



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

Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G,
BKC, Bandra (East), Mumbai – 400 051

Department of Corporate Services
Bombay Stock Exchange Limited
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

Ref : Scrip ID JYOTISTRUC

Ref : Scrip Code 513250

3rd September, 2016

LHK : RR

Dear Sir,

Sub: Notice of Annual General Meeting 2015-16

In continuation to our letter dated 25th August, 2016, enclosed please find herewith
Notice of Forty-First Annual General Meeting of the Company for the year 2015-16.

Thanking you,

Yours faithfully,
For Jyoti Structures Limited


Rajendra Rana
Company Secretary



Encl. as above



JYOTI STRUCTURES LIMITED

CIN NO.: L45200MH1974PLC017494

Regd. Office: Valecha Chambers, 6th Floor, New Link Road, Andheri West, Mumbai 400053

Email : investor@jsl.in; Web site : www.jsl.in

NOTICE

NOTICE is hereby given that the Forty-first Annual General Meeting of the Members of the Company will be held on Wednesday, the 28th September, 2016 at 3.00 p.m. at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Financial Statements including Audited Consolidated Financial Statements for the financial year ended 31st March, 2016 and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kalpesh Kikani (DIN: 03534772), who retires by rotation and being eligible, offers himself for re-appointment.
3. 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 M/s. 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 (including committee of the board), plus service tax and reimbursement of out of pocket expenses as may be incurred in the performance of their duties".

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification(s) 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 Rules made thereunder, as amended from time to time, the Board of Directors (including committee of the board) 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."

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

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

"RESOLVED THAT pursuant to the provisions of Section 148 (3) 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 ended 31st March, 2016 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 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**

Rajendra Rana
Company Secretary

Mumbai; 25th August, 2016

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) Pursuant to provisions of Section 105 of the Companies Act, 2013 (Act), a person can act as 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) Explanatory statement pursuant to Section 102 (1) of the Act, relating to 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 high in the order of names will be entitled to vote.
- 6) Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
- 7) Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Registers of the Company will remain closed from Wednesday, the 21st September, 2016 to Wednesday, the 28th September, 2016, both days inclusive.
- 8) 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.
- 9) All documents referred to in the notice and explanatory statement and other statutory registers shall be available for inspection by the members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m., except Saturdays, Sundays and public holidays, from the date hereof up to the date of the meeting and at the venue of the meeting for the duration of the meeting.
- 10) 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.
- 11) With a view to serving the members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
- 12) 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.

- 13) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed / unpaid dividends upto and including the financial year ended on 31st March, 2008 have been transferred to the Fund of the Central Government. Those Members who have not received the dividends for the financial year 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. It may be noted that unclaimed dividend for the financial year 2008-09 will be transferred to the Fund on or before 24th October, 2016.
- 14) 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 details of unclaimed and unpaid amounts lying with the Company as on 26th September, 2015 (date of last annual general meeting) on the website of the Company www.jsl.in and also on the Ministry of Corporate Affairs website.
- 15) 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.
- 16) 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.
- 17) Members are requested to make use of Nomination facility by filing Form SH-13. In case of shares held in demat mode Form SH-13 has to be lodged with the respective DP and in case of the shares held in physical mode the same has to be lodged with the Company or its Share Transfer Agents.
- 18) 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.
- 19) Members may also note that Notice of the 41st Annual General Meeting of the Company and Annual Report 2015-16 will also be available on the Company's website www.jsl.in for download.
- 20) Electronic copy of Annual Report for Financial Year 2015-16 along with Notice of 41st 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 the members whose email IDs are registered with the Registrars and Share Transfer Agent / Depository Participants for communication purposes. Hard copies of the same are being sent to all the members.
- 21) Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through e-voting. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.
- 22) In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - 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 8 digits of the sequence number (refer serial no. printed on the name and address sticker/mail) in the PAN field. - In case the sequence 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. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vi).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xv) You can also take a print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) 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.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions:

- In case of members holding equity shares in physical please follow all steps from sr. no. (i) to sr. no. (xix) above to cast vote.
- The e-voting period commences on Sunday, the 25th September, 2016 (9.00 a.m) IST and ends on Tuesday, the 27th September, 2016 (5.00 p.m) IST. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, the 21st September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on Tuesday, the 27th September, 2016. Once the vote on a resolution is cast and confirmed by the member, he shall not be allowed to change it subsequently.
- 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 the cut-off date of Wednesday, the 21st September, 2016.
- A person whose name is recorded in the register of members as on the cut-off date only shall be entitled to avail remote e-voting facility as well as voting at the Annual General Meeting through e-voting.
- Mr. Surjan Singh Rauthan, 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.
- The members would be able to cast their votes at the meeting through e-voting if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility then the members would not be permitted to exercise their voting right at the general meeting.
- At the meeting, at the end of discussion on resolutions on which voting is to be held, the Chairman shall with the assistance of the Scrutinizer order voting for all those members who are present but have not cast their vote electronically using remote e-voting facility.

- h. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, unblock the votes cast through e-voting in the presence of atleast two witnesses not in the employment of the Company and make, within 48 hours of the conclusion of the meeting, scrutinizer's report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
- i. The results shall be declared on or after the Annual General Meeting. The results declared along with the Scrutinizers Report shall be placed on the Company's website www.jsl.in and on the website of CDSL and communicated to the Stock Exchanges. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.

ANNEXURE TO THE NOTICE

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

ITEM NO. 4

The Company operates in the Engineering Procurement Construction (EPC) business in power transmission, distribution and substation sectors in India as well as outside India. For execution of projects awarded to the Company in various countries, the Company is required to set up several branches 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.4 of the accompanying Notice.

None of the directors and key managerial personnel and their relatives is concerned or interested, financially or otherwise, in the resolution set out in this item of the accompanying Notice.

The Board of Directors recommends the resolution at item no.4 for your approval.

ITEM NO. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. Narhar Krishnaji Nimkar, Cost Accountant (Membership No. 6493) (Cost Auditors) to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017 at a remuneration of ₹ 2,50,000/- (Rupees Two Lacs Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has 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. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2017.

None of the directors and key managerial personnel and their relatives is concerned or interested, financially or otherwise, in the resolution set out in this item of the accompanying Notice.

The Board of Directors recommends the resolution at item no.5 for your approval.

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

Rajendra Rana
Company Secretary

Mumbai; 25th August, 2016



JYOTI STRUCTURES LIMITED

CIN No.: L45200MH1974PLC017494

Regd. Office: Valecha Chambers, 6th Floor, New Link Road, Andheri (W), Mumbai 400 053
Tel.: (91-22) 4091 5000 Fax : (91-22) 40915014 / 15; E-mail: investor@jsl.in; Web site : www.jsl.in

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s):

Registered Address:

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

I/We, being the member(s) of shares of Jyoti Structures Limited, hereby appoint:

1. Name of Email ID failing him/her
2. Name of Email ID failing him/her
3. Name of Email ID

Whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 41st Annual General Meeting of the Company, to be held on Wednesday, the 28th September, 2016 at 3.00 p.m at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sno.	Resolution	*For	*Against
1	Adoption of Annual Accounts & Reports thereon for the financial year 31 st March, 2016		
2	Re-appointment of Mr. Kalpesh Kikani as a Director of the Company, who retires by rotation		
3	Appointment of M/s. R. M. Ajgaonkar & Associates, Chartered Accountants as Statutory Auditors of the Company		
4	Appointment of Branch Auditors		
5	Ratification of Cost Auditors Remuneration		

Signed this..... day of 2016

Signature of Shareholder

Affix
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company situated at Valecha Chambers, 6th Floor, New Link Road, Andheri (West) Mumbai 400053 not less than 48 hours before the commencement of the meeting.
- Proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.
- * Please put a tick (✓) mark in the appropriate column against the resolutions indicated in the box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



JYOTI STRUCTURES LIMITED

CIN No.: L45200MH1974PLC017494

Regd. Office: Valecha Chambers, 6th Floor, New Link Road, Andheri (W), Mumbai 400 053
Tel.: (91-22) 4091 5000 Fax : (91-22) 40915014 / 15; E-mail: investor@jsl.in; Web site : www.jsl.in

ATTENDANCE SLIP

41st Annual General Meeting
28th September, 2016

Dp. ID

Folio No.

Client ID

No. of Shares

Full Name of Shareholder / Proxy attending the meeting

(First Name)

(Second Name)

(Surname)

FIRST HOLDER / JOINT HOLDER / PROXY

Full Name of First Holder (If Joint Holder / Proxy attending)

(First Name)

(Second Name)

(Surname)

Signature of the Shareholder / Proxy



JYOTI STRUCTURES LIMITED



**ANNUAL REPORT
2015 - 2016**

FINANCIAL HIGHLIGHTS

₹ in Lacs

	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
SALES & EARNINGS :							
Gross Sales & Other Income	2,58,050	2,86,966	3,42,685	2,85,514	2,65,872	2,46,925	2,06,883
Profit before Taxes	(50,124)	(26,967)	5,231	9,793	12,857	16,736	14,436
Profit after Taxes	(50,178)	(26,998)	3,232	6,483	8,554	11,091	9,101
Equity Dividend	Nil	Nil	Nil	40%	55%	75%	50%
ASSETS :							
Gross Block (Including Capital W.I.P.)	34,722	34,591	33,923	32,490	31,534	26,887	23,886
Net Block	13,441	16,052	18,903	19,669	21,049	18,390	17,155
Total Assets	5,97,900	5,13,022	4,20,594	2,81,433	2,45,236	1,80,721	1,52,796
EQUITY AND LIABILITIES :							
Share Capital	4,691	4,691	4,145	4,145	1,644	1,643	1,640
Reserves & Surplus	7,460	57,790	73,712	70,454	64,816	58,531	48,685
Total Liabilities	5,97,900	5,13,022	4,20,594	2,81,433	2,45,236	1,80,721	1,52,796
Net Worth	12,120	62,448	75,323	72,061	66,420	60,131	50,281
OTHER HIGHLIGHTS :							
Foreign Exchange Earnings (Including Deemed Exports & Sales through Export Houses)	1,37,585	80,229	1,03,432	61,033	46,489	34,814	45,769
Foreign Exchange Outgo	84,455	25,775	9,131	5,631	6,606	3,479	6,827
INSTALLED CAPACITY AND PRODUCTION :							
Installed Capacity (M.T.p.a.)	1,16,160	1,16,160	1,16,160	1,16,160	1,16,160	1,10,000	1,10,000
Production (M.T.)	31,564	32,867	1,02,521	71,392	1,00,105	1,50,985	1,18,555
EARNING PER SHARE :							
EPS - Basic (In ₹)	₹ (45.81)	₹ 28.29	₹ 3.89	₹ 7.89	₹ 10.41	₹ 13.52	₹ 11.23
EPS - Diluted (In ₹)	₹ (45.81)	₹ 28.29	₹ 3.88	₹ 7.86	₹ 10.37	₹ 13.46	₹ 11.18
Book Value (In ₹)	₹ 11.07	₹ 57.02	₹ 91.55	₹ 87.6	₹ 80.79	₹ 73.22	₹ 61.31

BOARD OF DIRECTORS

S. D. Kshirsagar	Chairman
K. R. Thakur	Whole-time Director
Jyotsna Jamkhandi	
Kalpesh Kikani	
P. K. Thakur (upto 28.03.16)	
R. C. Rawal	
S. H. Mirchandani (upto 24.08.16)	
T. C. Venkat Subramanian (upto 15.08.15)	
V. M. Kaul	

COMPANY SECRETARY

L. H. Khilnani (upto 31.05.16)
Rajendra Rana (w.e.f. 01.06.16)

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 State, India
Tel. : +91 22 4091 5000
Fax. : +91 22 4091 5014/15
Website : www.jsl.in
Email : investor@jsl.in

REGISTRARS & SHARE TRANSFER AGENTS

Bigshare Services Private Limited
E/2, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (East), Mumbai 400072
Tel. : + 91 22 2847 0652 / 4043 0200
Fax : + 91 22 2847 5207
e-mail : bss@bigshareonline.com

41ST ANNUAL GENERAL MEETING

Day : Wednesday
Date : 28th September, 2016
Time : 3:00 p.m.
Venue : M. C. Ghia Hall, 4th floor,
Bhogilal Hargovindas Building,
18/20, Kaikhushru Dubash Marg,
Mumbai - 400 001

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JYOTI STRUCTURES LIMITED

DIRECTORS' REPORT

Your Directors seek to present the Forty-first Annual Report on business and operations of the Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2016.

FINANCIAL RESULTS

Performance of the Company, on standalone basis, for the financial year ended 31st March, 2016 is as summarized below:

	(₹ in Lacs)	
Particulars	2015-16	2014-15
Net Revenue from Operations	2,51,344	2,79,789
EBIDTA	8,838	13,463
Finance Cost	55,878	36,990
Depreciation and Amortization	3,084	3,440
Profit before tax	(50,124)	(26,967)
Tax Expenses	54	31
Profit after tax	(50,178)	(26,998)

PERFORMANCE HIGHLIGHTS

Your Company reported a decline in the top-line by 10% over the previous year. At standalone level, the gross revenue from operations stood at ₹ 2,51,344 lacs, as compared to ₹ 2,79,789 lacs in the previous year. The operating loss before tax stood at ₹ 50,124 lacs, as compared to operating loss before tax of ₹ 26,967 lacs in the previous year. The net loss for the year stood at ₹ 50,178 lacs, as compared to net loss of ₹ 26,998 lacs in the previous year.

At consolidated level, gross revenue from operations was placed at ₹ 2,96,790 lacs, as compared to ₹ 3,12,753 lacs in the previous year. The net loss for the year stood at ₹ 70,432 lacs, as compared to loss of ₹ 39,575 lacs in the previous year.

Exports of the Company amounted to ₹ 1,36,191 lacs (previous year ₹ 77,845 lacs) representing about 54% of the net sales.

Supply of towers and structures declined to 34,627 MT as compared to 46,097 MT in the previous year.

Order backlog at the end of the year was at ₹ 2,70,064 Lacs as compared to ₹ 4,61,000 Lacs at the end of the previous year.

During the year under review, the company experienced various challenges including tight liquidity in execution of the projects. The Company took necessary and rigorous steps for closing old projects which impacted the margins due to cost associated with project closure.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF YOUR COMPANY

In spite of best efforts, the restructuring package as envisaged by the JLF could not be successfully implemented. The Company continued to be under financial stress during the year as most of the banks did not release the enhanced working capital facilities. With this, the Company was unable to adhere to milestones stipulated in restructuring package and the lenders had to invoke Strategic Debt Restructuring Scheme (SDR) in terms of the extant RBI guidelines. Since then, the lenders decided to restructure the debt and evaluate investment proposal submitted by strategic investor, outside SDR.

DIVIDEND

Considering that the Company has incurred loss for the year ended 31st March, 2016, the Board of Directors of your Company have decided, not to recommend any dividend for FY 2016.

SHARE CAPITAL AND LISTING OF SHARES

During the year under review, the authorized share capital of the Company was re-classified and post re-classification, the authorized share capital of the Company is ₹ 85,00,00,000 (Rupees Eighty Five Crore only) divided into 30,00,00,000 (Thirty Crore) equity shares of ₹ 2/- (Rupees Two) each and 25,00,000 (Twenty Five Lac) preference shares of ₹100/- (Rupees One Hundred) only.

The paid up Share Capital of the Company as on 31st March, 2016 was ₹ 4,690.55 lacs and remained unchanged during the financial year under review.

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.

SUBSIDIARY COMPANIES

In compliance with applicable provisions of Companies Act, 2013 ('Act'), a statement giving salient features of the financial statements and performance of the Company's subsidiaries, associates and joint ventures for the year ended 31st March, 2016, is attached and forms part of this report. The financial statements of subsidiary companies shall be uploaded on the website of your Company and the same are available for inspection by the members at the registered office of your Company during business hours on all working days except Saturdays upto the date of the Annual General Meeting. Any member desirous of obtaining a copy of the said financial statements may write to the Company at the registered office of the Company.

The audited consolidated financial statements prepared in accordance with the prescribed accounting standards, form part of this Annual Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Effective 28th March, 2016, Mr. Prakash K Thakur (DIN: 01421897) ceased to be a Director of the Company and effective 24th August, 2016, Mr. Sanjay Mirchandani (DIN: 00531110) ceased to be a Director of the Company.

The Company has received declarations from all Independent Directors of the Company namely, Mr. S. D. Kshirsagar (DIN: 00001266), Mr. R. C. Rawal (DIN: 02932427) and Mr. V. M. Kaul (DIN: 00015245) confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Further, pursuant to Section 164(2) of the Act all the Directors have provided declarations in form DIR 8 that they have not been disqualified to act as a Director.

Your directors recommend the re-appointment of Mr. Kalpesh Kikani (DIN: 03534772), Director of the Company who is liable to retire by rotation and being eligible, has offered himself for re-appointment.

Brief profile of Directors seeking re-appointment form part of the Report on Corporate Governance.

Mr. Rajendra Rana was appointed as Company Secretary and Compliance Officer with effect from 1st June 2016 in place of Mr. L. H. Khilnani, former Company Secretary, who achieved superannuation.

BOARD EVALUATION

In compliance with the Act and Listing Regulations, during the year under review, performance evaluation of the Board, the directors individually and Committees of the Board was carried out based on self-evaluation mechanism / assessment.

MEETINGS

During the year, seven Board Meetings and four Audit Committee Meetings were convened and held, details of which are given in the Corporate Governance Report.

COMMITTEES

Your Company has several Committees and is in compliance with the requirements of the relevant provisions of applicable laws and statutes. The details with respect to composition, powers, roles, terms of reference etc. of the relevant Committees are given in detail in the Corporate Governance Report which forms part of this Annual Report.

JYOTI STRUCTURES LIMITED

REMUNERATION POLICY

The Company has a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and other employees. The policy also lays down criteria for selection and appointment of Board Members. The details of this policy are given in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

Your Directors have constituted Corporate Social Responsibility (CSR) Committee comprising Mr. S. D. Kshirsagar, as Chairman and Mr. V. M. Kaul & Mr. R. C. Rawal, as members.

The said Committee recommends to the Board, the CSR projects / activities to be undertaken by the Company, monitoring the implementation of framework of CSR Policy and recommending the amount to be spent on CSR activities.

On recommendation of CSR Committee, the Board of Directors of your Company has approved CSR Policy which may be accessed at the Company's website www.jsl.in.

Consequent to losses, no expenditure has been incurred on CSR activities during the year.

The Annual Report on CSR containing the particulars specified in the Annexure to the Companies (CSR Policy) Rules 2014 is annexed and forms part of this report.

RISK MANAGEMENT

Pursuant to the requirement of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 the Company has constituted a Risk Management Committee. The Risk Management Committee reviews the Company's risk management practices and activities from time to time. Details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board Report.

RELATED PARTY TRANSACTIONS

Your Company has formulated a policy on related party transaction which is also available on the Company's website www.jsl.in. All related party transactions during the financial year were on an arm's length basis and in the ordinary course of business. There were no transactions which were material and accordingly, no disclosure is made in respect of related party transactions. All Related Party Transactions are placed before the Audit Committee for approval in terms of requirement of Regulation 23 of the Listing Regulations.

AUDITORS

Statutory Auditors

M/s. R. M. Ajgaonkar & Associates, Chartered Accountants, Statutory Auditors of the Company hold office upto the forthcoming Annual General Meeting and are recommended for re-appointment for the financial year 2016-17. As required under the provisions of Section 139 and 141 of the Act, the Company has obtained written confirmation from the Auditors to the effect that their appointment, if made, would be in conformity with the provisions of those sections.

Statutory Auditors comments on your Company's accounts for the year ended 31st March, 2016 read with notes to financial statements are self-explanatory in the nature and do not require any explanation as per provisions of Section 134 (3)(f) of the Companies Act, 2013.

Cost Auditors

The Company has appointed Mr. Narhar K. Nimkar, Cost Accountant, as the Cost Auditor to audit the cost accounts of the Company for the financial year 2016-17. As required under the Act, the remuneration payable to the Cost Auditor is required to be placed before the members at the general meeting for ratification. Accordingly, a resolution seeking member's ratification for the remuneration payable to Mr. Narhar K. Nimkar, Cost Accountant is included at item no. 5 of the notice convening the Annual General Meeting. The cost audit report for the financial year 2014-15 was filed with the Ministry of Corporate Affairs on 28th September, 2015.

Secretarial Auditors

Pursuant to provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Surjan Singh Rauthan, Practicing Company Secretary (Membership No. 4807), as the Secretarial Auditor of the Company for the year ended 31st March, 2016. Report of Secretarial Auditors is annexed and forms part of this report.

Branch Auditors

In terms of the provision of sub-section (8) of Section 143 of the Act read with Rule 12 of the Companies (Audit and Auditors) Rules, 2014, the audit of the accounts of the branch offices of the Company located outside India is required to be conducted by the person(s) or firm(s) qualified to act as Branch Auditors in accordance with laws of that country. Approval of the Members is sought to authorize the Board of Directors / Audit Committee to appoint Branch Auditors in consultation with the Statutory Auditors for the branch offices of the Company and also to fix their remuneration. The Board of Directors recommends to the Members to pass the resolution, as stated in item no. 4 of the Notice convening the ensuing Annual General Meeting.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in form MGT 9, as required under Section 92 of the Act, is annexed and forms part of this report.

FIXED DEPOSITS

During the year, the Company has not accepted fixed deposits. The Company has been paying the interest and repaying the deposits, in accordance with the terms and conditions of the fixed deposit accepted under Companies Act, 1956. The Company has no overdue deposits other than unclaimed deposits of ₹ 526.75 lacs as on 31st March, 2016.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees or investments covered under the provisions of Section 186 of the Act are given in notes to the standalone financial statements forming part of the Annual Report.

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

Pursuant to the provisions of

- a. Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts of dividend, debentures and interest thereon, 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 the details of unpaid and unclaimed amounts of dividend, debentures and interest thereon, lying with the Company as on 26th September, 2015 (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 OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197 of the Act and Rule 5(1) of Companies (Appointment and Remuneration of Management Personnel) Rules, 2014 is annexed and forms part of this report.

Details of employee remuneration as required under provisions of Section 197(12) of the Act and Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Management Personnel) Rules, 2014 are available for inspection by the members at the registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting and shall be made available to any shareholder on request.

JYOTI STRUCTURES LIMITED

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements under the Act and as stipulated under the Listing Regulations. Management's Discussion and Analysis, Corporate Governance Report, together with Auditors' Certificate on compliance with the conditions of Corporate Governance as laid down, are annexed and form part of this report.

INTERNAL CONTROL SYSTEM

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis, which forms part of this Report.

CODE OF CONDUCT

The Company has a Code of Conduct for Board Members and Senior Management Personnel and Vigil Mechanism ('Whistle Blower Policy'), copies of the same have been posted on website of the Company.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place Policy on Prevention of Sexual Harassment in line with the requirements of 'The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013'. The Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. During the year, no complaints were reported.

OCCUPATIONAL HEALTH & SAFETY AND ENVIRONMENTAL POLICY

For your Company safety, health and well-being of its employees and people working for it is of utmost importance. Your Company strives to take care of environment and for sustainable business development continues to develop and implement environmental management system to measure, control and reduce the environmental impact. Company's operations are in compliance with all applicable regulations.

EMPLOYEES STOCK OPTION SCHEME

No stock options were granted during the year under Employees Stock Option Scheme.

TECHNOLOGY ABSORPTION, CONSERVATION OF ENERGY & FOREIGN EXCHANGE EARNINGS & OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed and form part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 134 (3) (c) of the Companies Act, 2013, Directors confirm that:

- i. applicable Accounting Standards have been followed in the preparation of annual accounts for the year ended 31st March, 2016 and that there are no material departures;
- ii. such accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2016 and of the profit of your Company for the year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
- v. the internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and were operating effectively; and

- vi. proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Board takes this opportunity to thank all its employees for their dedicated service and firm commitment to the goals of the Company. Your Board also wishes to place on record its sincere appreciation for the whole hearted support received from all shareholders and other stakeholders, valued customers, banks, government and statutory authorities, investors and stock exchanges for their continued support to the Company. We look forward to continued support of all these partners in progress.

For and on behalf of the Board

S. D. Kshirsagar

Chairman

DIN: 00001266

Mumbai; 25th August, 2016

Annexure I to the Directors Report

Annual Report on Corporate Social Responsibility

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1	Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	The Company has framed a Corporate Social Responsibility (CSR) Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the company's website and the web link for the same is www.jsl.in. A gist of programs that the Company can undertake under the CSR Policy is mentioned below: (i) promoting education, enhancing vocational skills with emphasis on training and technical development; (ii) promoting health care, sanitation and infrastructure development; (iii) promoting environmental sustainability with conservation of natural resources; (iv) promoting sports, cultural programs in consultation with communities and cultures with which we work.
2	The Composition of the CSR Committee	The Board of Directors of your Company has constituted the Corporate Social Responsibility Committee of Directors. CSR Committee is formed as per the applicable laws of the Companies Act, 2013 and the Committee is responsible for the implementation/ monitoring and review of the policy and various projects/activities undertaken under the policy. The Members of the CSR Committee are: a) Mr. S. D. Kshirsagar, Chairman b) Mr. V. M. Kaul, Member c) Mr. R. C. Rawal, Member d) Mr. T. C. Venkat Subramanian, Member (upto15.8.15)
3	Average net profit of the company for last three financial years	Negative
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Not applicable
5	Details of CSR spent during the financial year i. Total amount to be spent for the financial year: ii. Amount unspent, if any: iii. Manner in which the amount spent during the financial year:	Not applicable
6	In case the company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report	Not applicable
7	Responsibility statement of CSR Committee	We hereby confirm that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company

For and on behalf of the Board

K. R. Thakur
Whole-time Director
DIN: 00001270

S. D. Kshirsagar
Chairman, CSR Committee
DIN: 0001266

Mumbai; 25th August, 2016

Annexure II to the Directors Report**Secretarial Audit Report**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Jyoti Structures Limited

Valecha Chambers, 6th Floor,

New Link Road, Andheri (west)

Mumbai-400053

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practiced by Jyoti Structures Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2016 (“Audit Period”), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period ended on 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. During the Audit Period the Company has not delisted any Securities, hence, provisions of The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 are not applicable;
 - h. During the Audit Period the Company has not bought back any Securities, hence, provisions of The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 are not applicable;

JYOTI STRUCTURES LIMITED

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

We have also examined compliance with the applicable Laws, Acts, Rules, Regulations, Guidelines, Standards, etc., complied by the following subsidiaries of the Company:

- a) JSL Corporate Services Ltd; and
- b) Jyoti Energy Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the company:

- a) Industrial Laws;
- b) Labour laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- c) Conservation of Foreign Exchange and Prevention of Smuggling Activities Act;
- d) Acts prescribed under Environmental Protection;
- e) Acts as prescribed under Direct Tax and Indirect Tax;
- f) Labour Welfare Act of respective states;
- g) Local Laws as applicable to various offices and plants.

During the period under review the Company has complied with the provisions of the above referred Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except;

- a) *delay in deposit of employees contribution to Provident Fund, employees contribution to Employees State Insurance Contribution (ESIC), tax deducted at Source (TDS), tax collected at source(TCS), Service Tax and Sales tax.*
- b) *non-deposit of employer's contribution to Provident Fund, and employer's contribution to Employees State Insurance Contribution (ESIC).*
- c) *delay in filing of statutory returns.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except rotational directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The Company has not complied with the requirement of Section 203 of Companies Act 2013, with regard to appointment of Chief Financial Officer (CFO) in respect of period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken event/ action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For S. S. Rauthan & Associates
Company Secretaries**

**Surjan Singh Rauthan
Proprietor**

M. No. : FCS - 4807
COP No. 3233

Mumbai; 25th August 2016

JYOTI STRUCTURES LIMITED

Annexure III to the Directors Report

Form MGT 9 Extract of Annual Return

As on the financial year ended 31st March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L45200MH1974PLC017494
ii)	Registration Date	27 th May, 1974
iii)	Name of Company	Jyoti Structures Limited
iv)	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details	Jyoti Structures Limited Valecha Chambers, 6 th Floor, New Link Road, Andheri (West), Mumbai 400 053 Maharashtra, India Phone: +91 22 4091 5000; Fax: +91 22 4091 5014/15 Website: www.jsl.in; Email: investor@jsl.in
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar & Transfer Agents (RTA), if any:-	Bigshare 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; Email: bss@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company:

Sn.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Power Transmission and Distribution Business	351	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sn.	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	JSL Corporate Services Limited Valecha Chambers, 6 th Floor, New Link Road, Andheri (West) Mumbai 400053	U65923MH1993PLC075210	Subsidiary	100%	2(87)
2	Jyoti Energy Limited Valecha Chambers, 6 th Floor, New Link Road, Andheri (West) Mumbai 400 053	U40108MH2001PLC132635	Subsidiary	100%	2(87)
3	Jyoti International INC. 2711, Centreville Road, Suite 400, Wilmington, New Castle, Delaware, United States of America 19808	Foreign Company	Subsidiary	100%	2(87)
4	Jyoti Americas LLC 3575, Pollok Drive, Conroe, Texas, United States of America 77303	Foreign Company	Subsidiary	100%	2(87)

Sn.	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
5	Jyoti Structures Canada Limited 220 – 75655 – 132 nd Street, Surrey BC V3W 1K5, Canada	Foreign Company	Subsidiary	100%	2(87)
6	Jyoti Structures FZE Office No. TPOFCB0612, Jebel Ali, Dubai, United Arab Emirates	Foreign Company	Subsidiary	100%	2(87)
7	Jyoti Structures Nigeria Ltd. 15, Adol House, Cipm Avenue, Alausa Ikeja, Lagos, Nigeria	Foreign Company	Subsidiary	100%	2(87)
8	Jyoti Structures Kenya Ltd. Hevea Court, 15 Eldama Ravine Road, Off Peponi Road, P.O. Box 10161- 00100, Westlands, Nairobi, Kenya	Foreign Company	Subsidiary	100%	2(87)
9	Jyoti Structures Africa (Pty.) Ltd. 57, Wessel Road, Chelsea Office Park, Block D, Rivonia – 2128 P O Box 418, Glen vista - 2058, Johannesburg	Foreign Company	Subsidiary	70%	2(87)
10	Jyoti Structures Namibia (Pty.) Ltd. 108 Andimba Toivoya Toivo Str., Windhoek, Namibia, Postal Address: P.O. Box 40412, Windhoek, Namibia	Foreign Company	Subsidiary	70%	2(87)
11	Lauren Jyoti Private Limited Valecha Chambers, 6 th Floor, New Link Road, Andheri West, Mumbai 400053	U45200MH2011FTC215114	Associate	50%	2(6)
12	Gulf Jyoti International LLC Plot No. 597-653, Dubai Investment Park, P.O. Box 211154, Dubai, UAE	Foreign Company	Associate	30%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,47,10,926	-	1,47,10,926	13.43	1,47,04,701	-	1,47,04,701	13.43	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,13,51,085	-	1,13,51,085	10.36	1,13,51,085	-	1,13,51,085	10.36	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	2,60,62,011	-	2,60,62,011	23.79	2,60,55,786	-	2,60,55,786	23.79	0.00

JYOTI STRUCTURES LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	2,51,94,490	-	2,51,94,490	23.00	1,69,86,439	-	1,69,86,439	15.51	(7.49)
b) Banks / FI	26,03,057	-	26,03,057	2.38	23,94,603	-	23,94,603	2.19	(0.19)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	4,43,639	250	4,43,889	0.41	2,18,412	250	2,18,662	0.20	(0.23)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	2,82,41,186	250	2,82,41,436	25.78	1,95,99,454	250	1,95,99,704	17.89	5.19
2. Non-Institutions									
a) Bodies Corp.	1,03,39,059	11,005	1,03,50,064	9.45	88,45,761	11,005	88,56,766	8.09	1.85
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,90,56,572	5,61,697	2,96,18,269	27.04	3,90,62,801	5,56,687	3,96,19,488	36.17	9.13
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	75,12,946	-	75,12,946	6.86	69,45,754	-	69,45,754	6.34	(0.52)
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	71,36,438	-	71,36,438	6.52	77,71,614	-	77,71,614	7.09	0.57
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	6,05,046	-	6,05,046	0.55	6,78,598	-	6,78,598	0.61	0.06
Trusts	1,500	-	1,500	0.00	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	5,46,51,561	5,72,702	5,52,24,263	50.42	6,33,04,528	5,67,692	6,38,72,220	58.32	7.90
Total Public Shareholding (B)=(B)(1)+ (B)(2)	8,28,92,747	5,72,952	8,34,65,699	76.21	8,29,03,982	5,67,942	8,34,71,924	76.21	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10,89,54,758	5,72,952	1,09,52,7710	100.00	10,89,59,768	5,67,942	10,95,27,710	100.00	0.00

Note: Change in number of shares held by the promoter is due to market sell.

ii) Shareholding of Promoters

SN.	Shareholder's Name	Shareholding at the beginning of the year [As on 31 st March, 2015]			Share holding at the end of the year [As on 31 st March, 2016]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	K R Thakur	36,55,973	3.34	3.34	36,55,973	3.34	3.34	-
2	Prakash Thakur	49,42,488	4.51	4.51	49,42,488	4.51	4.51	-
3	Raj K Thakur	24,82,605	2.27	2.27	24,82,605	2.27	2.27	-
4	Harish Mirchandani	2,00,000	0.18	0.00	2,00,000	0.18	0.00	-
5	Sanjay Mirchandani	4,70,000	0.43	0.00	4,70,000	0.43	0.00	-
6	Neeta Mirchandani	5,00,000	0.46	0.00	5,00,000	0.46	0.00	-
7	Kishore Mirchandani	4,76,255	0.43	0.00	4,76,255	0.43	0.00	-
8	Vijay Mirchandani	4,25,800	0.39	0.00	4,25,800	0.39	0.00	-
9	Seema Mirchandani	4,50,000	0.41	0.00	4,50,000	0.41	0.00	-
10	Madanlal Valecha	3,94,975	0.36	0.00	3,94,975	0.36	0.00	-
11	G. L. Valecha	1,60,000	0.15	0.00	1,60,000	0.15	0.00	-
12	Bela Valecha	1,92,750	0.18	0.00	1,92,750	0.18	0.00	-
13	Naresh Valecha	80,225	0.07	0.00	74,000	0.07	0.00	-
14	Deepak Valecha	61,200	0.06	0.00	61,200	0.06	0.00	-
15	Mohini Valecha	70,935	0.06	0.00	70,935	0.06	0.00	-
16	Rajesh Valecha	57,300	0.05	0.00	57,300	0.05	0.00	-
17	Roopa Valecha	54,250	0.05	0.00	54,250	0.05	0.00	-
18	Varsha Valecha	36,170	0.03	0.00	36,170	0.03	0.00	-
19	Surya India Fingrowth Pvt. Ltd.	58,60,320	5.35	1.77	58,60,320	5.35	5.24	-
20	Valecha Infrastructure Ltd.	54,31,400	4.96	4.96	54,31,400	4.96	4.96	-
21	Val-mir Constructions Pvt. Ltd.	59,365	0.05	0.00	59,365	0.05	0.00	-

Note:

- i) Shares held in multiple folios are combined
- ii) Change in number of shares held by the promoter is due to market sell.

JYOTI STRUCTURES LIMITED

iii) Change in Promoters' Shareholding - Naresh Valecha

Particulars	Shareholding at the beginning of the year [As on 31 st March, 2015]		Cumulative Shareholding during the year [As on 31 st March, 2016]	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year:	80,225	0.07	80,225	0.07
Market Sell on 27.11.15	(3,725)	0.00	(3,725)	0.00
Market sell on 4.12.15	(6,500)	0.00	(6,500)	0.00
Market purchase on 18.12.15	4,200	0.00	4,200	0.00
Market sell on 31.12.15	(200)	0.00	(200)	0.00
At the end of the year	74,000	0.07	74,000	0.07

iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs)

SN	Name of Shareholders	Shareholding at the beginning of the year [As on 31 st March, 2015]		Shareholding at the end of the year [As on 31 st March, 2016]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	IDFC Sterling Equity Fund	76,75,914	7.01	34,91,651	3.19
2	HDFC Trustee Company Limited – HDFC Infrastructure Fund	37,34,000	3.41	37,34,000	3.41
3	HDFC Trustee Company Limited – HDFC Prudence Fund	37,34,000	3.41	37,34,000	3.41
4	UTI Infrastructure Fund	30,50,000	2.78	35,50,000	3.24
5	Edelweiss Securities Limited	27,65,594	2.53	-	-
6	Mahesh Dinkar Vaze	25,00,000	2.28	-	-
7	Mohan Doulatram Asnani	17,87,500	1.63	17,87,500	1.63
8	IDFC Equity Opportunities Series II	17,50,293	1.60	-	-
9	L & T Mutual Fund Trustee Ltd. – L & T Tax Advantage Fund	16,83,983	1.54	-	-
10	HDFC Trustee Company Ltd. A/c. – HDFC Childrens' Gift Fund – Investment Plan	14,29,200	1.30	14,29,200	1.30
11	L & T Mutual Fund Trustee Ltd. – L & T Business Cycle Fund	14,03,000	1.28	8,23,488	0.75
12	Mukesh Raghmal Chetwani	12,88,015	1.18	12,88,015	1.18
13	Bina Mohan Asnani	12,71,115	1.16	12,71,115	1.16
14	LIC of India Market Plus – 1 Growth Fund	11,76,664	1.07	11,76,664	1.07

Note:

- The above shareholders are holding shares in multiple folios which have been combined based on the permanent account number of the shareholders.
- The shares of the Company are traded frequently by the top ten shareholders and hence the date wise increase/decrease data is not provided.

v) Shareholding of Directors and Key Managerial Personnel:

SN.	Name of the Director / KMP	Shareholding at the beginning of the year [As on 31 st March, 2015]		Shareholding at the end of the year [As on 31 st March, 2016]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. K. R. Thakur, Whole-time Director	36,55,973	3.34	36,55,973	3.34
2	Mr. Prakash Thakur, Director ^{\$}	49,42,488	4.51	49,42,488	4.51
3	Mr. Sanjay Mirchandani, Director [#]	4,70,000	0.43	4,70,000	0.43
4	Mr. S. D. Kshirsagar, Chairman	3,200	0.00	3,200	0.00
5	Mr. L. H. Khilnani, Company Secretary [*]	13	0.00	13	0.00

^{\$} Ceased to be a Director with effect from 28th March, 2016

[#] Ceased to be a Director with effect from 24th August, 2016

^{*} upto 31st May, 2016

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,55,596.54	1,498.21	6,424.35	2,63,519.10
ii) Interest due but not paid	254.69	-	-	254.69
iii) Interest accrued but not due	85.04	67.76	587.11	739.90
Total (i+ii+iii)	2,55,936.27	1,565.96	7,011.46	2,64,513.69
Change in Indebtedness during the financial year				
* Addition	2,35,963.45	-	-	2,35,963.45
* Reduction	4,704.62	881.04	6,103.14	11,688.80
Net Change	2,31,258.83	(881.04)	(6,103.14)	2,24,274.65
Indebtedness at the end of the financial year				
i) Principal Amount	4,81,563.86	635.31	881.36	4,83,080.54
ii) Interest due but not paid	5,577.68	49.61	-	5,627.29
iii) Interest accrued but not due	53.56	-	26.96	80.52
Total (i+ii+iii)	4,87,195.10	684.93	908.32	4,88,788.34

Note:

*i) Net of opening and closing balance.

*ii) Includes exchange difference.

iii) Total indebtedness includes long term and short term borrowings.

JYOTI STRUCTURES LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lacs)

SN.	Particulars of Remuneration	Name of MD/WTD/Manager
	Name of Managerial Personnel	K. R. Thakur
	Gross salary	
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	178.50
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.93
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify	-
5	Others (PF contribution)	12.24
	Total	192.67

* Application made to Central Government for approval of variation in remuneration

B. Remuneration to other directors

(₹ in Lacs)

Name of Director	Sitting fees	Commission	Total compensation
Non Executive Directors			
Jyotsna Jamkhandi	1.25	Nil	1.25
Kalpesh Kikani	Nil	Nil	Nil
P. K. Thakur #	Nil	Nil	Nil
S. H. Mirchandani *	0.85	Nil	0.85
Total (I)	2.10	Nil	2.10
Independent Directors			
S. D. Kshirsagar	1.75	Nil	1.75
R. C. Rawal	1.25	Nil	1.25
T. C. Venkat Subramanian@	0.40	Nil	0.40
V. M. Kaul	1.55	Nil	1.55
Total (II)	4.95	Nil	4.95
Grand Total (I+II)	7.05	Nil	7.05

Ceased to be a Director with effect from 28th March, 2016

* Ceased to be a Director with effect from 24th August, 2016

@ Ceased to be a Director with effect from 15th August, 2015

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(₹ in Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel
		L. H. Khilnani, Company Secretary
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	61.79
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.32
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	
	- as % of profit	-
	others, specify...	-
5	Others (PF contribution & Medical reimbursement)	3.27
	Total	65.38

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Not applicable				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	Not applicable				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	Not applicable				
Punishment					
Compounding					

For and on behalf of the Board

S. D. Kshirsagar

Chairman

DIN: 00001266

Mumbai; 25th August, 2016

JYOTI STRUCTURES LIMITED

Annexure IV to the Directors Report

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Directors and Company Secretary during the financial year 2015-16

Sr	Name of Director / Key Managerial Personnel (KMP)	Designation	From	To	Remuneration of Director / KMP for FY 2015-16 (₹. in Crore)	% increase in Remuneration in FY 2015-16	Ratio of remuneration of each director to median remuneration of employees	Comparison of remuneration of the KMP against performance of the company
1	K.R. Thakur	Whole time Director	1/4/2015	31/3/2016	1.93	10%	53.59	During FY 2015-16, loss before tax was ₹ 501.24 crore and loss after tax was ₹ 501.78 crore
2	L.H. Khilnani	Company Secretary	1/4/2015	31/3/2016	0.65	11%	Not Applicable	

- In the financial year, there was an increase of 22% in the median remuneration of employees.
- There were 1,365 permanent employees on the rolls of the Company as on 31st March 2016
- The explanation on the relationship between average increase in remuneration and company performance: In view of loss incurred during the year, increase in remuneration and Company performance is not comparable. The increase in remuneration is determined on the basis of remuneration prevailing in the industry.
- Comparison of remuneration of KMP against performance of the Company:

Total Remuneration of KMP in FY 2015-16 (₹ in lacs)	258.06
Total Income (₹ in lacs)	2,55,949.09
Remuneration of KMPs (as a % of revenue)	0.10%

- Variations in the market capitalization of the company: The Market Capitalisation as on 31st March 2016 was ₹ 119.39 crore (₹ 280.94 crore as on 31st March, 2015).
 - Price earnings ratio as at the closing date of the current financial year and previous financial year: Not applicable
 - Percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer: The Company had come out with initial public offer (IPO) in the year 1989. An amount of ₹ 1,000 invested in the said IPO would be worth ₹ 3,634/- as on 31st March, 2016, indicating a compounded annual growth rate of 4.90 %. This is excluding corporate action for dividend, rights & bonus issue.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e.2015-16 was 18% whereas the increase in the managerial remuneration for the same financial year was (23%).
- The key parameters for variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee as per the Remuneration Policy of the Company.
- The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: 88%
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Annexure V to the Directors Report

Details of JSL Employee Stock Option Scheme 2005

SNo.	Description	Details
1	Options Granted during F.Y. 2015-16	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. 2015-16	24,260
4	Options Exercised during F.Y. 2015-16	NIL
5	The Total number of Shares arising as a result of exercise of option	NIL
6	Options lapsed	NIL
7	Variation of terms of options	None
8	Money realized by exercise of options	NIL
9	Total Number of options in force	1,03,950
10	Employee wise details of options granted to	
i	Key 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 Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	₹ (45.84)
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.	₹ (0.76) Lacs; Profits would have been lower by ₹ 0.76 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:	Refer details below

	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 and	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

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	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 and	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

Annexure VI to the Directors Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

A. Conservation of Energy

As planned to replace conventional 400 W & 200 W lamps on shop floor by 100 W & 60 W LED lamps respectively in phased manner, during the year, 30 LED lamps of 100 W were installed for replacement of 400 W lamps. Thus saving of 300 W/Lamp.

B. Technology Absorption

- Specified Areas in which R&D is carried out by the Company: R&D carried out for usage of Induction Furnaces for Bending of material. Successfully installed one additional Induction Heating Furnace during the year. Thus making total Induction Heating Furnaces to 3 Nos.
- Benefits derived as a result of the above R&D: From above R&D efforts, there is reduction of heating time and saving of costly fuel i.e. fossil oil. It has also eliminated smoke emission.
- Future plans of action: We are exploring possibilities to have additional Induction Heating Furnaces.
- Expenditure on R&D: Capital Expenditure on R&D is Rs.9.00 Lacs.

B. Foreign exchange earnings and Outgo

		(₹ in Lacs)	
Sr. No.	Particulars	2015-16	2014 -15
i)	Earnings in Foreign Currency:		
	Export of goods/services (including deemed exports and sales through export house)		
	At FOB Price	1,35,138.81	75,948.40
	At Invoice Value (Designing & testing charges)	797.68	1,361.72
	Rent of Equipments	254.84	534.67
	Interest from Subsidiaries	1,394.04	2,383.74
ii)	Expenditure in Foreign Currency:		
	Expenses of overseas projects (including foreign taxes)	84,175.73	25,393.90
	Interest	212.80	210.92
	Professional Fees	9.32	21.39
	Others	57.47	149.26

CORPORATE GOVERNANCE REPORT

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has executed fresh Listing Agreements with the Stock Exchanges.

The Company has adopted the requirements of Corporate Governance stipulated under Clause 49 of the erstwhile Listing Agreement as also those stipulated under the SEBI Listing Regulations.

The Company's policies on Corporate Governance and compliance thereof in respect of specific areas, as applicable for the year ended 31st March, 2016, 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 SEBI through Listing Regulations of the Stock Exchanges.

As on 31st March, 2016, the Board of the Company comprised of seven (seven) directors, with 3 (three) independent directors, 3 (three) non-executive directors including a women director and 1(one) whole-time director. The Chairman is an independent director.

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, non-executive and independent directors to maintain independence of the Board, and to separate the Board's functions of governance and management.

The Board consists of eminent persons with considerable professional expertise and experience in finance, 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 Whole-time Director and CEO 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.

None of the Director of the Company is on the Board of more than 7 listed companies as an Independent Director. Further, none of the Director of the Company is acting as a Whole-time Director of any listed Company as well as Independent Director in more than 3 listed companies. 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 necessary disclosures regarding Committee positions have been made by all the Directors.

The Whole-time Director and Chief Executive Officer are responsible for corporate strategy and planning. The senior management personnel heading respective divisions are responsible for day-to-day operations.

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 Company has duly complied with provisions of Secretarial Standards on Board Meetings with respect to convening of Board Meetings during the year.

During the year ended 31st March, 2016, the Board met 7 (seven) times on 30th May, 2015, 19th June, 2015, 13th August, 2015, 26th September, 2015, 6th November, 2015, 9th December, 2015 and 13th February, 2016.

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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, 2016 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	7	7	Yes	1	Nil
2	Jyotsna Jamkhandi	Non-executive	7	7	Yes	Nil	Nil
3	Kalpesh Kikani	Non-executive	7	5	No	4	Nil
4	P. K. Thakur [§]	Non-executive	7	5	No	8	Nil
5	R. C. Rawal	Independent	7	6	Yes	Nil	Nil
6	S. H. Mirchandani [@]	Non-executive	7	5	Yes	5	Nil
7	T. C. Venkat Subramanian *	Independent	3	2	NA	NA	NA
8	Vijay Mohan Kaul	Independent	7	7	Yes	1	1
9	K. R. Thakur	Executive	7	7	Yes	3	Nil

Represents Memberships / Chairpersonships of Audit Committee & Stakeholders' Relationship Committee of public companies only

[§] Ceased to be a Director with effect from 28th March, 2016

[@] Ceased to be a Director with effect from 24th August, 2016

* Ceased to be a Director with effect from 15th August, 2015

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.

- i. Audit Committee
- ii. Stakeholders Relationship Committee
- iii. Nomination and Remuneration Committee
- iv. Corporate Social Responsibility Committee
- v. Risk Management Committee
- vi. 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 conformity with the requirements of the erstwhile Listing Agreement, Schedule II Part C of the Listing Regulations and Section 177 of the Companies Act, 2013. Terms of reference of Audit Committee broadly includes various matters in conformity with statutory guidelines including the following:

- i. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii. approval of appointment of CFO;

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

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: 30th May, 2015, 13th August, 2015, 6th November, 2015 and 13th February, 2016. Composition of the Audit Committee and the details of meetings attended by the members of the Audit Committee as on 31st March, 2016, are given below:

Name of the Director	Designation	Category	No. of meetings during the year 2015-16	
			Held	Attended
S. D. Kshirsagar *	Chairman	Independent	4	4
T. C. Venkat Subramanian §	Chairman	Independent	2	2
R. C. Rawal	Member	Independent	4	3
V. M. Kaul #	Member	Independent	4	4

* Appointed as a Chairman of the Committee with effect from 26th September, 2015

§ Ceased to be a Director with effect from 15th August, 2015

Appointed as a member of the committee with effect from 26th September, 2015

Audit Committee meetings are also attended by CEO, Sr. Vice President (Internal Audit and Risk Management), Vice President (Internal Audit & Financial Control), Accounts Head and representative of Auditors.

ii. Stakeholders Relationship Committee

The composition of Stakeholders' Relationship Committee and the terms of reference comply with the requirement of the erstwhile Listing Agreement, the Listing Regulations and with the provisions of Section 178 of the Act. The Committee comprises of Mr. S. D. Kshirsagar, Chairman (since 26th September, 2015), Mr. T. C. Venkat Subramanian, Chairman (upto 15th August, 2015), Ms. Jyotsna Jamkhadi, Member (since 26th September, 2015) and Mr. K. R. Thakur, Member.

The primary responsibility of the Committee is to redress investor's grievance and to improve relationship with stakeholders, approves 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, 2016, no instruments of share transfer were pending. The terms of reference of the Committee includes the following:

- i. 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;
- ii. redressal of shareholders, debenture holders, deposit holders, investors and other security holders grievances;
- iii. performance and service standards of the Registrar and Share Transfer Agents of the company; and

- iv. implementation and compliance of all provisions of applicable security laws, rules, guidelines and regulations including listing agreements, codes and standards.

During the year under review, the Company had received 15 investor complaints mainly pertaining to non-receipt of annual report and dividend warrants and the same have been redressed to their satisfaction.

iii. Nomination & Remuneration Committee

The composition of the Nomination and Remuneration Committee (NRC) is in compliance with the requirements of Section 178 of the Act, the erstwhile Listing Agreement and Regulation 19(1) of the Listing Regulations. The Committee comprises of Mr. V. M. Kaul, Chairman (since 26th September, 2015), Mr. T. C. Venkat Subramanian, Chairman (upto 15th August, 2015), Mr. S. D. Kshirsagar, Member and Mr. Kalpesh Kikani, Member. Terms of reference of the Nomination & Remuneration Committee broadly includes the following:

- i. 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.

This Committee also acts as a 'Compensation Committee' for the purpose of Employee Stock Option Scheme.

Remuneration Policy:

- I. Remuneration to Managing Director (MD) / Whole-time Director (WTD) / Executive Director (ED)
 - a. The remuneration to be paid to MD / WTD / ED will be determined by NRC and recommended to the Board for approval. The remuneration shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
 - b. The remuneration shall be evaluated based on performance indicators like key responsibility areas / goals / deliverables, benchmark against peer group in size and complexity.
 - c. The total remuneration may be combination of fixed, variable components, long term incentives and severance benefit in accordance with legal framework.
 - d. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its MD / WTD / ED in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
 - e. Provisions for excess remuneration: If any MD / WTD / ED draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

II. Remuneration to Non-Executive / Independent Directors:

- a. Independent Directors (ID) and Non-Independent Non- Executive Directors (NED) may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.
- b. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- c. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors.
- d. The NEDs shall be eligible for remuneration of such professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services.

III. Remuneration to Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs):

The remuneration to be paid to the KMPs and SMPs, shall be recommended by the NRC considering relevant qualification, experience, performance of the individual as well as the prevailing market conditions and in accordance with Company's remuneration structure. The remuneration may be combination of fixed and variable component.

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	192.67	Nil
Non Executive Directors			
S. D. Kshirsagar	1.75	Nil	Nil
Jyotsna Jamkhandi	1.25	Nil	Nil
Kalpesh Kikani	Nil	Nil	Nil
P. K. Thakur *	Nil	Nil	Nil
R. C. Rawal	1.25	Nil	Nil
S. H. Mirchandani @	0.85	Nil	Nil
T. C. Venkat Subramanian #	0.40	Nil	Nil
V. M. Kaul	1.55	Nil	Nil

* Ceased to be a Director with effect from 28th March, 2016

@ Ceased to be a Director with effect from 24th August, 2016

Ceased to be a Director with effect from 15th August, 2015

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

None of the Non-Executive Directors has any material financial interest in the Company apart from the remuneration by way of fees received by them during the year.

iv. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) Committee was constituted on 29th May, 2013 which comprises of Mr. S. D. Kshirsagar, Chairman, Mr. T. C. Venkat Subramanian, Member (upto 15th August, 2015), Mr. V. M. Kaul, Member and Mr. R. C. Rawal, Member. Primary responsibility of the Committee 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'.

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Terms of Reference of CSR Committee broadly include:

- a) to recommend the amount of expenditure to be incurred on CSR activities;
- b) monitor implementation of CSR activities; and
- c) report details of CSR activities undertaken by the Company.

v. Risk Management Committee

Pursuant to the provisions of Listing Regulations, Risk Management Committee was constituted on 9th February, 2015. The Committee's prime responsibility is to assist the Board in its oversight of the Company's management to element key risks, including strategic, financial, operational and compliance risks. The Committee comprises of Mr. V. M. Kaul, Chairman (since 30th May, 2015), Mr. S. D. Kshirsagar, Chairman (upto 30th May, 2015) and Mr. K. R. Thakur, Member. Terms of reference of Risk Management Committee include but shall not be limited to:

- i. assist the board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the risk policy; and
- ii. developing risk management policy and risk management system / framework for the Company.

vi. Executive Committee

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

The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Mr. K. R. Thakur, Member and Mr. P. K. Thakur, Member (upto 28th March, 2016).

Independent Directors Meeting

Pursuant to Schedule IV of the Act and the Rules made thereunder and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year under review, Independent Directors met on 13th February, 2016, inter alia, to discuss:

- a. evaluation of performance of non-independent directors and the Board of Directors as a whole; and
- b. evaluation of the content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present for this meeting.

Profile of Director seeking re-appointment:

Name of the Director	Kalpesh Kikani
Date of Birth	3 rd September, 1972
Date of Appointment	30 th January, 2014
Qualifications	B.E (Computer Engineering) MBA (University of Bombay) Charter Holder Member (CFA Institute, USA)
Relation	None

Experience and Expertise in Specific functional area	Mr. Kalpesh Kikani, 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. 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.
Shareholding as on 31.03.2016 (No. of Equity Shares of ₹ 2 each)	NIL
Other Directorships	- AION India Investment Advisors Private Limited - Jyoti International INC. - Jyoti Americas LLC - Jyoti Structures Canada Limited

INFORMATION PLACED BEFORE THE BOARD

All the information that is required to be made available to the Directors in terms of provisions of the erstwhile Listing Agreement, the Listing Regulations and the Act, so far as applicable to the Company, is made available to the Board.

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.

GENERAL BODY MEETINGS

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

Date	Time	Details of Special Resolutions	Relevant Section(s) / provisions
27 th July, 2013	3.00 P.M	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 of Companies Act, 1956
		Approval for Mr. Prakash Thakur for holding office of profit	314 of Companies Act, 1956
22 nd September, 2014	3.30 P.M	Appointment of Mr. Ashok Goyal as a Director and a Joint Managing Director of the Company, including payment of remuneration	196, 197 and 203 read with Schedule V of Companies Act, 2013
		Issue and allotment of 77,00,000 equity shares of face value of Rs. 2 each and / or warrants to Surya India Fingrowth Pvt. Ltd., a promoter group company by way of a preferential issue	62 of Companies Act, 2013 & SEBI (ICDR) Regulations
		Issue of Non-Convertible Debentures on private placement basis such that total amount shall not exceed Rs.200 crore	42, 71 & such other provisions of Companies Act, 2013

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Date	Time	Details of Special Resolutions	Relevant Section(s) / provisions
26 th September, 2015	3.00 P.M	Waiver from recovery of excess remuneration paid to Mr. Santosh Nayak, Managing Director during the financial year 2014-15	197 read with schedule V of the Companies Act 2013 and Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014
		Waiver from recovery of excess remuneration paid to Mr. K. R. Thakur, Whole-time Director during the financial year 2014-15	
		Variation in terms of remuneration of Mr. K. R. Thakur, Whole-time Director	196, 197 & 203 read with Schedule V of the Companies Act 2013 and Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014
		Amendment to JSL Employees Stock Option Scheme 2011	Relevant provisions of Companies Act 2013, SEBI (Share Based Employee Benefits) Regulations, 2014 & Listing Regulations

Resolutions passed through Postal Ballot

During the year, 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 Company by Postal Ballot Notice dated 9th December, 2015, passed the following special resolutions with requisite majority on 21st January, 2016:

- Re-classification of authorised share capital of the Company; and
- To create, offer and issue new equity shares on preferential basis to the lenders of the Company pursuant to invocation of SDR Scheme.

Mr. S. D. Kshirsagar, Chairman conducted the Postal Ballot and Mr. Surjan Singh Rauthan, Practicing Company Secretary was appointed as Scrutinizer.

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.

The Company has formulated a policy on dealing with Related Party Transactions. The policy is available on the website of the Company www.jsl.in.

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.

3. Whistle Blower Policy:

The Company has a vigil mechanism to report genuine concerns, if any. The same has been posted on the website of the Company. No employee has been denied access to the Audit Committee.

4. All mandatory requirements as per Listing Regulations have been complied with by the Company.

5. Policy for determining 'material' subsidiaries:

The Company has formulated a policy for determining 'material' subsidiaries; such policy has been disclosed on the Company's website www.jsl.in.

6. Familiarization programme for Independent Directors:

The Company has familiarized its Independent Directors' regarding the Company, their roles, rights, responsibilities and liabilities in the Company. Presentations are made by senior managers to the Independent directors covering nature of Industry, business model, business performance and operations, opportunities available etc. The details of such Familiarization programme for Independent Directors has been disclosed on the Company's website www.jsl.in.

7. Disclosure of Accounting Treatment:

In the preparation of financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

8. The Company has also complied with certain non-mandatory requirements prescribed in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. The Company has complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of listing Regulations.

10. Certificate from Whole-time Director in terms of Regulation 17(8) of Listing Regulations for the financial year ended 31st March, 2016 was placed before the Board of Directors of the Company and forms part of this report.

RECONCILIATION OF SHARE CAPITAL REPORT

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

The Company has furnished financial results on quarterly / half yearly / annual basis to the Stock Exchanges, where the shares of the Company are listed, as per the format prescribed and within the stipulated time period under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Presently, the results are published in Business Standard and Sakal.

The Company's website www.jsl.in contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Company's Annual report is also available in a downloadable form.

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 listing requirements of 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.

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.

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 hosted 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 Whole-time Director has been obtained and is enclosed at the end of this report.

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JSL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has instituted a mechanism to avoid insider trading and abusive self-dealing. In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has established a code to restrict insider trading activities by Directors and designated employees.

SHAREHOLDERS' INFORMATION

A. Annual General Meeting

Day, Date and Time : Wednesday, the 28th September, 2016 at 3.00 p.m.

Venue : M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building,
18/20 Kaikhushru Dubash Marg, Mumbai – 400 001

B. Financial Calendar : April to March (financial year)

First Quarter Results - 2nd week of August

Second Quarter Results - 2nd week of November

Third Quarter Results - 2nd week of February

Annual Audited Results - 4th week of May

C. Book Closure : Wednesday, the 21st September, 2016 to Wednesday, the 28th September, 2016 (both days inclusive)

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 2016-17.

E. Market Price Data:

MONTH	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April - 15	32.65	27.05	32.65	27.05
May - 15	28.65	24.95	28.70	24.95
June - 15	27.20	21.15	27.35	21.15
July - 15	27.80	24.90	27.85	24.85
Aug - 15	27.35	12.00	27.35	12.00
Sept - 15	15.43	10.97	15.40	11.00
Oct - 15	18.24	13.29	18.15	13.20
Nov - 15	19.00	13.10	19.05	13.10
Dec - 15	19.10	15.75	19.00	15.80
Jan - 16	18.70	14.35	18.75	14.40
Feb - 16	16.37	11.97	16.40	11.90
Mar - 16	12.64	10.76	12.65	10.80

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:

Bigshare 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 of 31st March, 2016**Distribution of Shareholding**

Range			No. of shareholders	% of shareholdings	Shares held in each class (in ₹)	% of shares
1	-	5,000	49,878	93.52	4,01,49,228	18.33
5,001	-	10,000	1,845	3.46	1,36,47,004	6.23
10,001	-	20,000	844	1.59	1,26,18,980	5.76
20,001	-	30,000	230	0.43	58,74,464	2.68
30,001	-	40,000	161	0.30	58,77,614	2.68
40,001	-	50,000	78	0.15	35,59,396	1.62
50,001	-	1,00,000	144	0.27	1,03,53,660	4.73
1,00,001 and above			156	0.29	12,69,75,074	57.96
Total			53,336	100.00	21,90,55,420	100.00

Shareholding Pattern as on 31st March, 2016

Category of shareholders	No. of Shares	% of shares
Promoters - Individuals	1,47,04,701	13.43
- Bodies Corporate	1,13,51,085	10.36
Other Bodies Corporate	88,56,766	8.08
NRIs / FIIs	70,90,276	7.30
Financial Institutions/Banks/Mutual Fund	1,93,81,042	17.70
Indian Public	4,72,43,840	43.13
Total	10,95,27,710	100.00

H. Dematerialization of Shares

As on 31st March, 2016, 99.48% of the total equity share capital of the Company is held in dematerialized form with NSDL and CDSL and the rest in physical form.

JYOTI STRUCTURES LIMITED

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

There are no outstanding GDRs/ADRs/Warrants.

J. Plant Locations

Nasik Factory (Plant - I):

52A/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:

Plot No. 1037/1046,

Sarora Ring Road,

Near Wool Worth, Urla Industrial Area,

Raipur - 493 221 (Chhattisgarh)

Tel : +91 771 4213 100 / 101;

Fax: +91 771 2324 767 / 2325 567

K. Tower Testing Station:

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

DECLARATION – CODE OF CONDUCT

All Board Members and senior management personnel have, for the year ended 31st March, 2016, 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**

K. R. Thakur

Whole-time Director

DIN: 00001270

Mumbai; 30th May, 2016

CEO CERTIFICATE

The Board of Directors
Jyoti Structures Limited

Dear Sirs,

I, K. R. Thakur, Whole-time Director, certify that

- a) I have reviewed the financial statements and cash flow statement for the year ended 31st March, 2016 and to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2016 are fraudulent, illegal or violative of the company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee that:
 - i. there has not been any significant change in internal control over financial reporting during the year under reference;
 - ii. there has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in company's internal control system over financial reporting.

For **Jyoti Structures Limited**

K. R. Thakur

Whole-time Director

DIN: 00001270

Mumbai; 30th May, 2016

Certificate of Compliance from Auditors

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

We have examined the compliance of conditions of Corporate Governance by Jyoti Structures Limited ('the Company'), for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement then in force, for the period 1st April, 2015 to 30th November, 2015 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 1st December, 2015 to 31st March, 2016 of the 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 all the applicable conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement and Regulations.

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

KOMAL SEVAK

Partner

Membership No. 143865

Mumbai; 30th May, 2016

MANAGEMENT DISCUSSION & ANALYSIS

The Company

Jyoti Structures Limited (the Company or JSL) is engaged in manufacturing of transmission line towers, sub-station structures, tall antenna towers / masts and railway electrification structures. In addition, JSL is also a leading player in Turnkey / EPC projects involving survey, foundation, designing, fabrication, erection and stringing activities of extra high voltage transmission lines and procurement of major bought out items, supply of lattice and pipe type structures, civil works, erection, testing and commissioning of switchyard / substations and distribution networks, both in India and overseas.

The Company is headquartered at Mumbai and has three manufacturing plants in India: two at Nashik in Maharashtra and one in Raipur in Chhattisgarh. The Indian plants are capable of making prototypes, fabricating and galvanising transmission towers and structures upto 110,000 metric tonnes p.a. (MTPA) The Company has a state-of-the-art Research and Development Centre at Village Ghoti, Tal. Igatpuri, Dist. Nasik spanning over 202,350 sq. meters, where towers up to 1,200 kV DC with maximum base dimensions of 26 meters X 26 meters and height up to 85 metres can be tested. Moreover, through its fully owned US subsidiary, Jyoti Americas LLC, the Company has an additional manufacturing capacity of 50,000 MTPA, catering mainly to the North and South American markets.

JSL has been a preferred partner for equipment supply and turnkey solutions to premier Indian utilities such as Power Grid Corporation of India Limited (PGCIL) and National Thermal Power Corporation (NTPC), as well as numerous private and public sector utilities. Over a period of time, JSL has developed a global presence in over forty countries.

Industry Overview

India's power generation capacity increased from 272 GW in Mar 2015 to 302 GW in Mar 2016: a growth of 11.13% year-on-year. During the first three months of fiscal 2016-17, capacity has grown by a further 1 GW. In spite of this impressive growth in generation capacity, India faced a 3.3% (approximately 4,900 MW) shortfall in peak load demand in 2015-16. The Central Electricity Authority (CEA), however, expects that, for the year 2016-17, India will have surplus peak supply of 2.6% or 4,250 MW.¹

India's Transmission & Distribution (T&D) system is a three-tier structure comprising of distribution networks, state grids and regional grids. An extensive network of transmission lines has been developed over the years for evacuating power produced by different electricity generating stations and distributing it to consumers. Depending upon the quantum of power and the distance involved, lines upto 800 kV are laid by State or Central sector T&D utilities. On the other hand, distribution networks and state grids are principally owned and operated by State Electricity Boards (SEBs) or other state utilities, or state governments (through state electricity departments).

As on 30 June 2016, India has approximately 347,294 circuit kilometres (ckms) of transmission lines and about 675,584 MVA of substations. Transmission lines of 28,114 ckms were added during 2015-16, with a further 5,743 ckms of transmission lines being commissioned in the first quarter of FY 2016-17. Government of India has an annual target of 23,384 ckms fixed for 2016-17. Similarly, the overall increase in the transformation capacity has been 16,635 MVA during 2016-17 (Apr-Jun 2016), which constitutes 36.8 % of the 2016-17 annual target of 45,188 MVA.²

Government of India has initiated Ujwal DISCOM Assurance Yojana (UDAY) to sustainably revive and grow state-owned Distribution Companies (DISCOMs). The scheme intends to achieve four key initiatives: (a) improve operational efficiencies of DISCOMs; (b) reduce the cost of power distribution; (c) reduce interest costs; and (d) enforce financial discipline through alignment with state finances. With improvement in the financial health of DISCOMs, combined with the Power Ministry's avowed intention of pumping in about US\$ 50 billion for modernising the transmission grid, demand for new transmission lines and substation projects is likely to pick up over the near to medium term.

Challenges and Strategy

The transmission line segment is poised for rapid growth during the Twelfth Five-year Plan period; however, the industry does face certain long-term challenges. Some of them are listed below³:

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1. Source: Central Electricity Authority (CEA); Load Generation Balance Report (LGBR) 2016-17
 2. Source: Ministry of Power Website
 3. Source: Issues and Challenges in Electricity Sector in India: The Business & Management Review, Volume 5 Number 4
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Right of Way and Environment Clearances: Right of Way (ROW) poses a significant challenge in the transmission line sector, both in India and overseas (where your Company has major projects under execution). Delays in obtaining ROW and environmental clearances often delay projects for considerable periods of time, causing cost and time overruns.

Manpower Shortage: It is generally acknowledged that specialised talent for the construction sector is in short supply. Unfortunately, the talent pipeline is also quite meagre, as potential candidates have sought alternative, better paying careers. Organisations such as your Company have faced people shortages in Project Management, Contract Management, Engineering and Survey.

Complexity of Terrain: A large part of future transmission line activity is expected to be in the North-Eastern states as Government of India pushes for its 'power for all' objectives. Construction in these areas is especially complex, given the lack of overall infrastructure combined with hilly and inhospitable terrain conditions, which pose considerable challenges to timely project execution.

In addition to the sectoral challenges detailed above, your Company has, over the past few years, faced other challenges as well.

In 2014-15, your Company had disclosed that a lack of accessibility to adequate working capital had exacerbated delays in execution, reduced profitability and availability of cash for operations leading to debt accumulation. To overcome this liquidity crunch, lenders amongst themselves, with State Bank of India as the leader, formed a Joint Lenders Forum (JLF) under RBI's JLF framework to restructure the Company's debt.

In spite of best efforts, the restructuring package as envisaged by the JLF could not be successfully implemented; hence, the lenders have invoked Strategic Debt Restructuring (SDR) in terms of the extant RBI Circular on the subject. The lenders are now in the process of drawing a deep restructuring by converting irregularities into long term debt with 'rear ended balloon repayment' terms.

Simultaneously, your Company is in the process of implementing a number of financial, organisational and operational measures for a successful revival. These involve a financial revival plan (in concurrence with and as recommended by the JLF), as well as organisational and operations restructuring with a view to returning to a profitable growth path in the near future.

Risk Management and Internal Control

As an organisation with a major focus on execution of transmission line, rural electrification and sub-station projects, JSL is exposed to various strategic and operational risks associated with turnkey projects. Some of the risks that the Company is exposed to include cost and time overruns in projects, delay in getting ROW clearances, delays in payments by customers, commodity price and currency fluctuation risks, economic and political risks in the countries where JSL executes projects, etc.

Moreover, in its current scenario, the Company is also exposed to significant interest rate risk on account of its outstanding debt obligations. Due to operational reasons and losses incurred during the previous years, JSL has been facing a liquidity crisis; consequently, there have been delays in execution of various projects due to want of funding. This has resulted in invocation of some Bank Guarantees (a financial risk) as well as some customers paying directly to the creditors of the Company (a reputational risk).

The Company has now embarked on a path to improve upon its risk identification and risk mitigation methodologies. A new function for Risk Management has been set up in JSL, which works closely with the Internal Audit team to identify risks even before the Company bids for projects; it then proactively monitors the change in the level and type of risks during the course of project execution. Simultaneously, the Company is in the process of developing a more robust Enterprise Risk Management Framework and Policy with its concomitant organisation structure and processes. This will enable JSL to proactively identify and mitigate both strategic and operational risks. Along with the Risk Management function, the Company is also in the process of setting up Company-level and SBU-level Risk Management Committees under the overall guidance of the Risk Management Committee (RMC) of the Board of Directors.

JSL has in place effective systems safeguarding the assets and interest of the Company and ensuring compliance with relevant laws and regulations. Your Company, through its Internal Audit Department, carries out periodic audits at all locations and functions based on a plan approved by the Audit Committee, with an objective to bring out systemic deviations to Internal Control procedures and risky behaviour at the operational level. The observations arising out of the audits are periodically reviewed and compliance ensured. The summary of the Internal Audit observations and status of implementation are submitted to the Audit Committee every quarter for its review and concerns, if any, are reported to the Board. The Company's internal control systems are supplemented by an extensive audit programme conducted by external auditors.

It is expected that with the conjunction of the new Risk Management organisation and the Internal Audit function, a more robust, proactive and preventative risk culture shall prevail in the organisation.

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 Director's Report.

Human Resource

The Company currently employs about 1,365 employees in all categories. JSL focuses on providing its human assets an employee - friendly environment and culture and career growth opportunities. To that effect, it also conducts periodic training programmes, both through internal and external faculties, for up-skilling and career development.

JSL maintains cordial relations with its employees; there have been no Industrial Relations dispute in the Company during the year ended 31st March 2016.

Cautionary Statement

Statements in the "Management Discussion and Analysis" section may be forward looking and are stated as required by applicable laws and regulations. Actual results may vary materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on these forward-looking statements.

For and on behalf of the Board

Mumbai; 25th August, 2016

S. D. Kshirsagar
Chairman
DIN : 00001266

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Jyoti Structures Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information in which are incorporated returns for the year ended on that date audited by the branch auditors of the Company's branches at Bangladesh, Bhutan, Dubai, Egypt, Georgia, Kuwait, Kenya, Rwanda, South Africa, Tajikistan, Tanzania, Tunisia and Uganda.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 qualified audit opinion on the standalone financial statements.

BASIS FOR QUALIFIED OPINION

- a) As on 31st March, 2016, the trade receivables of the Company include amount of ₹ 7,045.80 Lacs outstanding from a Joint Venture (JV) company, namely Lauren Jyoti Private Limited (LJPL). Further an amount of ₹ 5,507.00 Lacs was paid by the Company on account of bank guarantee encashed by a customer of LJPL, which is considered receivable from the said JV. The other outstanding from LJPL are ₹ 2,534.03 Lacs including interest on the outstanding amounts for the current year amounting to ₹ 1,356.38 Lacs. As informed to us, the financial statements of the JV are not available since the last three financial years. Considering the fact that the financial statements of the JV are not available and it is not regular in repayment of the above outstanding, we are not able to comment on the recovery of the debt and impact of the same on the financial statements of the Company for the year.
- b) The Company has invested ₹ 500 Lacs in 50 Lacs equity shares of LJPL. The financial statements of that company for the last three financial years are not made available to us. As per the last audited financial statements made available for the year ended on 31st March, 2013, the net worth of that company is fully eroded. The Company has not made any provision for the diminution in the value of this investment. Due to this non-provision, the loss of the Company for the year is understated by ₹ 500 Lacs and reserves of the Company are overstated by the same amount.

- c) During the year, bank guarantees given by the Company for performance amounting to ₹ 1,823.01 Lacs were encashed by a customer of the Company. The said amount has not been charged to the Statement of Profit and Loss of the Company though it has been the practice of the Company to charge such amounts in earlier years. We are informed that the Company will be initiating arbitration in respect of encashment of these guarantees and it is hopeful of recovering this money from the customer. We are unable to comment on the recoverability of this amount.
- d) As mentioned in clause 29 of note no. 31 to the standalone financial statements, the Company has during the year not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to ₹ 3,929.79 Lacs, since the management is of the opinion that the banks have charged excessive interest and the excess interest will be waived by the banks. We are unable to comment on the impact of the same on the financial statements.

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2016; and its loss and its cash flows for the year ended on that date.

EMPHASIS OF MATTER

- a) We draw attention to clause 10 of note no. 31 to the standalone financial statements regarding investment of ₹ 6,000.65 Lacs in the equity shares of its wholly owned subsidiary company, namely Jyoti International Inc. (JII). As on 31st March, 2016, the Company has also advanced loan of ₹ 7,647.53 Lacs to JII. Due to the losses incurred, the net worth of that company is fully eroded on that date. However, no provision for diminution in the value of the said investment or no provision for other outstanding amounts is made as the management is optimistic of turning around the business of that company.
- b) The Company has also advanced loan of ₹ 802.43 Lacs to its step down subsidiary Jyoti Americas LLC and the other outstanding from it is ₹ 4,739.27 Lacs. Due to the losses incurred, the net worth of that company is fully eroded as on 31st March, 2016. However, no provision for the loan or the other outstanding amounts is made as the management is optimistic of turning around the business of that company.
- c) We draw attention to clause 12 of note no. 31 to the standalone financial statements. The Company has made investment of ₹ 419/- in the equity shares of its subsidiary company, namely Jyoti Structures Africa (Pty) limited (JSAPL). As on 31st March, 2016, the Company has also advanced loan of ₹ 2,819.71 Lacs to JSAPL and the outstanding credit to that company is ₹ 3,026.60 Lacs. Due to the losses incurred, the net worth of that company is fully eroded on that date. However, no provision for diminution in the value of the said investment or no provision for other outstanding amounts is made as the management is optimistic of turning around the business of that company.
- d) We draw attention to clause 13 of note no. 31 to the standalone financial statements stating that the Company has paid managerial remuneration which is in excess of the provisions of the section 197 read with Part II of Schedule V to the Act. by ₹ 61.07 Lacs, for the current year for which approval of shareholders and the permission of the Central Government is to be obtained and ₹ 43.04 Lacs for the previous year for which the permission of the Central Government is to be obtained.
- e) As mentioned in clause 25 of note no. 31 to the standalone financial statements, the Company is facing financial crunch due to inadequate liquidity, which has resulted into delays in implementing contracted projects during the year. Such delay can result into future liability for the Company. The Company has made a provision of ₹ 1,300 Lacs for any such liability which in the view of the Company would be adequate. The matter being technical in nature, we are not able to comment on the same.
- f) We draw attention to clause 30 of note no. 31 to the standalone financial statements, the Company has incurred substantial losses from its operations for the last few years which have eroded its networth substantially. This raises doubt about its ability to continue as a going concern. However, the management is of the opinion that on approval of Master Restructuring Agreement by the banks, the Company will be able to return to profitability over the next few years. Hence, the standalone financial statements have been prepared assuming that the Company and its subsidiaries will continue as a going concern. No adjustments are, hence, made in the standalone financial statement that might result from the outcome of this uncertainty.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements/ information of fourteen branches incorporated in the standalone financial statements of the Company, whose financial statements/ financial information reflect total assets of ₹ 47,133.30 Lacs, as at 31st March

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2016 and the total revenues of ₹ 88,144.41 Lacs, for the year ended on that date, as considered in the standalone financial statements. The financial statements/ information of these branches have been audited by the branch auditors, whose reports have been furnished to use, and our opinion, in so far as it relates to amounts and disclosures included in respect of these branches, is based solely on the reports of such branch auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) Except for the possible effects of the matters stated in clause (a) and (b) of Basis for Qualified Opinion, we have sought and 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 except for the possible effects of the matters stated in clause (a) and (b) of Basis for Qualified Opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;
 - c) The reports on the accounts of the branch offices of the Company audited under section 143(8) of the Act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this 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 aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - g) On the basis of written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act;
 - h) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' and
 - i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in clause 2 of note no. 31 to the standalone financial statements;
 - ii) Subject to our comments in clause (e) of Emphasis of Matter, the Company has made provisions as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer to clause nos. 24 and 25 of note no. 31 to the standalone financial statements;
 - iii) there has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

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

KOMAL SEVAK
Partner

Membership Number: 143685

Place: Mumbai
Date: 30th May, 2016

ANNEXURE A TO AUDITORS' REPORT

Re: Jyoti Structures Ltd.

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2016;

- 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) As explained to us, 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 the assets. No material discrepancies have been noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the relevant records of the Company, we report that the title deeds of immovable properties are held in the name of the Company.
- 2) The inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As explained to us, the discrepancies noticed on verification of inventories have been properly dealt with in the books of accounts.
- 3) As per the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. ('the Act') Therefore, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- 4) As per the information and explanations given to us and on the basis of records examined by us, we are of the opinion that the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans given and investments made.
- 5) The Company has accepted deposits from public in the year immediately preceding the previous year. 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 provisions of section 73 to 76 and other relevant provisions of the Act, and the rules framed there under, as applicable, have been complied with, except as stated hereunder:
 - a) The deposits required to be maintained during the year as per section 73(2)(c) of the Act, read with proviso to Rule 13 of the Companies (Acceptance of Deposits) Rules, 2014, which have been utilised by the Company for repayment to the deposit holders; and
 - b) The payments of interest and repayments of deposits have been made with some delays in some cases. However, all such payments have been made on or before 31st March, 2016.

As per the information and explanation given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal against the Company in respect of the deposits.

- 6) We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 7) a) According to the records of the Company and as per the information given to us, the Company is regular in depositing undisputed statutory dues of Sales Tax, Duty of Custom, Duty of Excise, Cess and other statutory dues with the appropriate authorities, wherever applicable during the year. However, deposits of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Value Added Tax and Octroi are not regular.

As per the information and explanations given to us and the records examined by us, the details of undisputed statutory dues which are outstanding as on the last day of the concerned financial year for more than six months from the date they become payable are as under:-

		(₹ in Lacs)
Sr No	Particulars	Amount due
i)	Provident Fund and Employee's State Insurance	184.36
ii)	Octroi	25.96
iii)	Income Tax – Self Assessment Tax	3,715.00
iv)	Income Tax – Dividend Distribution Tax	5.09
v)	Income Tax – Tax Deducted at Source	855.94

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- b) As explained to us and according to the records of the Company, the outstanding disputed statutory dues on account of Income Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise or Value Added Tax are as follows: -

Sr No	Type of the Statute	Nature of Dues	Amount (₹ in Lacs)	Financial year to which the amount relates	Forum where dispute is pending
i)	Sales Tax	Tax and Interest	32.68	Various years between 1995-96 to 1998-99	Appellate Tribunal
ii)	Entry Tax	Tax and Interest	18.86	2004-05 and 2005-06	Appellate Tribunal
iii)	Commercial Tax	Tax and Interest	70.34	2006-07	Revision Board
iv)	Income Tax	Tax and Interest	75.48	2005-06	Income Tax Appellate Tribunal
v)	Income Tax	Tax and Interest	229.11	2006-07	Commissioner of Income Tax (Appeals)
vi)	Income Tax	Tax and Interest	3.21	2009-10	Income Tax Appellate Tribunal
vii)	Income Tax	Tax and Interest	30.30	2010-11	Income Tax Appellate Tribunal
viii)	Income Tax	Tax and Interest	4,418.44	2011-12	Income Tax Appellate Tribunal

- 8) According to the information and explanations given to us and based on the documents and records examined by us, in our opinion, the Company has defaulted in repayment of loans to Banks, Financial Institutions and dues to Debenture Holders. The details of the same are as follows: -

(₹ in Lacs)

Sr No	Particulars	Period of Default	Amount of Default as on 31 st March, 2016
a)	Banks - Repayment of Principal:		
i)	Allahabad Bank	Various Dates from June'2015 to March'2016	3,394.57
ii)	Bank Of India	Various Dates from June'2015 to March'2016	17,820.00
iii)	Bank Of Maharashtra	Various Dates from June'2015 to March'2016	5,515.80
iv)	Central Bank of India	Various Dates from June'2015 to March'2016	8,077.00
v)	Canara Bank	Various Dates from June'2015 to March'2016	8,773.09
vi)	Corporation Bank	Various Dates from June'2015 to March'2016	11,615.48
vii)	Dena Bank	Various Dates from May'2015 to March'2016	9,845.76
viii)	ICICI Bank	Various Dates from June'2015 to March'2016	10,634.00
ix)	IDBI Bank	Various Dates from June'2015 to March'2016	16,110.21
x)	Indian Bank	Various Dates from June'2015 to March'2016	11,534.32
xi)	State Bank of Hyderabad	Various Dates from June'2015 to March'2016	14,414.21
xii)	State Bank of India	Various Dates from June'2015 to March'2016	39,341.19
xiii)	South Indian Bank	Various Dates from June'2015 to March'2016	6,105.64
xiv)	Syndicate Bank	Various Dates from June'2015 to March'2016	3,130.01
xv)	Union Bank of India	Various Dates from June'2015 to March'2016	8,188.79
xvi)	UCO Bank	Various Dates from June'2015 to March'2016	11,335.88
xvii)	Vijaya Bank	Various Dates from June'2015 to March'2016	4,862.94
xviii)	Standard Chartered Bank	Various Dates from April'2014 to March'2016	13,541.00
xix)	DBS Bank	Various Dates from April'2014 to March'2016	6,345.00
xx)	DBS Bank (ECB Loan)	Various Dates from September'2014 to March'2016	4,772.56
xxi)	EXIM Bank	Various Dates from June'2015 to March'2016	2,884.90
b)	Financial Institutions - Repayment of Principal:		
i)	Tata Capital Financial Services Limited	Various Dates from June'2015 to March'2016	318.28

Sr No	Particulars	Period of Default	Amount of Default as on 31 st March, 2016
ii)	Mahindra & Mahindra Financial Services Limited	Various Dates from June'2015 to March'2016	105.70
iii)	Reliance Capital Limited	Various Dates from June'2015 to March'2016	60.92
c)	Debenture holders - Payment of Principal and Interest	Various dates from October'15 to March'16	1,489.53

- 9) 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.
- 10) According to information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- 11) According to the information and explanations given to us and on the basis of our examination of relevant records, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act, except:

(₹ in Lacs)

Payment to	Amount paid/ provided in excess of the limits prescribed	Amount due for recovery as at the balance sheet date	Steps taken to secure the recovery of the amount	Remarks
Whole Time Director- K. R. Thakur	61.07	Nil	N.A	Permission of the Central Government is to be obtained for such excess payment which pertains to the financial year 2015-16.

- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- 13) According to the information and explanations given to us and on the basis of our examination of relevant records of the Company, we report that all transactions with the related parties are in compliance with section 177 and 188 of the Act, and the details have been disclosed in the financial statements etc., as required by the applicable accounting standard.
- 14) As per the information and explanations given to us and based on our examination of relevant records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- 15) As per the information and explanations given to us and based on our examination of relevant records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- 16) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R. M. AJGAONKAR & ASSOCIATES

Chartered Accountants

Firm's Registration Number: 117247W

KOMAL SEVAK

Partner

Membership Number: 143685

Place: Mumbai

Date: 30th May, 2016

ANNEXURE B

TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF JYOTI STRUCTURES LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT').

We have audited the internal financial controls over financial reporting of Jyoti Structures Limited ('the Company') as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

QUALIFIED OPINION

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2016:

- a) The Company is not having a full-fledged ERP system to manage different operational activities. Accordingly, many of the operations, which would have been taken care by system, require manual intervention and to that extent there are limitations in control system and processes.
- b) The Company needs to strengthen controls to ensure correct and complete accounting by conducting reconciliations between SAP postings and physical documents as well as entries posted vis-à-vis trackers maintained.

The discrepancies noticed due to the above weaknesses, were, however, rectified by the year end with manual intervention.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/ possible effects of material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2016 standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company.

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

Chartered Accountants

Firm's Registration Number: 117247W

KOMAL SEVAK

Partner

Membership Number: 143685

Place: Mumbai

Date: 30th May, 2016

JYOTI STRUCTURES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	As at 31-Mar-2016 ₹ in Lacs	As at 31-Mar-2015 ₹ in Lacs
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	1	4,690.55	4,690.55
b) Reserves and Surplus	2	7,459.77	57,789.98
		12,150.32	62,480.53
2) Share Application Money Pending Allotment	3	-	0.82
3) Non Current Liabilities			
a) Long Term Borrowings	4	65,483.08	1,30,139.42
b) Deferred Tax Liabilities (Net)	5	12.93	12.93
c) Other Long Term Liabilities	6	13,290.91	19,543.63
d) Long Term Provisions	7	1,208.20	936.62
		79,995.12	1,50,632.60
4) Current Liabilities			
a) Short Term Borrowings	8	2,97,145.18	87,620.12
b) Trade Payables	9	44,840.73	1,28,923.41
c) Other Current Liabilities	10	1,62,383.34	81,581.40
d) Short Term Provisions	11	1,385.23	1,782.70
		5,05,754.48	2,99,907.63
TOTAL		5,97,899.92	5,13,021.58
II ASSETS			
1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	12	12,616.66	14,983.32
ii) Intangible Assets	12	792.15	1,054.18
iii) Capital Work-in-Progress	12	31.89	14.68
		13,440.70	16,052.18
b) Non Current Investments	13	8,654.81	8,654.81
c) Long Term Loans and Advances	14	617.91	661.65
d) Other Non Current Assets	15	38,385.99	31,774.93
2) Current Assets			
a) Inventories	16	23,250.56	28,929.19
b) Trade Receivables	17	4,19,745.96	3,30,240.13
c) Cash and Bank Balances	18	3,651.27	7,007.28
d) Short Term Loans and Advances	19	83,189.46	76,778.92
e) Other Current Assets	20	6,963.26	12,922.49
		5,36,800.51	4,55,878.01
TOTAL		5,97,899.92	5,13,021.58
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

KOMAL SEVAK

Partner

Membership Number: 143685

Mumbai; 30th May, 2016

L. H. KHILNANI

Company Secretary

K. R. THAKUR

Whole-time Director

S. D. KSHIRSAGAR

Chairman

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

	Note	Year Ended 31-Mar-2016 ₹ in Lacs	Year Ended 31-Mar-2015 ₹ in Lacs
I INCOME			
Revenue from Operations (Gross)	21	2,51,344.28	2,79,789.61
Less: Excise duty		2,100.84	1,616.76
Revenue from Operations (Net)		2,49,243.44	2,78,172.85
Other Income	22	6,705.65	7,176.34
Total Revenue		2,55,949.09	2,85,349.19
II EXPENSES			
Cost of Materials Consumed	23	1,75,710.38	1,74,903.22
Erection and Sub-contracting Expense	24	35,375.12	46,932.78
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	2,816.79	12,962.28
Employee Benefits Expense	26	10,522.27	9,520.33
Finance Costs	27	55,877.59	36,989.59
Depreciation and Amortization Expense (Net)	28	3,084.25	3,439.93
Other Expenses	29	22,687.04	27,567.76
Total Expenses		3,06,073.44	3,12,315.89
III Profit/(Loss) Before Tax (I-II)		(50,124.35)	(26,966.70)
IV Tax Expense:			
Current Tax		53.98	-
Deferred Tax (Net)		-	(0.39)
(Excess)/Short Provision of Taxes for earlier year		-	32.16
		53.98	31.77
V Profit/(Loss) for the year (III-IV)		(50,178.33)	(26,998.47)
VI Earnings Per Equity Share (In ₹)			
[Nominal value of share ₹ 2]			
1) Basic		₹ (45.81)	₹ (28.29)
2) Diluted		₹ (45.81)	₹ (28.29)
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

KOMAL SEVAK

Partner

Membership Number: 143685

Mumbai; 30th May, 2016

L. H. KHILNANI

Company Secretary

K. R. THAKUR

Whole-time Director

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		Year Ended 31-Mar-2016 ₹ in Lacs	Year Ended 31-Mar-2015 ₹ in Lacs
I CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) Before Taxes and Extraordinary Items	[A]	(50,124.35)	(26,966.70)
ADJUSTMENTS FOR:			
i) Depreciation and Amortisation		3,086.67	3,442.35
ii) Transferred from Revaluation Reserve		(2.42)	(2.42)
iii) Interest Cost		54,405.18	35,110.14
iv) (Gain)/Loss on Sale of Fixed Assets (Net)		(29.19)	64.07
v) Interest Received		(2,679.50)	(3,424.73)
vi) Employee Compensation Expense - ESOS		7.03	20.92
	[B]	54,787.77	35,210.33
Operating Profit before Working Capital changes	[A+B] = [C]	4,663.42	8,243.63
ADJUSTMENTS FOR:			
i) Inventories		5,678.64	16,692.52
ii) Trade Receivable & Other Receivable, Loans & Advances, Other Current Assets		(85,930.88)	(1,02,488.27)
iii) Current Liabilities and Provisions		(83,773.72)	(31,156.91)
	[D]	(1,64,025.96)	(1,16,952.66)
Cash Generated from Operations	[C+D] = [E]	(1,59,362.54)	(1,08,709.03)
i) Direct Taxes Paid (Net)		(759.82)	(1,110.69)
	[F]	(759.82)	(1,110.69)
Net Cash (used in) / from Operating Activities [I]	[E+F] = [G]	(1,60,122.36)	(1,09,819.72)
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Proceeds from Sale of Fixed Assets		57.82	481.15
ii) Purchase of Fixed Assets [After adjustment of (Increase)/Decrease in Capital Work-in-Progress]		(503.82)	(1,568.33)
iii) Proceeds from Redemption of Investments		-	0.85
iv) Interest Received		2,679.50	3,424.73
v) Net Advances to Subsidiary Companies		(2,234.73)	(3,044.09)
vi) Net Advances to Companies other than Subsidiaries		(8,560.51)	(7,615.94)
Net Cash (used in) / from Investing Activities [II]		(8,561.74)	(8,321.63)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year Ended 31-Mar-2016 ₹ in Lacs	Year Ended 31-Mar-2015 ₹ 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)	(0.39)	12,008.32
ii) Proceeds from Long Term Borrowings	16,701.96	1,47,377.74
iii) Repayment of Long Term Borrowings	(6,628.47)	(5,370.90)
iv) Net Increase/(Decrease) in Interest Free Sales Tax Defferal Loan	(14.25)	(91.05)
v) Proceeds from Short Term Borrowings from banks	2,09,525.06	-
vi) Repayment of Short Term Borrowings	-	(1,733.46)
vii) Proceeds from Asset Finance from Banks	-	13.80
viii) Repayment of Asset Finance from Banks	(22.86)	(69.37)
ix) Repayment of Asset Finance from Financiers	-	(56.43)
x) Dividends on Pref Share Capital	(25.00)	-
xi) Dividend and Dividend Distribution Tax for earlier year	(4.43)	(3.41)
xii) Interest Cost	(54,405.18)	(35,110.15)
Net Cash (used in) / from Financing Activities [III]	1,65,126.44	1,16,965.08
Net Increase/(Decrease) in Cash and Cash Equivalents [I + II + III]	(3,557.66)	(1,176.27)
Cash and Cash Equivalents at the beginning of the year	6,038.19	7,214.46
Cash and Cash Equivalents at the end of the year	2,480.53	6,038.19

As per our report attached

For R. M. AJGAONKAR & ASSOCIATES

Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK

Partner

Membership Number: 143685

Mumbai; 30th May, 2016

L. H. KHILNANI

Company Secretary

K. R. THAKUR

Whole-time Director

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

1 SHARE CAPITAL	31-Mar-2016		31-Mar-2015	
	Number	₹ in Lacs	Number	₹ in Lacs
Authorised :				
Equity Shares of ₹ 2/- each	30,00,00,000	6,000.00	17,50,00,000	3,500.00
Redeemable Preference Shares of ₹ 100/- each	25,00,000	2,500.00	25,00,000	5,000.00
	<u>30,25,00,000</u>	<u>8,500.00</u>	<u>18,00,00,000</u>	<u>8,500.00</u>
Issued :				
Equity Shares of ₹ 2/- each	10,95,42,970	2,190.86	10,95,42,970	2,190.86
Redeemable Preference Shares of ₹ 100/- each	25,00,000	2,500.00	25,00,000	2,500.00
	<u>11,20,42,970</u>	<u>4,690.86</u>	<u>11,20,42,970</u>	<u>4,690.86</u>
Subscribed and Paid-up :				
Equity Shares of ₹ 2/- each fully paid up	10,95,27,710	2,190.55	10,95,27,710	2,190.55
Redeemable Preference Shares of ₹ 100/- each fully paid up	25,00,000	2,500.00	25,00,000	2,500.00
TOTAL	<u>11,20,27,710</u>	<u>4,690.55</u>	<u>11,20,27,710</u>	<u>4,690.55</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	10,95,27,710	2,190.55	8,22,73,822	1,645.48
Issued during the period - ESOS	-	-	61,750	1.23
Issued during the period - QIP / Preferential Issue	-	-	2,71,92,138	543.84
Outstanding at the end of the period	<u>10,95,27,710</u>	<u>2,190.55</u>	<u>10,95,27,710</u>	<u>2,190.55</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	25,00,000	2,500.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>25,00,000</u>	<u>2,500.00</u>	<u>25,00,000</u>	<u>2,500.00</u>
c) Names of Equity shareholders holding more than 5 % shares				
	Number	%	Number	%
i) IDFC Sterling Equity Fund	76,75,914	7.01%	76,75,914	7.01%
ii) Surya India Fingrowth Pvt. Ltd.	58,60,320	5.35%	58,60,320	3.35%
d) Names of preference shareholders holding more than 5% shares				
i) Amtek India Limited	4,00,000	16.00%	4,00,000	16.00%
ii) Amtek Auto Limited	4,50,000	18.00%	4,50,000	18.00%
iii) Aarken Advisors Private Limited	4,50,000	18.00%	4,50,000	18.00%
iv) Aryahi Buildwell Private Limited	4,75,000	19.00%	4,75,000	19.00%
v) Vishwas Marketing Services Private Limited	3,50,000	14.00%	3,50,000	14.00%
vi) Mukund Motorparts Private Limited	3,75,000	15.00%	3,75,000	15.00%
e) Shares reserved for issue under options				
Employee Stock Options Scheme (ESOS)				
i) 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.	5,19,750		5,19,750	
ii) Under ESOS 2011, eligible employee on grant of option & on vesting shall be entitled to apply for 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. These shares carry dividend @ 1%. In the event of liquidation, the preference shareholders will have preference in repayment over equity shareholders.				

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
2 RESERVES AND SURPLUS		
a) Capital Reserve	6.06	6.06
b) Capital Redemption Reserve	300.00	300.00
c) Securities Premium Account		
As per last Balance Sheet	27,653.82	16,155.95
Add: On Allotment of Equity Shares	-	11,497.87
	<u>27,653.82</u>	<u>27,653.82</u>
d) Debenture Redemption Reserve		
As per last Balance Sheet	1,243.50	1,243.50
Add: Transferred from Surplus in the Statement of Profit and Loss	-	-
	<u>1,243.50</u>	<u>1,243.50</u>
e) Revaluation Reserve*		
As per last Balance Sheet	32.74	35.16
Less: Transferred to Statement of Profit and Loss as Reduction from Depreciation	2.42	2.42
	<u>30.32</u>	<u>32.74</u>
f) Employee Stock Option Outstanding [Note No. 31 (21)]		
Add: Employee Stock Option Outstanding	341.75	341.75
Less: Deferred Employee Compensation Expense	-	7.03
	<u>341.75</u>	<u>334.72</u>
g) General Reserve		
As per last Balance Sheet	16,606.64	16,606.64
Add: Transferred from Surplus in the Statement of Profit and Loss	-	-
	<u>16,606.64</u>	<u>16,606.64</u>
h) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	11,612.50	39,018.93
Less: Additional depreciation as per rules	-	431.47
Add: (Excess)/Short Provision of Taxes for earlier year	156.49	(53.60)
	<u>11,456.01</u>	<u>38,641.06</u>
Add: Profit/(Loss) for the year	(50,178.33)	(26,998.47)
Less: Appropriations		
Preference Share Dividend and Dividend Distribution Tax	-	30.09
	<u>-</u>	<u>30.09</u>
Net Surplus in the Statement of Profit and Loss	<u>(38,722.32)</u>	<u>11,612.50</u>
TOTAL	<u><u>7,459.77</u></u>	<u><u>57,789.98</u></u>

*Cumulative amount withdrawn from Revaluation Reserve is ₹ 53.31 Lacs (P.Y. ₹ 50.89 Lacs)

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
3 SHARE APPLICATION MONEY PENDING ALLOTMENT		
For Equity Shares	-	0.82
Number of Shares proposed to be allotted	-	4,825
Amount of Premium, if any	-	0.72

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	NA	15-Apr-2015
Whether sufficient authorised share capital to cover allotment of shares out of such share application money	NA	YES
The period overdue from the proposed date of allotment	NA	NIL

	Non- Current		Current	
	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs

4 LONG TERM BORROWINGS

Secured Loans

Non Convertible Debenture	3,954.00	3,954.00	1,020.00	1,020.00
Term Loan				
From Bank [Note No. 31 (28)]	61,117.93	1,25,161.91	1,17,797.28	37,311.05
From Other	206.49	431.52	322.98	97.95
TOTAL - A	65,278.42	1,29,547.43	1,19,140.26	38,429.00

Unsecured Loans

From Other

Others	-	-	375.62	1,224.27
Deferred Payment Liabilities	204.66	232.39	55.03	41.54
Deposits	-	359.60	881.36	6,064.75
TOTAL - B	204.66	591.99	1,312.01	7,330.56

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

TOTAL - A + B	65,483.08	1,30,139.42	-	-
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Nature of Securities for Secured Loan

Non-Convertible Debenture

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

Term Loan

- a) ₹ 4,772.41 Lacs (P.Y. ₹ 4,507.93 Lacs) 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 equipments;
- b) ₹ 1,59,103.79 Lacs (P.Y. ₹ 1,42,772.97 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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

- c) ₹ 1,315.09 Lacs (P.Y. ₹ 1,207.10 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.
- d) ₹ 23.21 Lacs (P.Y. ₹ 23.21 Lacs) Secured by hypothecation on specific Plant & Machinery.
- e) ₹ 141.68 Lacs (P.Y. ₹ 143.00 Lacs) Primary Security : Secured by specific first charge on specific Plant & Machinery. Secondary Security : Secured by second charge on all fixed assets of the company present and future.
- f) ₹ 10,960.00 Lacs (P.Y. ₹ 10,960.00 Lacs) (I) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims . (II) Secondary Security : Secured by second charge on all fixed assets of the company, present and future.
- g) ₹ 593.28 Lacs (P.Y. ₹ 593.28 Lacs) Secured by hypothecation on specific Plant & Machinery.
- h) ₹ 1,300.00 Lacs (P.Y. ₹ 1,300.00 Lacs) Primary Security : Secured by specific first charge on specific Plant & Machinery. Secondary Security : Secured by second charge on all fixed assets of the company present and future.
- i) ₹ 1,080.00 Lacs (P.Y. ₹ 1,080.00 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.
- j) ₹ 155.23 Lacs (P.Y. ₹ 414.93 Lacs) Secured by hypothecation of vehicles.
- k) The Company has defaulted in repayment of loans and interest in respect of the following :-

Particulars	Period of Default	Principle ₹ in Lacs	Interest ₹ in Lacs
i) Loan from Banks (Joint Lending Forum)	Various dates from May'15 to March'16	1,94,068.68	34,705.07
ii) Loan from Banks (Other than Joint Lending Forum)	Various dates from April'14 to March'16	19,886.00	2,231.11
iii) External Commercial Borrowings (ECB Loan)	Various dates from September'14 to March'16	4,772.56	215.00
iv) Non Convertible Debentures (NCD)	Various dates from October'15 to March' 16	1,020.00	469.53

	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	₹ in Lacs 4-5 Years
Maturity Profile of Secured Term Loans are as below :				
Term Loan	9,096.41	14,138.17	17,912.59	20,177.25

Redemption of Secured Non Convertible Debentures are as below :

	1-2 Years	2-3 Years	3-4 Years	₹ in Lacs 4-5 Years
7.00 % Debentures	-	2,700.00	-	-
12.50 % Debentures	390.00	-	-	-
14.00 % Debentures	650.00	214.00	-	-

5 DEFERRED TAX LIABILITIES (NET)

	Deferred Tax Liability/ (Asset) as at 31-Mar-2016	Deferred Tax Liability/ (Asset) as at 31-Mar-2015
Deferred Tax Liabilities		
On Account of Branches	12.93	12.93
TOTAL	12.93	12.93

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016	31-Mar-2015
	₹ in Lacs	₹ in Lacs
6 OTHER LONG TERM LIABILITIES		
Trade Payables**		
a) Total outstanding dues of Micro Enterprises & Small Enterprises	-	-
b) Total outstanding dues of creditors other than MESE	10,819.29	10,439.35
Advances received from Customers	2,471.62	9,104.28
TOTAL	13,290.91	19,543.63
# Amount payable beyond one year		
* (Refer Note No. 31 (27) for details of due to Micro, Small and Medium Enterprises)		
7 LONG TERM PROVISIONS		
Provision for Gratuity	707.17	631.77
Provision for Compensated Absences	501.03	304.85
TOTAL	1,208.20	936.62
8 SHORT TERM BORROWINGS		
Secured Loan		
Loans repayable on Demand		
From Bank	2,97,145.18	87,620.12
TOTAL	2,97,145.18	87,620.12
Secured Loan from Bank		
₹ 2,97,145.18 Lacs (P.Y. ₹ 87,620.12 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.		
9 TRADE PAYABLES		
Trade Payables (Including Acceptances)*		
a) Total outstanding dues of Micro Enterprises & Small Enterprises	177.42	115.88
b) Total outstanding dues of creditors other than MESE	44,663.31	1,28,807.53
TOTAL	44,840.73	1,28,923.41
* (Refer Note No. 31 (27) for details of due to Micro, Small and Medium Enterprises)		
10 OTHER CURRENT LIABILITIES		
a) Current Maturities of Long Term Borrowings (Note No. 4)	1,20,452.27	45,759.56
b) Interest Accrued	5,953.28	919.70
c) Advances from Customers	27,125.85	27,476.96
d) Unclaimed Dividend*	24.75	29.19
e) Payables to Employees	2,807.13	2,120.68
f) Audit Fee Payable	72.05	13.69
g) Expenses and Other Payable	2,985.32	2,800.35
h) Statutory Liabilities	2,962.69	2,461.27
TOTAL	1,62,383.34	81,581.40
* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31 st March, 2016. These amount shall be paid to the fund as and when they became due.		

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

11 SHORT TERM PROVISIONS

a) Provision for Employee Benefits	441.24	289.37
b) Provision for Income Tax on Proposed Dividend	5.09	5.09
c) Provision for Tax*	938.90	1,488.24
TOTAL	1,385.23	1,782.70

* The Provision for Income Tax amounting to ₹ 938.90 Lacs (P.Y. ₹ 1,488.24 Lacs) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other adjustments.

12 FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION					NET BLOCK		
	As at 01-Apr-2015	Additions	Deletions/ Adjustments	As at 31-Mar-2016	As at 01-Apr-2015	For the Year	Deletions/ Adjustments	For earlier year adjusted in reserve and surplus	As at 31-Mar-2016	As at 31-Mar-2016	As at 31-Mar-2015
Tangible Assets : Ownership											
Freehold Land	112.02	-	-	112.02	-	-	-	-	-	112.02	112.02
Leasehold Land	223.70	-	-	223.70	24.45	3.79	-	-	28.24	195.46	199.25
Buildings	2,893.74	-	-	2,893.74	890.45	75.72	-	-	966.17	1,927.57	2,003.29
Plant & Machinery	19,879.83	184.46	38.79	20,025.50	11,397.01	1,733.57	38.28	-	13,092.30	6,933.20	8,482.82
Furniture & Fixtures	748.49	12.32	77.04	683.77	534.27	48.84	77.04	-	506.07	177.70	214.22
Computer & Office Equipments	1,772.54	168.60	119.69	1,821.45	1,411.52	151.81	118.55	-	1,444.78	376.67	361.02
Vehicles	4,987.35	95.47	137.39	4,945.43	2,304.94	600.39	110.41	-	2,794.92	2,150.51	2,682.41
TOTAL - A	30,617.67	460.85	372.91	30,705.61	16,562.64	2,614.12	344.28	-	18,832.48	11,873.13	14,055.03
Tangible Assets : On Operating Lease											
Plant & Machinery	162.08	-	-	162.08	43.39	17.34	-	-	60.73	101.35	118.69
Vehicles	1,294.03	-	-	1,294.03	484.43	167.42	-	-	651.85	642.18	809.60
TOTAL - B	1,456.11	-	-	1,456.11	527.82	184.76	-	-	712.58	743.53	928.29
TOTAL - C = A+B	32,073.78	460.85	372.91	32,161.72	17,090.46	2,798.88	344.28	-	19,545.06	12,616.66	14,983.32
Intangible Assets :											
Software	2,201.23	25.76	-	2,226.99	1,147.05	287.79	-	-	1,434.84	792.15	1,054.18
Goodwill on amalgamation	301.13	-	-	301.13	301.13	-	-	-	301.13	-	-
TOTAL - D	2,502.36	25.76	-	2,528.12	1,448.18	287.79	-	-	1,735.97	792.15	1,054.18
TOTAL - E = C+D	34,576.14	486.61	372.91	34,689.84	18,538.64	3,086.67	344.28	-	21,281.03	13,408.81	16,037.50
Previous Year	33,920.93	1,555.25	900.04	34,576.14	15,019.63	3,442.35	354.81	431.47	18,538.64	16,037.50	18,901.30
Capital Work-In-Progress										31.89	14.68
Total - F										31.89	14.68
Grand Total - G = E + F										13,440.70	16,052.18

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

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

13	NON-CURRENT INVESTMENTS	Subsidiary / Associate / Joint Venture	Face Value	No. of Shares / Units		Amount	
				31-Mar-2016	31-Mar-2015	31-Mar-2016	31-Mar-2015
				Nos	Nos	₹ in Lacs	₹ in Lacs
Trade Investment							
Investment in Equity Instruments							
Unquoted, Fully paid up - 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	4.99	4.99
						8,637.59	8,637.59
Other Investment							
Investment in Mutual Fund							
Quoted, Fully Paid up - 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 Magnum Equity Fund	Mutual Fund	₹ 10 Each	12,136	12,136	5.22	5.22
	UTI Bond Fund	Mutual Fund	₹ 10 Each	28,352	28,352	5.00	5.00
						17.22	17.22
TOTAL						8,654.81	8,654.81

Book value of Unquoted Investments is ₹ 8,637.59 Lacs (P.Y. ₹ 8,637.59 Lacs)

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

Market value of Quoted Investments is ₹ 32.21 Lacs (P.Y. ₹ 32.60 Lacs)

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

	31-Mar-2016	31-Mar-2015
	₹ in Lacs	₹ in Lacs
14 LONG TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Capital Advances	-	5.93
b) Security and Other Deposits	585.39	613.74
c) Other Loans and Advances Loans to Employees	32.52	41.98
TOTAL	617.91	661.65
15 OTHER NON CURRENT ASSETS		
Unsecured, considered good		
Trade Receivables	38,385.99	31,774.93
TOTAL	38,385.99	31,774.93

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016	31-Mar-2015
	₹ in Lacs	₹ in Lacs
16 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)		
a) Raw Materials		
i) In Stock	1,062.62	1,764.49
ii) In Transit	-	150.86
b) Construction Materials at Site	1,257.58	1,984.29
c) Semi Finished Goods	548.40	234.18
d) Work-in-Progress	14,448.11	15,031.41
e) Finished Goods	2,850.80	5,437.14
f) Stores and Consumables	266.19	292.59
g) Tools and Tackles	2,744.37	4,000.37
h) Scrap	72.49	33.86
TOTAL	23,250.56	28,929.19
17 TRADE RECEIVABLES		
Unsecured, considered good		
a) Trade Receivables (overdue more than six months)	3,55,103.15	1,84,676.22
b) Other Trade Receivables	64,642.81	1,45,563.91
TOTAL	4,19,745.96	3,30,240.13
18 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
a) Balances with Banks	2,406.23	5,274.95
b) Fixed Deposit with original maturity for less than 3 months	-	700.00
c) Cash On Hand	74.30	63.24
	2,480.53	6,038.19
Other Bank Balances		
a) Margin money with bank	1,145.99	939.90
b) Unpaid Dividend Bank Balance	24.75	29.19
	1,170.74	969.09
TOTAL	3,651.27	7,007.28
19 SHORT TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Loan and Advances to Related Parties [Note No. 31(17)]	44,934.75	34,139.52
b) Other Loans and Advances		
i) Prepaid Expenses	4,206.98	9,748.35
ii) Loans to Employees	7.72	9.10
iii) Balances With Statutory/Government Authorities	12,329.77	13,540.62
iv) Advances to Supplier	13,754.50	14,659.25
v) Sundry Deposits	270.11	264.58
vi) Claim Receivables	1,834.22	2,128.27
vii) Interest Receivable	4,034.96	108.69
viii) Expenses Receivable and other Advances	1,816.45	2,180.54
TOTAL	83,189.46	76,778.92
20 OTHER CURRENT ASSETS		
Unsecured and considered good		
Interest Accrued But Not Due on Fixed Deposit	513.52	403.57
Revenue accrued but not due	6,449.74	12,518.92
TOTAL	6,963.26	12,922.49

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016	31-Mar-2015
	₹ in Lacs	₹ in Lacs
21 REVENUE FROM OPERATIONS		
a) Sale of Products	2,45,678.50	2,73,793.98
b) Sale of Services	1,516.58	3,041.32
c) Other Operating Revenues	4,149.20	2,954.31
Revenue from Operations (Gross)	2,51,344.28	2,79,789.61
Less: - Excise Duty	2,100.84	1,616.76
Revenue from Operations (Net)	2,49,243.44	2,78,172.85
22 OTHER INCOME		
Other Operating Income		
i) Lease Rentals	254.84	534.67
Other Income		
i) Interest on Fixed Deposits	38.92	185.13
ii) Interest on Others	2,640.58	3,239.60
iii) Net Gain on Foreign Currency Transactions and Translation	3,771.31	3,216.94
TOTAL	6,705.65	7,176.34
23 COST OF MATERIAL CONSUMED		
Cost of Material Consumed*	1,75,710.38	1,74,903.22
TOTAL	1,75,710.38	1,74,903.22
* Refer Note No. 31(6)		
24 ERECTION AND SUB-CONTRACTING EXPENSE		
a) Construction Materials and Stores Consumed	5,421.22	6,787.00
b) Tools and Tackles Consumed	2,130.18	1,569.02
c) Sub-contracting Expenses	24,865.15	34,079.27
d) Repairs to Construction Equipments/Machinery	37.05	78.35
e) Construction Transportation Charges	2,921.52	4,419.14
TOTAL	35,375.12	46,932.78
25 CHANGES IN INVENTORIES		
a) (Increase)/ Decrease Finished Goods Stock	2,586.34	8,641.28
b) (Increase)/ Decrease WIP/Semi Finished Goods Stock	269.08	4,250.35
c) (Increase)/ Decrease Scrap Stock	(38.63)	70.65
TOTAL	2,816.79	12,962.28
26 EMPLOYEE BENEFITS EXPENSE		
a) Salaries, Wages and Bonus, etc.	8,878.49	7,871.35
b) Leave Encashment	346.99	236.11
c) Employee Compensation Expense - ESOS	7.03	20.92
d) Contribution to Provident and Other Fund	974.97	982.24
e) Welfare Expenses	314.79	409.71
TOTAL	10,522.27	9,520.33
27 FINANCE COSTS		
a) Interest Expense	54,405.18	35,110.14
b) Other Borrowing Costs	914.21	1,692.07
c) Net (gain)/loss on foreign currency transactions and translation on borrowing cost	558.20	187.38
TOTAL	55,877.59	36,989.59

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016	31-Mar-2015
	₹ in Lacs	₹ in Lacs
28 DEPRECIATION AND AMORTIZATION EXPENSE		
a) Depreciation of Tangible Assets (Note No. 12)	2,798.88	3,171.60
b) Amortization of Intangible Assets (Note No. 12)	287.79	270.75
	3,086.67	3,442.35
c) Less: Transfer from Revaluation Reserve	(2.42)	(2.42)
TOTAL	3,084.25	3,439.93
29 OTHER EXPENSES		
a) Stores and Consumables	259.78	311.64
b) Packing Materials	144.21	62.91
c) Power and Fuel	614.20	904.37
d) Conversion Expenses	944.69	696.93
e) Service Charges	1,956.54	1,992.14
f) Repairs to Buildings	29.23	42.60
g) Repairs to Plant and Machinery	177.77	164.23
h) Repairs to Others	253.86	363.41
i) Testing and Designing Expenses	188.23	242.99
j) Excise Duty on Stocks (Net)	(186.77)	(352.92)
k) Rent	61.60	154.49
l) Rates and Taxes	1,579.63	1,907.32
m) Insurance	614.72	616.83
n) Travelling and Conveyance	1,251.08	1,152.36
o) Postage, Telephone and Fax	272.01	321.91
p) Printing and Stationery	137.32	180.06
q) Professional and Legal Fees	2,145.12	1,873.48
r) Directors' Sitting Fees	7.06	3.40
s) Payment to auditors	129.36	99.34
t) Licence and Tender Fees	91.18	106.74
u) Donations	0.30	0.49
v) Freight Outward	4,070.49	3,427.91
w) Brokerage and Commission	1,526.24	1,766.99
x) Bank Charges	3,617.68	5,072.27
y) (Gain)/Loss on Sale of Fixed Assets (Net)	(29.19)	64.07
z) Liquidity Damages [Refer Note No. 31 (26)]	-	4,013.29
aa) CSR Expenses [Refer Note No. 31 (33)]	-	193.71
ab) Bad Debts	2,213.64	1,475.38
ac) General Expenses	617.07	709.43
TOTAL	22,687.04	27,567.76

STATEMENTS OF SIGNIFICANT ACCOUNTING POLICIES OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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, 2013. They are prepared in accordance with the Accounting Standards specified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of Companies (Accounts) Rules, 2014, and other relevant provisions to the extent applicable.

2. Use of Estimates:

The preparation 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. Differences 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:

Tangible 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.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment loss, if any.

5. Depreciation / Amortisation:

- a) Depreciation on tangible assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013, except as stated in (b) below.
- b) On the tangible assets of integral foreign branches, depreciation is provided on Straight Line Method. The applicable rates are based on the local laws and practices of the respective countries, except where the rates of depreciation are less than as prescribed in schedule II to the Act, the depreciation is provided as per the rates prescribed in Schedule II of the Act.
- c) Intangible assets are amortised on straight line basis over the useful lives of assets not exceeding 10 years.
- 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 amortised over the period of lease.
- f) Goodwill arising on amalgamation is amortised over a period of 5 years.

STATEMENTS OF SIGNIFICANT ACCOUNTING POLICIES OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**6. Investments:**

Investments that are readily realisable and intended to be held for not more than 12 months are classified as current investments. All other investments are classified as long-term investment. Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost less diminution in value, if any. Provisions are recognized for any decline, other than temporary, in the carrying value of long term investments as determined by the management.

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 and 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 cost.
- d) Any income or expense on account of exchange difference, either on settlement or on translation, is recognized in Statement of Profit and Loss.

STATEMENTS OF SIGNIFICANT ACCOUNTING POLICIES OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

- 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) 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.

STATEMENTS OF SIGNIFICANT ACCOUNTING POLICIES OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**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.

c) Minimum Alternate Tax (MAT):

MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal taxes during the specified period under the Income Tax Act, 1961. The Company reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

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, 2014. 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.

19. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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 ₹ Nil (P.Y. ₹ 7.14 Lacs). Advances paid ₹ Nil (P.Y. 5.93 Lacs).

2. Contingent Liabilities not provided for:

Sr No	Particulars	2015 -16 ₹ in Lacs	2014 - 15 ₹ in Lacs
i)	Outstanding Bank Guarantee	1,25,958.18	1,30,455.74
ii)	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	4,878.41	5,655.60
iii)	Civil Suits	69.73	118.51
iv)	Corporate Guarantees	89,493.17	86,308.89

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 loss for the year.

4. Auditors Remuneration:

Sr No	Particulars	2015 -16 ₹ in Lacs	2014 - 15 ₹ in Lacs
i)	For Audit*	40.08	39.33
ii)	For Other Services*	5.73	11.24
iii)	For Branch Audit and Taxation Matters fees	24.27	13.62
Total		70.07	64.19

*Figures are inclusive of Service Tax.

5. CIF Value of Imports (Direct):

Sr No	Particulars	2015 -16 ₹ in Lacs	2014 - 15 ₹ in Lacs
i)	Capital Goods	Nil	Nil
ii)	Raw Materials and Components	46,255.76	12,419.72
iii)	Spares and Others	Nil	Nil

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

		2015 - 16		2014 - 15	
		%	₹ in Lacs	%	₹ in Lacs
a)	Raw Materials and Components:				
	i) Imported	26.33%	46,255.76	7.10%	12,419.72
	ii) Indigenous	73.67%	1,29,454.62	92.90%	1,62,483.50
b)	Stores & Spares:				
	i) Imported	Nil	Nil	Nil	Nil
	ii) Indigenous	100.00%	259.78	100.00%	311.64

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

7. Earnings and Expenditure in Foreign Currency:

Sr No	Particulars	2015 -16 ₹ in Lacs	2014 - 15 ₹ in Lacs
i)	Earnings in Foreign Currency: Export of goods/services(including deemed exports and sales through export house)		
	At FOB Price	1,35,138.81	75,948.40
	At Invoice Value (Designing & testing charges)	797.68	1,361.72
	Rent of Equipments	254.84	534.67
	Interest from Subsidiaries	1,394.04	2,383.74
ii)	Expenditure in Foreign Currency:		
	Expenses of overseas projects (Including foreign taxes)	84,175.73	25,393.90
	Interest	212.80	210.92
	Professional Fees	9.32	21.39
	Others	57.47	149.26

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 recognised the following amounts in the Statement of Profit and Loss for the year:

Sr No	Particulars	2015 -16 ₹ in Lacs	2014 - 15 ₹ in Lacs
i)	Contribution to Provident Fund	463.02	427.94
ii)	Contribution to Other Fund	87.01	145.14
iii)	Contribution to Employees' Superannuation Fund	Nil	33.93

Defined Benefit Plans:

Gratuity and Leave Encashment

(₹ in Lacs)

Sr No	Particulars	2015-16		2014-15	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Expenses recognised in Statement of Profit and Loss and included in Note-26 "Employee Benefits Expense"				
	Current Service Cost	164.81	184.97	132.09	109.47
	Interest Cost	112.36	30.90	97.49	26.43
	Expected Return on Plan Assets	(53.33)	-	(52.49)	-
	Net Actuarial losses/(gain)	209.19	131.11	189.48	100.21
	Total Expenses	433.03	346.99	366.58	236.11

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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

(₹ in Lacs)

Sr No	Particulars	2015-16		2014-15	
		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.	1,459.25	401.32	1,218.67	330.37
	Current Service Cost	164.81	184.97	132.09	109.47
	Interest Cost	112.36	30.90	97.49	26.43
	Actuarial Losses/(Gain)	208.88	131.11	183.29	100.21
	Liabilities Extinguished on Settlements	-	-	-	-
	Benefits Paid	(249.40)	(99.06)	(172.30)	(165.16)
	Closing balance of defined benefit obligation	1,695.91	649.25	1,459.25	401.32
3	Reconciliation of opening and closing balances of changes in fair value of plan assets:				
	Opening balance of plan assets	634.58	-	578.13	-
	Expected Returns on Plan Assets	53.33	-	52.49	-
	Actuarial (Losses)/Gain	(0.30)	-	(6.19)	-
	Assets Distributed on Settlement	-	-	-	-
	Contribution by Employer	8.10	-	14.53	-
	Benefits Paid	-	-	(4.38)	-
	Closing balance of plan assets	695.70	-	634.58	-
4	Net liability recognised in the Balance Sheet				
	Closing balance of defined benefit obligation	1,695.91	649.25	1,459.25	401.32
	Closing balance of fair value of plan assets	695.70	-	634.58	-
	Present value of unfunded obligation recognised as liability	1,000.20	649.25	824.67	401.32
5	Actual Return on Plan Assets	53.02	-	46.30	-
6	Actuarial Assumption				
	Discount Rate	7.70%		8.00%	
	Expected Rate of Return on Plan Assets	8.35%		9.00%	
	Expected Rate of Salary Increase	7.00%		7.00%	
	Mortality	LIC (2006-08) Indian Assured Lives Mortality Rates		LIC (2006-08) Indian Assured Lives 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 STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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-2016	As at 31-Mar-2015
	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	5,625.69	4,820.41
Cash and Bank Balances	1,075.41	2,846.03
Inventories	4,012.41	5,044.66
Trade and Other Receivables	9,366.44	5,881.02
Loans and Advances	4,259.94	2,133.14
Current Liabilities:	14,747.04	9,702.20
Non-Current Liabilities	7,061.60	8,246.60
Income	29,308.75	11,721.68
Expenditure	29,344.29	11,174.33
Contingent Liability on account of Letter of Credit	9,047.71	1,526.82
Contingent Liability on account of Guarantees	66,778.84	14,445.41

10. The Company has invested an amount of USD 1,29,89,999 equivalent to ₹ 6,000.65 Lacs in its subsidiary company namely, Jyoti International Inc. Further, as at 31st March, 2016, balance of loans and advances outstanding was of ₹ 7,647.53 Lacs (P.Y. ₹ 6,712.78 Lacs) to Jyoti International Inc. and ₹ 5,541.71 Lacs (P.Y. ₹ 3,148.58 Lacs) to Jyoti Americas LLC, a wholly owned subsidiary of Jyoti International Inc. That company maintains its accounts on financial year basis. The subsidiary company has incurred total loss of USD 3,04,27,366 equivalent to ₹ 19,910.36 Lacs (P.Y. Loss of USD 2,19,53,433 equivalent to ₹ 13,763.34 Lacs) during the year. Total accumulated losses as on 31st March 2016 are USD 7,24,94,316 (P.Y. USD 4,20,66,950). However, based on the orders in hand and the business outlook of that company, the management is of the opinion that these accumulated losses are temporary in nature and will be recovered in the next few years. Therefore, no provision for diminution in the value of the said investment or no provision for other outstanding amounts is made as the management is confident of turning around the business of that company in the near future.
11. Consequent to dispute with Lauren Engineers & Constructors Inc. JV partner, the financial statements for the last three years have not been adopted. In terms of JV Agreement, the Company has initiated arbitration proceeding against JV Partner, inter alia, to recover following amounts:

(₹ in Lacs)

Sr No	Particulars	As at 31-Mar-2016	As at 31-Mar-2015
1	Debtors	7,045.80	7,045.80
2	BG Encashment	5,507.00	5,507.00
3	Receivables for Reimbursement of Expenses & Other	2,534.03	830.30
	Total	15,086.83	13,383.10

In addition to this, the Company has claimed that the JV partner to purchase Company's investment of ₹ 500 Lacs in capital of the JV company.

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

12. The Company has invested an amount of ₹ 419/- in the equity share capital of Jyoti Structures Africa (Pty) Limited (JS Africa), a subsidiary company. As on 31st March, 2016, the Company has also advanced loan of ₹ 2,819.71 Lacs (P.Y. ₹ 3,581.91 Lacs) to JS Africa and the outstanding credit to that company is ₹ 3,026.60 Lacs (P.Y. ₹ 3,277.65 Lacs) against advances and receivables. Though the net worth of the subsidiary has been eroded, the Company has not provided for diminution in value of investment of ₹ 419/- and no provision is made against outstanding loans and dues of said company. Considering the business outlook of the subsidiary Company, the management is of the opinion that these accumulated losses of that company are temporary in nature and will be recovered in the near future.

13. In terms of appointment, the Company has paid remuneration amounting to ₹ 192.67 Lacs to Mr. K. R. Thakur, Whole-time Director for the year. Considering that the Company has Incurred loss, the remuneration paid to Mr. Thakur is in excess of the provisions of Section 197 read with part II of Schedule V of Companies Act, 2013 to the extent of ₹ 61.07 Lacs. The Company has made application to Central Government for enhancement of payment of remuneration to Mr. K, R, Thakur and the same is awaited.

Central Government approval for waiver of excess managerial remuneration amounting to ₹ 43.04 Lacs paid during the financial year 2014-15 is also awaited.

14. Forward exchange contracts outstanding as at 31st March, 2016 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-2016	As at 31-Mar-2015
Forward Exchange Contracts	Nil	Nil

15. Foreign Currency exposures that are not hedged by derivative instruments as on 31st March, 2016 amount to ₹ 1,04,274.64 Lacs (P.Y. ₹ 87,451.53 Lacs)

16. 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	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1	Lease payments recognised in the Statement of Profit and Loss for the year	185.47	198.28
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	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1	Lease income recognised in the Statement Profit and Loss for the year	254.84	534.67
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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

17. Related Party Disclosures:

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

A. 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. K. R. Thakur

d) Relatives of Director

- i) Jyoti Motiani (Daughter of Director)

B. Transactions:

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

Sr No	Particulars	Type of Relationship	Related Party	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1	Sale of Goods/ Services	a)	v)	1,924.26	1,745.63
		a)	viii)	8.23	1,484.05
		b)	i)	291.11	Nil
2	Lease Rentals	a)	iii)	Nil	73.29
		b)	i)	Nil	176.61
		a)	viii)	215.42	248.77
3	Interest on Fund Transfer and loan, Commission on Corp Guarantee,	a)	iii)	135.66	109.57
		a)	iv)	528.94	498.28
		a)	v)	272.75	187.33
		a)	vii)	3.10	2.91
		b)	i)	453.59	1,585.68
		b)	ii)	1,356.38	98.69

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Sr No	Particulars	Type of Relationship	Related Party	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
4	Purchase of Goods/Services	a)	v)	Nil	666.20
		a)	vii)	Nil	3,423.20
		b)	i)	28,932.57	6,811.61
		a)	x)	4,790.76	Nil
5	Remuneration paid	c)	i)	192.67	534.06
6	Salary Paid	d)	i)	25.80	Nil
7	Net amount given/(taken) during the year	a)	v)	Nil	(367.89)
8	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
9	Outstanding balances [Net of receivables/ (pay-ables)] at end of the year	a)	i)	41.46	41.29
		a)	ii)	(465.41)	(465.58)
		a)	iii)	5,846.31	8,421.05
		a)	iv)	7,647.53	6,712.78
		a)	v)	5,541.71	3,984.82
		a)	vii)	922.34	(1,032.12)
		a)	viii)	364.04	2,072.15
		a)	x)	(1,122.92)	Nil
		b)	i)	20,750.02	18,328.16
		b)	ii)	15,086.83	13,383.10
10	Corporate Guarantee given	a)	iv)	33,088.70	31,250.85
		a)	v)	32,096.04	30,313.32
		b)	i)	24,308.43	24,744.72

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

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

Particulars	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
Contract revenue recognised during the year	40,475.97	48,476.66
Method used to determine the contract revenue recognised and the stage of completion of contracts in progress	Refer Note No.30(3)(c)	
Disclosure in respect of contracts in progress as at the year end: Aggregate amount of costs incurred and recognised profits (less recognised losses)	1,71,718.55	2,25,233.16
Advances received	12,707.21	18,140.05
Retentions receivable	16,804.40	14,083.88
Gross amount due from Customers (included under Note No. 17 Trade Receivable)	64,884.90	45,154.78

19. Remittance in Foreign Currencies for Dividend:

The Company has not declared Dividend for the year 2013-14 and 2014-15 and hence no remittance in Foreign Currencies on account of Dividend.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

20. Disclosure details of Loans Given, Investment Made and Guarantee Given Covered U/s 186(4) of the Companies Act, 2013:

a) Loans given

(₹ in Lacs)

Loans given to Subsidiaries	Year ended 31-Mar-2016	Maximum Balance during the year	Year ended 31-Mar-2015	Maximum Balance during previous year
Jyoti Structures FZE	67.69	67.69	54.72	58.42
Jyoti International Inc	6,568.44	6,568.44	5,928.64	5,928.64
Jyoti Americas LLC	802.44	802.44	483.71	907.78
Jyoti Structures Africa Pty. Ltd.	2819.71	3,581.91	3,581.91	3,581.91
Total	10,258.28	11,020.48	10,048.99	10,476.75

(₹ in Lacs)

Loans given to Joint Venture	Year ended 31-Mar-2016	Maximum Balance during the year	Year ended 31-Mar-2015	Maximum Balance during previous year
Gulf Jyoti International LLC	7,480.48	8,053.93	8,053.93	8,342.42
Lauren Jyoti Pvt Ltd.	6,962.08	6,962.08	5605.69	5,605.69
Total	14,442.56	15,016.01	13,659.62	13,948.11

All above loans have been given for business purposes.

b) Investments are shown under respective head. (Refer Note 13)

c) Corporate Guarantees given

(₹ in Lacs)

Sr No	Name of Company	As at 31-Mar-2016	As at 31-Mar-2015
i)	Jyoti International Inc.	33,088.70	31,250.85
ii)	Jyoti Americas LLC	32,096.04	30,313.32
iii)	Gulf Jyoti International LLC	24,308.43	24,744.72

21. 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 ₹ 7.03 Lacs (P.Y. ₹ 20.92 Lacs) debited to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been credited to the revenue account.

The amount of ₹ 341.75 Lacs (P.Y. ₹ 341.75 Lacs) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

The balance un-amortized portion of ₹ Nil (P.Y. ₹ 7.03 Lacs) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

Sr No	Particulars	2015-16 (In Numbers)	2014-15 (In Numbers)
i)	Options granted and outstanding at the beginning of the year	1,03,950	1,16,300
ii)	Options granted during the year	-	-
iii)	Options lapsed and/or withdrawn during the year	-	-
iv)	Options exercised during the year against which shares were allotted	-	12,350
v)	Options granted and outstanding at the end of the year of which:		
-	Options vested	1,03,950	79,690
-	Options yet to vest	-	24,260

JYOTI STRUCTURES LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

22. Earnings Per Share (EPS):

Sr No	Particulars	2015-16	2014-15
i)	Profit/(Loss) after Tax (Net of preference share dividend)(in ₹)	(50,178.33)	(27,028.56)
ii)	Weighted Average Number of Ordinary Shares for Basic Earning per Share (In Nos.)	10,95,27,710	9,55,51,146
iii)	Add: Equity shares for no consideration arising on grant of stock options under ESOS	(69,305)	2,83,505
iv)	Weighted Average Number of Ordinary Shares for Diluted Earning per Share (In Nos.)	10,94,58,405	9,58,34,651
v)	Nominal value of Ordinary Share	₹ 2	₹ 2
vi)	Basic Earning Per Ordinary Share	₹ (45.81)	₹ (28.29)
vii)	Diluted Earning Per Ordinary Share	₹ (45.81)	₹ (28.29)

23. Engineering Procurement Construction (EPC) Contracts provide for levy of liquidity 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.
24. The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts. The Company has not entered into a derivative contract during the year.
25. Inadequate working capital has put considerable financial pressure on the Company and in particular, on the cash flows delaying commissioning of most of the projects executed by the Company. The Company has made provision of ₹ 1,300 Lacs for estimated losses upto 31st March, 2016 in few projects on completion of these contracts. With the support of lenders and customers, the Company has been managing to execute the projects and the management is reasonably confident that the situation will improve with implementation of restructuring scheme.
26. MP Madhya Kshetra Vidut Vitaran Company Ltd. has terminated part of the contract and wrongly encashed the performance guarantees amounting to ₹ 1,823.01 Lacs in July 2015, as the execution of contract was delayed due to reasons beyond the control of the Company. The Company has been advised to initiate dispute resolution in terms of the contract.
27. 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 No	Particulars	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1)	The Principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	263.32	115.88
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	85.90	Nil

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Sr No	Particulars	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
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

28. On 29th September, 2014, various banks and financial institutions ('the Lenders'), who had lent the money to the Company had restructured then existing term loans and working capital facilities provided by them. As the Company continued to be under financial stress and could not adhere to the terms of the restructuring. Considering the financial stress, on 11th August, 2015, the lenders invoked the Strategic Debt Restructuring (SDR) under the extant RBI guidelines. Now, the lenders have decided to implement the restructuring outside SDR framework and the same is being effected.
29. During the year, the Company has not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to ₹ 3,929.79 Lacs since the Company is of the opinion that the banks have charged excessive interest and the excess interest will be waived by banks.
30. The accumulated losses for the year ended 31st March, 2016 have resulted in Company's erosion of more than 50 percent of its peak net worth during the immediately preceding four financial years. However, the management is of the opinion that on approval of Master Restructuring Agreement by banks, the Company will be able to return to profitability over the next few years. Hence, the financial statements have been prepared assuming that the Company and its subsidiaries will continue as a going concern. No adjustments are hence made in the financial statements that might result from the outcome of this uncertainty.
31. In August 2013, Jyoti Americas LLC (subsidiary of the Jyoti International Inc.) has issued subordinated debt of USD 1,30,00,000 and preferred stock Series A of USD 1,00,00,000. In April 2014, the Company issued additional 47 shares of Series A preferred stock, at USD 4,00,000 per share, for additional gross proceeds of USD 1,88,00,000. Cumulative dividends accrues on this preferred stock of Series A accrues on a daily basis at the rate of 0.01% per year on the original purchase price, per share. Jyoti Americas LLC has a contingent liability of USD 3,47,00,000 for above mentioned preferred stock variable return along with its accretion of USD 1,14,53,076 for the year ended 31st March, 2016.
- As per preferred stock agreement, the Company and Jyoti Structures Limited, the parent company, plan to settle the variable return due on 28th August, 2016 through the issuance of common stock of Jyoti Structures Limited. Accordingly, the Company has not recorded an obligation of USD 3,47,00,000 related to the preferred stock variable return as of 31st March, 2016.
32. The number of shares of Jyoti Structures Ltd. to be issued on settlement of the preference stock as referred to in Note No. 31 (31) on the Maturity on 28th August, 2016, cannot be ascertained before its due date and therefore, the dilutive effect of those shares on the Diluted EPS of the Company has not been considered.
33. Corporate Social Responsibility (CSR) - In view of losses incurred, expenditure on CSR is not applicable for the year ended as at 31st March, 2016. In the previous year the Company had spent ₹ 193.71 Lacs.
34. Tax Expenses includes provision for Current Tax and Deferred Tax as applicable.
35. Cost of material consumed includes Bough-out materials purchased for supplies to customers under the contracts.
36. The Company does not have any exceptional or extra-ordinary item to report for the above periods.
37. Previous year's figures have been re-arranged, re-grouped, re-calculated and re-classified, 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

KOMAL SEVAK

Partner

Membership Number: 143685

Mumbai; 30th May, 2016

L. H. KHILNANI

Company Secretary

K. R. THAKUR

Whole-time Director

S. D. KSHIRSAGAR

Chairman

Statement on Impact of Audit Qualifications on Annual Audited Financial Results of Jyoti Structures Ltd. ('the Company'/'JSL') for the Financial Year ended 31st March, 2016

Sr No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	2,55,949.00	2,55,949.00
2	Total Expenditure	3,06,127.00	3,06,627.00
3	Net Profit/(Loss)	(50,178.00)	(50,678.00)
4	Earnings Per Share	(45.81)	(46.27)
5	Total Assets	5,97,900.00	5,97,900.00
6	Total Liabilities	5,85,750.00	5,86,250.00
7	Net Worth	12,150.00	11,650.00

(₹ in Lacs)

Audit Qualification

(₹ in Lacs)

Sr No	Details of Audit Qualification	Type of Qualification	Frequency of Qualification	For Audit qualification(s) where impact is quantified by the Auditor, Management Views	For Audit qualification(s) where impact is not quantified by the Auditor	Auditors Comments
a)	As on 31 st March, 2016, the trade receivables of the Company include amount of ₹ 7,045.80 Lacs outstanding from a Joint Venture (JV) company, namely Lauren Jyoti Private Limited (LJPL). Further an amount of ₹ 5,507.00 Lacs was paid by the Company on account of bank guarantee encashed by a customer of LJPL, which is considered receivable from the said JV. The other outstanding from LJPL are ₹ 2,534.03 Lacs including interest on the outstanding amounts for the current year amounting to ₹ 1,356.38 Lacs. As informed to us, the financial statements of the JV are not available since the last three financial years. Considering the fact that the financial statements of the JV are not available and it is not regular in re-payment of the above outstanding, we are not able to comment on the recovery of the debt and impact of the same on the financial statements of the Company for the year.	Disclaimer	Since 2012-13	Consequent to dispute with Lauren Engineers & Constructors Inc., JV partner, the financial statements for the last three years have not been adopted. In terms of JV Agreement, the Company has initiated arbitration proceeding against JV Partner, inter alia, to recover following amounts; 1) Debtors 7,045.80 2) BG Encashment 5,507.00 3) Receivables for reimbursement of Expenses 2,534.03 Total 15,086.82	Managements estimation on impact of audit qualification NIL If management is unable to estimate the impact, reasons for the same -	NIL

Sr No	Details of Audit Qualification	Type of Qualification	Frequency of Qualification	For Audit qualification(s) where impact is quantified by the Auditor, Management Views	For Audit qualification(s) where impact is not quantified by the Auditor		
					Managements estimation on impact of audit qualification	If management is unable to estimate the impact, reasons for the same	Auditors Comments
b)	The Company has invested ₹ 500 Lacs in 50 Lacs equity shares of LJPL. The financial statements of that company for the last three financial years are not made available to us. As per the last audited financial statements made available for the year ended on 31st March, 2013, the net worth of that company is fully eroded. The Company has not made any provision for the diminution in the value of this investment. Due to this non-provision, the loss of the Company for the year is understated by ₹ 500 Lacs and reserves of the Company are overstated by the same amount.	Qualified	Since 2013-14	In terms of JV Agreement, the Company has initiated arbitration proceeding against JV Partner and the Company has claimed that the JV partner to purchase Company's investment of ₹ 500 lacs in capital of the JV company.	500	-	NIL
c)	During the year, bank guarantees given by the Company for performance amounting to ₹ 1,823.01 Lacs were encashed by a customer of the Company. The said amount has not been charged to the Statement of Profit and Loss of the Company though it has been the practice of the Company to charge such amounts in earlier years. We are informed that the Company will be initiating arbitration in respect of encashment of these guarantees and it is hopeful of recovering this money from the customer. We are unable to comment on the recoverability of this amount.	Disclaimer	First Time	MP Madhya Kshetra Vidut Vitaran Company Ltd. has terminated part of the contract and encashed the performance guarantees amounting to ₹ 1,823.01 Lacs in July 2015, as the execution of contract was delayed due to reasons beyond the control of the Company. The Company has been advised to initiate dispute resolution in terms of the contract. The Company is hopeful of recovering this money from the customer. Hence, no provision for the same is made in the financial statements.	NIL	-	NIL
d)	The Company has during the year not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to ₹ 3,929.79 Lacs, since the management is of the opinion that the banks have charged excessive interest and the excess interest will be waived by the banks. We are unable to comment on the impact of the same on the financial statements.	Disclaimer	First Time	Interest amounting to ₹ 3929.79 Lacs claimed by lenders, in excess of the restructuring scheme has not been provided.	NIL	-	NIL

For Jyoti Structures Limited

For R. M. Ajgaonkar & Associates
Chartered Accountants
Firm's Registration Number: 11724W

K. R. Thakur
Whole-time Director
DIN: 00001270

S. D. Kshirsagar
Audit Committee Chairman
DIN: 00001266

Komal Sevak
Partner
Membership Number: 143685

Place : Mumbai
Date : 30th May, 2016

JYOTI STRUCTURES LIMITED

“Statement Containing the salient features of the Financial Statements of Subsidiaries (Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 Form AOC 1)”
Part “A” : Subsidiaries

(₹ in Lacs)

Sr No	Name of Subsidiary Company	JSL Corporate Services Ltd.	Jyoti Energy Ltd.		Jyoti Structures Africa (Pty.) Ltd.		Jyoti International Inc.		Jyoti Structures FZE	
			100%	100%	70%	ZAR	INR	USD	AED	100%
	Percentage of Share holding									
	Reporting Currency	INR	INR	INR			INR			INR
1	Capital	350.00	5.00	0.00	0.001 *		8,596.44	129.90	10.00	180.18
2	Reserves	138.35	(23.47)	(1,554.00)	(348.31)		(47,974.85)	(724.94)	335.37	6,042.48
3	Total Assets	489.13	34.35	4,156.12	931.55		33,411.18	504.87	640.42	11,538.81
4	Total Liabilities (excluding Capital and Reserves)	0.78	52.82	5,710.12	1,279.87		72,789.59	1,099.92	295.05	5,316.15
5	Details of Investment (except in case of Investment in the Subsidiaries)	-	-	-	-		-	-	-	-
6	Turnover	-	-	-	-		17,348.08	270.14	784.23	13,711.60
7	Profit before Taxation	(0.34)	(0.77)	(715.59)	(148.74)		(13,909.86)	(216.60)	23.10	403.96
8	Provision for Taxation	-	-	-	-		(5,630.54)	(87.68)	(0.23)	(3.95)
9	Profit after Taxation	(0.34)	(0.77)	(715.59)	(148.74)		(19,540.39)	(304.27)	22.88	400.01
10	Proposed Dividend	-	-	-	-		-	-	-	-

Notes: i) Please refer to consolidated financial statement and notes appearing thereon.

ii) The Exchange Rate of ₹ 4.4615 is considered for conversion of South Africa Rand (ZAR) to Indian rupee and ₹ 66.1774 is considered for conversion of US Dollar (USD) to Indian rupee & ₹ 18.0175 is considered for conversion of Arab Emirates Dirham (AED) to Indian rupee (INR) and ₹ 4.4615 is considered for conversion of Nambian Dollar (NAD) to Indian rupee (INR).

iii) Jyoti Americas LLC and Jyoti Structures Canada Ltd are subsidiaries of Jyoti International Inc.

iv) Jyoti Structures Namibia (Pty) Ltd is subsidiary of Jyoti Structures FZE.

v) Result of Jyoti International Inc and Jyoti Structures FZE are including their subsidiaries.

vi) Share Capital of Jyoti Structures Africa (Pty) Ltd is ZAR 70 and ₹ 419/-

“Statement Containing the salient features of the Financial Statements of Joint Venture (Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 Form AOC 1)”

Part “B” - Joint Venture

(₹ in Lacs)

	Name of Joint Venture	Gulf Jyoti International LLC	Lauren Jyoti Pvt. Ltd.
Sr. No.	Reporting Currency	INR	INR
1	Latest audited Balance Sheet Date	31- Dec-2015	31-Mar-2013
2	Shares of Associate/Joint Ventures held by the company on the year end		
	No.	12,930	50,00,000.00
	Amount of Investment in Associates/Joint Venture	1,642.77	500.00
	Extend of Holding %	30%	50%
3	Description of how there is significant influence	JV	JV
4	Reason why the Associate/Joint Venture is not consolidated	Not Applicable	See note iii) below *
5	Networth attributable to Shareholding as per latest audited Balance Sheet	3,192.51	-
6	Profit / Loss for the year**		
	Considered in Consolidation	70.03	-
	Not Considered in Consolidation	163.41	-

Notes:

- Please refer to consolidated financial statement and notes appearing thereon.
- In case of Gulf Jyoti International LLC the Exchange Rate ₹ 18.0175 is considered for conversion of Arab Emirates Dirham (AED) to Indian rupee (INR).
- * Financial Statement of Lauren Jyoti Pvt Ltd. for the year ended 31st March, 2014, 31st March, 2015 and 31st March, 2016 has not been approved by the Board of Directors of Joint Venture Company.
- ** Profit / Loss for the year is based on unaudited financial statements as on 31st March, 2016.

For and on behalf of the Board

L. H. KHILNANI
Company Secretary

K. R. THAKUR
Whole-time Director

S. D. KSHIRSAGAR
Chairman

Mumbai; 30th May, 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Jyoti Structures Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its jointly controlled entities comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements')

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of the jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with the 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 the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

BASIS FOR QUALIFIED OPINION

- a) Due to non-availability of financial statements of the joint venture (JV) company namely Lauren Jyoti Private Limited as on 31st March 2016, the Group 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 clause 8 of the note no. 31 to the consolidated financial statements regarding exposure to Lauren Jyoti Private Limited on account of equity shares investment of ₹ 500 Lacs, receivables of ₹ 7,045.80 Lacs, other outstanding of ₹ 2,534.03 Lacs including interest on the outstanding amounts for the current year amounting to ₹ 1,356.38 Lacs and on account of guarantee encashed of ₹ 5,507 Lacs; which is included in these Financial Statements. The profits / losses of the said company have not been included in the consolidated financial statements.
- b) During the year, bank guarantees given by the Holding Company for performance amounting to ₹ 1,823.01 Lacs were encashed by a customer of the Holding Company. The said amount has not been charged to the Statement of Profit and Loss of the Holding Company though it has been the practice of the Holding Company to charge such amounts in earlier years. We are informed that the company will be initiating arbitration in respect of encashment of these guarantees and it is hopeful of recovering this money from the customer. We are unable to comment on the recoverability of this amount.
- c) As mentioned in clause 19 note no. 31 to the consolidated financial statements the Holding Company has during the year not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to ₹ 3,929.79 Lacs since the management is of the opinion that the banks have charged excessive interest and the excess interest will be waived by the banks. We are unable to comment on the impact of the same on the consolidated financial statements.

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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, of the consolidated state of affairs of the Group and its jointly controlled entities as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

EMPHASIS OF MATTER

- a) We draw attention to clause 24 of note no. 31 to the consolidated financial statements stating that the Holding Company has paid managerial remuneration, which is in excess of the provisions of the section 197 read with Part II of Schedule V to the Act by ₹ 61.07 Lacs, for the current year for which approval of shareholders and the permission of the Central Government is to be obtained and ₹ 43.04 Lacs for the previous year for which the permission of the Central Government is to be obtained.
- b) As mentioned in clause 14 of note no. 31 to the consolidated financial statements, the Group is facing financial crunch due to inadequate liquidity, which has resulted into delays in implementing contracted projects during the year. Such delay can result into future liability for the Group. The Group has made a provision of ₹ 1,300 Lacs for any such liability. The matter being technical in nature, we are not able to comment on the same.
- c) We draw attention to clause 18 of note no. 31 to the consolidated financial statements, the Group has incurred substantial losses from its operations for the last few years which have eroded its net worth substantially. This raises doubt about its ability to continue as a going concern. However, the management is of the opinion that, subject to approval of Master Restructuring Agreement by the banks, the Group will be able to return to profitability over the next few years. Hence, the consolidated financial statements have been prepared assuming that the Group will continue as a going concern. No adjustments are made in the consolidated financial statement that might result from the outcome of this uncertainty.

In respect of subsidiaries

The auditors of subsidiary companies have in their report mentioned the following:

- d) As mentioned in clause no. 22 of note no. 31 to the consolidated financial statements, a subsidiary company has a contingent liability of USD 3,47,00,000 (₹ 22,963.56 Lacs) for the preferred stock variable return as of 31st March, 2016. As allowed under the preferred stock agreement, the subsidiary company and the Holding Company plan to settle the variable return due on 28th August, 2016 through the issuance of common stock of the Holding Company. Accordingly, the said company has not recorded an obligation of USD 3,47,00,000 (₹ 22,963.56 Lacs) related to the preferred stock variable return as on 31st March, 2016.
- e) For year ended 31st March, 2016, a subsidiary company had losses of ₹ 706.94 Lacs (P.Y. ₹1,237.05 Lacs). However based on the expected orders and the business outlook of the subsidiary company, the management is of the opinion that these losses are temporary in nature and will be recovered in the next couple of years. The shareholders of that company have confirmed that the said company will be able to continue as a going concern both to meet its liabilities as and when due and to carry on its business operations.
- f) In case of one subsidiary company, the financial statements have been prepared assuming that the subsidiary company and its subsidiaries will continue as going concern. The subsidiary company has suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about its ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

OTHER MATTERS

We did not audit the financial statements/ financial information of three subsidiaries (and their step down subsidiaries) whose financial statements reflect total assets of ₹ 50,474.02 Lacs as at 31st March, 2016, total revenues of ₹ 31,920.39 Lacs and net cash outflows amounting to ₹ 2,143.59 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the management. We also did not audit the financial statements of a jointly controlled entity and its subsidiary, whose proportionate share in the financial statements reflects total assets of ₹ 25,305.76 Lacs as at 31st March, 2016, total revenues of ₹ 29,308.75 Lacs and net cash outflows amounting to ₹ 1,869.66 Lacs for the year ended on that date. These financial statements / financial information have not been audited but are certified by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and its subsidiary and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entity and its subsidiary is based solely on the reports of the other auditors and financial statements as certified by the management in the case of the joint venture company.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the management .

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and, except for the possible effect of the matter described in sub-paragraph (a) of the Basis for Qualified Opinion above and non receipt of the audited consolidated financial statements of a jointly controlled entity and its subsidiary, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

- b) Except for the jointly controlled entity and its subsidiary in whose case we are not able to give any opinion in absence of audited financial statements, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, and proper returns for the purpose of our audit have been received from branches not visited by us;
- c) The reports on the accounts of the branch offices of the Holding Company and its subsidiaries, audited under section 143 (8) of the Act by branch auditors have been sent to us / the other auditors, as applicable, and have been properly dealt with in preparing this report;
- d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account and workings / records maintained for the purpose of preparation of the consolidated financial statements;
- e) In our opinion, except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
- g) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the group companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director of that company in terms of section 164(2) of the Act;
- h) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in the Annexure; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Group has disclosed the impact of pending litigations on its financial position in the consolidated financial statements – Refer clause 2 of note no. 31 to the consolidated financial statements;
 - ii) Subject to our comments in clause (b) of Emphasis of Matter, the Group has made provisions as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer to clause 14 of note no. 31 to consolidated the financial statements;
 - iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Group.

For **R. M. AJAGONKAR & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 117247W

KOMAL SEVAK

Partner

Membership Number: 143685

Place: Mumbai

Date: 30th May, 2016

JYOTI STRUCTURES LIMITED

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JYOTI STRUCTURES LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Jyoti Structures Limited (hereinafter referred to as 'the Holding Company') and its subsidiary companies, which are incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY OF INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding company and its subsidiary companies, which are incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its subsidiary companies, which are incorporated in India, internal financial controls over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the

company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

QUALIFIED OPINION

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2016:

- a) The Holding Company is not having a full-fledged ERP system to manage different operational activities. Accordingly, many of the operations, which would have been taken care by system, require manual intervention and to that extent there are limitations in control system and processes.
- b) The Holding Company needs to strengthen controls to ensure correct and complete accounting by conducting reconciliations between SAP postings, physical documents and trackers maintained.

The discrepancies noticed due to the above weaknesses, were, however, rectified by the year end with manual intervention.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/ possible effects of material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary companies, which are incorporated in India, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2016, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies which are incorporated in India considering the essential components of internal control stated in the Guidance Note issued by ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2016 consolidated financial statements of the Holding Company and its subsidiary companies which are incorporated in India, and these material weaknesses do not affect our opinion on the consolidated financial statements of the Company.

For **R. M. AJAGONKAR & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 117247W

KOMAL SEVAK

Partner

Membership Number: 143685

Place: Mumbai

Date: 30th May, 2016

JYOTI STRUCTURES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	As at 31-Mar-2016 ₹ in Lacs	As at 31-Mar-2015 ₹ in Lacs
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	1	4,690.55	4,690.55
b) Reserves and Surplus	2	(29,805.54)	36,456.76
		<u>(25,114.99)</u>	<u>41,147.31</u>
2) Share Application Money Pending Allotment	3	-	0.82
3) Minority Interest		18,083.70	18,080.97
4) Non Current Liabilities			
a) Long Term Borrowings	4	84,537.24	1,42,810.44
b) Deferred Tax Liabilities (Net)	5	15.68	13.37
c) Other Long Term Liabilities	6	13,019.37	20,147.41
d) Long Term Provisions	7	1,482.00	1,141.08
		<u>99,054.29</u>	<u>1,64,112.30</u>
5) Current Liabilities			
a) Short Term Borrowings	8	3,04,338.58	92,785.96
b) Trade Payables	9	51,577.20	1,33,676.54
c) Other Current Liabilities	10	1,88,734.07	1,06,350.87
d) Short Term Provisions	11	1,390.70	1,792.83
		<u>5,46,040.55</u>	<u>3,34,606.20</u>
TOTAL		<u>6,38,063.55</u>	<u>5,57,947.60</u>
II ASSETS			
1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	12	41,474.01	42,247.17
ii) Intangible Assets	12	1,061.26	1,371.57
iii) Capital Work-in-Progress	12	2,711.23	92.54
iv) Intangible Assets Under Development	12	123.68	116.81
		<u>45,370.18</u>	<u>43,828.09</u>
b) Non Current Investments	13	525.05	525.05
c) Deferred Tax Assets (Net)		-	5,479.89
d) Long Term Loans and Advances	14	617.91	661.65
e) Other Non Current Assets	15	38,385.99	31,774.91
2) Current Assets			
a) Inventories	16	34,229.78	44,966.00
b) Trade Receivables	17	4,37,546.21	3,39,911.06
c) Cash and Bank Balances	18	7,142.10	14,412.32
d) Short Term Loans and Advances	19	67,283.07	63,466.14
e) Other Current Assets	20	6,963.26	12,922.49
		<u>5,53,164.42</u>	<u>4,75,678.01</u>
TOTAL		<u>6,38,063.55</u>	<u>5,57,947.60</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

KOMAL SEVAK

Partner

Membership Number: 143685

Mumbai; 30th May, 2016

L. H. KHILNANI

Company Secretary

K. R. THAKUR

Whole-time Director

S. D. KSHIRSAGAR

Chairman

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

	Note	Year Ended 31-Mar-2016 ₹ in Lacs	Year Ended 31-Mar-2015 ₹ In Lacs
I INCOME			
Revenue from Operations (Gross)	21	2,96,790.23	3,12,752.63
Less: Excise duty		2,100.84	1,616.76
Revenue from Operations (Net)		2,94,689.39	3,11,135.87
Other Income	22	5,497.93	5,597.43
Total Revenue		3,00,187.32	3,16,733.30
II EXPENSES			
Cost of Materials Consumed	23	1,97,052.77	1,94,907.42
Erection and Sub-contracting Expense	24	43,406.14	49,945.17
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	4,817.77	8,324.08
Employee Benefits Expense	26	19,669.74	18,321.13
Finance Costs	27	62,229.71	42,561.34
Depreciation and Amortisation Expense (Net)	28	5,415.63	5,278.65
Other Expenses	29	32,489.52	36,886.07
Total Expenses		3,65,081.28	3,56,223.86
III Profit/(Loss) Before Tax (I-II)		(64,893.96)	(39,490.56)
IV Tax Expense:			
Current Tax		55.74	52.95
Deferred Tax (Net)		5,482.21	(0.39)
(Excess)/Short Provision of Taxes for earlier year		-	32.16
		5,537.95	84.72
V Profit/(Loss) for the year (III-IV)		(70,431.91)	(39,575.28)
VI Minority Interest		2.72	15.51
VII Profit/(Loss) for the year after Minority Interest (V-VI)		(70,434.63)	(39,590.79)
VIII Earning Per Equity Share (In ₹)			
[Nominal value of share ₹ 2]			
1) Basic		₹ (64.31)	₹ (41.45)
2) Diluted		₹ (64.31)	₹ (41.45)
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

KOMAL SEVAK

Partner

Membership Number: 143685

Mumbai; 30th May, 2016

L. H. KHILNANI

Company Secretary

K. R. THAKUR

Whole-time Director

S. D. KSHIRSAGAR

Chairman

JYOTI STRUCTURES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		Year Ended 31-Mar-2016 ₹ in Lacs	Year Ended 31-Mar-2015 ₹ in Lacs
I CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) Before Taxes and Extraordinary Items	[A]	(64,893.96)	(39,490.56)
ADJUSTMENTS FOR:			
i) Depreciation and Amortisation		5,418.05	5,385.79
ii) Transferred from Revaluation Reserve		(2.42)	(2.42)
iii) Interest Cost		60,138.87	40,213.76
iv) (Gain)/Loss on Sale of Fixed Assets (Net)		(20.53)	63.94
v) Interest Received		(1,687.20)	(2,220.86)
vi) Employee Compensation Expense - ESOS		7.03	20.92
vii) Currency rate adjustments in Fixed assets		(1,872.41)	-
viii) Effect of Exchange Rate Change		4,324.21	(1,522.14)
	[B]	66,305.60	41,938.99
Operating Profit before Working Capital changes	[A+B] = [C]	1,411.64	2,448.43
ADJUSTMENTS FOR:			
i) Inventories		10,736.21	7,688.92
ii) Trade Receivable & Other Receivable, Loans & Advances, Other Current Assets		(1,33,243.60)	(1,26,488.55)
iii) Current Liabilities and Provisions		(54,525.88)	4,493.02
	[D]	(1,77,033.27)	(1,14,306.61)
Cash Generated from Operations	[C+D] = [E]	(1,75,621.62)	(1,11,858.18)
i) Direct Taxes Paid (Net)		(768.93)	(1,154.95)
	[F]	(768.93)	(1,154.95)
Net Cash (used in) / from Operating Activities [I]	[E+F] = [G]	(1,76,390.55)	(1,13,013.13)
II CASH FLOW FROM INVESTING ACTIVITIES			
i) Proceeds from Sale of Fixed Assets		80.51	898.62
ii) Purchase of Fixed Assets [After Elimination of (Increase)/Decrease in Capital work-in-progress]		(5,147.72)	(3,592.04)
iii) Investments in Other than Subsidiary company		-	0.52
iv) Interest Received		1,687.20	2,220.86
v) Net Advances to Companies other than Subsidiaries		(5,017.69)	(7,582.61)
Net Cash (used in) / from Investing Activities [II]		(8,397.70)	(8,054.65)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year Ended 31-Mar-2016 ₹ in Lacs	Year Ended 31-Mar-2015 ₹ in Lacs
III CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Issue of Equity Share Capital (inclusive of Share Premium and after considering ESOS allotted to employees)	(0.39)	12,028.05
ii) Proceeds from Issue of Preference Share	-	11,496.68
iii) Repayment of Non Convertible Debentures	12,484.05	(688.19)
iv) Proceeds from Long Term Borrowings	17,216.71	1,48,760.44
v) Repayment of Long Term Borrowings	(6,682.59)	(6,191.17)
vi) Net Increase/(Decrease) in Interest Free Sales Tax Defferal Loan	(14.25)	(91.05)
vii) Proceeds from Short Term Borrowings from banks	2,13,145.13	1,897.73
viii) Repayment of Short Term Borrowings	1,259.84	(1,733.46)
ix) Proceeds from Asset Finance from Banks	-	13.80
x) Repayment of Asset Finance from Banks	(22.86)	(69.37)
xi) Repayment of Asset Finance from Others	-	(56.43)
xii) Dividends on Pref Share Capital	(25.00)	-
xiii) Dividend and Dividend Distribution Tax for earlier year	(4.43)	(3.41)
xiv) Interest Cost	(60,138.87)	(40,213.76)
Net Cash (used in) / from Financing Activities [III]	1,77,217.33	1,25,149.86
Net Increase/(Decrease) in Cash and Cash Equivalents	I + II + III (7,570.92)	4,082.08
Cash and Cash Equivalents at the beginning of the year	12,992.18	8,910.10
Cash and Cash Equivalents at the end of the year	5,421.26	12,992.18

As per our report attached
For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number: 143685
Mumbai; 30th May, 2016

L. H. KHILNANI
Company Secretary

K. R. THAKUR
Whole-time Director

S. D. KSHIRSAGAR
Chairman

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

1 SHARE CAPITAL	31-Mar-2016		31-Mar-2015	
	Number	₹ in Lacs	Number	₹ in Lacs
Authorised :				
Equity Shares of ₹ 2/- each	30,00,00,000	6,000.00	17,50,00,000	3,500.00
Redeemable Preference Shares of ₹ 100/- each	25,00,000	2,500.00	50,00,000	5,000.00
TOTAL	30,25,00,000	8,500.00	18,00,00,000	8,500.00
Issued :				
Equity Shares of ₹ 2/- each	10,95,42,970	2,190.86	10,95,42,970	2,190.86
Redeemable Preference Shares of ₹ 100/- each	25,00,000	2,500.00	25,00,000	2,500.00
TOTAL	11,20,42,970	4,690.86	11,20,42,970	4,690.86
Subscribed and Paid-up :				
Equity Shares of ₹ 2/- each fully paid up	10,95,27,710	2,190.55	10,95,27,710	2,190.55
Redeemable Preference Shares of ₹ 100/- each fully paid up	25,00,000	2,500.00	25,00,000	2,500.00
TOTAL	11,20,27,710	4,690.55	11,20,27,710	4,690.55
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	10,95,27,710	2,190.55	10,95,27,710	2,190.55
Issued during the period	-	-	-	-
Outstanding at the end of the period	10,95,27,710	2,190.55	10,95,27,710	2,190.55
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	25,00,000	2,500.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	25,00,000	2,500.00	25,00,000	2,500.00
c) Names of Equity shareholders holding more than 5% shares				
	Number	%	Number	%
i) IDFC Sterling Equity Fund	76,75,914	7.01%	76,75,914	7.01%
ii) Surya India Fingrowth Pvt. Ltd.	58,60,320	5.35%	58,60,320	3.35%
d) Names of preference shareholders holding more than 5% shares				
i) Amtek India Limited	4,00,000	16.00%	4,00,000	16.00%
ii) Amtek Auto Limited	4,50,000	18.00%	4,50,000	18.00%
iii) Aarken Advisors Private Limited	4,50,000	18.00%	4,50,000	18.00%
iv) Aryahi Buildwell Private Limited	4,75,000	19.00%	4,75,000	19.00%
v) Vishwas Marketing Services Private Limited	3,50,000	14.00%	3,50,000	14.00%
vi) Mukund Motorparts Private Limited	3,75,000	15.00%	3,75,000	15.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	Number	Number
e) Shares reserved for issue under options		
Employee Stock Options Scheme (ESOS)		
i) 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.	5,19,750	5,19,750
ii) Under ESOS 2011, eligible employee on grant of option & on vesting shall be entitled to apply for 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 at 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 the Preference shares having at par value of ₹ 100/- each. These shares carry dividend @ 1%. In the event of liquidation, the Preference shareholders will have preference in repayment over equity shareholders.		

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

2 RESERVE AND SURPLUS	31-Mar-2016	31-Mar-2015
	₹ in Lacs	₹ in Lacs
a) Capital Reserve	6.06	6.06
b) Capital Redemption Reserve	300.00	300.00
c) Foreign Currency Translation Reserve [FCTR]		
As per last Balance Sheet	(704.94)	817.21
Add: FCTR for current year	4,324.21	(1,522.15)
	<u>3,619.27</u>	<u>(704.94)</u>
d) Securities Premium Account		
As per last Balance Sheet	27,653.84	16,155.96
Add: On Allotment of Equity Shares	-	11,497.88
	<u>27,653.84</u>	<u>27,653.84</u>
e) Debenture Redemption Reserve		
As per last Balance Sheet	1,243.50	1,243.50
Add: Transferred from surplus in the Statement of Profit and Loss	-	-
	<u>1,243.50</u>	<u>1,243.50</u>
f) Revaluation Reserve*		
As per last Balance Sheet	32.74	35.16
Less: Transferred to surplus in the Statement of Profit and Loss as Reduction from Depreciation	2.42	2.42
	<u>30.32</u>	<u>32.74</u>
g) Employee Stock Option Outstanding [Note No. 31 (12)]		
Add: Employee Stock Option Outstanding	341.75	341.75
Less: Deferred Employee Compensation Expense	-	7.03
	<u>341.75</u>	<u>334.72</u>
h) General Reserve		
As per last Balance Sheet	16,606.64	16,606.64
Add: Transferred from Debenture Redemption Reserve	-	-
	<u>16,606.64</u>	<u>16,606.64</u>
i) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	(9,015.80)	30,994.74
Less: Additional depreciation as per rules	-	443.26
Add: (Excess)/Short Provision of Taxes for earlier year	156.49	(53.60)
	<u>(9,172.29)</u>	<u>30,605.08</u>
Add: Profit/(Loss) for the year	(70,434.63)	(39,590.79)
Less: Appropriations		
Preference Share Dividend	-	30.09
	<u>-</u>	<u>30.09</u>
Net Surplus in the Statement of Profit and Loss	<u>(79,606.92)</u>	<u>(9,015.80)</u>
TOTAL	<u>(29,805.54)</u>	<u>36,456.76</u>

*Cumulative amount withdrawn from Revaluation Reserve is ₹ 53.31 Lacs (P.Y. ₹ 50.89 Lacs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
3 SHARE APPLICATION MONEY PENDING ALLOTMENT		
Share Application Money Pending Allotment		
For Equity Shares	-	0.82
Number of Shares proposed to be allotted	-	4,825
Amount of Premium, if any.	-	0.72
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	NA	15-Apr-2015
Whether sufficient authorised share capital to cover allotment of shares out of such share application money	NA	YES
The period overdue from the proposed date of allotment	NA	NIL

	Non-Current		Current	
	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
4 LONG TERM BORROWINGS				
Secured Loans				
Non Convertible Debenture	3,954.00	3,954.00	1,020.00	1,020.00
Term Loan				
From Banks [Note No. 31(26)]	62,501.28	1,26,575.00	1,23,502.28	40,757.95
From Others	15,585.47	8,390.48	1,811.97	97.95
TOTAL - A	82,040.75	1,38,919.48	1,26,334.25	41,875.90
Unsecured Loans				
From Other				
Others	2,291.83	3,298.96	375.63	8,094.53
Deferred Payment Liabilities	204.66	232.40	55.03	41.54
Deposits	-	359.60	881.36	6,064.75
TOTAL - B	2,496.49	3,890.96	1,312.02	14,200.82
Amount disclosed under the head "Other Current Liabilities"(Note No. 10)	-	-	(1,27,646.27)	(56,076.72)
TOTAL - A + B	84,537.24	1,42,810.44	-	-

Nature of Securities for Secured Loan**Non-Convertible Debenture**

- a) ₹ 4,974.00 Lacs (P.Y. ₹ 4,974.00 Lacs) Secured by Mortgage over identified immovable property of the subsidiary company; Subservient charge on all moveable and immoveable properties of the Holding Company;

Term Loan

- a) ₹ 4,772.40 Lacs (P.Y. ₹ 4,507.93 Lacs) Secured by i) first pari passu charge by hypothecation of moveable assets of the Holding Company and first pari passu charge on Holding 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 Holding Company and iii) exclusive charge on specific machinery and equipments;
- b) ₹ 1,59,103.79 Lacs (P.Y. ₹ 1,42,772.97 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the Holding Company, present and future.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

- c) ₹ 1,315.09 Lacs (P.Y. ₹ 1,207.10 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the Holding Company, present and future.
- d) ₹ 23.21 Lacs (P.Y. ₹ 23.21 Lacs) Secured by hypothecation on specific Plant & Machinery.
- e) ₹ 141.68 Lacs (P.Y. ₹ 143.00 Lacs) Primary Security : Secured by specific first charge on specific Plant & Machinery. Secondary Security : Secured by second charge on all fixed assets of the Holding Company present and future.
- f) ₹ 10,960.00 Lacs (P.Y. ₹ 10,960.00 Lacs) (I) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims . (II) Secondary Security : Secured by second charge on all fixed assets of the Holding Company, present and future.
- g) ₹ 593.28 Lacs (P.Y. ₹ 593.28 Lacs) Secured by hypothecation on specific Plant & Machinery.
- h) ₹ 1,300.00 Lacs (P.Y. ₹ 1,300.00 Lacs) Primary Security : Secured by specific first charge on specific Plant & Machinery. Secondary Security : Secured by second charge on all fixed assets of the Holding Company present and future.
- i) ₹ 1,080.00 Lacs (P.Y. ₹ 1,080.00 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the Holding Company, present and future.
- j) ₹ 155.23 Lacs (P.Y. ₹ 414.93 Lacs) Secured by hypothecation of vehicles.
- k) ₹ 21,993.65 Lacs (P.Y. ₹ 9,833.06 Lacs) Term Loan is secured by first priority liens on all property and equipment of Jyoti International Inc. (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).
- l) ₹ 27.50 Lacs (P.Y. ₹ 45.86 Lacs) Secured by hypothecation of vehicles in Jyoti Structures FZE.
- m) ₹ 1,935.17 Lacs (P.Y. ₹ 2,940.04 Lacs) i) Term Loan availed by Gulf Jyoti International LLC is against mortgage over building and Plant and Machinery, ii) Project Specific Loans are secured by assignment of receivables.
- n) The Company has defaulted in repayment of loans and interest in respect of following :-

Particulars	Period of Default	Principle	Interest
		₹ in Lacs	₹ in Lacs
i) Loan from Banks (Joint Lending Forum)	Various dates from May'15 to March'16	194,068.68	34,705.07
ii) Loan from Banks (Other than Joint Lending Forum)	Various dates from April'14 to March'16	19,886.00	2,231.11
iii) External Commercial Borrowings (ECB Loan)	Various dates from September'14 to March'16	4,772.56	215.00
iv) Non Convertible Debentures (NCD)	Various dates from October'15 to March'16	1,020.00	469.53

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

Maturity Profile of Secured Term Loans are as below :

Term Loan	9.792.04	30,204.87	17,912.59	21,177.25
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Redemption of Secured Non Convertible Debentures are as below :

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	Deferred Tax Asset/(Liability) as on 31-Mar-2016 ₹ in Lacs	Deferred Tax Asset/(Liability) as on 31-Mar-2015 ₹ in Lacs
5 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
On Account of Branches	(15.68)	(13.37)
TOTAL	(15.68)	(13.37)
	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
6 OTHER LONG TERM LIABILITIES		
Trade Payables*		
a) Total outstanding dues of Micro Enterprises & Small Enterprises	-	-
b) Total outstanding dues of creditors other than MESE	10,971.11	10,471.32
Advances received from Customers	2,048.26	9,676.09
TOTAL	13,019.37	20,147.41
*Amount payable beyond one year		
7 LONG TERM PROVISIONS		
Provision for Gratuity	923.27	786.40
Provision for Compensated Absences	558.73	354.68
TOTAL	1,482.00	1,141.08
8 SHORT TERM BORROWINGS		
Secured Loan		
Loans repayable on Demand		
From Banks	3,04,148.17	92,606.13
Unsecured Loan		
From Others	190.41	179.83
TOTAL	3,04,338.58	92,785.96
Secured Loan from Bank		
₹ 3,04,148.17 Lacs (P.Y. ₹ 92,606.13 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the Group, present and future.		
9 TRADE PAYABLE		
Trade Payables (Including Acceptances)		
a) Total outstanding dues of Micro Enterprises & Small Enterprises	177.42	115.88
b) Total outstanding dues of creditors other than MESE	51,399.78	1,33,560.66
TOTAL	51,577.20	1,33,676.54
10 OTHER CURRENT LIABILITIES		
a) Current Maturities of Long Term Borrowings (Note No. 4)	1,27,646.27	56,076.72
b) Interest Accrued But Not Due on Borrowings	7,928.84	1,238.80
c) Advances from Customers	35,302.76	31,624.97
d) Unclaimed Dividend*	24.75	29.19
e) Payables to Employees	3,985.64	3,275.32
f) Audit Fee Payable	79.17	21.15
g) Expenses and Other Payable	10,557.76	11,250.65
h) Statutory Liabilities	3,208.88	2,834.07
TOTAL	1,88,734.07	1,06,350.87

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2016. These amount shall be paid to the fund as and when they became due.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016	31-Mar-2015
	₹ in Lacs	₹ in Lacs
11 SHORT TERM PROVISIONS		
a) Provision for Employee Benefits	444.20	289.63
b) Provision for Income Tax on Proposed Dividend	5.09	5.09
c) Provision for tax*	941.41	1,498.11
TOTAL	1,390.70	1,792.83

* The Provision for Income Tax amounting to ₹ 941.41 Lacs (P.Y. ₹ 1,498.11 Lacs) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other Eliminations.

12 FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	As At 01-Apr- 2015	Additions	Deletions/ Elimina- tions	As At 31-Mar- 2016	As At 01-Apr- 2015	For The Year	Deletions/ Elimina- tions	Amount Adjusted In Balance of Surplus In Statement of Profit And Loss	As At 31-Mar- 2016	As At 31-Mar- 2016	As At 31-Mar- 2015
Tangible Assets : Ownership											
Freehold Land	2,497.73	139.94	-	2,637.67	-	-	-	-	-	2,637.67	2,497.73
Leasehold Land *	223.70	-	-	223.70	24.45	3.79	-	-	28.24	195.46	199.25
Buildings	15,160.33	751.70	-	15,912.03	2,355.03	538.21	-	-	2,893.24	13,018.79	12,805.30
Plant & Machinery	36,088.97	2,962.89	40.55	39,011.31	14,380.56	3,273.84	38.75	-	17,615.65	21,395.66	21,708.41
Furniture & Fixtures	1,077.13	50.11	77.10	1,050.14	623.82	92.91	77.05	-	639.68	410.46	453.31
Computers and Office Equipments	2,126.87	203.70	123.40	2,207.17	1,627.26	237.82	121.84	-	1,743.24	463.93	499.61
Vehicles	5,742.95	220.37	172.71	5,790.61	2,587.68	710.57	116.14	-	3,182.11	2,608.50	3,155.27
TOTAL - A	62,917.68	4,328.71	413.76	66,832.63	21,598.80	4,857.14	353.78	-	26,102.16	40,730.47	41,318.88
Tangible Assets : On Operating Lease											
Plant & Machinery	162.08	-	-	162.08	43.39	17.34	-	-	60.73	101.35	118.69
Vehicles	1,294.03	-	-	1,294.03	484.43	167.41	-	-	651.84	642.19	809.60
TOTAL - B	1,456.11	-	-	1,456.11	527.82	184.75	-	-	712.57	743.54	928.29
TOTAL - C = A + B	64,373.79	4,328.71	413.76	68,288.74	22,126.62	5,041.89	353.78	-	26,814.73	41,474.01	42,247.17
Intangible Assets :											
Software	2,675.48	65.23	-	2,740.71	1,313.47	374.97	-	-	1,688.44	1,052.27	1,362.01
Goodwill on amalgamation	311.75	0.62	-	312.37	302.19	1.19	-	-	303.38	8.99	9.56
TOTAL - D	2,987.23	65.85	-	3,053.08	1,615.66	376.16	-	-	1,991.82	1,061.26	1,371.57
TOTAL - C+D	67,361.02	4,394.56	413.76	71,341.82	23,742.28	5,418.05	353.78	-	28,806.55	42,535.27	43,618.74
Previous Year	65,175.38	3,556.82	1,371.18	67,361.02	18,321.84	5,385.79	408.61	443.26	23,742.28	43,618.74	46,853.54
Capital work-in-progress										2,711.23	92.54
Intangible Assets Under Development										123.68	116.81
Sub-Total - (B)										2,834.91	209.35
Grand Total - (A+B)										45,370.18	43,828.09

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

13	NON-CURRENT INVESTMENTS	Subsidiary / Associate / Joint Venture	Face Value	No. of Shares / Units		Amount	
				31-Mar-2016 Nos	31-Mar-2015 Nos	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
	Trade Investments						
	Investment in Equity Instruments fully paid up						
	Unquoted - At Cost						
	Lauren Jyoti Pvt Ltd. - Eq Share	Joint Venture	₹ 10 Each	50,00,000	50,00,000	500.00	500.00
	TAQA Jyoti Energy Ventures Private Limited	Other	₹ 10 Each	28,300	28,300	2.83	2.83
	Jankalyan Sahakari Bank Ltd. - Eq. Shares	Other	₹ 10 Each	49,955	49,955	5.00	5.00
						507.83	507.83
	Other Investment						
	Investment in mutual fund fully paid up						
	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 Magnum Equity Fund	Mutual Fund	₹ 10 Each	12,136	12,136	5.22	5.22
	UTI Bond Fund	Mutual Fund	₹ 10 Each	28,352	28,352	5.00	5.00
						17.22	17.22
	TOTAL					525.05	525.05

Book value of Unquoted Investments is ₹ 507.83 Lacs (P.Y. ₹ 507.83 Lacs)

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

Market value of Quoted Investments is ₹ 32.20 Lacs (P.Y. ₹ 32.60 Lacs)

	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
14 LONG TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Capital Advances	-	5.93
b) Security and Other Deposits	585.39	613.74
c) Other Loans and Advances Loan to Employees	32.52	41.98
TOTAL	<u><u>617.91</u></u>	<u><u>661.65</u></u>

15 OTHER NON CURRENT ASSETS		
Unsecured, considered good		
Trade Receivables	38,385.99	31,774.91
TOTAL	<u><u>38,385.99</u></u>	<u><u>31,774.91</u></u>

16 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)		
a) Raw Materials		
i) In Stock	4,260.78	5,596.41
ii) In Transit	-	150.86
b) Construction Materials at Site	2,477.24	2,897.24
c) Semi Finished Goods	574.77	725.69
d) Work-in-Progress	15,273.95	17,725.75

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
e) Finished Goods	6,301.27	11,011.50
f) Stores and Consumables	497.61	432.64
g) Tools and Tackles	4,771.67	6,392.05
h) Scrap	72.49	33.86
TOTAL	34,229.78	44,966.00
17 TRADE RECEIVABLES		
Unsecured, considered good		
a) Trade Receivables (overdue more than six months)	3,56,361.66	1,87,755.81
b) Other Trade Receivables	81,184.55	1,52,155.25
TOTAL	4,37,546.21	3,39,911.06
18 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
a) Balances with Banks	5,233.65	12,134.76
b) Fixed Deposit with original maturity for less than 3 months	100.40	779.80
c) Cash On Hand	87.21	77.62
	5,421.26	12,992.18
Other Bank Balances		
a) Margin Money with bank	1,696.09	1,390.95
b) Unpaid Dividend Bank Balance	24.75	29.19
	1,720.84	1,420.14
TOTAL	7,142.10	14,412.32
19 SHORT TERM LOANS AND ADVANCES		
Unsecured and considered good		
a) Loan And Advances to Related Parties	20,459.05	15,441.36
b) Other Loans and Advances		
i) Advance income-tax (net of provision for taxation)	2.91	3.00
ii) Prepaid expenses	5,384.62	11,773.87
iii) Loans to employees	7.72	9.10
iv) Balances with statutory/government authorities	12,606.40	13,762.10
v) Advances to supplier	17,180.79	14,125.24
vi) Sundry Deposits	355.65	352.02
vi) Claim Receivables	4,043.21	4,673.26
vii) Interest Receivable	4,034.96	108.69
viii) Expenses Receivable and other Advances	3,207.76	3,217.50
TOTAL	67,283.07	63,466.14
20 OTHER CURRENT ASSETS		
Unsecured and considered good		
Interest Accrued But Not Due on Fixed Deposit	513.52	403.57
Revenue accrued but not due	6,449.74	12,518.92
TOTAL	6,963.26	12,922.49

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
21 REVENUE FROM OPERATIONS		
a) Sale of Products	2,87,900.18	3,03,782.91
b) Sale of Services	3,446.46	5,401.41
c) Other Operating Revenues	5,443.59	3,568.31
Revenue from Operations (Gross)	2,96,790.23	3,12,752.63
Less: - Excise Duty	2,100.84	1,616.76
Revenue from Operations (Net)	2,94,689.39	3,11,135.87
22 OTHER INCOME		
a) Other Operating Income		
i) Lease Rentals	39.42	159.63
b) Other Income		
i) Interest on Fixed Deposit	62.28	207.49
ii) Interest on Others	1,624.92	2,013.37
iii) Net Gain on Foreign Currency Transactions and Translation	3,771.31	3,216.94
TOTAL	5,497.93	5,597.43
23 COST OF MATERIAL CONSUMED		
Cost of Material Consumed	1,97,052.77	1,94,907.42
TOTAL	1,97,052.77	1,94,907.42
24 ERECTION AND SUB-CONTRACTING EXPENSE		
a) Construction Materials and Stores Consumed	5,615.32	6,888.54
b) Tools and Tackles Consumed	2,640.84	1,582.20
c) Sub-contracting Expenses	32,054.76	36,234.34
d) Repairs to Construction Equipments/Machinery	37.05	79.99
e) Construction Transportation Charges	3,058.17	5,160.10
TOTAL	43,406.14	49,945.17
25 CHANGES IN INVENTORIES		
a) (Increase)/ Decrease Finished Goods Stock	3,508.02	7,808.38
b) (Increase)/ Decrease WIP/Semi Finished Goods Stock	1,348.38	445.05
c) (Increase)/ Decrease Scrap Stock	(38.63)	70.65
TOTAL	4,817.77	8,324.08
26 EMPLOYEE BENEFITS EXPENSE		
a) Salaries, Wages and Bonus, etc.	17,354.55	15,748.53
b) Leave Encashment	362.91	246.22
c) Employee Compensation Expense - ESOS	7.03	20.92
d) Contribution to Provident and Other Fund	1,188.73	1,488.26
e) Welfare Expenses	756.52	817.20
TOTAL	19,669.74	18,321.13

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
27 FINANCE COST		
a) Interest Expense	60,138.87	40,213.76
b) Other Borrowing Costs	1,532.64	2,160.20
c) Net (gain)/loss on foreign currency transactions and translation on borrowing cost	558.20	187.38
TOTAL	62,229.71	42,561.34
28 DEPRECIATION AND AMORTISATION EXPENSE		
a) Depreciation of Tangible Assets (Note No. 12)	5,041.89	5,009.26
b) Amortisation of Inangible Assets (Note No. 12)	376.16	271.81
	5,418.05	5,281.07
c) Less : Transfer from Revaluation Reserve	(2.42)	(2.42)
TOTAL	5,415.63	5,278.65
29 OTHER EXPENSES		
a) Stores and Consumables	844.20	840.26
b) Packing Materials	444.16	301.37
c) Power and Fuel	996.56	1,298.39
d) Conversion Expenses	1,722.01	1,252.40
e) Service Charges	2,080.49	2,132.73
f) Repairs to Buildings	60.65	69.35
g) Repairs to Plant and Machinery	304.71	266.11
h) Repairs to Others	577.36	518.13
i) Testing and Designing Expenses	432.96	2,080.24
j) Excise Duty on Stocks (Net)	(186.77)	(352.92)
k) Rent	573.50	618.36
l) Rates and Taxes	2,058.09	2,461.29
m) Insurance	1,036.79	1,028.87
n) Travelling and Conveyance	1,622.81	1,639.51
o) Postage, Telephone and Fax	421.21	506.07
p) Printing and Stationery	181.42	220.95
q) Professional and Legal Fees	2,981.80	2,687.13
r) Directors' Sitting Fees	7.06	3.40
s) Payment to Auditors	152.67	121.83
t) Net (gain)/loss on foreign currency transactions and translation other than borrowing cost	444.42	236.50
u) Licence and Tender Fees	160.59	172.44
v) Donations	0.30	0.86
w) Freight Outward	5,103.48	3,717.95
x) Brokerage and Commission	1,878.11	1,975.13
y) Bank Charges	4,836.03	5,919.38
z) (Gain)/Loss on Sale of Fixed Assets (Net)	(20.53)	63.94
aa) Liquidity Damages [Refer Note No. 31(17)]	-	4,013.28
ab) CSR Expenses [Refer Note No. 31(25)]	-	193.71
ac) Bad Debts	2,213.64	1,475.38
ad) General Expenses	1,561.80	1,424.03
TOTAL	32,489.52	36,886.07

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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" and Accounting Standard 27 "Financial Reporting of Interests in Joint Ventures" specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in terms of Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, and other relevant provisions to the extent applicable.

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
	2015-16	2014-15	
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
GJIL Tunisie Sarl	30	30	Dubai

- iii) The financial statements of the Company, its subsidiaries and a Joint Venture are prepared up to 31st March, 2016. The financial statements of Jyoti International Inc. & Gulf Jyoti International LLC are prepared upto 31st December, 2015, however, and adjustments have been made for the effects of significant transactions or other events that occur between 31st December, 2015 and the date of the Company's financial statements.

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 and Accounting Standard 27.
- ii) The excess of cost to the Company of its investments in the subsidiary companies and a joint venture 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 and a joint venture 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 FOR THE YEAR ENDED 31ST MARCH 2016

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. Escalations and other claims which are not acknowledged by customers are not taken into account.
- c) Interest income is recognised 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:

Tangible 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.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation and impairment loss, if any.

4. Depreciation / Amortisation:

- a) Depreciation on tangible assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule II to the Act, except as stated in (b) below.
- b) On the fixed assets of integral foreign branches, depreciation is provided on Straight Line Method. The applicable rates are based on the local laws and practices of the respective countries, except where the rates of depreciation are less than as prescribed in schedule II to the Act, the depreciation is provided as per the rates prescribed in Schedule II of the Act.
- c) Intangible assets are amortised on straight line basis over the useful lives of assets not exceeding 10 years.
- 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 amortised over the period of lease.
- f) Goodwill arising on amalgamation is amortised over a period of 5 years.

5. Investments:

Investments that are readily realisable and intended to be held for not more than 12 months are classified as current investments. All other investments are classified as long-term investment. Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost less diminution in value, if any. Provisions are recognised for any decline, other than temporary, in the carrying value of long term investments as determined by the management.

6. Inventories:

- a) Raw materials, Construction materials, Components and Stores & Spares are valued at lower of cost or net realisable 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.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

- 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.

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 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.
 - 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.

JYOTI STRUCTURES LIMITED

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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 recognised 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 recognised 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:

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 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.

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.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**c) Minimum Alternate Tax (MAT):**

MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal taxes during the specified period under the Income Tax Act, 1961. The Group reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

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 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 consolidated financial statements.

17. Employees Stock Option Scheme:

Stock options granted to the employees of the Holding 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, 2014. Accordingly, excess of market value of the stock options, as on date of grant over the exercise price of the options 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.

18. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

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 ₹ Nil (P.Y. ₹ 7.14 Lacs). Advances paid ₹ Nil (P.Y. ₹ 5.93 Lacs).

2. Contingent Liabilities not provided for:

Sr No	Particulars	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1	Outstanding of Bank Guarantee	1,93,176.85	1,44,901.15
2	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	4,878.41	5,655.59
3	Civil Suits	69.73	118.51
4	Corporate Guarantees	1,00,734.28	96,925.39
5	Letter of Credit	9,047.71	3,303.89

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 Holding 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 loss for the year.

4. 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-2016	As at 31-Mar-2015
	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	5,625.69	4,820.41
Cash and Bank Balances	1,075.41	2,846.03
Inventories	4012.41	5,044.66
Trade and Other Receivables	9,366.44	5,881.02
Loans and Advances	4259.94	2,133.14
Current Liabilities:	14,747.04	9,702.20
Non Current Liabilities	7,061.60	8,246.60
Income	29,308.75	11,721.68
Expenditure	29,344.29	11,174.33
Contingent Liability on account of Letter of Credit	9,047.71	1,526.82
Contingent Liability on account of Guarantees	66,778.84	14,445.41

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 USD Nil (P.Y. USD Nil) and the total accumulated deferred tax assets as at 31st March, 2016 are USD Nil (P.Y. USD 87,67,602). The said treatment is considered by the auditors of the two companies and is approved by them.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

6. Jyoti Structures Africa (Pty) Ltd. (JSAL), a group company, had incurred losses during the year ended 31st March 2016. However, based on the expected orders and the business outlook of JSAL, the management is of the opinion that, these losses are temporary in nature and will be recovered in the next couple of years. Hence, the consolidated financial statements have been prepared assuming that JSAL will continue as a going concern. No adjustments are, hence, made in the consolidated financial statements that might result from the outcome of the uncertainty
7. Jyoti International Inc. and its subsidiaries (JII) have suffered recurring losses from its operations and have a net capital deficiency as at 31st March, 2016. However, based on the expected orders and the business outlook of JII, the management is of the opinion that these losses are temporary in nature and will be recovered in the next couple of years. Hence, the consolidated financial statements have been prepared assuming that JII will continue as a going concern. No adjustments are, hence, made in the consolidated financial statements that might result from the outcome of the uncertainty
8. Consequent to dispute with Lauren Engineers & Constructors Inc. JV partner, the financial statements for the last three years have not been adopted. In terms of JV Agreement, the Holding Company has initiated arbitration proceeding against JV Partner, inter alia, to recover following amounts:

Sr No	Particulars	31-Mar-2016 ₹ in Lacs	31-Mar-2015 ₹ in Lacs
1	Debtors	7,045.80	7,045.80
2	BG Encashment	5,507.00	5,507.00
3	Receivables for Reimbursement of Expenses & Other	2,534.03	830.30
	Total	15,086.83	13,383.10

In addition to this, the Holding Company has claimed that the JV partner to purchase Company's investment of ₹ 500 Lacs in capital of the JV company.

9. 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	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1	Lease payments recognised in the Statement of Profit and Loss for the year	272.94	256.16
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	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1	Lease income recognised in the Statement of Profit and Loss for the year	39.42	159.63
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.

10. 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:

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

A. Relationships (during the year)

a) Key Management Personnel:

- i) Mr. K. R. Thakur
- ii) Mr. P. K. Thakur
- iii) Mr. A.B. Goyal

b) Joint Venture:

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

c) Relative of Director:

- i) Jyoti Motiani (Daughter of Director)

B. Transactions

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

Sr No	Particulars	Type of Relationship	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1	Remuneration Paid	a)	531.10	840.38
2	Purchase of Goods/Services	b)	20,545.62	4,796.49
3	Sale of Goods/Services	b)	39.81	875.83
4	Lease Rentals received	b)	-	123.63
5	Interest on Fund Transfer and loan, Commission earned on Corporate Guarantee.	b)	317.52	1,109.98
6	Investments at the end of the year	b)	2,142.77	2,142.77
7	Outstanding balance receivable/ (payable) at the end of the year.	b)	30,767.28	26,611.43
8	Salary Paid	c)	25.80	Nil

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

Particulars	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
Contract revenue recognised during the year	45,979.10	56,786.16
Method used to determine the contract revenue recognised and the stage of completion of contracts in progress	Percentage Completion Method Ref note no.30(II)(1)(b)	
Disclosure in respect of contracts in progress as at the year- end: Aggregate amount of costs incurred and recognised profits (less recognised losses)	1,85,420.66	2,57,307.88
Advances received	13,572.34	18,452.26
Retentions receivable	18,110.56	14,962.12
Gross amount due from customers (Included under Note No. 17 Trade Receivable)	74,896.47	51,716.68

12. Employees Stock Option Scheme:

Under Jyoti Structures Limited Employees Stock Option Scheme 2005 (ESOS 2005) as amended, the Holding 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 Holding 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

The amount of ₹ 7.03 Lacs (P.Y. ₹ 20.92 Lacs) debited to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been credited to the revenue account.

The amount of ₹ 341.75 Lacs (P.Y. ₹ 341.75 Lacs) in Employee Stock Option outstanding account represents discounts on the options outstanding.

The balance un-amortised portion of ₹ Nil (P.Y. ₹ 7.03 Lacs -) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

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

Sr. No.	Particulars	2015-16 (In Numbers)	2014-15 (In Numbers)
i)	Options granted and outstanding at the beginning of the year	1,03,950	1,16,300
ii)	Options granted during the year	-	-
iii)	Options lapsed and/or withdrawn during the year	-	-
iv)	Options exercised during the year against which shares were allotted	-	12,350
v)	Options granted and outstanding at the end of the year of which:-		
	- Options vested	1,03,950	79,690
	- Options yet to vest	-	24,260

13. Earnings per Share (EPS)

Sr. No.	Particulars	2015-16	2014-15
i)	Profit/(Loss) after Tax (Net of preference share dividend) (₹ in Lacs)	(70,431.91)	(39,605.37)
ii)	Weighted Average Number of Ordinary Shares for Basic Earning per Share (In No's)	10,95,27,710	9,55,51,146
iii)	Add: Equity shares for no consideration arising on grant of stock options under ESOS	(69,305)	2,83,505
iv)	Weighted Average Number of Ordinary Shares for Diluted Earnings per Share (In No's)	10,94,58,405	9,58,34,651
v)	Nominal Value of Ordinary Share	₹ 2	₹ 2
vi)	Basic Earning Per Ordinary Share	₹ (64.31)	₹ (41.45)
vii)	Diluted Earning Per Ordinary Share	₹ (64.31)	₹ (41.45)

14. Inadequate working capital has put considerable financial pressure on the Group and in particular, on the cash flows delaying commissioning of most of the projects executed by the Group. The Group has made provision of ₹ 1,300 Lacs for estimated losses in few projects on completion of these contracts. With the support of lenders and customers, the Group has been managing to execute the projects and the management is reasonably confident that the situation will improve with implementation of restructuring scheme.
15. Engineering Procurement Construction (EPC) Contracts provide for levy of liquidity 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.
16. The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts. The Group has not entered into a derivative contract during the year.

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

17. MP Madhya Pradesh Vidut Vitaran Company Ltd. further encashed the performance guarantees amounting to ₹ 1,823.01 Lacs during the year. The Holding Company will be initiating arbitration in respect of encashment of these guarantees and it is hopeful of recovering this money from the customer. The said amount has not been charged to the Statement of Profit and Loss of the Holding Company.
18. The accumulated losses for the year ended 31st March, 2016 have resulted in Holding Company's erosion of more than 50 percent of its peak net worth during the immediately preceding four financial years. However, the management is of the opinion that on approval of Master Restructuring Agreement by banks, the Holding Company will be able to return to profitability over the next few years. Hence, the consolidated financial statements have been prepared assuming that the Holding Company and its subsidiaries will continue as a going concern. No adjustments are hence made in the consolidated financial statements that might result from the outcome of this uncertainty
19. During the year, the Holding Company has not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to ₹ 3,929.79 Lacs since the Holding Company is of the opinion that the banks have charged excessive interest and the excess interest will be waived by banks.
20. 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.
21. 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	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
Sales within India	1,14,807.67	2,11,604.49
Sales outside India	1,79,881.72	99,531.38
Total	2,94,689.39	3,11,135.87

Details of carrying amount of Segment Assets by geographical locations:

Particulars	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
Within India	5,17,141.66	4,43,668.50
Outside India	1,20,918.98	1,08,796.20
Total	6,38,060.64	5,52,464.70

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	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
Within India	114.84	307.69
Outside India	5,032.88	3,284.35
Total	5,147.72	3,592.04

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

22. In August 2013, Jyoti Americas LLC (JAL) (subsidiary of Jyoti International Inc.) has issued subordinated debt of USD 1,30,00,000 and preferred stock Series A of USD 1,00,00,000. In April 2014, JAL issued additional 47 shares of Series A preferred stock, at USD 4,00,000 per share, for additional gross proceeds of USD 1,88,00,000. Cumulative dividend accrues on this preferred stock of Series A on a daily basis at the rate of 0.01% per year on the original purchase price per share.

JAL has a contingent liability of USD 3,47,00,000 for above mentioned preferred stock variable return along with its accretion of USD 1,14,53,076 for the year ended 31st March, 2016.

As per preferred stock agreement, the JAL and Jyoti Structures Limited, the parent company, plan to settle the variable return due on 28th August, 2016 through the issuance of common stock of Jyoti Structures Limited. Accordingly, the Holding Company has not recorded an obligation of USD 3,47,00,000 related to the preferred stock variable return as of 31st March, 2016.

23. The number of shares of Jyoti Structures Ltd. to be issued on settlement of the preference stock as referred to in Note No.31(22) on the Maturity on 28th August, 2016 cannot be ascertained before its due date and therefore, the dilutive effect of those shares on the Diluted EPS of Jyoti Structures Ltd. has not been considered.
24. In terms of appointment, the Company has paid remuneration amounting to ₹ 192.67 Lacs to Mr. K. R. Thakur, Whole-time Director for the year. Considering that the Company has Incurred loss, the remuneration paid to Mr. Thakur is in excess of the provisions of Section 197 read with part II of Schedule V of Companies Act, 2013 to the extent of ₹ 61.07 Lacs. The Company has made application to Central Government for enhancement of payment of remuneration to Mr. K, R, Thakur and the same is awaited.

Central Government approval for waiver of excess managerial remuneration amounting to ₹ 43.04 Lacs paid during the financial year 2014-15 is also awaited.

25. Corporate Social Responsibility (CSR)

In view of losses incurred, expenditure on CSR is not applicable for the year ended as at 31st March, 2016. In the previous year amount spent on CSR activities was ₹ 193.71 Lacs.

26. On 29th September, 2014, various banks and financial institutions ('the Lenders'), who had lent the money to the Company had restructured then existing term loans and working capital facilities provided by them. As the Company continued to be under financial stress and could not adhere to the terms of the restructuring. Considering the financial stress, on 11th August, 2015, the lenders invoked the Strategic Debt Restructuring (SDR) under the extant RBI guidelines. Now, the lenders have decided to implement the restructuring outside SDR framework and the same is being effected.

27. Additional Information, as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/ Associates / Joint Ventures

Name of the Enterprise		Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
		As % of Consolidated net assets	Amount (₹ in Lacs)	As % of Consolidated profit or loss	Amount (₹ in Lacs)
Parent :					
Jyoti Structures Limited		(48.38)%	12,150.31	77.25%	(50,178.33)
Subsidiaries:					
Indian					
1	JSL Corporate Services Ltd.	(1.94)%	488.35	0.00%	(0.34)
2	Jyoti Energy Ltd.	0.07%	(18.47)*	0.00%	(0.77)
Foreign					
1	Jyoti Structures Africa (Pty) Ltd.	6.19%	(1554.00)	1.02%	(715.59)
2	Jyoti International Inc	156.79%	(39,378.41)	27.74%	(19,540.39)
3	Jyoti Structures FZE	(24.78)%	6222.66	(0.57)%	400.01

JYOTI STRUCTURES LIMITED

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount (₹ in Lacs)	As % of Consolidated profit or loss	Amount (₹ in Lacs)
Joint Ventures (as per proportionate consolidation)				
Foreign				
1 Gulf Jyoti International LLC	(12.05)%	3,025.77	(0.10)%	70.03
Minority Interest*	0.33%	(83.21)	0.00%	(2.72)
Total Adjustment/Elimination for consolidation	23.76%	(5,967.99)	(0.66)%	466.53
As per Consolidated Net Assets/Profit or Loss	100.00%	(25,114.99)	100.00%	(70,434.63)

*Note: Preferred stocks issued by Jyoti Americas LLC of ₹ 18,000.48 are not included in minority Interest.

28. Tax Expenses includes provision for Current Tax and Deferred Tax as applicable.
29. Cost of material consumed includes Bough-out materials purchased for supplies to customers under the contracts.
30. The Company does not have any exceptional or extra-ordinary item to report for the above periods.
31. Previous year's figures have been re-arranged, re-grouped, re-calculated and re-classified, wherever necessary.

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

As per our report attached

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

Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK

Partner

Membership Number: 143685

Mumbai; 30th May, 2016

L. H. KHILNANI

Company Secretary

K. R. THAKUR

Whole-time Director

S. D. KSHIRSAGAR

Chairman

Statement on Impact of Audit Qualifications on Consolidated Annual Audited Financial Results of Jyoti Structures Ltd. ('the Company'/'JSL') for the Financial Year ended 31st March, 2016

(₹ in Lacs)			
Sr No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	3,00,187.00	3,00,187.00
2	Total Expenditure	(3,70,619.00)	(3,71,119.00)
3	Net Profit/(Loss)	(70,432.00)	(70,932.00)
4	Earnings Per Share	(64.31)	(64.76)
5	Total Assets	6,38,064.00	6,38,064.00
6	Total Liabilities	6,63,179.00	(6,63,679.00)
7	Net Worth	(25,115.00)	(25,615.00)

Audit Qualification

(₹ in Lacs)			
Sr No	Details of Audit Qualification	Type of Qualification	Frequency of Qualification
a)	Due to non-availability of financial statements of the joint venture company (JV) namely Lauren Jyoti Private Limited (LJPL) as on 31st March 2016, the Group has not consolidated the financial statements of the said JV with its financial statements. Exposure to LJPL on account of equity shares investment of Rs. 500 Lacs, receivables of Rs. 7,045.80 Lacs, other outstanding of Rs. 2,534.03 Lacs including interest on the outstanding amounts for the current year amounting to Rs. 1,356.38 Lacs and on account of guarantee encashed of Rs. 5,507 Lacs; which is included in these Financial Statements. The profits / losses of the said company have not been included in the Consolidated Financial Statements.	Disclaimer	Since 2012-13
		Disclaimer	Since 2013-14
			1) Debtors 7,045.80 2) BG Encashment 5,507.00 3) Receivables for reimbursement of Expenses 2,534.03 Total 15,086.82
			In terms of JV Agreement, the Company has initiated arbitration proceeding against JV Partner and the Company has claimed that the JV partner to purchase Company's investment of Rs 500 lacs in capital of the JV company.
			For Audit qualification(s) where impact is not quantified by the Auditor
			Managements estimation on impact of audit qualification
			If management is unable to estimate the impact, reasons for the same
			Auditors Comments
			500
			-
			NIL

Sr No	Details of Audit Qualification	Type of Qualification	Frequency of Qualification	For Audit qualification(s) where impact is quantified by the Auditor, Management Views	For Audit qualification(s) where impact is not quantified by the Auditor		
					Managements estimation on impact of audit qualification	If management is unable to estimate the impact, reasons for the same	Auditors Comments
b)	Bank guarantees given by the Holding Company for performance amounting to Rs. 1,823.01 Lacs were encashed by a customer of the company. The said amount has not been charged to the Statement of Profit and Loss of the company though it has been the practice of the company to charge such amounts in earlier years. We are informed that the company will be initiating arbitration in respect of encashment of these guarantees and it is hopeful of recovering this money from the customer. We are unable to comment on the recoverability of this amount.	Disclaimer	First Time	MP Madhya Kshetra Vidut Vitaran Company Ltd. has terminated part of the contract and encashed the performance guarantees amounting to Rs. 1,823.01 Lacs in July 2015, as the execution of contract was delayed due to reasons beyond the control of the Company. The Company has been advised to initiate dispute resolution in terms of the contract. The Company is hopeful of recovering this money from the customer. Hence, no provision for the same is made in the financial statements.	NIL	-	NIL
c)	During the year, bank guarantees given by the Company for performance amounting to ₹ 1,823.01 Lacs were encashed by a customer of the Company. The said amount has not been charged to the Statement of Profit and Loss of the Company though it has been the practice of the Company to charge such amounts in earlier years. We are informed that the Company will be initiating arbitration in respect of encashment of these guarantees and it is hopeful of recovering this money from the customer. We are unable to comment on the recoverability of this amount.	Disclaimer	First Time	MP Madhya Kshetra Vidut Vitaran Company Ltd. has terminated part of the contract and encashed the performance guarantees amounting to ₹ 1,823.01 Lacs in July 2015, as the execution of contract was delayed due to reasons beyond the control of the Company. The Company has been advised to initiate dispute resolution in terms of the contract. The Company is hopeful of recovering this money from the customer. Hence, no provision for the same is made in the financial statements.	NIL	-	NIL
d)	The Holding Company has during the year not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to Rs. 3,929.79 Lacs, since the management is of the opinion that the banks have charged excessive interest and the excess interest will be waived by the banks. We are unable to comment on the impact of the same on the financial statements.	Disclaimer	First Time	Interest amounting to Rs. 3929.79 Lacs claimed by lenders, in excess of the restructuring scheme has not been provided.	NIL	-	NIL

For Jyoti Structures Limited

K. R. Thakur
Whole-time Director
DIN: 00001270

Place : Mumbai
Date : 30th May, 2016

For R. M. Ajgaonkar & Associates
Chartered Accountants
Firm's Registration Number: 11724W

S. D. Kshirsagar
Audit Committee Chairman
DIN: 00001266

Komal Sevak
Partner
Membership Number: 143685

Notes

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JYOTI STRUCTURES LIMITED