 17, deferred tax asset should be recognized only to the extent that there is a virtual / reasonable certainty, as applicable, supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset will be realised. In the absence of convincing evidence of virtual / reasonable certainty, as applicable, as required by AS-22, we are of the opinion that the consolidated loss for the year is understated by an amount of ₹ 3,025.06 Lacs (P.Y. ₹ 1,564.08 Lacs) and the consolidated reserves & surplus for the year ended 31st March, 2014 are overstated by ₹ 5,254.91 Lacs (P.Y. ₹ 1,896.96 Lacs).

Opinion

Subject to our observations stated in 'basis of qualified opinion' above, in our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and joint venture noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet of the state of affairs of the group as at March 31, 2014;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other matters

We did not audit the financial statements of the subsidiary companies namely Jyoti Structures Africa (Pty) Ltd., Jyoti Structures FZE along with its subsidiaries Jyoti Structures Namibia (Pty) Ltd., Jyoti Structures Nigeria Ltd., and Jyoti Structures Kenya Ltd., and Jyoti International INC. along with its subsidiaries Jyoti Americas LLC and Jyoti Structure Canada Ltd and joint venture company Gulf Jyoti International LLC along with its subsidiary GJIL Tunisie Sarl. whose financial statements reflect total assets of ₹ 61,237.24 Lacs as at 31st March, 2014 and total revenue of ₹ 35,780.75 Lacs; and net cash outflow of ₹ 697.68 Lacs for the year ended on that date. These financial statements and other financial information have been audited / reviewed by other auditors from whom the reports have been furnished to us and our opinion is based solely on the reports of the said other auditors.

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 117247W

R. M. AJGAONKAR

Partner

Membership Number: 31927

Place: Mumbai

Date: 30th May, 2014

JYOTI STRUCTURES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

	Note	As at 31-Mar-2014 ₹ in Lacs	As at 31-Mar-2013 ₹ in Lacs
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	1	10,649.28	4,145.20
b) Reserves and Surplus	2	66,508.31	66,727.41
		<u>77,157.59</u>	<u>70,872.61</u>
2) Share Application Money Pending Allotment	3	3.00	0.92
3) Minority Interest		62.92	61.95
4) Non Current Liabilities			
a) Long Term Borrowings	4	36,843.02	30,503.87
b) Deferred Tax Liabilities (Net)	5	13.84	1,091.65
c) Other Long Term Liabilities	6	16,129.36	11,991.48
d) Long Term Provisions	7	964.97	758.83
		<u>53,951.19</u>	<u>44,345.83</u>
5) Current Liabilities			
a) Short Term Borrowings	8	89,769.34	63,502.63
b) Trade Payables	9	1,75,147.74	65,668.93
c) Other Current Liabilities	10	53,818.22	54,813.73
d) Short Term Provisions	11	2,759.72	2,374.52
		<u>3,21,495.02</u>	<u>1,86,359.81</u>
TOTAL		<u>4,52,669.72</u>	<u>3,01,641.12</u>
II ASSETS			
1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	12	45,177.68	44,415.05
ii) Intangible Assets	12	1,675.86	1,247.21
iii) Capital Work-in-Progress		62.11	213.17
iv) Intangible Assets Under Development		112.02	675.71
		<u>47,027.67</u>	<u>46,551.14</u>
b) Non Current Investments	13	525.57	525.35
c) Deferred Tax Assets (Net)		5,254.91	1,902.85
d) Long Term Loans and Advances	14	715.52	698.90
e) Other Non Current Assets	15	4,524.14	4,209.41
2) Current Assets			
a) Inventories	16	52,654.92	28,704.48
b) Trade Receivables	17	2,92,594.61	1,84,713.50
c) Cash and Bank Balances	18	9,919.31	5,353.87
d) Short Term Loans and Advances	19	39,306.71	28,979.93
e) Other Current Assets	20	146.36	1.69
		<u>3,94,621.91</u>	<u>2,47,753.47</u>
TOTAL		<u>4,52,669.72</u>	<u>3,01,641.12</u>
Significant Accounting Policies	30		
Other Notes to Financial Statements	31		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For and on behalf of the Board

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 30th May, 2014

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Vice Chairman

S. D. KSHIRSAGAR

Chairman

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note	Year Ended 31-Mar-2014 ₹ in Lacs	Year Ended 31-Mar-2013 ₹ in Lacs
I INCOME			
Revenue from Operations (Gross)	21	3,69,297.03	3,05,301.77
Less: Excise duty		5,692.49	4,032.47
Revenue from Operations (Net)		3,63,604.54	3,01,269.30
Other Income	22	2,946.23	499.49
Total Revenue		3,66,550.77	3,01,768.79
II EXPENSES			
Cost of Materials Consumed	23	2,51,327.97	1,77,474.04
Erection and Sub-contracting Expense	24	55,951.85	49,205.82
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	(23,724.96)	(90.19)
Employee Benefits Expense	26	17,972.79	15,532.03
Finance Costs	27	24,612.36	18,213.33
Depreciation and Amortization Expense (Net)	28	4,026.96	3,556.52
Other Expenses	29	38,339.47	32,352.30
Total Expenses		3,68,506.44	2,96,243.85
III Profit Before Tax (I-II)		(1,955.67)	5,524.94
IV Tax Expense:			
Current Tax		3,034.17	3,492.00
Deferred Tax (Net)		(4,102.87)	(1,750.98)
(Excess)/Short Provision of Taxes for earlier year		49.52	4.43
		(1,019.18)	1,745.45
V Profit for the year (III-IV)		(936.49)	3,779.49
VI Earnings Per Equity Share (In ₹)			
[Nominal value of share ₹ 2]			
1) Basic		₹ (1.17)	₹ 4.59
2) Diluted		₹ (1.17)	₹ 4.58
Significant Accounting Policies	30		
Other Notes to Financial Statements	31		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For and on behalf of the Board

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 30th May, 2014

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Managing Director

PRAKASH THAKUR

Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

		Year Ended 31-Mar-2014 ₹ in Lacs	Year Ended 31-Mar-2013 ₹ in Lacs
I CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Taxes and Extraordinary Items	[A]	(1,955.67)	5,524.94
ADJUSTMENTS FOR			
i) Depreciation and Amortisation		4,278.46	3,570.55
ii) Transferred from Revaluation Reserve		(2.42)	(2.42)
iii) Finance Cost		24,612.36	18,213.33
iv) (Gain)/Loss on Sale of Fixed Assets (Net)		98.21	15.93
v) Interest Received		(864.83)	(220.41)
vi) Employee Compensation Expense - ESOS		56.15	(83.99)
vii) Effect of Exchange Rate Change		691.50	(428.52)
	[B]	28,869.43	21,064.47
Operating Profit before Working Capital changes	[A+B] = [C]	26,913.76	26,589.41
ADJUSTMENTS FOR			
i) Inventories		(23,950.45)	3,774.78
ii) Trade Receivable & Other Receivable, Loans & Advances, Other Current Assets		(1,18,310.10)	(32,729.83)
iii) Current Liabilities and Provisions		1,09,894.18	13,804.04
	[D]	(32,366.37)	(15,151.01)
Cash Generated from Operations	[C+D] = [E]	(5,452.61)	11,438.40
i) Direct Taxes Paid (Net)		(1,876.74)	(6,354.83)
	[F]	(1,876.74)	(6,354.83)
Net Cash (used in) / from Operating Activities [I]	[E+F] = [G]	(7,329.35)	5,083.57
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Proceeds from Sale of Fixed Assets		190.85	126.69
ii) Purchase of Fixed Assets [After adjustment of (Increase)/Decrease in Capital Work-in-Progress]		(5,044.05)	(6,386.26)
iii) Investments in Other than Subsidiary company		-	(4.92)
iv) Purchase of Investments Net of Proceeds		(0.22)	-
v) Interest Received		864.83	220.41
vi) Net Advances to Companies other than Subsidiaries		36.89	(1,989.15)
Net Cash (used in) / from Investing Activities [II]		(3,951.70)	(8,033.23)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year Ended 31-Mar-2014 ₹ in Lacs	Year Ended 31-Mar-2013 ₹ in Lacs
III CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Issue of Equity Share (inclusive of Share Premium and after considering ESOS allotted to employees)	4.78	8.40
ii) Proceeds from Issue of Preference Share	6,503.80	2,500.00
iii) Proceeds from issue of Non Convertible Debentures	3,304.00	1,670.00
iv) Repayment of Non convertible Debentures	-	(12,086.41)
v) Proceeds from Long Term Borrowings	13,625.79	13,066.96
vi) Repayment of Long Term Borrowings	(8,654.75)	(8,266.40)
vii) Net Increase/(Decrease) in Interest Free Sales Tax Defferal Loan	(27.74)	(14.90)
viii) Proceeds from Short Term Borrowings from banks	27,605.12	23,145.67
ix) Repayment of Short Term Borrowings	(1,338.41)	-
x) Proceeds from Asset Finance from Banks	-	150.12
xi) Repayment of Asset Finance from Banks	(77.61)	(83.71)
xii) Proceeds from Asset Finance from Financiers	613.98	-
xiii) Repayment of Asset Finance from Financiers	(32.97)	(7.74)
xiv) Dividends Paid	(655.19)	(899.55)
xv) Dividends on Preference Share Capital	(1.23)	-
xvi) Dividend and Dividend Distribution Tax for earlier year	(0.04)	(0.13)
xvii) Net Corporate Dividend Tax Paid	-	(146.71)
xviii) Finance Cost	(24,612.36)	(18,213.33)
Net Cash (used in) / from Financing Activities [III]	16,257.17	822.27
Net Increase/(Decrease) in Cash and Cash Equivalents [I + II + III]	4,976.12	(2,127.39)
Cash and Cash Equivalents at the beginning of the year	3,966.58	6,093.97
Cash and Cash Equivalents at the end of the year	8,942.70	3,966.58

Note: Cash and Cash Equivalents includes ₹ 32.60 Lacs (P.Y. ₹ 29.71 Lacs) on account of Unclaimed Dividend, which are not available for the use by the Company.

As per our report attached

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

For and on behalf of the Board

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 30th May, 2014

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Vice Chairman

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

1 SHARE CAPITAL

	31-Mar-2014		31-Mar-2013	
	Number	₹ in Lacs	Number	₹ in Lacs
Authorised :				
Equity Shares of ₹ 2/- each	17,50,00,000	3,500.00	17,50,00,000	3,500.00
Redeemable Preference Shares of ₹ 100/- each	50,00,000	5,000.00	50,00,000	5,000.00
TOTAL	18,00,00,000	8,500.00	18,00,00,000	8,500.00
Issued :				
Equity Shares of ₹ 2/- each	8,22,89,082	1,645.78	8,22,75,407	1,645.51
Redeemable Preference Shares of ₹ 100/- each	25,00,000	2,500.00	25,00,000	2,500.00
TOTAL	8,47,89,082	4,145.78	8,47,75,407	4,145.51
Subscribed and Paid-up :				
Equity Shares of ₹ 2/- each fully paid up	8,22,73,822	1,645.48	8,22,60,147	1,645.20
Redeemable Preference Shares of ₹ 100/- each fully paid up	25,00,000	2,500.00	25,00,000	2,500.00
Cumulative Redeemable Preference Shares issued by wholly owned subsidiary namely, Jyoti International, INC. (25 Shares of US\$ 4,00,000 each fully paid up)	-	6,503.80	-	-
TOTAL	8,47,73,822	10,649.28	8,47,60,147	4,145.20
a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity Shares				
At the beginning of the period	8,22,60,147	1,645.20	8,22,13,897	1,644.28
Issued during the period - ESOS	13,675	0.28	46,250	0.92
Outstanding at the end of the period	8,22,73,822	1,645.48	8,22,60,147	1,645.20
b) Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting period				
Preference Shares				
At the beginning of the period	25,00,000	2,500.00	-	-
Issued during the period	-	-	2,500,000	2,500.00
Outstanding at the end of the period	25,00,000	2,500.00	2,500,000	2,500.00
c) Reconciliation of the preference shares for subsidiaries, outstanding at the beginning and at the end of the reporting period				
Preference Shares				
At the beginning of the period	-	-	-	-
Issued during the period {refer point (i) }	25	6,503.80	-	-
Outstanding at the end of the period	25	6,503.80	-	-
	Number	%	Number	%
d) Names of Equity shareholders holding more than 5 % shares				
1) Valecha Infrastructure Ltd.	54,31,400	6.60%	54,31,400	6.60%
2) Prakash K Thakur	49,42,488	6.00%	52,48,235	6.38%
3) K. R. Thakur	36,55,973	4.45%	46,46,426	5.65%
4) Reliance Capital Trustee Ltd.	46,14,900	5.61%	46,14,900	5.61%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	Number	%	Number	%
e) Names of preference shareholders holding more than 5 % shares				
1) Amtek India Limited	4,00,000	10.94%	15,00,000	60.00%
2) Amtek Auto Limited	4,50,000	12.31%	10,00,000	40.00%
3) Aarken Advisors Private Limited	4,50,000	12.31%		
4) Aryahi Buildwell Private Limited	4,75,000	12.99%		
5) Vishwas Marketing Services Private Limited	3,50,000	9.57%		
6) Mukund Motorparts Private Limited	3,75,000	10.26%		

f) Shares reserved for issue under options

Employee Stock Options Scheme (ESOS)

1) Under ESOS 2005, eligible employee on grant of option & on vesting shall be entitled to apply for five equity shares of ₹. 2/- each at an exercise price of ₹ 17/- per equity share for each option.	5,81,500	5,95,175
2) Under ESOS 2011, eligible employee on grant of option & on vesting shall be entitled to apply for five equity shares of ₹ 2/- each at an exercise price of ₹. 25/- per equity share for each option.	25,00,000	25,00,000

- g)** The Company has equity shares having a par value of ₹ 2/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- h)** The Company has preference shares having a par value of ₹ 100/- each. The Share carries dividend @ 1%. In the event of liquidation, the shareholders will have preference in repayment over equity shareholders.
- i)** The Company's subsidiary i.e Jyoti International Inc. has issued 25 numbers of redeemable preference shares at par value having \$ 400,000/- each. The Share carries dividend @0.01%. Preference Share holders have right to receive dividends, if declared to equity share sholders on pro rata basis. In the event of liquidation, the shareholders will have preference in repayment over equity shareholders.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

2 RESERVES AND SURPLUS	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
a. Capital Reserve		
As per last Balance Sheet	6.06	6.06
b. Capital Redemption Reserve		
As per last Balance Sheet	300.00	300.00
c. Foreign Currency Translation Reserve		
As per last Balance Sheet	128.50	557.02
Add: During the year	940.58	(440.12)
Add: FCTR on Fixed assets	(249.08)	11.60
	<u>820.00</u>	<u>128.50</u>
d. Securities Premium Reserve		
As per last Balance Sheet	16,140.75	16,087.95
Add: On Allotment of Equity Shares	15.21	52.80
	<u>16,155.96</u>	<u>16,140.75</u>
e. Debenture Redemption Reserve		
As per last Balance Sheet	417.50	6,044.00
Add: Transferred from Surplus in the Statement of Profit and Loss	826.00	417.50
Less: Transferred to General Reserve	-	6,044.00
	<u>1,243.50</u>	<u>417.50</u>
f. Revaluation Reserve*		
As per last Balance Sheet	37.58	40.00
Less: Transferred from the Statement of Profit and Loss as Reduction from Depreciation	2.42	2.42
	<u>35.16</u>	<u>37.58</u>
g. Employee Stock Option Outstanding [Note No. 31 (11)]	<u>374.20</u>	<u>387.36</u>
Less: Deferred Employee Compensation Expense	27.95	84.10
	<u>346.25</u>	<u>303.26</u>
h. General Reserve		
As per last Balance Sheet	16,256.64	9,562.64
Add: Transferred from Debenture redemption reserve	-	6,044.00
Add: Transferred from Surplus in the Statement of Profit and Loss	350.00	650.00
	<u>16,606.64</u>	<u>16,256.64</u>
i. Surplus in Statement of Profit and Loss		
As per last Balance Sheet	33,137.12	30,490.97
Add: Tax Elimination for an earlier year including interest	-	276.26
	<u>33,137.12</u>	<u>30,767.23</u>
Add: Profit for the year	(936.49)	3,838.07
Add: Previous Year Elimination	-	363.30
Less: Appropriations		
Proposed Dividend - Equity Shares [amount per share ₹ Nil (P.Y.: ₹ 0.80/-)]	-	658.08
Tax on Dividend	-	106.96
Dividend and Dividend Distribution Tax for an earlier year	0.04	0.13
Preference Share Dividend and Dividend Distribution Tax	29.25	1.23
Minority Interest	0.60	(2.42)
Transfer to Debenture Redemption Reserve	826.00	417.50
Transfer to General Reserve	350.00	650.00
	<u>1,205.89</u>	<u>1,831.48</u>
Net Surplus in the Statement of Profit and Loss	<u>30,994.74</u>	<u>33,137.12</u>
TOTAL	<u>66,508.31</u>	<u>66,727.41</u>

*Cumulative amount withdrawn from Revaluation Reserve is ₹ 48.47 Lacs (P.Y. ₹ 46.04 Lacs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
3 SHARE APPLICATION MONEY PENDING ALLOTMENT		
Share Application Money Pending Allotment		
For Equity Shares	3.00	0.92
Number of Shares proposed to be allotted	17,650	5,425
Amount of Premium, if any	2.65	0.81
Terms and Conditions of shares proposed to be issued		
Option Grantees, in accordance with the Employees Stock Option Scheme have an option to exercise their rights to apply for 5 Equity shares for each options held, at an exercise price of ₹ 17 per Share within the vesting period		
Date by which the shares shall be allotted	15- Apr-2014	15- Apr-2013
Whether sufficient authorised share capital to cover allotment of shares out of such share application money	YES	YES
The period overdue from the proposed date of allotment	NA	NA

	Non- Current		Current	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
4 LONG TERM BORROWINGS				
Secured Loans				
Non Convertible Debenture	4,974.00	1,670.00	-	-
Term Loan				
From Bank	6,038.78	13,011.72	18,398.68	17,741.78
From Other	17,230.08	-	128.19	4.90
TOTAL - A	28,242.86	14,681.72	18,526.87	17,746.68
Unsecured Loans				
Term Loan				
From Bank	-	5,220.26	-	3,260.21
From Other				
Deferred Payment Liabilities	297.69	362.43	67.30	30.30
Others	1,740.42	3,103.81	-	-
Deposits	6,562.05	7,135.65	2,134.56	2,688.60
TOTAL - B	8,600.16	15,822.15	2,201.86	5,979.11
Amount disclosed under the head "Other Current Liabilities"(Note No. 10) (Refer a)	-	-	(20,728.73)	(23,725.79)
TOTAL - A + B	36,843.02	30,503.87	-	-

Nature of Securities for Secured Loan**Debenture**

a) ₹ 4,974.00 Lacs (P.Y. ₹ 1,670.00 Lacs) Non-Convertible Debentures Mortgage over identified immovable property of the subsidiary company; Subservient charge on all moveable and immoveable properties of the company;

Term Loan from bank

a) ₹ 432.39 Lacs (P.Y. ₹ 3,707.79 Lacs) Secured by i) first pari passu charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. ii) second charge on current assets of the company and iii) exclusive charge on specific machinery and equipment;

b) ₹ Nil in C.Y. (P.Y. ₹ 148.97 Lacs) Secured by i) first pari passu charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. and ii) hypothecation on specific Plant & Machinery

c) ₹ 183.30 Lacs (P.Y. ₹ 508.91 Lacs) Secured by hypothecation on specific Plant & Machinery

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

- d) ₹ 1,300.00 Lacs (P.Y. ₹ Nil) Secured by hypothecation on specific Plant & Machinery
- e) ₹ 10,960.00 Lacs (P.Y. ₹ 10,960.00 Lacs) Secured by Pari passu charges on stock and receivables of the contract and Escrow of receivable of the Project.
- f) ₹ 6,475.74 Lacs (P.Y. ₹ Nil) Secured by i) first pari passu charge by hypothecation of moveable assets of the company and first pari passu charge on company's immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurg (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. ii) second charge on current assets of the company and iii) exclusive charge on specific machinery and equipment;
- g) ₹ 170.38 Lacs (PY. ₹ 170.38 Lacs) Secured by hypothecation of Specific plant and machinery and vehicles.
- h) Term loan is secured by first priority liens on all property and equipment of Jyoti Americas LLC (present and future), including but not limited to, equipment, real estate, leases and intangible assets and second lien on all current assets (present and future).
- i) The Company has defaulted in repayment of loans and interest in respect of following :-

Particulars	Period of Default	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
i) Term Loan	Various dates from 20th Feb 2014 to 31st March 2014	1,000.00	
ii) Term Loan - ECB Loan	Various dates from 23rd March 2014 to 31st March 2014	717.39	

	Maturity Profile			₹ in Lacs
	1-2 Years	2-3 Years	3-4 Years	4-5 Years

Maturity Profile of Unsecured Term Loans are as below :

Deposits	6,186.15	375.90	-	-
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Redemption of Secured Non Convertible Debentures are as below :

7.00 % Debentures	-	-	-	2,700.00
14.00 % Debentures	-	-	650.00	214.00
12.50 % Debentures	1,020.00	390.00	-	-

Deferred Tax (Asset)/Liability as on 31-03-14 ₹ in Lacs	Current Year Liability/(Asset) ₹ in Lacs	Deferred Tax (Asset)/Liability as on 31-03-13 ₹ in Lacs
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5 DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities

On Account of difference in Book and Tax Depreciation	2,053.86	(115.40)	2,169.26
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Deferred Tax Assets

Disallowance under the Income Tax Act, 1961	(2,040.02)	(962.41)	(1,077.61)
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TOTAL	13.84	(1,077.81)	1,091.65
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6 OTHER LONG TERM LIABILITIES

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
Trade Payables*	9,867.81	6,813.31
Others (Advances received from Customers)	6,261.55	5,178.17
TOTAL	16,129.36	11,991.48

*Amount payable beyond one year

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
7 LONG TERM PROVISIONS		
Provision for Gratuity	676.97	511.02
Provision for Compensated Absences	288.00	247.81
TOTAL	964.97	758.83

8 SHORT TERM BORROWINGS

Secured Loan

Loans repayable on Demand

From Bank	89,597.25	61,208.00
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Unsecured Loan

From Bank	-	2,145.92
From Others	172.09	148.71

TOTAL	89,769.34	63,502.63
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Secured Loan from Bank

₹ 89,597.25 Lacs (PY. ₹ 61,208.00 Lacs) Secured by a first charge on all present and future current assets, monies receivable and claims, except assets for which an exclusive charge has been created and secured by a charge which is second and subservient to the charge created in favour of IDBI and Standard Chartered Bank, by way of deposit of Title Deeds in respect of the Company's immovable property in M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh), Ghoti Dist. Nashik (Maharashtra), Malvan Dist. Sindhudurgh (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai.

9 TRADE PAYABLES

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
Trade Payables (Including Acceptances)	1,75,147.74	65,668.93
TOTAL	1,75,147.74	65,668.93

10 OTHER CURRENT LIABILITIES

a) Current Maturities of Long Term Borrowings (Note No. 4)	20,728.73	23,725.79
b) Interest Accrued But Not Due on Borrowings	1,116.34	621.54
c) Advances from Customers	24,246.64	18,482.24
d) Unclaimed Dividend*	32.60	29.71
e) Other Payables (Including expenses)	5,147.11	10,313.11
f) Statutory Liabilities	2,546.80	1,641.34
TOTAL	53,818.22	54,813.73

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2014. These amount shall be paid to the fund as and when they became due.

11 SHORT TERM PROVISIONS

a) Provision for Employee Benefits	133.92	190.16
b) Proposed Dividend	-	658.08
c) Provision for Income Tax on Proposed Dividend	4.25	106.96
d) Provision for Tax*	2,621.55	1,419.32
TOTAL	2,759.72	2,374.52

* The Provision for Income Tax amounting to ₹ 2,621.55 Lacs (P.Y. ₹ 1,419.32 Lacs) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other Eliminations.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

12 FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	As At	Additions	Deletions/	As At	As At	For The	Deletions/	As At	As At	As At
	01/04/2013		Eliminations	31/03/2014	01/04/2013	Year	Eliminations	31/03/2014	31/03/2014	31/03/2013
(₹ In Lacs)										
Tangible Assets : Ownership										
Freehold Land	2,198.88	207.31	6.16	2,400.03	-	-	-	-	2,400.03	2,198.88
Leasehold Land	188.82	34.88	-	223.70	17.24	3.42	-	20.66	203.04	171.58
Buildings	13,357.82	1,206.00	-	14,563.82	1,403.95	464.67	-	1,868.62	12,695.20	11,953.87
Plant & Machinery	34,269.05	1,932.74	647.57	35,554.22	9,122.60	2,545.67	382.76	11,285.51	24,268.71	25,146.45
Furniture & Fixtures	1,005.97	71.17	11.88	1,065.26	488.19	65.43	10.05	543.57	521.69	517.78
Computer & Office Equipments	1,886.10	185.08	161.89	1,909.29	1,067.44	151.09	159.49	1,059.04	850.25	818.66
Vehicles	3,830.73	1,259.22	30.47	5,059.48	1,494.23	456.04	16.60	1,933.67	3,125.81	2,336.50
TOTAL - A	56,737.37	4,896.40	857.97	60,775.80	13,593.65	3,686.32	568.90	16,711.07	44,064.73	43,143.72
Tangible Assets : On Operating Lease										
Plant & Machinery	162.08	-	-	162.08	14.03	12.03	-	26.06	136.02	148.05
Vehicles	1,294.03	-	-	1,294.03	170.75	146.35	-	317.10	976.93	1,123.28
TOTAL - B	1,456.11	-	-	1,456.11	184.78	158.38	-	343.16	1,112.95	1,271.33
TOTAL - C = A+B	58,193.48	4,896.40	857.97	62,231.91	13,778.43	3,844.70	568.90	17,054.23	45,177.68	44,415.05
Intangible Assets :										
Software	1,779.93	852.23	-	2,632.16	592.95	373.53	-	966.48	1,665.68	1,186.98
Goodwill on amalgamation	301.13	10.18	-	311.31	240.90	60.23	-	301.13	10.18	60.23
TOTAL - D	2,081.06	862.41	-	2,943.47	833.85	433.76	-	1,267.61	1,675.86	1,247.21
TOTAL - E = C+D	60,274.54	5,758.81	857.97	65,175.38	14,612.28	4,278.46	568.90	18,321.84	46,853.54	45,662.26
Previous Year	37,311.70	23,289.40	326.56	60,274.54	11,227.02	3,570.55	185.29	14,612.28	45,662.26	26,084.68

Note :- The Land includes leasehold land and the amount shown in the Depreciation column represents amortisation of the lease cost over the period of the lease

13 NON-CURRENT INVESTMENTS

NON-CURRENT INVESTMENTS	Subsidiary / Associate / Joint Venture	Face Value	No. of Shares / Units		Amount	
			31-Mar-2014 Nos	31-Mar-2013 Nos	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
Trade Investment						
Investment in Equity Instruments						
Unquoted - At Cost						
Lauren Jyoti Pvt Ltd. - Eq Shares	Joint Venture	₹ 10 Each	50,00,000	50,00,000	500.00	500.00
TAQA Jyoti Energy Ventures Private Limited	Other	₹ 10 Each	25,000	25,000	2.50	2.50
Jankalyan Sahakari Bank Ltd. - Eq. Shares	Other	₹ 10 Each	49,955	49,955	5.85	5.85
					508.35	508.35
Other Investment						
Investment in mutual fund						
Quoted - At Cost						
SBI Blue Chip Fund	Mutual Fund	₹ 10 Each	20,000	20,000	2.00	2.00
SBI Infrastructure Fund	Mutual Fund	₹ 10 Each	50,000	50,000	5.00	5.00
SBI One India Fund	Mutual Fund	₹ 10 Each	Nil	50,000	-	5.00
SBI Magnum Equity Fund	Mutual Fund	₹ 10 Each	12,136	Nil	5.22	-
UTI Bond Fund	Mutual Fund	₹ 10 Each	28,352	28,352	5.00	5.00
					17.22	17.00
TOTAL					525.57	525.35

Book value of Unquoted Investments is ₹ 508.35 Lacs (P.Y. ₹ 508.35 Lacs)

Book value of Quoted Investments is ₹ 17.22 Lacs (P.Y. ₹ 17 Lacs)

Market value of Quoted Investments is ₹ 24.70 Lacs (P.Y. ₹ 22.74 Lacs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
14 LONG TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Capital Advances	24.32	-
b) Security and Other Deposits	644.56	641.84
c) Other Loans and Advances (Loan to Employees)	46.64	57.06
TOTAL	715.52	698.90
15 OTHER NON CURRENT ASSETS		
Unsecured, considered good		
Trade Receivables	4,524.14	4,209.41
TOTAL	4,524.14	4,209.41
16 INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)		
a) Raw Materials		
i) In Stock	10,397.84	8,440.29
ii) In Transit	333.61	589.47
b) Construction Materials at Site	2,561.75	4,863.60
c) Semi Finished Goods	1,271.76	537.06
d) Work-in-Progress	19,852.21	7,332.21
e) Finished Goods	15,388.52	4,137.28
f) Stores and Consumables	332.11	706.82
g) Tools and Tackles	2,412.61	2,015.08
h) Scrap	104.51	82.67
TOTAL	52,654.92	28,704.48
17 TRADE RECEIVABLES		
Unsecured, considered good		
a) Trade Receivables (overdue more than six months)	25,604.31	9,476.48
b) Other Trade Receivables	2,66,990.30	1,75,237.02
TOTAL	2,92,594.61	1,84,713.50
18 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
a) Balances with Banks	8,761.01	3,531.40
b) Fixed Deposit with original maturity for less than 3 months	86.70	349.15
c) Unpaid Dividend Bank Balanance	32.60	29.71
d) Cash On Hand	62.39	56.33
	8,942.70	3,966.59
Other Bank Balances		
a) Margin money with bank	976.61	1,387.28
	976.61	1,387.28
TOTAL	9,919.31	5,353.87

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
19 SHORT TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Loan and Advances to Related Parties	6,769.95	6,806.63
b) Other Loans and Advances		
i) Advance income-tax (net of provision for taxation)	2.89	2.25
ii) Prepaid Expenses	7,391.69	5,373.60
iii) Loans to Employees	15.72	20.77
iv) Balances With Statutory/Government Authorities	14,215.67	9,735.24
v) Advances to Supplier	8,868.95	4,565.80
vi) Sundry Deposits	368.74	533.31
vii) Other Advances and Claim Receivables	1,673.10	1,942.33
TOTAL	39,306.71	28,979.93
20 OTHER CURRENT ASSETS		
Unsecured and considered good		
Interest Accrued But Not Due on Fixed Deposit	146.36	1.69
TOTAL	146.36	1.69

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
21 REVENUE FROM OPERATIONS		
a) Sale of Products	3,55,098.41	2,96,483.12
b) Sale of Services	8,619.75	4,182.93
c) Other Operating Revenues	5,578.87	4,635.72
Revenue from Operations (Gross)	3,69,297.03	3,05,301.77
Less: - Excise Duty	5,692.49	4,032.47
Revenue from Operations (Net)	3,63,604.54	3,01,269.30
22 OTHER INCOME		
a) Lease Rentals	247.96	207.22
b) Interest on Fixed Deposits	297.29	145.57
c) Interest on Others	567.54	146.70
d) Net Gain on Foreign Currency Transactions and Translation	1,833.44	-
TOTAL	2,946.23	499.49
23 COST OF MATERIAL CONSUMED		
Cost of Material Consumed	2,51,327.97	1,77,474.04
TOTAL	2,51,327.97	1,77,474.04
24 ERECTION AND SUB-CONTRACTING EXPENSE		
a) Construction Materials and Stores Consumed	10,126.08	12,151.01
b) Tools and Tackles Consumed	1,372.98	1,461.52
c) Sub-contracting Expenses	37,728.91	30,007.30
d) Repairs to Construction Equipments/Machinery	296.37	114.61
e) Construction Transportation Charges	6,427.51	5,471.38
TOTAL	55,951.85	49,205.82
25 CHANGES IN INVENTORIES		
a) (Increase)/ Decrease Finished Goods Stock	(10,306.72)	(509.35)
b) (Increase)/ Decrease WIP/Semi Finished Goods Stock	(13,396.39)	379.02
c) (Increase)/ Decrease Scrap Stock	(21.85)	39.96
TOTAL	(23,724.96)	(90.19)
26 EMPLOYEE BENEFITS EXPENSE		
a) Salaries, Wages and Bonus, etc.	16,105.84	13,887.37
b) Leave Encashment	111.50	158.80
c) Employee Compensation Expense - ESOS	56.15	(83.99)
d) Contribution to Provident and Other Fund	918.08	946.15
e) Welfare Expenses	781.22	623.70
TOTAL	17,972.79	15,532.03
27 FINANCE COSTS		
a) Interest Expense	23,196.62	16,699.18
b) Other Borrowing Costs	1,169.27	1,340.23
c) Net (gain)/loss on foreign currency transactions and translation on borrowing cost	246.47	173.92
TOTAL	24,612.36	18,213.33

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	31-Mar-2014 ₹ in Lacs	31-Mar-2013 ₹ in Lacs
28 DEPRECIATION AND AMORTIZATION EXPENSE		
a) Depreciation of Tangible Assets (Note No. 12)	3,515.55	3,205.23
b) Amortization of Intangible Assets (Note No. 12)	513.83	353.71
	<u>4,029.38</u>	<u>3,558.94</u>
c) Less : Transfer from Revaluation Reserve	(2.42)	(2.42)
TOTAL	<u><u>4,026.96</u></u>	<u><u>3,556.52</u></u>
29 OTHER EXPENSES		
a) Stores and Consumables	1,211.00	977.10
b) Packing Materials	213.04	167.54
c) Power and Fuel	2,487.92	2,056.12
d) Conversion Expenses	2,597.95	2,271.53
e) Service Charges	3,389.31	3,798.92
f) Repairs to Buildings	110.23	93.13
g) Repairs to Plant and Machinery	315.53	340.72
h) Repairs to Others	1,204.83	417.49
i) Testing and Designing Expenses	242.99	833.94
j) Excise Duty on Stocks (Net)	515.87	(73.41)
k) Rent	768.50	678.18
l) Rates and Taxes	2,717.05	3,531.96
m) Insurance	1,150.24	1,117.98
n) Travelling and Conveyance	2,614.68	2,074.99
o) Postage, Telephone and Fax	551.84	518.65
p) Printing and Stationery	265.11	236.27
q) Professional and Legal Fees	3,240.81	1,554.56
r) Directors' Sitting Fees	2.90	2.25
s) Payment to auditors	98.43	75.28
t) Net (gain)/loss on foreign currency transactions and translation	17.94	200.55
u) Licence and Tender Fees	199.32	148.18
v) Donations	6.12	16.35
w) Freight Outward	3,917.51	3,245.74
x) Brokerage and Commission	1,083.28	429.61
y) Bank Charges	7,264.84	5,605.65
z) (Gain)/Loss on Sale of Fixed Assets (Net)	98.21	15.93
aa) (Gain)/Loss on Sale of Investment (Net)	(0.22)	-
ab) Bad Debts	712.52	813.93
ac) General Expenses	1,308.23	1,172.51
ad) Amortisation of Deferred Expenses	33.49	30.65
TOTAL	<u><u>38,339.47</u></u>	<u><u>32,352.30</u></u>

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Note - 30 Statements of Significant Accounting Policies of the Consolidated Financial Statements

I. Basis of Consolidation:

The consolidated financial statements relate to Jyoti Structures Limited (the 'Company'), and its subsidiary companies and joint venture (the 'Group'). The consolidated financial statements have been prepared in accordance with Accounting Standard 21 "Consolidated Financial Statements" specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in terms of Section 211 (3C) of the Companies Act, 1956.

A. Basis of Preparation:

- i. The Financial Statements have been prepared on historical cost convention. The Group follows accrual basis of accounting. The financial statements of Jyoti Structures Africa (Pty) Limited and Jyoti Structures Namibia (Pty) Ltd. have been prepared in accordance with International Financial Reporting Standards (IFRS) and for the requirements of the Companies Act of South Africa and Namibia. The financial statements of Jyoti International Inc, Jyoti Americas LLC, Jyoti Structures Canada Ltd., Jyoti Structures FZE, Gulf Jyoti International LLC and GJIL Tunisie Sarl. Have been prepared in accordance with International Financial Reporting Standards (IFRS) and they are modified to the extent necessary and practicable to make them uniform with the policies of the parent company.

- ii. The following subsidiaries and Joint Venture are considered for consolidation:

Name of the Company	Percentage Holding (%)		Country of Incorporation
	2013-14	2012-13	
JSL Corporate Services Ltd.	100	100	India
Jyoti Energy Ltd.	100	100	India
Jyoti International Inc.	100	100	USA
Jyoti Americas LLC	100	100	USA
Jyoti Structures Canada Ltd.	100	100	Canada
Jyoti Structures FZE	100	100	Dubai
Jyoti Structures Nigeria Ltd.	100	100	Nigeria
Jyoti Structures Kenya Ltd.	100	100	Kenya
Jyoti Structures Africa (Pty) Ltd.	70	70	South Africa
Jyoti Structures Namibia (Pty) Ltd.	70	70	Namibia
Gulf Jyoti International LLC	30	30	Dubai

- iii. The financial statements of the Company, its subsidiaries and a Joint Venture are prepared up to 31st March, 2014.

B. Principles of Consolidation:

- i. The financial statements of the Company, its subsidiary companies and a joint venture have been consolidated on a line-by- line basis by adding together the book values of like items of assets, liabilities, income and expenses; after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions as per Accounting Standard 21.
- ii. The excess of cost to the Company of its investments in the subsidiary companies is recognised in the financial statements as goodwill, which is tested for impairment on every balance sheet date. The excess of Company's share of equity and reserves of the subsidiary companies over the cost of acquisition is treated as capital reserve.
- iii. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible and practicable, in the same manner as the Company's separate financial statements.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

II. Other Significant Accounting Policies

1. Revenue Recognition:

- (a) Sale of goods is recognised on completion of supplies as per the terms of the contract and on transfer of risk and reward. Sales include excise duty and adjustment for price variation and are net of claims accepted.
- (b) In case of construction/erection contracts, revenue is recognised based on the stage of completion determined as per the terms of the contract. Sales/Income are booked on the basis of running account bills based on completed work and are net of claims accepted. Escalations and other claims which are not acknowledged by customers are not taken into account.
- (c) Interest income is recognized on time proportion basis.
- (d) The insurance claims are accounted for on accrual basis based on fair estimation of sanctions by the insurance companies.

2. Use of Estimates:

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and the estimates are recognised in the period in which the results are known / materialised.

3. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction, net of recoverable taxes including any cost attributable for bringing the asset to its working condition for its intended use and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any.

4. Depreciation / Amortisation:

- (a) Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, except on computer software and on fixed assets of Uganda, Bhutan, Bangladesh, South Africa and Kenya branches.
- (b) Computer software is depreciated over a period of 3 to 6 years depending upon the expected useful life of the software.
- (c) On the fixed assets of Uganda, Bhutan, Bangladesh, South Africa and Kenya branches, depreciation is provided on Straight Line Method. The applicable rates are based on the local laws and practices of the respective countries.
- (d) In case of revalued assets, the difference between the depreciation based on revaluation and the depreciation charged on historical cost is recouped out of the Revaluation Reserve.
- (e) Leasehold land is amortized over the period of lease.
- (f) Goodwill arising on amalgamation is amortised over a period of 5 years.

5. Investments:

Long term investments are stated at cost. Provision for diminution in value of such investments is made only if such a decline is other than temporary.

6. Inventories:

- (a) Raw materials, Construction materials, Components and Stores & Spares are valued at lower of cost or net realizable value.
- (b) Cost of inventories is determined by using the weighted average cost formula, except that of Jyoti Structures Africa (Pty) Ltd., in which case the same has been done on FIFO basis.
- (c) Material purchased for supply against specific contracts is valued at cost or net realisable value as per the contract, whichever is lower.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (d) Work-in-progress is valued at cost including material cost and attributable overheads. Provision is made when expected realisation is lesser than the carrying cost.
- (e) Finished goods are valued at cost or net realisable value, whichever is lower and inclusive of excise duty.
- (f) Tools and tackles are amortised over their estimated useful life.
- (g) Scrap is valued at net realisable value.

7. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expenses in the period in which they are incurred.

8. Impairment of Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any such indication exists, then recoverable amount of the asset is estimated. An impairment loss, if any, is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

The impairment loss recognised in a prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

9. Debenture / Preference Share Issue Expenses:

Expenses incurred for issue of secured debentures / preference shares made by the Group are written off as revenue expenditure during the year of issue.

10. Foreign Currency Transactions:

- (a) Transactions denominated in foreign currencies are accounted for at the exchange rates prevailing on the dates of the transactions or that approximates the actual rate at the dates of transactions.
- (b) Monetary items denominated in foreign currencies, remaining unsettled at the year end are restated at the closing rates.
- (c) Non-monetary items denominated in a foreign currency are stated at costs.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.
- (e) Financial Statements of Overseas Integral Operations are translated as under:
 - i. Assets and liabilities are translated at the rate prevailing at the end of the year. Income and expenditure are translated on the yearly average exchange rate prevailing during the year.
 - ii. Fixed assets are translated at the average rate prevailing on purchase/acquisition of assets. Depreciation is accounted at the same exchange rate at which the assets are translated.
 - iii. The resultant exchange gains and losses are recognised in the Statement of Profit and Loss.
- (f) Financial Statements of Overseas Non Integral Operations are translated as under:
 - i. Assets and liabilities are translated at the rate prevailing at the end of the year. Income and expenditure are translated on the yearly average exchange rate prevailing during the year. Depreciation is accounted at the same rate at which assets are translated.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

- ii. Exchange differences arising on translation of non integral foreign operations are accumulated in the foreign currency translation reserve until the disposal of such operations.
- g) Forward Exchange contracts:
 - i. In case of transactions covered by forward exchange contracts, which are not intended for trading or speculation purposes, premium or discount is amortised as expense or income over the life of the contract.
 - ii. Exchange difference on such contracts is recognised in the Statement of Profit and Loss in the year in which the exchange rates change.
 - iii. Profit or loss arising on cancellation or renewal of such forward exchange contracts is recognized as income or expense for the year.

11. Excise Duty:

The excise duty in respect of closing inventory of finished goods is included as part of the inventory. The amount of Central Value Added Tax (CENVAT) credit in respect of materials consumed for sales is deducted from cost of materials consumed.

12. Leased Assets:

Operating Lease:

- i. Lease payments are recognised as expense in the Statement of Profit and Loss on straight line basis over the term of the lease.
- ii. Assets given on operating lease are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on straight line basis over the term of the lease.

13. Employees' Retirement and Other Benefits:

a) Short Term Employee Benefits:

Short term employee benefits are recognised as expenses at the undiscounted amount in the period during which the services have been rendered.

b) Long Term Employee Benefits:

I. Defined Contribution Plan:

The Company's contribution to Provident Fund and Superannuation Fund are charged to Statement of Profit and Loss on accrual basis.

II. Defined Benefit Plan:

- i. Gratuity: The company provides for the applicable gratuity based on actuarial valuation as per the Projected Unit Credit Method.
- ii. Leave Encashment: The company provides for the applicable liability at the year end on account of unavailed earned leave as per the actuarial valuation as per Projected Unit Credit Method.
- iii. The cost of employee stock option attributable to current financial year is accounted for and charged to Statement of Profit and Loss.

14. Taxes on Income:

a. Current Tax:

Provision for current Income Tax is made on the estimated taxable income using the applicable tax rates and tax laws.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

B. Deferred Tax:

Deferred tax arising on the timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is a virtual / reasonable certainty, as applicable, as regards to the reversal of the same in future years.

15. Earnings Per Share:

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

16. Provisions and Contingencies:

- a. A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.
- b. A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- c. Contingent assets are neither recognised nor disclosed in the financial statements.

17. Employees Stock Option Scheme:

Stock options granted to the employees of the Company, under the Employees Stock Option Scheme are evaluated as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. Accordingly, excess of market value of the stock options, as on date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to Statement of Profit and Loss as employee costs, on straight line method over the vesting period of the options.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE- 31 NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

1. Outstanding Contracts - Capital Account:

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) are ₹ 11.28 Lacs (P.Y. ₹ Nil). Advances paid ₹ 24.32 Lacs (P.Y. ₹ Nil).

2. Contingent Liabilities not provided for:

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
1	Outstanding of Bills Discounted	Nil	533.91
2	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	802.51	637.47
3	Civil Suits	107.87	107.7
4	Corporate Guarantees	68,918.04	46,247.05

The Group has given a letter of comfort for general banking facilities provided by National Bank of Abu Dhabi to Gulf Jyoti International LLC. The total loan outstanding from the bank to the said Company is AED Nil (P.Y. AED 100.98 Lacs) equivalent to ₹ Nil (P.Y. ₹ 1,498.52 Lacs) as on 31st March, 2014.

3. The gross block of fixed assets includes ₹ 83.62 Lacs (P.Y. ₹ 83.62 Lacs) on account of revaluation of fixed assets carried out by the Group in the year 1993-94. Consequent to the said revaluation, there is an additional charge of ₹ 2.42 Lacs (P.Y. ₹ 2.42 Lacs) on account of depreciation and an equivalent amount has been withdrawn from the revaluation reserve and credited to Statement of Profit and Loss. This has no impact on the profit for the year.

4. Disclosures in Respect of Joint Ventures under the Accounting Standard 27 "Financial Reporting of Interest in Joint Ventures":

(₹ in Lacs)

	As at 31-Mar-2014	As at 31-Mar-2013
	Share of Interest	
a) Jointly Controlled Entities Gulf Jyoti International LLC	30%	30%
b) Aggregate amount of assets, liabilities, income and expenditure related to Company's interest in jointly controlled entity:		
Assets:		
Fixed Assets	4,654.56	4,178.90
Cash and Bank Balances	353.24	860.16
Inventories	2,821.11	2,083.84
Trade and Other Receivables	4,583.40	4,297.24
Loans and Advances	1,490.17	1,783.05
Current Liabilities:	5,809.99	8,319.25
Non Current Liabilities	6,376.11	3,484.93
Income	14,327.33	11,287.46
Expenditure	13,707.41	10,881.53
Contingent Liability on account of Letter of Credit	200.28	1,710.01
Contingent Liability on account of Guarantees	8,673.95	5,298.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

5. The company has consolidated the accounts of its two wholly owned subsidiary companies namely Jyoti International INC and Jyoti Americas LLC with its accounts. The said companies have provided for deferred tax asset during the year amounting to US\$ 52,87,267 (P.Y. US\$ 29,45,811) and the total accumulated deferred tax assets as at 31-Mar-2014 US\$ 87,67,602 (P.Y. US\$ 34,80,355). The said treatment is considered by the auditors of the two companies and is approved by them.
6. Lauren Jyoti Private Ltd. is a joint venture company (JVC) between Lauren Engineers Constructors Inc. (Lauren) and Jyoti Structures Limited (JSL) with equity participation of ₹ 500 Lacs by each partner and with technical assistance, support and know-how to be provided by Lauren and pre-qualification credentials by the Company for EPC Contracts. Due to differences and disputes arising between the partners during the execution of 50 MW Solar Thermal Power Plant EPC Contract awarded by Godavari Green Energy Limited, the financial statements of JVC have not been adopted. Based on the advice, the Company is in the process of referring the dispute to arbitration in accordance with the Joint Venture Agreement.
7. Pending resolution of the dispute, the Company is not in a position to consolidate the financial statements of JVC.(Lauren Jyoti Private Ltd.)
8. Disclosures for operating leases under Accounting Standard 19 – “Leases”
- a) Disclosures in respect of the agreements entered into after 1st April, 2001 for taking on leave and license/under operating leases; the residential/office premises and warehouses, including furniture fittings therein as applicable, and machinery are given below:

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
1	Lease payments recognised in the Statement of Profit and Loss for the year	256.16	158.61
2	Future minimum payments receipt under the agreements, which are non-cancellable. (All the lease agreements are cancellable)	-	-

- b) Disclosures in respect of the agreements entered into after 1st April, 2001 for giving the plant and machineries and other fixed assets under operating leases are given below:

Sr No	Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
1	Lease income recognised in the Statement of Profit and Loss for the year	247.96	207.22
2	Future minimum lease receipt under the agreements, which are non-cancellable are as follows:		
	i) Not later than one year	Nil	Nil
	ii) Later than one year and not later than five years	Nil	Nil

The agreements provide for early termination by either party with a notice period which varies from fifteen days to three months and they contain a provision for their renewal.

9. Related Party Disclosures:

Related party disclosures as required by Accounting Standard 18, “Related Party Disclosures”, issued by the Institute of Chartered Accountants of India are given below:

1. Relationships (during the year)

(i) Key Management Personnel:

Mr. Prakash Thakur

Mr. Santosh Nayak

Mr. K. R. Thakur

(ii) Joint Venture:

a) Gulf Jyoti International LLC

b) Lauren Jyoti Pvt. Ltd.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

2. The following transactions were carried out with the related parties in the ordinary course of business.

Sr.	Particulars	Type of Relationship	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
1	Remuneration Paid	1(i)	496.56	489.64
2	Purchase of Goods/Services	1(ii)	3,165.00	5,468.61
3	Sale of Goods/Services	1(ii)	933.27	5,313.04
4	Lease Rentals received	1(ii)	247.96	296.02
5	Investments at the end of the year	1(ii)	2,162.77	2,162.77
6	Outstanding balance receivable/ (payable) at the end of the year.	1(ii)	14,313.09	11,044.95

10. Information in accordance with the requirement of Accounting Standard - 7 (Revised) "Construction Contracts"

	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
Contract revenue recognised during the year	80,192.42	65,181.53
Method used to determine the contract revenue recognized and the stage of completion of contracts in progress	Percentage Completion Method	
Disclosure in respect of contracts in progress as at the year-end: Aggregate amount of costs incurred and recognised profits (less recognised losses)	2,25,343.93	1,51,128.58
Advances received	8,799.03	8,639.33
Retentions receivable	17,712.96	15,657.68
Gross amount due from customers (Included under Note-17 Trade Receivable)	51,938.95	46,315.08

11. Employees Stock Option Scheme:

Under Jyoti Structures Limited Employees Stock Option Scheme 2005 (ESOS 2005) as amended, the Company is authorised to issue upto 5,00,000 (Five lacs) stock options, convertible into 25,00,000 (Twenty Five lacs) equity shares of ₹ 2/- each to employees. A Compensation Committee has been constituted by the Board of Directors of the Company to administer the Scheme.

Each option is to be converted into 5 Equity shares of ₹ 2/- each at an exercise price of ₹ 17/- per equity share (being the exercise price adjusted after split of face value from ₹ 10/- to ₹ 2/-). Under the scheme, 30% of the options vest at the end of one year from the date of grant of options, 30% at the end of second year from the date of grant of options and the balance 40% at the end of third year from the date of grant of options.

The amount of ₹ 56.15 Lacs [P.Y. (₹ 83.99) Lacs] debited/(credited) to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been credited to the revenue account.

The amount of ₹ 374.20 Lacs (P.Y. ₹ 387.36 Lacs) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

The balance un-amortized portion of ₹ 27.95 Lacs (P.Y. ₹ 84.10 Lacs) being Deferred Employee Compensation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

Sr. No.		2013-14 (In Numbers)	2012-13 (In Numbers)
i)	Options granted and outstanding at the beginning of the year	1,19,035	90,785
ii)	Options granted during the year	-	60,650
iii)	Options lapsed and/or withdrawn during the year	-	23,150
iv)	Options exercised during the year against which shares were allotted	2,735	9,250
v)	Options granted and outstanding at the end of the year of which:-		
	- Options vested	68,585	39,860
	- Options yet to vest	47,715	79,175

12. Earnings per Share (EPS)

Sr. No.		2013-14	2012-13
i)	Profit/(Loss) after Tax (Net of preference share dividend & Tax) (₹ in Lacs)	(965.74)	3,778.06
ii)	Weighted Average Number of Ordinary Shares for Basic Earning per Share (In No's)	8,22,68,206	8,22,30,448
iii)	Add: Equity shares for no consideration arising on grant of stock options under ESOS	2,12,640	2,78,735
iv)	Weighted Average Number of Ordinary Shares for Diluted Earnings per Share (In No's)	8,24,80,846	8,24,79,183
v)	Nominal Value of Ordinary Share	₹ 2	₹ 2
vi)	Basic Earning Per Ordinary Share	₹ (1.17)	₹ 4.59
vii)	Diluted Earning Per Ordinary Share	₹ (1.17)	₹ 4.58

13. Engineering Procurement Construction (EPC) Contracts provide for levy of liquated damages (LD) to the extent of 10% of the contract value for delay in execution of the contracts. As a trade practice, on completion of the contracts such delay is generally condoned by granting time extension. It is not possible to ascertain the quantum of the LD for the projects where execution is delayed, as the proposals for time extension are pending with the customers and in the past, time extension have been granted in similar circumstances.

14. Power Grid Corporation of India Ltd. had awarded Tangla-Kokrajhar-Barabisa transmission line contract in Assam on turnkey basis for total value of ₹ 330 crores consisting of ₹ 200 crores supply portion and ₹ 130 crores construction portion. The execution of the contract was delayed due to local agitation and ethnic strife, reasons which were beyond control of the Company.

Power Grid Corporation of India Ltd. terminated the contract on 10th April 2014 and encashed the guarantees including performance guarantee of ₹ 3,302.68 Lacs. Until termination of contract, the Company had completed

a) Supply of towers amounting to ₹ 185 crores and balance supply of towers of ₹ 15 crores are under dispatch;

b) Construction work amounting to ₹ 69 crores.

Though the events have occurred after the balance sheet date and the liability is disputed, the Company has provided for ₹ 3,302.68 Lacs in the Statement of Profit and Loss for the current year. The Company has been advised to initiate dispute resolution mechanism provided in the contract.

15. Jyoti Structures Africa (Pty) Limited is currently involved in a legal dispute with its service provider KRB Electrical Engineering Services (Pty) Limited. At the year end, the management and their legal advisers have not been able to determine the extent of legal costs nor the outcome of the current proceedings.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

16. The Group is operating in only one primary business segment of power transmission and distribution wherein it manufactures/deals in various components/equipment's and constructs infrastructure related to power transmission. As such there are no separate primary reportable or identifiable business segments as defined by Accounting Standard – 17 "Segment Reporting"

Secondary Segment : Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located in India.
- Sales outside India include sales to customers located outside India.

Information pertaining to Secondary Segment:

Details of Segment Revenue:

Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
Sales within India	2,36,557.59	2,20,885.27
Sales outside India	1,27,046.95	80,384.03
Total	3,63,604.54	3,01,269.30

Details of carrying amount of Segment Assets by geographical locations:

Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
Within India	3,73,737.21	2,40,785.00
Outside India	73,674.71	58,951.02
Total	4,47,411.92	2,99,736.01

Total cost incurred during the period to acquire segment assets (fixed assets including intangible assets) that are expected to be used during more than one period:

Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
Within India	1,693.72	1,050.18
Outside India	3,350.35	5,336.05
Total	5,044.07	6,386.23

17. Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with the parent Company's financial statements.

18. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

The Notes referred to above form an integral part of the Statement of Accounts.

As per our report attached

For and on behalf of the Board

For R. M. AJGAONKAR & ASSOCIATES

Chartered Accountants

R. M. AJGAONKAR

Partner

Membership No. 31927

Mumbai; 30th May, 2014

L. H. KHILNANI

Company Secretary

SANTOSH NAYAK

Managing Director

PRAKASH THAKUR

Vice Chairman

S. D. KSHIRSAGAR

Chairman

Notes

[illegible]

Notes

[illegible]



JYOTI STRUCTURES LIMITED




JYOTI STRUCTURES LIMITED

Registered & Corporate Office:

Valecha Chambers, 6th Floor, New Link Road
Oshiwara, Andheri (West), Mumbai – 400 053
Corporate Identity No.: L45200MH1974PLC017494
Tel.: (91-22) 4091 5000 Fax : (91-22) 40915014 / 15
E-mail: contact@jsl.in Web site : www.jsl.in

FORM B

1.	Name of the Company	Jyoti Structures Limited
2.	Annual financial statements for the year ended	31 st March, 2014
3.	Type of Audit qualification	Standalone Financial Statements Outstanding trade receivables and temporary diminution in value of investment
4.	Frequency of qualification	Since 2013-14
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	Refer note no. 31(12) of the Standalone financial statements on page number 49 of the Annual Report; Auditors observation together with the above referred notes are self-explanatory;
6.	Additional comments from the Board/audit committee chair	NIL
7	To be signed by:	
	Santosh V. Nayak Managing Director	
	R. M. Ajgaonkar Auditor of the Company	
	T.C. Venkat Subramanian Audit Committee Chairman	