



# Jyoti Ltd.

Water • Power • Progress



**74<sup>th</sup>** **ANNUAL REPORT**  
2017-2018

70 Years of Engineering Excellence

**BOARD OF DIRECTORS**

Chairman & Managing Director	Mr. Rahul Nanubhai Amin
Director	Mrs. Tejal Rahul Amin
Director	Mr. Uresh Vivekchandra Desai
Director	Mr. Vijay Kumar Gulati
Director	Mr. Tushar Charandas Dayal
Director	Mr. Shrikar Shriram Bhattbhatt
Director	Dr. Rajesh Mansukhlal Khajuria
Vice President (Legal) & Company Secretary	Mr. Suresh Singhal
Chief Financial Officer	Mr. Ronak Shah

**AUDITORS**

**Messrs Amin Parikh & Co.**  
Chartered Accountants

**LENDERS**

Central Bank of India  
Rare Assets Reconstruction Pvt. Ltd.  
Bank of Maharashtra  
State Bank of India

**REGISTERED OFFICE**

Nanubhai Amin Marg  
Industrial Area  
P.O. Chemical Industries  
Vadodara – 390 003.

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Dear Shareholder,

Ref: 1) SUBMISSION OF DETAILS OF PAN CARD NO./S, BANK DETAILS, EMAIL ID ETC. OF SHARE HOLDER/S.  
2) DEMATERIALISATION OF PHYSICAL SHARES

- 1) We would like to inform you that SEBI has, by their circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20.04.2018 directed all Companies to obtain PAN No. of shareholders who held shares in physical form and also make payment of dividend to the shareholders through approved electronic modes and also directed that updated Bank Details of the shareholders must be maintained by the Companies and RTAs. If such information is not available, the same must be obtained from the concerned shareholders.

If you have not updated your PAN Card and Bank details, you are requested to please fill in the form as mentioned overleaf and submit it along with an original Cheque (please ensure that the cheque exhibits your name), duly cancelled, to our Registrar & Share Transfer Agent, M/S. MCS Share Transfer Agent Ltd., 88, Sampatrao Colony, Neelam Apartment, Alkapuri, Vadodara - 390007 to enable them to update our record for payment of any future dividend.

Please also provide your Email Id, Phone No. and copy of PAN CARD NO. for records as well as for receiving all communications by electronic means in accordance with various circulars issued by the Ministry of Corporate Affairs from time to time.

Residents of Sikkim may send a valid identity proof issued by the Government instead of the PAN Card.

You are requested to provide your PAN and bank details to our Registrar & Share Transfer Agent/ Depository Participant within 21 days.

- 2) Further, BSE has issued a Circular to listed Companies on July 05, 2018 informing about amendment to Regulation 40 of SEBI (LODR) Regulations, 2015, vide gazette notification dated June 08, 2018 has mandated that transfer of securities would be carried out in dematerialised form only.

As per Circular, w.e.f. December 5, 2018 all off market trades in Physical mode in respect of shares of listed entities shall be prohibited and shall be required to be done compulsorily in Demat mode. However, this shall not affect the transmission/transposition of shares in Physical form. Hence, please dematerialise your shares at the earliest.

Shareholders holding their shares in **DEMATERIALIZED FORM**, may ignore this communication.

Thanking you,  
Yours faithfully,  
For Jyoti Limited

SD/-

S. Singhal  
Vice President (Legal) & Company Secretary  
M. No. F8289

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## Bank Details, Email ID & PAN Registration Form

To,  
MCS Share Transfer Agent Limited  
88, Sampatrao Colony,  
Neelam Apartment,  
Alkapuri,  
Vadodara – 390007

Dear Sir,

I give my consent to update the following details in your records for effecting payments of dividend and sending other communication by electronic means for equity shares of Jyoti Limited.

- 1) Folio No.: \_\_\_\_\_
- 2) Name of the First/Sole holder: \_\_\_\_\_
- 3) Bank's Name: \_\_\_\_\_
- 4) Branch's Name & Address: \_\_\_\_\_
- 5) Account No.: \_\_\_\_\_
- 6) Account Type (SB/Current): \_\_\_\_\_
- 7) IFSC Code: \_\_\_\_\_
- 8) MICR Code: \_\_\_\_\_
- 9) Email Id: \_\_\_\_\_
- 10) Phone/Mobile No.: \_\_\_\_\_

Particulars	Name of Shareholders	PAN
First/ Sole Shareholder		
1 <sup>st</sup> Joint Holder		
2 <sup>nd</sup> Joint Holder		

Date:

\_\_\_\_\_  
Signature of 1<sup>st</sup>/Sole Holder

\_\_\_\_\_  
Signature of 1<sup>st</sup> Jt. Holder

\_\_\_\_\_  
Signature of 2<sup>nd</sup> Jt. Holder

ENCL:

Original cancelled cheque leaf/attested bank passbook showing name of A/c holder and copy of self-attested PAN Card (s).

## NOTICE

NOTICE is hereby given that the SEVENTY FOURTH ANNUAL GENERAL MEETING (AGM) of the Members of JYOTI LIMITED will be held on **Thursday, 27<sup>th</sup> September, 2018 at 9.00 a.m.** at the Registered Office of the Company at Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara – 390 003, to transact the following business:

### ORDINARY BUSINESS

#### Item No.1 - Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the Financial Year ended on 31<sup>st</sup> March, 2018, including the audited Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

#### Item No. 2 - Appointment of Director

To appoint a Director in place of Shri U. V. Desai (DIN: 00236530) who retires by rotation and, being eligible has offered himself for re-appointment.

### SPECIAL BUSINESS

#### Item No. 3 - Remuneration of Cost Auditors

To approve the remuneration of the Cost Auditors for the financial year ending on 31<sup>st</sup> March, 2019 and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the Cost Auditors appointed by the Board of Directors of the Company, based on the recommendation of the Audit Committee of the Board of Directors, to conduct the audit of the cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2019, be paid the remuneration as mentioned herein is hereby ratified:

Sr. No.	Name of the Cost Auditor	Industry	Audit Fees ( ` )
1.	M/s. R.K. Patel & Co.	Motors and Pumps	50,000/-
2.	M/s. Y.S. Thakar & Co.	Engineering products such as Generators, Turbines and Relay	25,000/-

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### Item No. 4 – Creation of Mortgage / Charge for Borrowings / Financial Assistance availed

To create Mortgage / Charge for borrowings / Financial Assistance availed by the Company and in this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(a) of Companies Act, 2013, read with relevant rules or any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and hereinafter collectively referred to as “Act”), to the Board of Directors of the Company to sell, lease or otherwise dispose of or to create charge, mortgage and/or hypothecate the whole or substantially the whole of undertaking(s) of the Company, where undertaking (both present and future) shall have the meaning as stated in explanation to Clause (a) of Sub-Section (1) of Section 180 of the Companies Act, 2013, at such time and on such terms and conditions as the Board may deem fit, in the best interest of the affairs of the Company.

RESOLVED FURTHER THAT the Board of Directors (for the purpose of this resolution, the “Board” would include any Director in single capacity and/or any Committee of Directors as may be authorized by the Board in this regard) shall have the power to mortgage or otherwise offer as collateral substantial property, assets and/or undertakings of the Company in certain events, to banks/financial institutions, non-banking Companies, other lending agencies, and/or trustees for the holders of debentures/bonds/ other instruments, to secure any rupee loans, foreign currency loans and/or the issue of debentures whether partly or fully convertible or non-convertible and/or securities linked to equity shares and/or rupee/foreign currency convertible bonds and/or bonds with share warrants attached thereto and also to do all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to this resolution.”

### **Item No. 5 – Adoption of new set of Articles of Association**

To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the draft regulations contained in the Articles of Association submitted to this meeting be and the same are hereby received, considered and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Regd. Office :  
Nanubhai Amin Marg  
Industrial Area  
P.O. Chemical Industries  
Vadodara-390 003  
CIN: L36990GJ1943PLC000363  
26<sup>th</sup> May, 2018

By Order of the Board  
  
**S. Singhal**  
Vice President (Legal) &  
Company Secretary  
M. No. F8289

### **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 instead of himself / herself 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.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in 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.**

2. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only the first holder will be entitled to vote.
6. Relevant documents referred to in the Notice and the Statement under Section 102 of the Companies Act, 2013, will be available at the Registered Office of the Company for inspection by the Members on all working days between 10.00 a.m. and 12.00 noon.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 20<sup>th</sup> September, 2018 to Thursday, 27<sup>th</sup> September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
9. The Company has appointed M/s. MCS Share Transfer Agent Limited as its Registrar and Share Transfer Agent for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents related to transfers, demat requests, change of address intimations and other communications in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly at their following address quoting folio no., full name and name of the Company as Unit: Jyoti Limited.

MCS Share Transfer Agent Limited  
Address : 88, Sampatrao Colony, Neelam  
Apartment, Alkapuri,  
Vadodara – 390 007  
Tel. : 0265-2314757, 2350490  
Fax : 0265-2341639  
E-Mail : [mcsltdbaroda@gmail.com](mailto:mcsltdbaroda@gmail.com)

10. Members are requested to send their queries in respect of Financial Statement of Accounts of the Company for the year ended on 31<sup>st</sup> March, 2018, at least one week in advance so as to enable the Management to keep the information / relevant documents readily available at the time of the Annual General Meeting.
11. The Ministry of Corporate Affairs (MCA) has vide Notification dated 10<sup>th</sup> May, 2012, issued the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the Companies) Rules, 2012 has mandated the Companies to furnish information regarding unpaid and unclaimed dividend amounts lying with the Companies along with particulars of names, addresses, etc. of investors. In line with the same, your Company has furnished the information on MCA website as well as on its own website [www.jyoti.com](http://www.jyoti.com). Members are requested to check the particulars and put up their claim for amount lying unclaimed with the Company to the Registrar and Share Transfer Agent.
12. Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF (Investor Education Protection Fund) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of 7 (seven) years. Shareholders who have so far not encashed the dividend warrant(s) for the Financial Year 2010-11 are requested to make their claim to the Company Law Department at the Registered Office of the Company or the Office of the RTA on or before 28<sup>th</sup> October, 2018.

Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

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13. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / MCS Share Transfer Agent Limited.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / MCS Share Transfer Agent Ltd.
15. Members holding shares in single name and physical form are advised to make nomination by filling up Form No. 2B in respect of their shareholding in the Company. The duly filled up nomination form should be sent to MCS Share Transfer Agent Ltd. for further process.
16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to MCS Share Transfer Agent Ltd., for consolidation into a single folio.
17. Non-Resident Indian Members are requested to inform MCS Share Transfer Agent Ltd., immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
18. As the Company has adopted the practice of Green Initiative, Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
19. Relevancy of questions and the order of speakers at the Meeting will be decided by the Chairman.

### **20. Voting through electronic means:**

In Compliance with the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 as amended from time to time and subject to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facilities to the Members to cast their votes electronically in respect of the business to be transacted at the Annual General Meeting. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The detailed process, instructions and manner for availing e-voting facility is as under:-

#### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 24<sup>th</sup> September, 2018 at 10.00 a.m. and ends on 26<sup>th</sup> September, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.

- (iv) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	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 sequence number which is printed on Address Slip indicated in the PAN field.
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	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 (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Jyoti Limited> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

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(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app - CDSL m-Voting available for iPhone as well as Android and Windows based mobiles. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) 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](http://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](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details 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](mailto: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.

(xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### **Other instructions:**

- (i) The Voting rights of the shareholders shall be in proportion to their shares of the paid-up equity.
- (ii) Mr. Ravi Kapoor, Practising Company Secretary (Membership No. FCS 2587), having his office at M/s. Ravi Kapoor & Associates, Practising Company Secretaries, 4<sup>th</sup> Floor, "Shaival Plaza", Ellisbridge, Ahmedabad-380006, has been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.
- (iii) The Scrutinizer shall submit his report to the Chairman. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.jyoti.com](http://www.jyoti.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) immediately after declaration of results by the Chairman or a person authorised by him in this behalf. The Results also be uploaded on the BSE listing portal.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**  
**Particulars of the Directors Seeking appointment /re-appointment at the ensuing Annual General Meeting pursuant to the requirement of Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard.**

<b>Name of Director</b>	<b>Shri U V Desai</b>
<b>Date of Birth</b>	04.04.1938
<b>Date of Appointment</b>	29.01.1995
<b>Expertise in Specific Functional Areas</b>	Engineering
<b>Qualification</b>	B. Sc. (Elec. Engg.)
<b>List of other Directorships</b>	-
<b>Chairman / Member of the Committees of the Board of the Company</b>	-
<b>Chairman / Member of the Committees of the Board of other Company(ies)</b>	-
<b>Shareholding in the Company (Equity Shares)</b>	550

**Item No. 3 – Ratification of Remuneration of Cost Auditors**

In terms of the provisions of Section 148 of the Companies Act, 2013 and based on the recommendation of the Audit Committee, the Board of Directors had approved the appointment and remuneration of M/s. R. K. Patel & Co. and M/s. Y. S. Thakar & Co., as the Cost Auditors to carry out the audit of Cost Records for certain specific products of the Company viz. Motors & Pumps and Generators, Turbines and Relay (collectively called as “Products”) respectively for the financial year ended on 31<sup>st</sup> March, 2019 as per the following details.

<b>Sr. No.</b>	<b>Name of the Cost Auditor</b>	<b>Industry</b>	<b>Audit Fees ( ` )</b>
1.	M/s. R. K. Patel & Co.	Motors and Pumps	50,000/-
2.	M/s. Y. S. Thakar & Co.	Engineering products such as Generators, Turbines and Relay	25,000/-

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any amendment(s) or modification(s) thereof), 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. 3 of the Notice, for ratification of the remuneration payable to the Cost Auditors of the Company for the financial year 2018-19.

The Board recommends the resolution set out at Item No. 3 of the Notice for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives, is in any way, concerned or interested in this resolution.

**Item No. 4 – Creation of Mortgage / Charge for Borrowings / Financial Assistance availed**

The Ministry of Corporate Affairs (‘MCA’) vide its Circular dated 25<sup>th</sup> March, 2014, had clarified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12<sup>th</sup> September, 2013, with reference to borrowings and / or creation of security on assets of the Company will be effective for a period of one year from the date of notification of Section 180 of the Companies Act, 2013 i.e. 11<sup>th</sup> September, 2014.

Accordingly, at the Seventieth to Seventy-third Annual General Meetings of the Company held on 22<sup>nd</sup> September, 2014, 10<sup>th</sup> December, 2015, 26<sup>th</sup> November, 2016 and 28<sup>th</sup> September, 2017

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respectively, it was proposed to obtain a fresh approval of the shareholders under Section 180(1)(a) of the Companies Act, 2013, by way of a Special Resolution to secure the borrowings / financial assistance, in line with the said notification as the Company has already created and would be required to create security by way of mortgage / charge and / or hypothecation of its assets and properties both present and future. The terms of such security may include a right in certain events of default, to take over management or control of the whole or substantially the whole of the undertaking(s) of the Company. The Resolutions were, however, not approved in all the four previous Annual General Meetings, as the votes cast against were more than the votes cast in favour of approval.

Therefore, pursuant to Section 180(1)(a) of the Companies Act, 2013, it is proposed once again to seek consent of the Company by Special Resolution authorising the Company through its Board of Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company. As mortgaging or charging the movable and/or immovable properties and assets of the Company with the right of taking over management or control in certain events of default may be considered to be disposal of the Company's undertaking within the meaning of Section 180(1)(a) of the Companies Act, 2013, the approval of the Members is required for creating such mortgages and / or charges on the assets and properties of the Company, both present and future.

The Board once again recommends the resolution at Item No. 4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives, is in any way, concerned or interested in this resolution.

### **Item No.5 – Adoption of new set of Articles of Association**

The extant Articles of Association ("AoA") of the Company are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific Sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the new Companies Act, 2013 ('the Act').

With the advent of the new Act, several provisions of the existing AoA of the Company requires substantial alterations. In such a situation, it was considered expedient to substitute the existing AoA in its entirety by adopting a new set of Articles altogether and a Special Resolution for the same was proposed to the shareholders at the Seventieth to Seventy-third Annual General Meetings of the Company held on 22<sup>nd</sup> September, 2014, 10<sup>th</sup> December, 2015, 26<sup>th</sup> November, 2016 and 28<sup>th</sup> September, 2017 respectively. The Resolutions were, however, not approved in all the four previous Annual General Meetings, as the votes cast against were more than the votes cast in favour of approval.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders and would be available for inspection at the Registered Office of the Company during office hours.

The Board once again recommends the Special Resolution set out at Item No. 5 of this Notice for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives, is in any way, concerned or interested, in this resolution.

Regd. Office :  
Nanubhai Amin Marg  
Industrial Area  
P.O. Chemical Industries  
Vadodara-390 003  
CIN: L36990GJ1943PLC000363  
26<sup>th</sup> May, 2018

By Order of the Board  
  
**S.Singhal**  
Vice President (Legal) &  
Company Secretary  
M. No. F8289

## BOARDS' REPORT

To,  
 The Members of **Jyoti Limited**

Your Directors present this 74<sup>th</sup> (SEVENTY FOURTH) ANNUAL REPORT and Audited Accounts for the year ended on 31<sup>st</sup> March, 2018.

## FINANCIAL RESULTS

Particulars	(` in lakhs)			
	2017-18		2016-17	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	26019.90	26019.90	26921.09	26921.09
Operating EBITDA	1646.78	1646.78	2011.02	2011.02
Add : Other Income	365.43	365.43	356.84	356.84
Profit/(Loss) before Finance Cost & Depreciation	2012.21	2012.21	2367.86	2367.86
Less : Finance Costs	169.76	169.76	7357.08	7357.08
Less : Depreciation and Amortization	1013.73	1013.73	1069.32	1069.32
Less: Exceptional Item	810.00	810.00	6360.97	6360.97
Share of Profit/(Loss) of a joint venture	-	260.20	-	592.26
Profit/(Loss) before Taxation	18.72	278.92	(12419.51)	(11827.25)
Less : Tax Expense	(82.75)	(82.75)	(30.78)	(30.78)
<b>Balance of Profit/(Loss) for the year</b>	<b>101.47</b>	<b>361.67</b>	<b>(12388.73)</b>	<b>(11796.47)</b>
Other Comprehensive				
Income/ (Expense)	92.51	92.51	(34.52)	(34.52)
Total Comprehensive Income for the period	193.98	454.18	(12423.25)	(11830.99)

## PERFORMANCE

1. Revenue from operations of your Company was ` 26020 lakhs for the year ended on 31<sup>st</sup> March, 2018 as compared to ` 26921 lakhs of the previous year.
2. The cost of material consumed at 73% of sales value at ` 18885 lakhs as compared to 72% of sales value at ` 19409 lakhs during the previous year.
3. The Employee benefits expenses stood at ` 3136 lakhs as compared to ` 3107 lakhs during the previous year.
4. Other Expenses for the year were comparable at ` 2353 lakhs against ` 2393 lakhs during the previous year.
5. The operating EBITDA was ` 1647 lakhs compared to ` 2011 lakhs during the previous year.
6. The other income was ` 365 lakhs during the year was comparable with ` 357 lakhs during the previous year.
7. The Finance Cost during the year was ` 170 lakhs as compared to ` 7357 lakhs during the previous year. The lenders of the Company have not charged interest on outstanding bank facilities, since the dues from the Company were categorized as a Non-Performing Asset with all banks from December, 2015 onwards. The Company has also not provided interest amounting

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to ₹ 8667 lakhs for the year ended on 31<sup>st</sup> March, 2018. However, the said interest has been recognized as a Contingent Liability in the financial statements.

8. After detailed assessment of capital advances, capital work in progress and others, your Company has considered charge to the statement of Profit & Loss amounting to ₹ 810 lakhs, as an Exceptional Item.
9. Consequently, the total profit before tax for the year was ₹ 19 lakhs as compared to total loss of ₹ 12420 lakhs during the previous year and after giving effect to tax expense, the Profit for the year stood at ₹ 101 lakhs compared to loss of ₹ 12389 lakhs during the previous year.
10. The total Comprehensive income for the year was at ₹ 194 lakhs compared to ₹ (12423) lakhs during the previous year, after considering actuarial gain/loss on employee benefits.

### CURRENT OUTLOOK

The Lenders of the Company have under Section 13 (2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI Act”), given notices to your Company in the year 2016. However, your Company is of the view that considering ongoing operations with improved business prospects and recovery of old outstanding through cut back mechanism, no further action is expected in the matter. Your Company has shown good performance in operations during the year under review with continues to execute orders in hand and obtain new orders, despite adversities. Your Directors are very positive about the Company’s viability and optimistic about its future.

RARE Asset Reconstruction Pvt. Ltd. (Rare ARC) vide its letter dated 2<sup>nd</sup> April, 2018, communicated to the Company that it has acquired the entire debt together with all security interest including all its rights, title, interest and benefits of Dena Bank pursuant to the assignment agreement dated 28<sup>th</sup> March, 2018. In turn, Dena Bank has squared off all loans and cash credit account.

Further, Rare ARC pursuant to Section 9 (1) (g) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has converted part of the outstanding debt amounting to ₹ 32.80 crores into equity shares. Consequent upon this decision of Rare ARC, the Board of Directors of the Company in its meeting held on 2<sup>nd</sup> May, 2018, issued and allotted 59,63,636 equity shares of ₹ 10/- each of the Company at a premium of ₹ 45/- per equity share to Rare ARC.

### CONSOLIDATED FINANCIAL STATEMENTS

Your Company has a Joint Venture (JV) Company, Jyoti Sohar Switchgear LLC, with Omar Zawawi Establishment, Sultanate of Oman, wherein your Company holds 49% share.

Your Company has prepared Consolidated Financial Statements in accordance with Ind AS 28 – Investments in Associates and Ind AS 111 – Joint Arrangements, issued by the Institute of Chartered Accountants of India, prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2015. The Audited Consolidated Financial Statements together with the Independent Auditor’s Report thereon are annexed and form part of this Annual Report.

Jyoti Sohar Switchgear LLC is located in Sohar Industrial Estate, Sohar, Sultanate of Oman and manufactures medium voltage metal-clad switchgear for 12kV system and relay and control panels.

In consolidation of statements, the Company’s share of profit of ₹ 260.20 lakhs is included in the Consolidated Financial Statements.

### SHARE APPLICATION MONEY

In Compliance with terms and conditions of letter of approval dated 28<sup>th</sup> September, 2013 received from CDR Cell, Promoters have brought necessary contribution amounting to ₹ 1980.00 Lakhs by way of Share Application Money. As there was no possibility of converting Share Application Money

into Equity Shares, the Board of Directors in its Meeting held on 14<sup>th</sup> March, 2018, decided to refund the Share Application Money to the Promoter Group Entities.

## **DIVISIONAL PERFORMANCE**

### **A. HEAD OFFICE (H.O.) OPERATIONS**

During the year under review, the divisions in H.O. have achieved a sales turnover of ` 220.48 Crores which is slightly more than the turn over achieved in the previous financial year. In spite of difficult situation, the H.O. operations could hold on to the previous year's performance.

The Company continues its leadership in large Metallic Volute Pumps and remains a major player even today in the irrigation sector. During the year under review, the Company has received two major orders for Metallic Volute Pumps. This includes supply of 3 Nos. Metallic Volute Pumps with Motors and other Electro Mechanical equipments including switchyard and transmission line for Veerabhadreshwar Lift Irrigation Scheme in the State of Karnataka, where the Company is in tie up with DRN Infrastructure. The Company also received an order for 2 Nos. Metallic Volute Pumps from Megha Engineering & Infrastructures Limited for Ramappa Pakhala Lift Irrigation Scheme in the State of Telangana. Megha Engineering & Infrastructures Limited has further placed orders on the Company for 6 Nos. large Vertical Turbine Pumps each of 1.95 MW for the Phase-II Project of Sauni Yojana in the state of Gujarat after successful commissioning of Sauni Yojana, Phase-I. The Company is also associated with Megha Engineering & Infrastructures Limited in their Power Project at Tuticorin for which, the Company has received order for Sea Water Pumps.

During the year, the Company has supplied, erected and commissioned 12 MW Metallic Volute Pumps at Tubchi Bableswhar Lift Irrigation Scheme in the State of Karnataka along with all Electro Mechanical Equipments. This project was commissioned by the Company in a record time which also includes commissioning of 220 KV Switchyard and 31 kms. of 220 KV Transmission Line. This is the first project executed by the Company with 220 KV Switchyard and Transmission Line thus adding credentials to its qualifications.

During the year, the Company also erected and commissioned 6 Nos. of Metallic Volute Pumps at Devadula Lift Irrigation Scheme, Package-4 in the State of Telangana. With this, the Company has till date commissioned 26 Nos. of Metallic Volute Pumps in the State of Telangana and Karnataka and 34 Nos. of Metallic Volute Pumps are under various stages of execution.

The Company has successfully completed supply of 9 Nos. Kaplan Turbines with Generators each of 5 MW to Sardar Sarovar Narmada Nigam Limited during the year under review. These turbines and generators now are under erection and commissioning will generate 45 MW of Hydro Power. The Company is in Joint Venture with Megha Engineering & Infrastructures Limited for this prestigious project.

During the year under review, the Company has supplied 80 Nos. of Arno Convertors to Indian Railways and at the end of the year has pending order of 25 Nos. of Arno Convertors on hand. With the thrust by the various State Governments on Irrigation and Water Supply, the Company continues to have its focus on various upcoming tenders. The Company has the complete range of pumps required for Irrigation and Water Supply Projects and has the infrastructure for executing the projects from concept to commissioning with added expertise during the year for 220 KV Sub-Station and Transmission Line.

The Company sees a good future with its active presence in Water Supply and Irrigation.

### **B. SWITCHGEAR OPERATIONS**

During the year under review, the Switchgear Division achieved sales of ` 3675 lakhs. The VCB production in terms of quantity is around 945 Nos. and HT Switchgear Panels manufactured are 820 Nos. The Switchgear Division has received orders worth ` 4550 lakhs in the year 2017-18.

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In addition to above, in the Financial Year 2017-18, the Division bagged various 11 kV VCB Panels orders from GETCO worth ` 760 lakhs for 250 Nos. Panels.

Many Power, Infrastructure and smart city projects as well as Industrial Projects are coming up in the next five years and hence, there will be good potential of orders for Medium Voltage Switchgear and RMU Products.

For Medium Voltage Switchgear Products, Switchgear Division is in the process of re-certification of various products as a continuous product certification process in year 2018-19. The Company is confident of achieving better performance in the years to come.

### **EXPORTS**

During the year under review, the Company's exports valued at ` 4.83 crores. The Company's major exports are to Sultanate of Oman for Switchgear.

### **DIVIDEND**

In view of the marginal profit made by the Company during the period under review, your directors do not recommend any dividend for the financial year 2017-18.

### **TRANSFER TO RESERVES**

During the year under review Company has made marginal profit and therefore, Board has not proposed to transfer any amount to the reserves.

### **PUBLIC DEPOSITS**

The Company has not accepted any deposits from the Public during the year under review.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loan or provided guarantees or made any investments as prescribed under Section 186 of the Companies Act, 2013.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

As required by Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure A forming part of this Report.

### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

As per Regulation 27(2) of the SEBI (LODR) Regulations, 2015, Corporate Governance Report with Auditors' Certificate thereon and Management Discussion and Analysis are given in Annexure B forming part of this Report.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149 (6) of the Companies Act, 2013 and there has been no change in the circumstances, which may affect their status as Independent Directors during the year.

During the year, Mr. Marut Patel resigned as Director of the Company w.e.f. 5<sup>th</sup> February, 2018. Your Directors placed on record their appreciation for the services rendered by Mr. Marut Patel during his tenure as Director of the Company.

During the year, Mr. Jayesh Verma resigned as the Chief Financial Officer of the Company with effect from 30<sup>th</sup> June, 2017.

The Directors at their Meeting held on 4<sup>th</sup> December, 2017 have appointed Mr. Ronak Shah, Chartered Account, as the Chief Financial Officer of the Company with effect from 1<sup>st</sup> January, 2018.

Mr. U V Desai retires by rotation and being eligible, seeks re-appointment.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm and state that -

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a 'going concern' basis;
- v. The Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **BOARD MEETINGS**

The Board of Directors met 7 (Seven) times during the year. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

## **AUDIT COMMITTEE**

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this Report.

## **SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES / JOINT VENTURE**

The Company does not have any subsidiary.

The Company has a Joint Venture Company viz. Jyoti Sohar Switchgear LLC, Sultanate of Oman and holds 49% of the total shareholding.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company.

## **WHISTLE BLOWER & VIGIL MECHANISM**

The Company has established a "Whistle Blower and Vigil Mechanism Policy" for Directors, Employees and Stakeholders to report the genuine concerns. The provisions of this policy are in line with the provisions of Section 177(9) of the Companies Act, 2013 and also as per the Regulation 22 read with Regulation 4(d) (iv) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Policy is available on the website of the Company at the web-link [http://www.jyoti.com/pdf/whistle\\_blower\\_and\\_vigil\\_mechanism\\_policy.pdf](http://www.jyoti.com/pdf/whistle_blower_and_vigil_mechanism_policy.pdf)

## **NOMINATION AND REMUNERATION POLICY**

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Company's policy on appointment and remuneration of Directors and Key Managerial Personnel.

The said Policy may be referred to at the Company's official website at the web-link [http://www.jyoti.com/pdf/nomination\\_and\\_remuneration\\_policy\\_evaluation\\_criteria.pdf](http://www.jyoti.com/pdf/nomination_and_remuneration_policy_evaluation_criteria.pdf)

## **RISK MANAGEMENT**

The Risk Management Policy of the Company may be referred to at the Company's official website at the web-link [http://www.jyoti.com/pdf/risk\\_management\\_policy.pdf](http://www.jyoti.com/pdf/risk_management_policy.pdf)

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks in achieving key objectives of the Company. The Company has developed and implemented Risk

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Management Policy of the Company to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

### **BOARD EVALUATION**

The evaluation framework for assessing the performance of Board including the individual directors is based on the following key measures:

- Attendance and participation in the Meetings and timely inputs on the minutes of the meetings
- Adherence to ethical standards & code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent, unbiased opinion
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction
- Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board does not participate in the discussion of his / her evaluation.

### **EXTRACT OF THE ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9 are given in Annexure C forming part of this Report.

### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with the Promoters, Directors and Key Managerial Personnel, etc., which may have potential conflict with interest of the Company at large.

The Policy on Related Party Transactions of the Company is uploaded on the Company's website at the web-link [http://www.jyoti.com/pdf/policy%20on\\_related\\_party\\_transactions.pdf](http://www.jyoti.com/pdf/policy%20on_related_party_transactions.pdf)

The Audit Committee reviews all related party transactions quarterly.

The particulars of contracts or arrangements with related parties given in "Form AOC-2" are given in Annexure D forming part of this Report.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. Ravi Kapoor & Associates Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report is appended as Annexure E forming part of this Report.

The Secretarial Audit Report for the year under review is self-explanatory and does not contain any qualification or adverse remarks.

### **EXPLANATIONS / COMMENTS BY THE BOARD ON QUALIFICATIONS, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE SECRETARIAL AUDITOR IN THEIR REPORT**

The Secretarial Audit Report for the year under review does not contain any qualification or adverse remarks.

## **INTERNAL FINANCIAL CONTROLS**

As per provisions of Section 134(5) (e) of Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust systems/framework of internal financial controls to provide them with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks.

Your Company has adequate financial control system and framework in place to ensure:

1. The orderly and efficient conduct of its business including adherence to Company's policies;
2. Safeguarding of its assets;
3. The prevention and detection of frauds and errors;
4. The accuracy and completeness of the accounting records; and
5. The timely preparation of reliable financial information.

Significant observations including recommendations for improvement of the business processes are reviewed by the Management before reporting to the Audit Committee. Audit Committee reviews Internal Audit Reports as well as operating plans and status of implementation of the agreed action plans. This system of internal control facilitates effective compliance of Section 138 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Internal Auditor of the Company checks and verifies the internal control and monitors them in accordance with the policy adopted by the Company. The Board of Directors regularly review the effectiveness of controls and takes necessary corrective actions where weaknesses are identified as a result of such reviews. Based on this evaluation, there is nothing that has come to the attention of the Directors to indicate any material break down in the functioning of these controls, procedures or systems during the year. There have been no significant events during the year that have materially affected, or are reasonably likely to materially affect, our internal financial controls.

## **EQUAL OPPORTUNITY EMPLOYER**

The Company has always provided a congenial atmosphere for work to all employees that is free from discrimination and harassment including sexual harassment. It has provided equal opportunities of employment to all without regard to their caste, religion, colour, marital status and sex. The Company has also framed a Policy on "Prevention of Sexual Harassment" at the workplace. There were no cases reported under the said Policy during the year.

## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

In terms of the provisions of Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5 (2) and 5(3) of the Companies Act, 2013 (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there is no employee drawing remuneration in excess of the limits set out in the said Rules and other details as required under Section 197(12) of the Act, read with Rule 5(1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure F forming part of this Report.

## **STATUTORY AUDITORS**

Pursuant to provision of Section 139 of the Companies Act read with the Companies (Audit & Auditors) Rules, 2014, M/s. Amin Parikh & Co., Chartered Accountants, Vadodara (holding Registration No. 100332W) were appointed as Statutory Auditors of the Company to hold office from the conclusion of 73<sup>rd</sup> Annual General Meeting until the conclusion of 78<sup>th</sup> Annual General Meeting.

The Auditor's Report for the year under review is self-explanatory and does not contain any qualification or adverse remarks.

### **EXPLANATIONS / COMMENTS BY THE BOARD ON QUALIFICATIONS, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE AUDITORS IN THEIR REPORT**

The Auditor's Report for the year under review does not contain any qualification or adverse remarks.

### **COST AUDITORS**

Based on the recommendation of the Audit Committee and subject to the ratification of the remuneration of the Cost Auditors by the Members of the Company, the Board of Directors of your Company has appointed the following Cost Auditors for conducting the audit of cost records of the Company for various products for the financial year 2018-19:

- (i) M/s. R. K. Patel & Co., Cost Accountants – For Motors and Pumps
- (ii) M/s. Y. S. Thakar & Co., Cost Accountants – For Engineering Products such as Generator, Turbine and Relay

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

RARE Asset Reconstruction Pvt. Ltd. (Rare ARC) vide its letter dated 2nd April, 2018 communicated to the Company that it has acquired the entire debt together with all security interest including all its rights, title, interest and benefits of Dena Bank pursuant to the assignment agreement dated 28th March, 2018. In turn, Dena Bank has squared off all loans and cash credit account.

Further, Rare ARC pursuant to Section 9 (1) (g) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has converted part of the outstanding debt amounting to ` 32.80 crores into equity shares. Consequent upon this decision of Rare ARC, the Board of Directors of the Company in its meeting held on 2nd May, 2018 issued and allotted 59,63,636 equity shares of ` 10 each of the Company at a premium of ` 45 per equity share to Rare ARC.

### **SIGNIFICANT AND MATERIAL ORDERS / DEVELOPMENTS**

Shri Lavjibhai Dungarbhay Daliya and M/s. Anjani Residency Private Limited (Acquirers) have intimated on 7<sup>th</sup> May, 2018 that they have acquired 43,06,867 equity shares constituting 25.14% of the paid up capital against the Open Offer to acquire 1,28,46,744 (75%) equity shares of the Company.

The Acquirers further intimated that said computation does not include issue and allotment of 59,63,636 equity shares to Rare Asset Reconstruction Private Limited on 2<sup>nd</sup> May, 2018 by the Company.

### **ACKNOWLEDGEMENT**

The Board of Directors take this opportunity to thank the Company's customers, members, suppliers, bankers, associates, Central and State Governments and employees at all levels for their support and co-operation extended to the Company during the year.

On Behalf of the Board of Directors

**Rahul N. Amin**

Chairman & Managing Director

**(DIN: 00167987)**

Place: Vadodara

Date: 26<sup>th</sup> May, 2018

## ANNEXURE 'A' TO THE BOARD'S REPORT

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

[Section 134(3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### **A. CONSERVATION OF ENERGY:**

Replaced old air lines with new kitech make pipe/HDP-Aluminium to prevent air leakages & save energy.

Plan to install LED lights in all office building.

Plan to replace to all high bay shop floor mercury lights by LED high bay lights.

Replaced old resistive speed control device in various machine by installation of AC drive mechanism to save energy.

Awareness about the need for energy conservation at all levels of employees is being created through posters, hoardings, emails, etc.

#### **B. TECHNOLOGY ABSORPTION:**

##### **(a) Research & Development**

1. Specific core areas in which R&D was carried out by the Company:

- Medium Voltage Switchgear
- Rotating Electrical Machines (Motors and Generators)
- Metallic Volute Pumps, VT Pumps and Hydraulic Turbines

2. Benefits derived as a result of above R&D :

Reduction in manufacturing cost of products and improvement in efficiencies are done through continuous optimization of products. Increasing technical and price competition have been partially overcome by the internal R&D work, through up-gradation and improvement of various core product designs and processes.

The technical competitiveness has been tackled through re-engineering product range extension with value addition in the core products.

3. Future Plan of Action :

The future R&D activities will be directed towards the consolidation of existing product range through up-gradation, addition of new products to enhance the range with special focus on performance & cost effectiveness thus creating value addition by various means. Considering the business potential, competitors' product range and market niche, new technologies / processes and new state-of-the-art software will be introduced with the help of in-house R&D development or, if necessary, acquiring technologies from known external sources. Increased use of advanced and latest state-of-the-art softwares like Pro/e, CFX, ANSYS-Mechanical, CFTURBO, RMXprt and Maxwell for design / development and also improvement in performance parameters; alongwith cost reduction will be the top priority.

4. Expenditure on R&D :

	(` in lakhs)
a) Capital	-
b) Recurring	265.96
c) Total	265.96
d) Total R&D expenditure as percentage of total turnover	1.01%

### (b) Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation.
  - a) In the area of medium voltage switchgear, the activities were directed towards up-gradation of existing switchgear to meet the latest IEC Standards. Type-testing as per the latest version of IEC: 62271-100 was continued. During the year Indoor switchgear was re certified for 25kA-0.1sec internal arc and for mechanical endurance class M1. In addition, R&D is continuously carried out, in the areas of applied research and use of alternative materials and processes.
  - b) In the rotating machines group, major work was mainly directed towards indigenous development of larger rating motors and generators for various applications in core industries. New product development and cost reduction in the existing designs, processes and process-time reduction in the existing products are undertaken.
  - c) In the pump group, development of metallic volute pumps has been in focus due to large orders in hand. One of the key thrust area was extension of the existing range of pumps. Extensive use of CFD Analysis and Mechanical Analysis software is done continuously to improve the product competitiveness.
  - d) In the turbine group, use of CFD Analysis software package for evaluation of Hydraulic Performance and use of ANSYS-Mechanical software to evaluate structure design of Kaplan and Francis Turbines enabling cost effective turbine geometry/arrangement.
2. Benefits derived as a result of above efforts.
  - (a) Medium Voltage Switchgear
    - Revenue of ₹ 480 lacs for M/s. JSS for Oman market was generated in 2017-18 after successful type testing of 12kV, 25kA, 1250 Amp panels as per the requirement of client and as per IEC62271-100 and IEC62271-200 in the year 2017-18.
    - Panels with common bus bar configuration as per requirement of GETCO. Two types of panels one for Incoming / Outgoing and another for Bus coupler were designed in 2016-17. This continued to result in order of 750 lacs in the year 2017-18.
  - (b) Rotating Electrical Machines
    - Design, development and testing of large rating, low speed vertical / horizontal motors for Lift Irrigation Schemes.
    - Process-time reduction through modular construction of stator and rotors for larger rating motors.
    - Cost reduction designs through Value Engineering analysis, of 415 Volts, 3.3kV, 6.6kV and 11kV motors on demand.
    - Design & development of larger rating generators for Hydel Application.
  - (c) Pumps
    - Successful model testing of metallic volute pump model for Tubchi Babaleshwar Project.
    - Developed 1600 MVC Pump for Tubchi Babaleshwar Project.
    - Development of 1300 MVC Pump for Ramappa Pakala LIS is under process.
    - Development of Model for Ramappa Project is under design.
    - Developed new series of End Suction Pumps.

(d) Turbine

1. ANSYS Mechanical software is extensively used for structural analysis of turbine components enabling material control.
  2. ANSYS CFX Software is used for performance prediction of Pump and Turbine.
  3. Design of (9x5000 kW) five blade Kaplan turbine for SSNNL Project completed.
  4. Design of (2x2000 kW) five blade Kaplan turbine for Varuna Project completed.
3. Technology imported and status of absorption.
- (i) Vacuum Circuit Breakers from Toshiba Corporation, Japan. The technology has been fully absorbed for 12 kV and 36 kV Vacuum Circuit Breakers.
  - (ii) About 250 RMU's have been installed and their performance is under observation. There was no adverse performance reported in the year.
  - (iii) High head Francis turbine model design for head range up to 260 metres.

**C. Foreign Exchange Earnings and Outgo:**

	(` in lakhs)
a) Exports (including deemed Exports)	496.12
b) Total Foreign Exchange used and earned	
i) Total Foreign Exchange used	179.97
ii) Total Foreign Exchange earned	662.14

### **ANNEXURE 'B' TO BOARD'S REPORT**

#### **Report on Corporate Governance**

#### **1. Corporate Governance Philosophy**

The Company aims at conducting its business efficiently, by following professionally acknowledged good governance policies, thus meeting its obligations to all stakeholders in a balanced and accountable manner.

#### **2. Board of Directors**

##### **(a) Composition of the Board of Directors**

As on date of this Report, the strength of the Board is Seven Directors comprising one Executive Director i.e. the Chairman & Managing Director, two Non-Executive Directors and four Independent Directors. The composition of the Board is in conformity with the Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Name of Directors	Category	No. of other		Existing Share holding in the Company (No. of Shares)
			Directorships	Committee Memberships	
1.	Mr. R.N. Amin Chairman & Managing Director	Executive	3	—	10,84,100
2.	Mrs. T.R. Amin	Non-Executive	4	—	6,42,113
3.	Mr. U.V. Desai	Non-Executive	—	—	550
4.	Mr. V.K.Gulati	Independent	2	—	50
5.	Mr. T.C.Dayal	Independent	6	1	—
6.	Mr. S.S.Bhattbhatt	Independent	—	—	60
7.	Dr. R.M.Khajuria	Independent	—	—	—

Mr. Marut Patel resigned w.e.f. 5<sup>th</sup> February, 2018.

None of the Directors are related to the other Directors or to any other employee of the Company except Mr. Rahul Amin and Mrs. Tejal Amin. Mrs. Tejal Amin is wife of Mr. Rahul Amin.

##### **(b) Meetings held in Financial Year 2017-18 and Attendance of Directors**

The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the Company and Financial Results. The Board held Seven meetings during the Financial Year 2017-18 on 13<sup>th</sup> May, 2017, 28<sup>th</sup> June, 2017, 12<sup>th</sup> August, 2017, 25<sup>th</sup> September, 2017, 4<sup>th</sup> December, 2017, 14<sup>th</sup> February, 2018 and 14<sup>th</sup> March, 2018.

The attendance of each Director at these meetings was as follows:

Sr. No.	Name of Directors	No. of Board Meetings attended	Attendance at last AGM
1.	Mr. R. N. Amin Chairman & Managing Director	7	Present
2.	Mrs. T. R. Amin	7	Present
3.	Mr. U. V. Desai	5	Present
4.	Mr. V. K. Gulati	7	Present
5.	Mr. T. C. Dayal	5	Not Present
6.	Mr. S. S. Bhattbhatt	7	Present
7.	Dr. R. M. Khajuria	6	Present
8.	Mr. M. R. Patel*	1	Not Present

\* Mr. Marut Patel resigned w.e.f. 5<sup>th</sup> February, 2018.

### (c) Meeting of Independent Directors

The Independent Directors of the Company had met during the year on 14<sup>th</sup> March, 2018 to review the performance of Non-independent Directors and the Board as a whole, to review the performance of the Chairman of the Company, and to assess the efficiency of flow of information between the management and the Board.

Further, the familiarization programs for Independent Directors as required under the Listing Regulations are undertaken from time to time. Details of such programs will be updated on the Company's website at [www.jyoti.com](http://www.jyoti.com).

## 3. Committee of Directors

### (a) Audit Committee

#### (i) Terms of Reference

The terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and also as per Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### (ii) Composition, Name of Members, Meetings and Attendance

The Audit Committee of the Company comprises three Members, all of whom are Independent Non-Executive Directors. All the Members of the Audit Committee are qualified and have insight to interpret and understand financial statements.

Seven Audit Committee meetings were held during the Financial Year 2017-18 on 13<sup>th</sup> May, 2017, 28<sup>th</sup> June, 2017, 12<sup>th</sup> August, 2017, 25<sup>th</sup> September, 2017, 2<sup>nd</sup> December, 2017, 13<sup>th</sup> February, 2018 and 14<sup>th</sup> March, 2018.

The Audit Committee of the Company comprises of the following Members:

Sr. No.	Name of Member	Category	No. of Meetings attended
1.	Mr. T. C. Dayal	Chairman	5
2.	Mr. V. K. Gulati	Member	7
3.	Mr. S. S. Bhattbhatt	Member	7

The Chairman of the Audit Committee will be present at the Annual General Meeting to answer the shareholders queries, if any.

### (b) Nomination and Remuneration Committee

#### (i) Terms of Reference and Policy

The terms of reference of the Nomination and Remuneration Committee are as per Section 178 of the Companies Act, 2013 and as per the requirements of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy is framed by the Nomination and Remuneration Committee and approved by the Board. The terms and conditions for appointment are disclosed at the website of the Company [www.jyoti.com](http://www.jyoti.com).

#### (ii) Composition, Name of Members, Meetings and Attendance

The Nomination and Remuneration Committee comprises of three Members and are Independent Non-Executive Directors.

Two Nomination and Remuneration Committee meetings were held during the Financial Year 2017-18 on 2<sup>nd</sup> December, 2017 and 14<sup>th</sup> March, 2018.

The Nomination and Remuneration Committee of the Company comprises of the following Members:

Sr. No.	Name of Member	Category	No. of Meetings attended	Remarks
1.	Dr. R. M. Khajuria	Chairman	2	-
2.	Mr. V. K. Gulati	Member	2	-
3.	Mr. M. R. Patel	Member	1	Resigned on 05.02.2018 as Director
4.	Mr. S. S. Bhatbhatt*	Member	1	-

\* Consequent upon resignation of Mr. Marut Patel, the Board of Directors at their meeting held on 14.02.2018 reconstituted the Committee and appointed Mr. S.S. Bhatbhatt as Member of the Committee.

#### (iii) Remuneration paid to Directors for the Financial Year 2017-18

( )

Sr. No.	Name of Director	Sitting Fees	Salary and other Perquisites	Commission	Total
1.	Mr. R. N. Amin Chairman & Managing Director	-	83,61,678	-	83,61,678
2.	Mrs. T. R. Amin	14,000	-	-	14,000
3.	Mr. U. V. Desai	10,000	-	-	10,000
4.	Mr. V. K. Gulati	14,000	-	-	14,000
5.	Mr. T. C. Dayal	10,000	-	-	10,000
6.	Mr. S. S. Bhatbhatt	14,000	-	-	14,000
7.	Dr. R. M. Khajuria	12,000	-	-	12,000
8.	Mr. M. R. Patel*	2,000	-	-	2,000
	Total	76,000	83,61,678	-	84,37,678

\*Mr. Marut Patel resigned w.e.f. 5<sup>th</sup> February, 2018.

The Company has a credible and transparent policy in determining and accounting for the remuneration of Directors, Key Managerial Personnel & Senior Management of the Company. The policy has been placed on the Company's official website at the web-link [http://www.jyoti.com/pdf/nomination\\_and\\_remuneration\\_policy\\_evaluation\\_criteria.pdf](http://www.jyoti.com/pdf/nomination_and_remuneration_policy_evaluation_criteria.pdf)

Independent Directors are appointed and their performance is evaluated based on the criteria such as knowledge, qualification, experience, expertise in any area, integrity,

level of independence from the Board and the Company, number of meetings attended, familiarization program attended, time devoted, etc.

The Non-Executive Directors receive remuneration by way of sitting fee for attending the Board Meetings.

The remuneration paid to the Executive Director is determined keeping in view his professional qualification, relevant industry experience, size of the Company and current remuneration standards for such senior executive positions in the Engineering Industries.

Apart from above, Non-Executive Directors do not have any material pecuniary relationship or transactions with the Company.

Notes:

1. **Service Contract, Notice Period and Severance Fees.**  
The employment of Mr. Rahul N. Amin is contractual.
2. **Stock option details, if any**  
Nil

**(c) Shareholders' / Investors' Grievance & Stakeholders Relationship Committee**

(i) Terms of Reference

The terms of reference of the Committee include the following:

- To review all complaints recorded in SCORES of SEBI and replies made to the same by the Company Secretary.
- To receive report on all complaints recorded in SCORES of the Registrar and Share Transfer Agents and note the corrective actions taken by the Registrars.
- To take action on all grievances and complaints lodged by the Stock Exchange, Shareholders' Associations and other bodies.
- To review all grievances of other stakeholders of the Company given in their individual capacity.
- Overview of activities relating to Share Maintenance and related work.

(ii) Composition, Name of Members, Meetings and Attendance

The Shareholders' / Investors' Grievance & Stakeholders Relationship Committee comprises of three Members and are Independent and Non-Executive Directors.

Four Shareholders' / Investors' Grievance & Stakeholders Relationship Committee Meetings were held during the Financial Year 2017-18 on 13<sup>th</sup> May, 2017, 12<sup>th</sup> August, 2017, 4<sup>th</sup> December, 2017 and 14<sup>th</sup> February, 2018.

The Shareholders' / Investors' Grievance & Stakeholders Relationship Committee of the Company comprises of the following Members:

Sr. No.	Name of Member	Category	No. of Meetings attended	Remarks
1.	Mr. S. S. Bhattbhatt	Chairman	4	-
2.	Dr. R. M. Khajuria	Member	4	-
3.	Mr. M. R. Patel	Member	1	Resigned on 05.02.2018 as Director
4.	Mr. V. K. Gulati*	Member	-	-

\* Consequent upon resignation of Mr. Marut Patel, the Board of Directors at their meeting held on 14.02.2018 reconstituted the Committee and appointed Mr. V. K. Gulati as Member of the Committee.

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144 queries were received during the year under review. However, all the queries have been resolved to the satisfaction of the Shareholders. There were no pending transfers as on 31<sup>st</sup> March, 2018.

(iii) Compliance Officer

Mr. Suresh Singhal, Vice President (Legal) & Company Secretary is the Compliance Officer of the Company and Secretary to all the Committees of the Board.

(d) **Risk Management Committee**

During the year under review, Risk Management Committee Meeting was held on 13<sup>th</sup> May, 2017 and attended by all Members.

As per SEBI (LODR) Regulations, 2015, the Risk Management Committee is applicable to top 100 listed entities only. In view of this, the Board of Directors in their Meeting held on 4<sup>th</sup> December, 2017 discontinued the Committee.

#### 4. **Subsidiary Companies / Associate Companies / Joint Venture**

The Company does not have any subsidiary.

The Company has a Joint Venture Company viz. Jyoti Sohar Switchgear LLC, Sultanate of Oman and holds 49% of the total shareholding.

#### 5. **General Body Meetings**

The Annual General Meetings of the Company (AGMs) have been held at the following places in the last three years.

For the year	Venue	Day and date	Time
2015	Jyoti Limited Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries Vadodara - 390 003	Thursday, 10 <sup>th</sup> December, 2015	9.00 a.m. (IST)
2016	Jyoti Limited Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries Vadodara - 390 003	Saturday, 26 <sup>th</sup> November, 2016	9.00 a.m. (IST)
2017	Jyoti Limited Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries Vadodara - 390 003	Thursday, 28 <sup>th</sup> September, 2017	9.00 a.m. (IST)

The following Special Resolutions were proposed in the previous three Annual General Meetings.

For the Year	Resolution Detail
2015	1. Creation of Mortgage/Charge for Borrowings/Financial Assistance availed
	2. Adoption of new set of Articles of Association
2016	1. Creation of Mortgage/Charge for Borrowings/Financial Assistance availed
	2. Adoption of New set of Articles of Association
2017	1. Creation of Mortgage/Charge for Borrowings/Financial Assistance availed
	2. Adoption of New set of Articles of Association

Note :-

1. Special Resolution under Section 180 (1)(a) of the Companies Act, 2013 for creation of Mortgage/Charge for Borrowings/Financial Assistance availed-  
**The Resolution was not passed. Votes cast against were more than the votes cast in favour of approval.**
2. Special Resolution for adoption of new set of Articles of Association of the Company as per the Companies Act, 2013-  
**The Resolution was not passed. Votes cast against were more than the votes cast in favour of approval.**
3. No Extra Ordinary General Meeting was held during the year.
4. No Resolution requiring Postal Ballot was required/placed at the above Meetings.

**6. Disclosures**

- (a) (i) There are no materially significant transactions with related parties viz. Promoters, Directors or the Management, or their relatives that has potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the Annual Report.

The Policy on Related Party Transactions of the Company for determining the materiality of related party transactions and also on the dealings with related parties. This Policy has been placed on the Company's official website at the web-link [http://www.jyoti.com/pdf/policy%20on\\_related\\_party\\_transactions.pdf](http://www.jyoti.com/pdf/policy%20on_related_party_transactions.pdf)

Transactions with related parties, as per the requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.

The Company has adopted the Whistle Blower & Vigil Mechanism Policy for Directors, Employees and Stakeholders which is placed on the Company's website at the web-link [http://www.jyoti.com/pdf/whistle\\_blower\\_and\\_vigil\\_mechanism\\_policy.pdf](http://www.jyoti.com/pdf/whistle_blower_and_vigil_mechanism_policy.pdf)

No personnel are denied access to the Audit Committee. However, there were no cases reported under this Policy during the period under review.

- (ii) The Company has no material subsidiary.

The Company has fully complied with mandatory requirements of the SEBI (LODR) Regulations, 2015.

The Company is not having any Commodity price risk or foreign exchange risk and not involved in hedging activities.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulations (2) of Regulation 46 of the Listing Regulations.

**(b) CEO / CFO Certification**

The Chairman & Managing Director and Chief Financial Officer have certified to the Board, compliance in respect of all matters specified in Regulation 17 (8) read with schedule-II, Part-B of the SEBI (LODR) Regulations, 2015.

**(c) Details of Non-Compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange, SEBI or any Statutory Authorities or any matter related to Capital Markets.**

The Company has complied with all the requirements of the SEBI (LODR) Regulations, 2015 with the Stock Exchange as well as Regulations and Guidelines of SEBI. No penalties

or strictures have been imposed by SEBI, Stock Exchange or any Statutory Authorities on matters relating to Capital Markets during the last three years.

**(d) Dealing with Securities which have remained unclaimed**

Members are hereby informed that as per Regulation 39(4) read with Schedule VI of the SEBI Regulations, the Company has already sent 3 (three) reminders to those shareholders whose share certificates have remained unclaimed. Shares remain unclaimed would be held by the Company on behalf of the holders of such shares in an “Unclaimed Suspense Account” to be opened with a depository.

Members may note that the lawful claimants in respect of these shares will be able to claim such shares from the Company till such shares remain in the Unclaimed Suspense Account as aforesaid.

**7. Means of Communication**

**(a) Newspapers wherein results normally published**

The quarterly / half-yearly / Annual Financial Results are published in Indian Express, Vadodara and Financial Express, Ahmedabad.

**(b) web-site, where displayed**

The financial results and the official press releases are also placed on the Company's website <http://www.jyoti.com> in the “Investor Relations” section.

**(c) Whether website also displays official news releases**

The Company has maintained a functional website <http://www.jyoti.com> containing basic information about the Company e.g. details of its business, financial information, shareholding pattern, codes, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievance, etc.

**(d) Presentations made to institutional investors or to the analysts : Nil**

**8. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report for the Financial Year 2017-18 forms part of the Annual Report.

**9. General Shareholders' Information**

**(a) Annual General Meeting**

Day, date and time	Thursday, 27 <sup>th</sup> September, 2018 at 9.00 a.m. (IST)
Venue	Jyoti Limited Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries, Vadodara – 390 003

**(b) Financial Calendar**

**Indicative calendar of events for the year 2018-19 (April to March), excluding Extraordinary General Meetings, if any, is as under:**

Fourth Quarter (year 2017-18) Results	26 <sup>th</sup> May, 2018
First Quarter Results	August, 2018
Annual General Meeting	27 <sup>th</sup> September, 2018
Second Quarter Results	October / November, 2018
Third Quarter Results	January / February, 2019

**(c) Book Closure**

The Company's Register of Members and Share Transfer Books will remain closed for the purpose of Annual General Meeting.	20 <sup>st</sup> September, 2018 to 27 <sup>th</sup> September, 2018 (both days inclusive)
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**(d) Dividend**

Not Applicable since no dividend is recommended.

**(e) Listing on Stock Exchange**

The Company's Equity Shares are listed on the Stock Exchange located at: Mumbai	Address of the Stock Exchange:- <b>The Bombay Stock Exchange Ltd.-Mumbai</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001
Stock Code of the Company	BSE 504076
ISIN No. of the Company's Equity Shares in Demat Form	INE 511 D01012
Depositories Connectivity	NSDL and CDSL

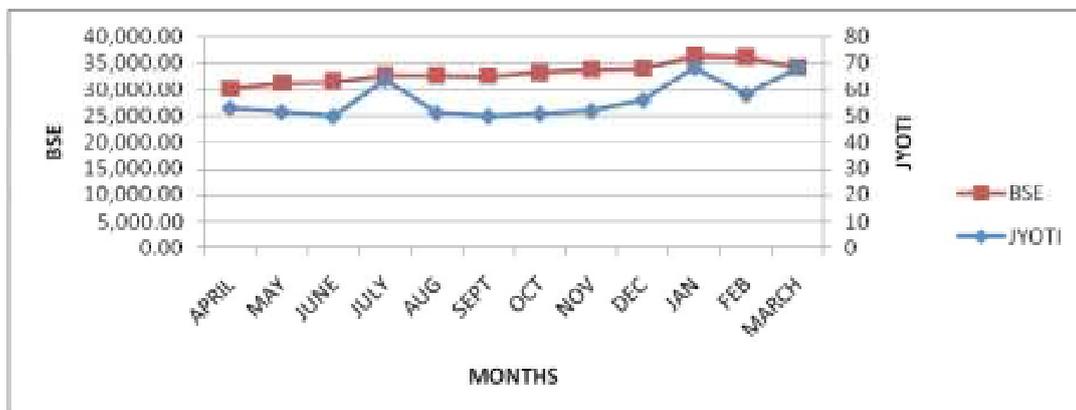
**Note:-** Listing Fees for the Financial Year 2018-19 is paid to Bombay Stock Exchange.

**(f) Market Price Data**

The Market Price of the Company's shares traded on the Bombay Stock Exchange during the year 2017-18 was as follows:

Year 2017-18	BSE		BSE Sensex	
	High	Low	High	Low
Month	(`)	(`)		
April, 2017	53.00	47.00	30,184.22	29,241.48
May, 2017	51.50	42.05	31,255.28	29,804.12
June, 2017	49.90	42.00	31,522.87	30,680.66
July, 2017	63.70	44.10	32,672.66	31,017.11
August, 2017	51.10	42.80	32,686.48	31,128.02
September, 2017	49.95	44.25	32,524.11	31,081.83
October, 2017	50.75	44.25	33,340.17	31,440.48
November, 2017	51.90	47.15	33,865.95	32,683.59
December, 2017	55.95	47.10	34,137.97	32,565.16
January, 2018	68.40	48.50	36,443.98	33,703.37
February, 2018	58.00	47.00	36,256.83	33,482.81
March, 2018	68.50	44.60	34,278.63	32,483.84

**(g) Performance in comparison to broad-based indices viz., BSE Sensex**



### (h) Shareholding Pattern (as on 31<sup>st</sup> March, 2018)

Sr. No.	Category	No. of Equity Shares held of 10 each	Percentage (%)
1.	Promoters	54,46,503	31.80
2.	Friends & Relatives	1,46,662	0.86
3.	Mutual Funds & UTI	50	-
4.	Banks, F.Is., Insurance Companies	4,01,465	2.34
5.	Private Corporate Bodies	56,69,738	33.10
6.	Indian Public	53,99,522	31.52
7.	NRIs/Foreign Companies	64,392	0.38
8.	Any Other – Directors	660	-
	Total	1,71,28,992	100.00

### (i) Distribution of Shareholding (as on 31<sup>st</sup> March, 2018)

Category	Number of Shareholders	Percentage %	Number of Shares	Percentage %
1 – 500	13,281	96.16	8,31,406	4.85
501 – 1000	228	1.65	1,73,603	1.01
1001 – 2000	100	0.72	1,54,712	0.90
2001 – 3000	45	0.33	1,13,863	0.66
3001 – 4000	22	0.16	77,064	0.46
4001 – 5000	14	0.10	66,348	0.39
5001 – 10000	35	0.25	2,60,313	1.52
10001 and above	86	0.63	1,54,51,683	90.21
Total	13,811	100.00	1,71,28,992	100.00

### (j) Share Transfer Process

The Company's shares being in compulsory demat list are transferable through depository system. Accordingly, the Company had appointed M/s. MCS Share Transfer Agent Ltd. as its Registrar & Share Transfer Agent for both physical and demat segments of Equity Shares in compliance with the requirement of the Securities and Exchange Board of India.

However, shares in the physical form are processed by the Registrar & Share Transfer Agent and approved by the Shareholders'/Investors' Grievance and Stakeholders Relationship Committee. In order to expedite the process, the Board of Directors has also delegated the authority to the Managing Director (MD) and the Company Secretary to approve the share transfers and accordingly, the MD and the Company Secretary approve the transfer/transmission of shares fortnightly.

### (k) Dematerialisation of Shares

The Equity Shares of the Company are traded compulsorily in the dematerialised form. The Company entered into an agreement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby the Shareholders have the option to dematerialise their shares with Depositories. Demat ISIN Number in NSDL and CDSL for Equity Shares is INE 511 D01012.

1,65,17,579 Equity Shares of the Company were in dematerialised form as on 31<sup>st</sup> March, 2018 representing 96.43% of the total Shares.

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- (l) **Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, likely to impact on Equity** : None
- (m) **Plant Locations** :  
The Company's Plants (Main Plant, Switchgear Plant and Relay Division) are located at Vadodara.
- (n) **Registrars & Transfer Agent** : (For both Physical & Electronic Transfer, etc.)  
MCS Share Transfer Agent Limited  
88,Sampatrao Colony,  
Neelam Apartment,  
Alkapuri, Vadodara - 390 007  
Tel. : 0265-2314757, 2350490  
Fax : 0265-2341639  
E-mail : [mcsltdbaroda@gmail.com](mailto:mcsltdbaroda@gmail.com)
- (o) **Address for Investor Correspondence**  
JYOTI LIMITED  
Company Law & Legal Department  
Nanubhai Amin Marg, Industrial Area  
P.O. Chemical Industries  
Vadodara – 390 003 Gujarat (India)  
Phone : 0265 – 3054444  
Fax : 0265-2281871/2280671  
E-mail : [dimple@jyoti.com](mailto:dimple@jyoti.com) / [ashish@jyoti.com](mailto:ashish@jyoti.com)  
Website : <http://www.jyoti.com>  
Shareholders holding shares in Demat Mode should address all their correspondence to their respective Depository Participants.

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#### **DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT**

The Company has in place a code of conduct applicable to the Board Members as well as the Senior Management and that the same has been hosted on the Company's website <http://www.jyoti.com/investor/codeofconduct.aspx>. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as on 31<sup>st</sup> March, 2018. The declaration signed by the Chairman & Managing Director of the Company is given below:

"I, Rahul N. Amin, Chairman & Managing Director of the Company, hereby declare that all Board Members and Senior Management Personnel have affirmed the compliance of the Code of Conduct during the Financial Year ended 31<sup>st</sup> March, 2018."

For JYOTI LIMITED

**Rahul N. Amin**  
Chairman & Managing Director  
(DIN: 00167987)

Vadodara  
26<sup>th</sup> May, 2018

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

**To,  
The Members of Jyoti Limited**

We have examined the compliance of conditions of Corporate Governance by **Jyoti Limited**, for the year ended on March 31, 2018 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

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 the affairs of the Company.

**FOR AMIN PARIKH & CO.  
CHARTERED ACCOUNTANTS  
F.R.N. 100332W**

**CA. SAMIR R. PARIKH  
PARTNER  
M.NO. 41506  
VADODARA  
26<sup>th</sup> May, 2018**

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## Management Discussion and Analysis

### Industry Structure and Developments

Jyoti Ltd., a leading engineering ISO-9001:2008 certified Company, serving the core sectors of Power and Water. It offers a wide range of reliable quality hydraulic and electrical products and services. From providing customized solutions to handle liquids, Jyoti, over the years has emerged as a Total Solution Provider by designing and manufacturing wide range of pumps and EPC Pumping Systems by undertaking turn-key projects from concept to commissioning.

The present Government is pushing for infrastructure development and the policies have started showing positive impact on this sector. Many companies in this sector, which were affected badly, are still struggling to come out of the trough for last 3-4 years. Presently the Company is in the process of executing the orders for various projects worth ₹ 386 crores.

The Company has taken several bold steps to remain competitive and to ensure survival by reducing cost and streamlining the overall operations process.

### Opportunities and Threats

As India is slowly but steadily moving towards development under the present Government, Power and Water sectors are prime movers for its economic and social development and growth. Considering the 70 year-old presence of the Company in the Power, Hydel and Lift Irrigation sectors, which are of National Importance, a huge business potential is anticipated.

The Company continues to be very selective in taking orders as the price realisation still remains very low. The challenge to manage the pending orders within the budgeted costs continues and high volatility in the prices of major raw materials is a matter of concern.

The credit extended to the customers is not honoured, which has resulted in high levels of receivables, which have in turn strained the cash flow to a very large extent. Barring unforeseen circumstances, the Company expects to increase its volume of business in the current year.

### Outlook

Water and Power sectors are of National Importance, and for a developing country like India, the demand for energy is expected to grow at a steady rate. Keeping in view the above, the long term outlook for these sectors appears to be bright. There is ample scope and opportunity for companies having businesses in these sectors not to mention the potential of your Company and its large presence in these sectors for many years.

### Risk and Concerns

It must be clearly understood that each industry in particular and each industry segment in general has its own risk, from which it cannot be fully isolated but mitigated by means of proper risk management. Your Company foresees certain areas of risk, concerns and threats in its arena of operations.

The present challenge for the Company is to successfully execute low price orders, within the budgeted cost. The availability and cost of the funds remain very important factors impacting on the plans of the Company and threatening the viability itself. Unless the Government takes strong measures to boost the industrial activity and stimulate the industries by reducing the interest rates and making funds available, it will be difficult for the Capital Goods Industry in India to achieve the targets. Project execution is largely affected by non-availability of skilled and unskilled manpower. Competency-management and retention of employees is becoming increasingly critical. EPC Projects are generally exposed to risk of delay in execution due to factors like right of way, obtaining of various approvals in time, environmental factors, resistance from locals, etc.

### Segment-wise Performance

This is not applicable to the Company as there is only one identified reportable segment.

### **Internal Control Systems**

The Company has an adequate system of internal control procedures, which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorised, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are placed before the Board.

### **Financial Performance and Operational Efficiency**

The Company's net sales were ₹ 259.86 crores in the Financial Year 2017-18 compared to ₹ 265.21 crores for the previous year. Company is continuing various corrective measures to reduce the material cost and other overheads. The Company's EBITDA was ₹ 16.47 crores in the Financial Year 2017-18 compared to ₹ 20.11 crores during the previous year. The Profit for the year before exceptional items was at ₹ 8.29 crores as compared to losses of ₹ 60.58 crores for the previous year.

The lenders of the Company have not charged interest on outstanding bank facilities, since the dues from the Company were categorized as a Non-Performing Asset with all banks from December, 2015 onwards. The Company has also not provided interest amounting to ₹ 86.67 crores for the year ended on 31<sup>st</sup> March, 2018. However, the said interest has been recognized as a Contingent Liability in the financial statements.

After detailed assessment of capital advances, capital work in progress and others, the Management has considered amounting to ₹ 8.10 crores charged to the Statement of Profit and Loss. This incidence has been disclosed as an Exceptional Item. As a result, the Profit before tax for the year is at ₹ 0.19 crores as compared to Loss of ₹ 124.20 crores for the previous year.

### **Human Resource**

The Company considers its employees as its valuable assets, hence the key focus is to train and develop its employees. The Company aims to create a motivated team and to provide them with good opportunities for career growth.

The Company continued its efforts to face a challenging business environment by building the capability of its human resources through various initiatives in development and training of employees.

The Company has undertaken continuous interaction with all employees by frequent visit of senior executives to the project sites which have brought the employees closer and thereby developed a transparent system of communication. Industrial Relations with the employees remain cordial throughout the year. The work and jobs at all levels in the Company are designed, organized and managed effectively by interaction between the management and employees. The employees have been able to meet the challenges from time to time to improve upon performance efficiency and productivity.

In view of the Company's growth plans and current requirements, the primary emphasis is on the quality of talent and multitasking of work force. The Company has a total manpower of 415 as on 31<sup>st</sup> March, 2018.

### **Cautionary Statement**

The statements in the Boards' Report and the Management Discussion and Analysis describing the Company's objectives, explanations and predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statements. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in Government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the Company.

**ANNEXURE C TO THE BOARD'S REPORT**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

 as on Financial Year ended on 31<sup>st</sup> March, 2018

[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:**

1.	CIN	:	L36990GJ1943PLC000363
2.	Registration Date	:	01/01/1943
3.	Name of the Company	:	Jyoti Limited
4.	Category / Sub-Category of the Company	:	Company Limited by shares
5.	Address of the Registered Office and contact details	:	Nanubhai Amin Marg, Industrial Area P.O. Chemical Industries Vadodara – 390 003 (Phone) 0265 – 3054444 (Fax) 0265 – 2281871/2280671
6.	Whether listed Company Yes / No	:	Yes, Listed on Bombay Stock Exchange
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	MCS Share Transfer Agent Limited 88, Sampatrao Colony Neelam Apartment Alkapuri, Vadodara – 390 007 Tel.: 0265 – 2314757, 2350490 Fax : 0265 – 2341639 E-Mail : mcsltdbaroda@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Manufacture of Electric Motors, Generators, Switchgears, Relays, etc.	271 (NIC 2008)	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Jyoti Sohar Switchgear LLC	-	Joint Venture	(49%)	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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	2120345	110	2120455	12.38	2120405	10	2120415	12.38	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3411893	-	3411893	19.92	3472750	-	3472750	20.27	0.35
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	5532238	110	5532348	32.30	5593155	10	5593165	32.65	0.35
(2) Foreign									
a) NRI's Individuals	60857	-	60857	0.35	-	-	-	-	(0.35)
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	60857	-	60857	0.35	-	-	-	-	(0.35)
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	5593095	110	5593205	32.65	5593155	10	5593165	32.65	0.35
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	65	65	-	-	50	50	-	-
b) Banks/FI	643816	1824	645540	3.77	399145	1770	400915	2.34	(1.43)
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	550	550	-	-	550	550	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	643816	2439	646255	3.77	399145	2370	401515	2.34	(1.43)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	6104071	14353	6118424	35.72	5659609	10129	5669738	33.10	(2.62)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lakh	1189435	599433	1788868	10.44	1168834	389154	1557988	9.10	(1.34)
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	2608796	208500	2817296	16.45	3420019	208500	3628519	21.18	4.73
c) Others (specify) NRI & Mutual Fund GDR IEPF Authority	149854	14690	164544	0.96	276817	1250	278067	1.63	0.67
d) Trust	500	-	500	-	-	-	-	-	-
Sub-total (B) (2)	10052656	836976	10889632	63.57	10525279	609033	11134312	65.01	1.44
Total Public Shareholding (B)=(B)(1) + (B)(2)	10696372	839415	11535787	67.35	10924424	611403	11535827	67.35	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Grand Total (A+B+C)	16289467	839525	17128992	100.00	16517579	611413	17128992	100.00	-

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2017			Shareholding at the end of the year 31-03-2018			% 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.	Rahul Nanubhai Amin	10,84,100	6.33	6.33	10,84,100	6.33	6.33	-
2.	Tejal Rahul Amin	6,42,113	3.75	3.75	6,42,113	3.75	3.75	-
3.	Shubhalakshmi Rahul Amin	3,08,397	1.80	1.80	3,08,397	1.80	1.80	-
4.	Nandita Nanubhai Amin	83,115	0.49	-	83,125	0.49	-	-
5.	Chirayu Ramanbhai Amin	590	-	-	590	-	-	-
6.	Mayank Natubhai Amin	2,080	0.01	-	2,080	0.01	-	-
7.	Girish Raojibhai Amin	40	-	-	-	-	-	-
8.	Savitaben Nanubhai Amin	10	-	-	-	-	-	-
9.	Sarojini Dinubhai Amin	10	-	-	10	-	-	-
10.	JSL Industries Ltd.	10,74,239	6.27	6.27	10,74,239	6.27	6.27	-
11.	Insutech Industries Ltd.	23,37,654	13.65	13.65	23,37,654	13.65	13.65	-
12.	Anant Nanubhai Amin	60,857	0.36	-	-	-	-	(0.36)
13.	Winner Innovation Learning Ltd.	-	-	-	60,857	0.36	-	0.36
	Total	55,93,205	32.65	31.80	55,93,165	32.65	31.80	-

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

	Shareholding at the beginning of the year 01-04-2017		Shareholding at the end of the year 31-03-2018	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	55,93,205	32.65	55,93,165	32.65
Date wise increase /decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/bonus/ sweat equity, etc.):	-	-	40 Shares transmitted on 15.06.2017. 60857 Shares Transferred from Anant Nanubhai Amin to Winner Innovation Learning Ltd. on 16/03/2018.	-
At the End of the year	55,93,205	32.65	55,93,165	32.65

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2017		Shareholding at the end of the year 31-03-2018	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Signora Finance Pvt. Ltd.	7,96,278	4.65	-	-
	Chartered Capital Research Pvt. Ltd.	-	-	9,66,278	5.64
2	Latin Manharlal Securities Pvt. Ltd.	7,57,432	4.42	7,57,432	4.42
3	Khyati Realtors Pvt. Ltd.	7,50,000	4.37	7,50,000	4.37
4	Sunidhi Securities & Finance Ltd.	5,40,000	3.15	-	-
	Ruchit Bharat Patel	-	-	5,60,964	3.27
5	Aum Capital Market Pvt. Ltd.	4,85,002	2.83	-	-
	Pivotal Enterprises Pvt. Ltd.	-	-	5,40,000	3.15
6	Blue Bird Mercantiles Pvt. Ltd.	4,29,000	2.50	-	-
	Aum Capital Market Pvt. Ltd.	-	-	4,85,002	2.83
7	Vanraj Vinod Shah	3,80,001	2.22	-	-
	Global Worth Securities Ltd.	-	-	4,36,262	2.55
8	Runner Marketing Pvt. Ltd.	3,40,000	1.98	3,40,000	1.98
9	The Investment Trust of India Limited	3,27,974	1.91	-	-
	Dena Bank	-	-	3,05,530	1.78
10	Dena Bank	3,05,530	1.78	-	-
	Finquest Financial Solutions Pvt. Ltd.	-	-	2,96,300	1.73

**(v) Shareholding of Directors and Key Managerial Personnel (KMP)**

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01-04-2017		Shareholding at the end of the year 31-03-2018	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Name of Director/KMP				
1	Mr. Rahul Amin	10,84,100	6.33	10,84,100	6.33
2	Mrs. Tejal Amin	6,42,113	3.75	6,42,113	3.75
3	Mr. Uresh Desai	550	-	550	-
4	Mr. Vijay Kumar Gulati	50	-	50	-
5	Mr. Shrikar Bhattbhatt	60	-	60	-
6	Mr. Marut Patel*	23	-	-	-
7	Mr. Tushar Dayal	-	-	-	-
8	Dr. Rajesh Khajuria	-	-	-	-
9	Mr. Suresh Singhal	-	-	-	-
10	Mr. Jayesh Verma**	-	-	-	-
11	Mr. Ronak Shah***	-	-	1	-

\*Mr. Marut patel resigned w.e.f. 5<sup>th</sup> February, 2018

\*\*Mr. Jayesh Verma resigned w.e.f. 30<sup>th</sup> June, 2017

\*\*\*Mr. Ronak Shah appointed as Chief Financial Officer w.e.f. 01.01.2018.

**V. INDEBTEDNESS:**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**  
*(` in lakhs)*

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year 01-04-2017</b>				
i) Principal Amount	61784.86	211.19	—	61996.05
ii) Interest due but not paid	11559.96	—	—	11559.96
iii) Interest accrued but not due	48.49	—	—	48.49
<b>Total (i+ii+iii)</b>	<b>73393.31</b>	<b>211.19</b>	<b>—</b>	<b>73604.50</b>
<b>Change in Indebtedness during the Financial Year</b>				
• Addition	—	409.92	—	409.92
• Reduction	3471.61	—	—	3471.61
<b>Net Change</b>	<b>3471.61</b>	<b>409.92</b>	<b>—</b>	<b>3061.69</b>
<b>Indebtedness at the end of the Financial Year 31-03-2018</b>				
i) Principal Amount	58319.63	621.11	—	58940.74
ii) Interest due but not paid	11602.07	—	—	11602.07
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	<b>69921.70</b>	<b>621.11</b>	<b>—</b>	<b>70542.81</b>

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### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### A. Remuneration to Managing Director, Whole-Time Directors and/or Manager

(in `)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Mr. Rahul Amin (Managing Director)
1	Gross salary	Amount (`)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	77,36,508
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	6,25,170
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify	-
5	Others, please specify (Gratuity)	-
	Total (A)	<b>83,61,678</b>
	Ceiling as per the Act	As per approval granted by the Central Government vide its letter dated 15 <sup>th</sup> May, 2017.

#### B. Remuneration to other Directors:

##### I. Independent Directors

(in `)

Particulars of Remunerations	Name of Directors				Total Amount
	Mr. V.K. Gulati	Mr. T.C. Dayal	Mr. S.S. Bhattbhatt	Dr. R.M. Khajuria	
Fee for attending Board / Committee Meetings	14,000	10,000	14,000	12,000	50,000
Commission	-	-	-	-	-
Others	-	-	-	-	-
Total (1)	<b>14,000</b>	<b>10,000</b>	<b>14,000</b>	<b>12,000</b>	<b>50,000</b>

##### II. Other Non-Executive Directors

(in `)

Particulars of Remunerations	Name of Directors			Total Amount
	Mrs. T. R. Amin	Mr. U. V. Desai	Mr. M. R. Patel*	
Fee for attending Board/ Committee Meetings	14,000	10,000	2,000	26,000
Commission	-	-	-	-
Others	-	-	-	-
Total (2)	<b>14,000</b>	<b>10,000</b>	<b>2,000</b>	<b>26,000</b>
Total B = (1+2)				<b>76,000</b>

\*Mr. Marut Patel resigned w.e.f. 5<sup>th</sup> February, 2018.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

(in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CFO*	Company Secretary	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,39,058	18,94,724	26,33,782
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	2,80,139	5,73,333	8,53,472
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify Provident Fund & other	5,51,754	11,54,834	17,06,588
	<b>Total</b>	<b>15,70,951</b>	<b>36,22,891</b>	<b>51,93,842</b>

\*CFO remuneration includes remuneration paid to Mr. Jayesh Verma till 30.06.2017 and remuneration paid to Mr. Ronak Shah from 01.01.2018 to 31.03.2018.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (under the Companies Act): None**

For and on behalf of the Board of Directors

 Vadodara  
 26<sup>th</sup> May, 2018

**Rahul Amin**  
 Chairman & Managing Director  
 (DIN: 00167987)

**Annexure D to the Board's Report**

**FORM NO. AOC - 2**

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>1) Details of contracts or arrangements or transactions not at arm's length basis:</b>					
<b>2) Details of material contracts or arrangements or transactions at arm's length basis :</b>					
<b>(a) Name (s) of the related party and nature of relationship</b>	Jyoti Sohar Switchgear LLC (JSSL), Joint Venture as per Section 2(76) of the Companies Act, 2013.	M/s. Info Jinie Related Party as per Section 2(76) of the Companies Act, 2013.	M/s. JSL Industries Ltd Related Party as per Section 2(76) of the Companies Act, 2013.	M/s. Insutech Industries Ltd Related Party as per Section 2(76) of the Companies Act, 2013.	
<b>(b) Nature of contracts/ arrangements/transactions</b>	Sale of MV HT VCB Panels Switchgear as per separate Purchase Orders given by JSSL from time to time.	Consultancy Services provided as per the Scope of Service defined in agreement dated 01.06.2017.	Sale/purchase/supply of goods and materials such as starters, motors, instrument transformers, control panels, spares, etc. and availing and rendering of related services thereof.	Sale/purchase/supply of goods and materials such as starters, motors, instrument transformers, control panels, spares, etc. and availing and rendering of related services thereof.	
<b>(c) Duration of the contracts/ arrangements/transactions</b>	Till supply of Panels is made as per terms mentioned in respective Purchase Orders.	From 01.06.2017 to 31.05.2018 (The arrangement was discontinued w.e.f. 1 <sup>st</sup> July, 2017)	From 01.04.2017 to 31.03.2018.	From 01.04.2017 to 31.03.2018.	
<b>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</b>	As per Purchase Order given by JSSL from time to time on mutually agreed terms. Value - 515.79 lakhs (01.04.2017 to 31.03.2018).	As per Consultancy Agreement dated 01.06.2017. Value - 18 lakhs per annum.	The sale, purchase or supply of goods and materials and availing and rendering services are made as and when required on the basis of merits and on the terms which are not less favourable to the Company. Value 424.49 lakhs (01.04.2017 to 31.03.2018).	The sale, purchase or supply of goods and materials and availing and rendering services are made as and when required on the basis of merits and on the terms which are not less favourable to the Company. Value 172.45 lakhs (01.04.2017 to 31.03.2018).	
<b>(e) Date (s) of approval by the Board, if any</b>	Approved by the Audit Committee of the Board of Directors on 21.03.2017.	Approved by the Audit Committee of the Board of Directors on 13.05.2017 and by the Board of Directors of the Company on 13.05.2017.	Approved by the Audit Committee of the Board of Directors on 21.03.2017 and by the Board of Directors of the Company on 21.03.2017.	Approved by the Audit Committee of the Board of Directors on 21.03.2017 and by the Board of Directors of the Company on 21.03.2017.	
<b>(f) Amount paid as advances, if any</b>	NIL	Not Applicable	364.27 lakhs	126.13 lakhs	

The other details are mentioned in Note No. **25 (10)** of attached Financial Statements for the year ended 31<sup>st</sup> March, 2018.

For and on behalf of the Board of Directors

Vadodara  
26<sup>th</sup> May, 2018

**Rahul Amin**  
Chairman & Managing Director  
(DIN: 00167987)

**Annexure E to the Board's Report**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year ended 31<sup>st</sup> March, 2018

*[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 Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jyoti Limited (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of 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 on 31<sup>st</sup> March, 2018, generally 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 Jyoti Limited ("the Company") for the Financial Year ended on 31<sup>st</sup> March, 2018, verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent of their applicability to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, ('SEBI Act'):-
  - (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, 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 (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) There are no laws which are specifically applicable to the Company.

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

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

### **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. 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.

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 Meeting and Committee Meetings were carried out unanimously. As per record available in the said minutes there were no dissenting views were expressed by any directors during the meeting.

**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 audit period the Company, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above other than those listed below:

1. At the 73<sup>rd</sup> Annual General Meeting of Shareholders of the Company, Special Resolution for alteration of Articles of Association and Special Resolution for allowing Company to mortgage its property, were proposed. However, requisite majority for the said resolutions were not obtained and therefore, said resolutions were not passed at the Annual General Meeting.
2. As informed by the Company at the time of last Secretarial Audit for the year 2015-16 that due to unilateral termination of Shareholders Agreement dated 14<sup>th</sup> September, 2010 by Finquest Financial Solutions Private Limited voting rights attached to 18,00,000 Equity Shares got ceased to exist and a public notice in this regard was issued by the Company. Based on the above, two reports were given by Scrutinizer and Chairman of the Company accepted the report considering 17,39,960 votes as invalid votes while deciding on the approval of all the resolutions in the 73<sup>rd</sup> Annual General Meeting of the Company.
3. As informed by the Company at the time of last Secretarial Audit for the year 2015-16 the Company had resorted to Arbitration process for unilateral termination of Shareholders Agreement dated 14.09.2010 and consequent action for cessation of voting rights of 18,00,000 shares and certain shareholders have also filed litigation in CLB/NCLT related to certain resolutions of

AGM 2014 and AGM 2015 and have also challenged cessation of voting rights of 18,00,000 shares by the Company. As on date, no order is pronounced by the respective Judicial Bodies.

4. The Company had received Share Application Money of ` 1980 lakhs between June, 2013 to December, 2013 as required under Corporate Debt Restructuring Scheme, however, Equity Shares yet to be allotted against the said Application Money.
5. During the year in pursuance to regulations 3(1) and 4 and other applicable provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, an open offer was made by Mr. Lavjibhai Dungarbhai Daliya and Anjani Residency Pvt. Ltd. to the equity shareholders of Jyoti Limited for acquiring 1,28,46,744 equity shares of face value of Rs. 10/- each at a price of Rs.70/- per fully paid up equity share.

This report is to be read with our letter of even date which is annexed as Annexure - A and forms an integral part of this report.

**For, Ravi Kapoor & Associates**

**Ahmedabad**  
**26<sup>th</sup> May, 2018**

**Ravi Kapoor**  
**Company Secretary in practice**  
**FCS No. 2587**  
**C P No.: 2407**

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**Annexure - A**

To,  
The Members,  
Jyoti Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of Management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For, Ravi Kapoor & Associates**

**Ahmedabad**  
**26<sup>th</sup> May, 2018**

**Ravi Kapoor**  
**Company Secretary in practice**  
**FCS No. 2587**  
**C P No.: 2407**

### Annexure F to the Board's Report

Disclosure under Rule 5 of the Companies (Appointment and 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 2017-18.

Sr. No.	Name of Director	Ratio
(i)	Mr. Rahul N. Amin	28.98 : 1
(ii)	Mrs. Tejal Amin	N.A.
(iii)	Mr. Uresh Desai	N.A.
(iv)	Mr. Tushar Dayal	N.A.
(v)	Mr. Vijay Kumar Gulati	N.A.
(vi)	Mr. Shrikar Bhattbhatt	N.A.
(vii)	Mr. Marut Patel*	N.A.
(viii)	Dr. Rajesh Khajuria	N.A.

\*Mr. Marut Patel resigned w.e.f. 5<sup>th</sup> February, 2018

- The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2017-18 compared to 2016-17.

Remuneration increased of any Director	Nil
Remuneration increased of Company Secretary	5%
Remuneration increased of Chief Financial Officer	Nil

- The percentage increase in the median remuneration of employees in the Financial Year 2017-18 compared to 2016-17 is 10.57 %.

4. The number of permanent employees on the role of the Company	31.03.2018	31.03.2017
	415	458

- Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.

Average Percentile increase in remuneration of employees is in line with the increase in Managerial Remuneration. There was no exceptional increase in the Managerial Remuneration.

- The Board of Directors of the Company affirms that the remuneration is as per the Remuneration policy of the Company.
- The Statement Showing the remuneration drawn by the top ten employees for the Financial Year 2017-18.

Name of Employee	Designation	Remuneration Received	Nature of Employment	Qualification & Experience	Date of Commencement of Employment	Age	Last Employment held	% of Equity Shares held	Relationship with Director or Manager of the Company, if any
Rahul N. Amin	Chairman & Managing Director	83,61,678	Contractual	B.E. – Electrical; M.E. 38 Yrs	Since 1999	65	-	10,84,100 (6.33%)	Mrs. Tejal Amin, Director of the Company is his wife
A. S. Gopalkrishnan	Chief Operating Officer	50,61,142	Permanent	B.E. – Mechanical 30 Yrs	07/05/1998	51	Kishor Pumps Pvt. Ltd.	-	-
Suresh Singhal	Vice President (Legal) & Company Secretary	36,22,891	Permanent	B.Com. (H) & CS 27 Yrs	05/10/2000	50	Diamines & Chemicals Ltd.	-	-
Ronak Shah	Chief Financial Officer	16,87,299	Permanent	B.Com, M.Com & CA 9 Yrs	02/02/2010	32	Airon Corporation	1	-
Paresh Shah	General Manager	20,50,498	Permanent	B.E. – Electrical, 23 Yrs	01/09/2008	45	ABB Ltd.	-	-
R. Sairam	General Manager	24,92,406	Permanent	Diploma – Mechanical 32 Yrs	18/01/2010	53	Flowmore Ltd.	-	-
Kalpana Patel	Deputy General Manager	18,94,468	Permanent	Diploma – Electrical 26 Yrs	01/01/1992	49	-	-	-
P. J. Raut	General Manager	19,16,685	Permanent	Diploma – Mechanical 34 Yrs	04/06/2012	55	Indiana Gratings Pvt. Ltd.	-	-
E.V. Subrahmanyam	General Manager	19,94,649	Permanent	Diploma – Electrical 26 Yrs	07/01/1998	49	Calama Pumps Pvt. Ltd.	-	-
J. Mukhopadhyay	General Manager	17,47,432	Permanent	I.E. Mech. Engg. 24 Yrs	18/01/2010	47	Worthington Pumps I. Ltd.	-	-

### **INDEPENDENT AUDITORS' REPORT**

To the Members of **Jyoti Limited**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying Standalone Ind AS Financial Statements of **Jyoti Limited** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **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 of these standalone Ind AS Financial Statements that give a true and fair view of the financial position and financial performance 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 the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 internal financial control, 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 Standalone Ind AS Financial Statements by the Directors of the Company, as aforesaid.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Ind AS 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 there under.

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 disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial Statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS Financial Statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, 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 31<sup>st</sup> March, 2018, and its Profit, its cash flows and its changes in Equity Statement for the year ended on that date.

### **Emphasis of Matters**

- a) Note No. 25(16) in the Ind AS Financial Statements which indicates that, In view of continued losses, total erosion of the Net Worth, Current Liabilities Exceeds Current Assets, Liquidity constraint, Inability to comply with the terms of loan agreements and that Lenders have under section 13 (2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI Act”), given notices to the Company in the year 2016. There is an uncertainty about the Company’s ability to continue as a going concern.

However, the Company is of the view that considering ongoing operations with improved business prospects, recovery of old outstanding through cut back mechanism, continues to execute orders in hand & obtain new orders despite adversities and acquisition of total debt of the Company due with Dena Bank by RARE ARC, the Management is very positive about the Company’s viability and optimistic about its future.

In view thereof, the Financial Statements have been prepared by the Management on a ‘Going Concern’ basis and no adjustment is considered necessary, except for the provisions made in the books of account, to the recorded assets, recorded liabilities, contingent liabilities and other commitments.

- b) Note No.25(13) (a)&(b) and 25 (19) of the Ind AS Financial Statements regarding recoverability of Trade Receivables, Advances and Impairment of Assets other than those provided for during the year, which has been considered good by the Management.
- c) Note No. 25(18) in the Ind AS Financial Statements which indicates that, the Company has not provided interest on outstanding Bank Facilities amounting to ` 8665.95 Lakhs for the year ended on 31<sup>st</sup> March, 2018, since the dues of the company were categorized as Non Performing Assets by all the Banks from December, 2015 and onwards.
- d) Note No. 25(17) in the Ind AS Financial Statements which indicates that, RARE Asset Reconstruction Pvt. Ltd. (RARE ARC) has acquired financial assets of the company together with all security interest including all its rights, title, interest and benefits in respect of total debt of the company with Dena Bank. In turn, dues with the Dena Bank has squared up and assigned to RARE ARC. Further, part of the debts due to ARC is converted into Equity Shares on 02<sup>nd</sup> May, 2018.

Our opinion is not modified in respect of these matters.

### **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 Companies Act 2013, 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) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our 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;
  - c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;

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- e) The matters described in sub-paragraph (a), (b), (c) & (d) under the Emphasis of Matters paragraph above, in our opinion, may have an effect on the functioning of the Company;
- f) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013;
- g) The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the internal control over financial reporting criteria established by the Company. Refer to our separate report in Annexure "B"; and;
- h) With respect to the other matters included in the Auditor's Report in accordance with the rule 11 of the Companies (Audit and Auditors) 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 note no 25 (3);
  - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts;
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except dividend under dispute amounting to ` 4.08 lakhs, which is subjudice;
  - iv) Share Application Money of ` 1980 lakhs outstanding since financial year 2013-14. We have been given to understand by the Management that as there was no possibility of converting Share Application Money into Equity Shares, the Board of Directors in its meeting held on 14<sup>th</sup> March, 2018 decided to refund the Share Application Money to Promoter Group Entities.

Vadodara  
26<sup>th</sup> May, 2018

**For AMIN PARIKH & CO.**  
*Chartered Accountants*  
Firm Reg. No. 100332W  
**CA SAMIR R. PARIKH**  
PARTNER  
M.No. 41506

## Annexure-A to Auditors' Report

### Annexure Referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2018, we report that:

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
  - (b) Fixed Assets have been physically verified by the Management during the year as per the phased programme of physical verification of fixed assets. As informed to us, the programme is such that all the fixed assets will get physically verified in every year. In our opinion the same is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventory (except those lying with contractors) has been physically verified by the Management at the year end. According to the information and explanations given to us, there was no material discrepancies were noticed on such physical verification of inventory as compared to the book records.
- (iii) According to 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. Hence, provisions of sub clauses (iii) (a), (b) & (c) are not applicable to the Company.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respects of loans, investments, guarantees and security.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the Public.
- (vi) To the best of our knowledge and explanations provided by the management, the maintenance of cost records has been prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Such accounts and records have been made and are maintained by the Company.
- (vii) According to the information and explanations given to us in respect of statutory and other dues:
  - (a) The Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and any other material statutory dues to the appropriate authorities during the year. Based on our audit procedures and according to the information and explanation given to us, there are no arrears of statutory dues which has remained outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and on the basis of the records produced before us by the Company, except for the cases stated below, there are no material dues payable in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax and goods & service tax which have not been deposited on account of any dispute.

Sr. no	Name of the Statute & Nature of Dues	Total Demand ( ₹ lakhs)	Period	Forum where dispute is pending
1	Income Tax Act, 1961 (Income Tax)*	2850.41	2012-13	Commissioner of Income Tax (Appeals)
2	Income Tax Act, 1961 (Income Tax)	80.11	2013-14	Income Tax Appellate Tribunal
3	The Central Excise Act, 1944 (Excise Duty)	5.74	2006 To Jan, 11	Central Excise & Service Tax Appellate Tribunal – A' Bad.
		3.02	Feb, 2011 To Dec, 2011	Central Excise & Service Tax Appellate Tribunal – A' Bad.
4	The Finance Act, 1994 ( Service Tax)	1.60	Dec, 04 To Nov, 09	Central Excise & Service Tax Appellate Tribunal – A' Bad.
		0.10	Sep, 13 To Jun, 14	The Superintendent, Central Excise, Customs and Service Tax, Vadodara
		3.09	Apr, 05 To Mar, 10	Central Excise & Service Tax Appellate Tribunal – A' Bad.
		184.76	July, 97 To Dec, 2000	Supreme Court of India.
		116.87	July, 12 To Apr, 16	Central Excise & Service Tax, Additional Commissioner, Vadodara
		0.17	Apr, 16 To June, 17	Superintendent CGST & Central Excise, Div-I, Range-IV, Vadodara-I

\*Refer Note No. 25(3) (b).

- (viii) (a) Based on our audit procedures and as per the information and explanations given by the Management, the Company has delayed in payment of Devolved Letters of Credit, Bank Guarantee and Loan Installments to Banks. The following are the details of the delays:

Particulars	Amt during the year ( ₹ Lakhs)	Period of Delays (in days)
Letters of Credit Devolved	1779.43	More than 90 days
Bank Guarantee Devolved	261.30	More than 90 days
Loan Installments	441.57	More than 90 days
<b>TOTAL AMOUNT</b>	<b>2482.30</b>	

- (b) The Company has overdue amount as on 31<sup>st</sup> March, 2018 on account of installments and interest on various Term Loans, Working Capital Demand Loans, Letters of Credit and Bank Guarantee Devolved of ₹ 28,636.05 Lakhs.

( ₹ Lakhs)

Particulars	Period of Default (in days)		Amt. during the Year
	Upto 90 days	Above 90 days	
Interests on Term Loans, WCDL & CC	—	11602.07	11602.07
Letters of Credit Devolved	—	3734.92	3734.92
Installment of Term Loans	775.31	7566.99	8342.30
Technology Development Board-Installment	—	444.44	444.44
Loan from Asset Reconstruction Company	309.44	4202.88	4512.33
<b>TOTAL AMOUNT</b>	<b>1084.75</b>	<b>27551.30</b>	<b>28636.05</b>

- (ix) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) As per information and explanations given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanation given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) According to information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Vadodara  
26<sup>th</sup> May, 2018

**For AMIN PARIKH & CO.**  
*Chartered Accountants*  
Firm Reg. No. 100332W  
**CA SAMIR R. PARIKH**  
PARTNER  
M.No. 41506

### **Annexure – B to the Auditors' Report**

#### **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 Limited ("the Company") as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the Standalone Ind AS 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 issued by the Institute of Chartered Accountants of India. 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 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 Companies Act, 2013.

#### **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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 authorizations of management and directors of the company; and (3) provide

reasonable assurance regarding prevention or timely detection of unauthorized 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 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.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, 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 issued by the Institute of Chartered Accountants of India.

### **Emphasis of Matters**

1. The accounts of Trade Receivables, Trade Payables and Advances are subject to reconciliation/confirmation. The Management does not expect any material difference affecting the financial statements on reconciliation.
2. The Company has not provided interest on outstanding Bank Facilities amounting to ` 8665.95 Lakhs for the year ended on 31<sup>st</sup> March 2018, since the dues of the company were categorized as Non Performing Assets by all the Banks from December, 2015 and onwards.

In our opinion, this may have an effect on the functioning of the Company. However, our opinion is not modified in respect of these matters.

Vadodara  
26<sup>th</sup> May, 2018

**For AMIN PARIKH & CO.**  
*Chartered Accountants*  
Firm Reg. No. 100332W

**CA SAMIR R. PARIKH**  
PARTNER  
M.No. 41506

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### BALANCE SHEET as at 31<sup>st</sup> March, 2018

	Note No.	As at 31-03-2018 lakhs	As at 31-03-2017 lakhs	As at 01-04-2016 lakhs
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	1	8,167.17	8,908.54	9,697.45
(b) Capital work-in-progress		2,852.40	3,223.13	3,399.13
(c) Intangible Property	1	11.81	0.64	16.43
(d) Financial Assets				
i) Investments	2	123.97	123.98	123.98
(e) Other non-current assets	3	1,197.14	1,431.58	1,393.74
		<u>12,352.49</u>	<u>13,687.87</u>	<u>14,630.73</u>
<b>Current assets</b>				
(a) Inventories	4	2,623.76	4,364.15	5,955.43
(b) Financial Assets				
i) Trade receivables	5	30,030.92	31,818.46	34,280.71
ii) Cash and cash equivalents	6	383.85	191.36	114.90
iii) Bank balances other than (ii) above	7	1,327.57	1,755.13	1,167.32
(c) Other current assets	8	3,883.43	4,380.59	4,415.89
		<u>38,249.53</u>	<u>42,509.69</u>	<u>45,934.25</u>
<b>Total Assets</b>		<u><b>50,602.02</b></u>	<u><b>56,197.56</b></u>	<u><b>60,564.98</b></u>
<b>EQUITY and LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	9	1,712.90	1,712.90	1,712.90
(b) Other Equity		(36,385.64)	(36,579.62)	(24,156.37)
		<u>(34,672.74)</u>	<u>(34,866.72)</u>	<u>(22,443.47)</u>
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
i) Borrowings	10	19,096.93	23,320.50	27,881.72
(b) Provisions	11	590.84	700.64	875.39
(c) Deferred tax liabilities (Net)	25 (11b)	494.13	576.88	607.66
(d) Other non-current liabilities	12	2,697.33	3,222.90	3,942.30
		<u>22,879.23</u>	<u>27,820.92</u>	<u>33,307.07</u>
<b>Current liabilities</b>				
(a) Financial Liabilities				
i) Borrowings	13	39,222.70	38,464.36	32,601.87
ii) Trade payables	14	10,051.76	11,189.40	10,706.34
iii) Other financial liabilities	15	11,602.07	11,608.45	3,603.70
(b) Provisions	16	107.21	150.75	233.90
(c) Other current liabilities	17	1,411.79	1,830.40	2,555.57
		<u>62,395.53</u>	<u>63,243.36</u>	<u>49,701.38</u>
<b>Total Equity and Liabilities</b>		<u><b>50,602.02</b></u>	<u><b>56,197.56</b></u>	<u><b>60,564.98</b></u>

The accompanying notes are an intergral part of the financial statements. 25

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants

F.R.N. 100332W

**CA. Samir R. Parikh**

Partner

M. No. 41506

Vadodara

26<sup>th</sup> May, 2018

**Suresh Singhal**

Vice President (Legal) &  
Company Secretary

**Ronak Shah**

Chief Financial Officer

**Rahul N. Amin**

Chairman & Managing Director

Directors

**Mrs. T. R. Amin**

**Mr. T. C. Dayal**

**Mr. S. S. Bhattbhatt**

**Mr. U.V. Desai**

**Mr. V. K. Gulati**

**Dr. R. M. Khajuria**

Vadodara

26<sup>th</sup> May, 2018

**STATEMENT OF PROFIT AND LOSS for the year ended 31<sup>st</sup> March, 2018**

	Note No.	2017-2018 ` lakhs	2016-2017 ` lakhs
Revenue From Operations	18	<b>26,019.90</b>	26,921.09
Other Income	19	<b>365.43</b>	356.84
<b>Total Income (I)</b>		<b>26,385.33</b>	<b>27,277.93</b>
<b>Expenses</b>			
Cost of material and components consumed	20	<b>17,582.61</b>	17,786.88
Changes in inventories of finished goods, work-in-progress	21	<b>1,302.07</b>	1,622.55
Employee Benefits Expense	22	<b>3,135.82</b>	3,107.18
Finance costs	23	<b>169.76</b>	7,357.08
Depreciation and amortisation expense		<b>1,013.73</b>	1,069.32
Other expenses	24	<b>2,352.62</b>	2,393.46
<b>Total Expenses (II)</b>		<b>25,556.61</b>	<b>33,336.47</b>
<b>Profit/(Loss) Before Exceptional Items (I)-(II)</b>		<b>828.72</b>	(6,058.54)
Exceptional Items	25 (19)	<b>810.00</b>	6,360.97
<b>Profit/(Loss) Before Tax</b>		<b>18.72</b>	(12,419.51)
<b>Tax Expense:</b>			
- Current Tax		-	-
- Deferred Tax	25 (11a)	<b>(82.75)</b>	(30.78)
<b>Profit/ (Loss) for the year</b>		<b>101.47</b>	<b>(12,388.73)</b>
Other comprehensive income			
Actuarial gain / (loss) on employee benefits		<b>92.51</b>	(34.52)
<b>Total Comprehensive Income</b>		<b>193.98</b>	<b>(12,423.25)</b>
Earning per Share (Basic & Diluted) (In `) (Face Value ` 10/-)		0.59	(72.33)
The accompanying notes are an intergral part of the financial statements.	25		

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants

F.R.N. 100332W

**CA. Samir R. Parikh**

Partner

M. No. 41506

Vadodara

26<sup>th</sup> May, 2018

**Suresh Singhal**  
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**Mrs. T. R. Amin**      **Mr. U.V. Desai**  
**Mr. T. C. Dayal**      **Mr. V. K. Gulati**  
**Mr. S. S. Bhattbhatt**      **Dr. R. M. Khajuria**

Vadodara  
26<sup>th</sup> May, 2018

## STATEMENT OF CHANGES IN EQUITY

### A. Equity Share Capital

Particulars	No. of Shares	lakhs
Balance as at 1 <sup>st</sup> April, 2016	17,128,992	1,712.90
Changes in equity share capital during FY 2016-17	-	-
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>17,128,992</b>	<b>1,712.90</b>
Balance as at 1 <sup>st</sup> April, 2017	17,128,992	1,712.90
Changes in equity share capital during FY 2017-18	-	-
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>17,128,992</b>	<b>1,712.90</b>

### B. Other Equity

Particulars	Reserves and Surplus							Items of Other Comprehensive Income	Total Other Equity
	Share Application Money	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve	Retained Earnings		
Balance as at 1 <sup>st</sup> April, 2016	1,980.00	253.04	25.00	6,684.48	411.47	39.68	(33,632.80)	82.76	(24,156.37)
Profit for the period							(12,388.73)		(12,388.73)
Other Comprehensive Income-Actuarial Gains / (Losses) (OCI)								(34.52)	(34.52)
Transferred to General Reserve					(1.50)				(1.50)
Transferred from General Reserve						1.50			1.50
Balance at 31 <sup>st</sup> March, 2017	1,980.00	253.04	25.00	6,684.48	409.97	41.18	(46,021.53)	48.24	(36,579.62)
Balance at 1 <sup>st</sup> April, 2017	1,980.00	253.04	25.00	6,684.48	409.97	41.18	(46,021.53)	48.24	(36,579.62)
Profit for the period							101.47		101.47
Other Comprehensive Income - Actuarial Gains / (Losses) (OCI)								92.51	92.51
Transferred to General Reserve					(1.51)				(1.51)
Transferred from General Reserve						1.51			1.51
Balance at 31 <sup>st</sup> March, 2018	1,980.00	253.04	25.00	6,684.48	408.46	42.69	(45,920.06)	140.75	(36,385.64)

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants  
F.R.N. 100332W

**CA. Samir R. Parikh**  
Partner  
M. No. 41506

Vadodara  
26<sup>th</sup> May, 2018

**Suresh Singhal**  
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**Mrs. T. R. Amin**      **Mr. U.V. Desai**  
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**Mr. S. S. Bhattbhatt**      **Dr. R. M. Khajuria**

Vadodara  
26<sup>th</sup> May, 2018

**Notes to Financial Statements**
**Note 1 : Property, Plant and Equipment**

( lakhs )

PARTICULARS	TANGIBLE ASSETS										TOTAL TANGIBLE ASSETS	INTANGIBLE ASSETS Software Licences	GRAND TOTAL	
	*Land Freehold	Buildings	Plant & Equipments	R & D Equipments	Furniture & Fixture	Vehicles	Office Equipments	Electrical Installation						
<b>GROSS BLOCK</b>														
As at 1 <sup>st</sup> April 2016	650.42	3,022.91	11,204.50	1,818.77	331.52	289.92	701.76	153.53				18,173.33	345.59	18,518.92
Additions	168.82	-	19.17	-	4.04	110.09	4.49	-	-	-	-	306.61	-	306.61
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deductions / Amortisation	-	-	24.47	-	1.50	64.91	11.97	-	-	-	-	102.85	-	102.85
As at 31 <sup>st</sup> March 2017	819.24	3,022.91	11,199.20	1,818.77	334.06	335.10	694.28	153.53				18,377.09	345.59	18,722.68
Additions	45.95	48.93	45.11	-	0.19	105.75	43.99	-	-	-	-	289.92	14.28	304.20
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deductions / Amortisation	-	-	-	-	0.75	74.10	2.17	-	-	-	-	77.02	-	77.02
As at 31 <sup>st</sup> March 2018	865.19	3,071.84	11,244.31	1,818.77	333.50	366.75	736.10	153.53				18,589.99	359.87	18,949.86
<b>DEPRECIATION</b>														
Upto 1 <sup>st</sup> April 2016	-	835.00	5,926.03	609.73	203.87	169.52	666.54	65.19				8,475.88	329.16	8,805.04
For the year	-	74.99	774.90	93.53	26.45	35.04	19.70	13.82				1,038.43	15.79	1,054.22
Adjustments	-	-	15.10	-	-	-	-	-	-	-	-	15.10	-	15.10
Deductions / Amortisation	-	-	3.87	-	0.96	44.68	11.35	-	-	-	-	60.86	-	60.86
As at 31 <sup>st</sup> March 2017	-	909.99	6,712.16	703.26	229.36	159.88	674.89	79.01				9,468.55	344.95	9,813.50
For the year	-	75.68	751.74	73.71	26.25	40.89	13.35	13.40				995.02	3.11	998.13
Adjustments	-	-	15.60	-	-	-	-	-	-	-	-	15.60	-	15.60
Deductions / Amortisation	-	-	-	-	0.65	53.73	1.97	-	-	-	-	56.35	-	56.35
As at 31 <sup>st</sup> March 2018	-	985.67	7,479.50	776.97	254.96	147.04	686.27	92.41				10,422.82	348.06	10,770.88
<b>NET BLOCK</b>														
As at 1 <sup>st</sup> April 2016	650.42	2,187.91	5,278.47	1,209.04	127.65	120.40	35.22	88.34				9,697.45	16.43	9,713.88
As at 31 <sup>st</sup> March 2017	819.24	2,112.92	4,487.04	1,115.51	104.70	175.22	19.39	74.52				8,908.54	0.64	8,909.18
As at 31 <sup>st</sup> March 2018	865.19	2,086.17	3,764.81	1,041.80	78.54	219.71	49.83	61.12				8,167.17	11.81	8,178.98

**Note :**

- 1) Vehicles include gross value of ` 6.10 lakhs purchased under hire purchase arrangements .
- 2) \* Part of the Land is given on long term lease.
- 3) See Note No.25 (1) ( 1.6 ) ( v ) Adjustments includes provision for impairment of assets amounting to ` 15.60 lakhs (Previous Year ` 15.10 lakhs)

## Notes to Financial Statements

### Note 2 - Non-current Investments(at cost)

	Nos.	Face Value	As at 31-03-2018 lakhs	As at 31-03-2017 lakhs	As at 01-04-2016 lakhs
<b>A Trade Investment</b>					
<b>Investment in Equity Instruments</b>					
<b>[1] Quoted :</b>					
JSL Industries Ltd. (Associate Company)	29,255	10	<b>3.37</b>	3.37	3.37
<b>Investment in Joint Venture Company</b>					
<b>[2] Unquoted :</b>					
Jyoti Sohar Switchgear LLC, Oman @	490,000	(RO) 1	<b>86.73</b>	86.73	86.73
<b>B Others</b>					
<b>Investment in Equity Instruments</b>					
<b>[1] Quoted :</b>					
MPIL Corporation Ltd.	2	10	* <b>0.00</b>	* 0.00	-
Mather & Platt Fire Systems Ltd.	9	10	* <b>0.00</b>	* 0.00	-
Kirloskar Brothers Investments Ltd.	-	2	-	-	-
	(52)				
Kirloskar Oil Engines Limited	790	2	<b>0.01</b>	0.01	0.01
Kirloskar Pneumatic Co., Limited	68	10	<b>0.01</b>	0.01	0.01
ABB India Limited	335	2	<b>0.32</b>	0.32	0.32
S. Kumars Nationwide Ltd.	50	10	* <b>0.00</b>	* 0.00	-
Kotia Enterprises	300	10	<b>0.06</b>	0.06	0.06
WPIL Ltd.	50	10	<b>0.01</b>	0.01	0.01
			<b>0.41</b>	0.41	0.41
Less:Provision for other than temporary diminution in value			<b>0.01</b>	* 0.00	-
			<b>0.40</b>	0.41	0.41
<b>[2] Unquoted :</b>					
S & S Power Switchgear Ltd.	50	10	<b>0.07</b>	0.07	0.07
SLM Maneklal Industries Ltd.	10	100	<b>0.01</b>	0.01	0.01
Advance Bio-Coal (India) Ltd. Engineering Raw Materials Consumers' Corpn. Ltd.	500	10	<b>0.05</b>	0.05	0.05
Alternative Energy Industries Ltd.	10	1000	<b>0.10</b>	0.10	0.10
Gujarat Small Industries Baroda Industrial Development Corporation Ltd.	50	10	<b>0.01</b>	0.01	0.01
Gujarat State Financial Corporation	60	100	<b>0.06</b>	0.06	0.06
Co-Operative Bank of Baroda Ltd.	132	1000	<b>1.32</b>	1.32	1.32
Uma Co-Operative Bank Ltd.	100	10	<b>0.01</b>	0.01	0.01
	100	25	<b>0.03</b>	0.03	0.03
	440	25	<b>0.11</b>	0.11	0.11
			<b>1.77</b>	1.77	1.77
<b>C Investments in Government Securities (Unquoted)</b>					
6/7 Years National Savings Certificates (` 1,64,360 deposited with Government)	-	164,360	<b>1.64</b>	1.64	1.64
Sardar Sarovar Narmada Nigam Ltd.	-	3,000,000	<b>30.06</b>	30.06	30.06
			<b>31.70</b>	31.70	31.70
<b>Total Investments</b>			<b>123.97</b>	123.98	123.98
a) Aggregate amount of Quoted Investments (Market value of ` 41.33 lakhs (Previous year ` 46.39 lakhs))			<b>3.77</b>	3.78	3.78
b) Aggregate amount of Unquoted Investments			<b>120.20</b>	120.20	120.20
			<b>123.97</b>	123.98	123.98
Aggregate provision for diminution in value of investments			0.01	* 0.00	-

@ Equity investments in this Company carry certain restrictions on transfer of shares that are normally provided for in joint venture agreement.

\* Nominal value

## Notes to Financial Statements

	As at 31-03-2018 lakhs	As at 31-03-2017 lakhs	As at 01-04-2016 lakhs
<b>Note 3 - Other non-current assets</b>			
Unsecured, considered good			
Capital advances	9.60	377.84	406.56
Security deposits	101.06	107.16	108.14
Advance payments and MAT credit of Income tax (net of provisions ` 1124.33 (Previous year ` 1124.33))	1,086.48	946.58	879.04
	<u>1,197.14</u>	<u>1,431.58</u>	<u>1,393.74</u>
<b>Note 4 - Inventories</b>			
(Valued at lower of cost and net realisable value)			
(Refer note 25(1)(1.8))			
Raw Materials and Components	916.68	1,355.00	1,257.17
Material in Transit	-	-	66.56
Work-in-progress	1,676.39	2,669.16	4,431.89
Finished Goods	30.69	339.99	199.81
	<u>2,623.76</u>	<u>4,364.15</u>	<u>5,955.43</u>
<b>Note 5 - Trade Receivables</b>			
Unsecured, considered good			
Considered Good	36,449.62	38,179.43	34,586.33
Less: Provision for doubtful trade receivables	6,418.70	6,360.97	305.62
	<u>30,030.92</u>	<u>31,818.46</u>	<u>34,280.71</u>
<b>Note 6 - Cash and cash equivalents</b>			
Balance in Current Account with Banks	368.19	179.29	73.64
Cheques, drafts on hand	-	-	22.89
Cash on hand	15.66	12.07	18.37
	<u>383.85</u>	<u>191.36</u>	<u>114.90</u>
<b>Note 7 - Other Bank balances</b>			
Unclaimed Dividend Accounts	10.56	14.31	14.31
Margin Money Deposits with Banks (Due within 12 months ` 946.37 (Previous year ` 1348.73))	1,317.01	1,740.82	1,153.01
	<u>1,327.57</u>	<u>1,755.13</u>	<u>1,167.32</u>
Margin Money Deposits given as security for guarantees / letters of credit given by the banks.			
<b>Note 8 - Other current assets</b>			
Unsecured, considered good			
Advances for supplies and expenses	3,256.89	3,561.74	3,631.46
Less: provision for doubtful advances	-	-	80.82
	<u>3,256.89</u>	<u>3,561.74</u>	<u>3,550.64</u>
Tender deposits/ Security deposits	189.37	165.86	129.75
Advances recoverable in cash or kind	112.12	488.46	454.37
Advances to staff	-	0.76	2.51
Pre-paid expenses	96.90	116.83	157.17
Interest accrued on fixed deposits	62.13	46.94	121.45
Dividend receivable on investment	166.02	-	-
	<u>3,883.43</u>	<u>4,380.59</u>	<u>4,415.89</u>

## Notes to Financial Statements

	As at 31-03-2018 ` lakhs	As at 31-03-2017 ` lakhs	As at 01-04-2016 ` lakhs
<b>Note 9 - Equity Share Capital</b>			
a) The Company has only one class of shares referred to as equity shares having a par value of ` 10/-			
<b>Authorised</b>			
2,50,00,000 (31 <sup>st</sup> March,2017: 2,50,00,000 )	2,500.00	2,500.00	2,500.00
Equity Shares of ` 10 each	<u>2,500.00</u>	<u>2,500.00</u>	<u>2,500.00</u>
<b>Issued, Subscribed and Paid Up</b>			
1,71,28,992(31 <sup>st</sup> March,2017: 1,71,28,992)	1,712.90	1,712.90	1,712.90
Equity Shares of ` 10 each fully paid	<u>1,712.90</u>	<u>1,712.90</u>	<u>1,712.90</u>

- b) Reconciliation of the number of shares outstanding and amount at the beginning and at the end of the reporting period :

Particulars	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	No.	` lakhs	No.	` lakhs	No.	` lakhs
Equity Shares of ` 10						
At the beginning of the period	17,128,992	1,712.90	17,128,992	1,712.90	17,128,992	1,712.90
Issued during the period	-	-	-	-	-	-
Outstanding at the end of the period	17,128,992	1,712.90	17,128,992	1,712.90	17,128,992	1,712.90

The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital:

The Company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution / repayment of all creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

- c) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held:

Name of Shareholder	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	No. of Shares Holding held	% of	No. of Shares held	% of Holding	No. of Shares Holding held	% of
1. Insutech Industries Ltd.	2,337,654	13.65	2,337,654	13.65	2,337,654	13.65
2. JSL Industries Ltd.	1,074,239	6.27	1,074,239	6.27	1,074,239	6.27
3. Rahul N. Amin	1,084,100	6.33	1,084,100	6.33	1,084,100	6.33
4. Signora Finance Pvt. Ltd.	-	-	-	-	966,278	5.64
5. Chartered Capital Research Pvt. Ltd.	966,278	5.64	-	-	-	-

## Notes to Financial Statements

	As at 31-03-2018 lakhs	As at 31-03-2017 lakhs	As at 01-04-2016 lakhs
<b>Note 10 - Non-current liabilities</b>			
<b>Borrowings</b>			
<b>Term loans (Secured):</b>			
From Banks	12,585.79	23,170.17	27,509.17
From Technology Development Board	-	150.33	372.55
From Asset Reconstruction Company	6,511.14	-	-
	<u>19,096.93</u>	<u>23,320.50</u>	<u>27,881.72</u>

### Notes :-

- 1) a) The term loans, cash credit facilities and others carry interest @ 11.75% to 12.25% p.a.
- b) The term loans, cash credit facilities, interest accrued and due thereon and non-fund based facilities are secured by a first charge created in favour of consortium members on the stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables and book debts, furniture, fixtures, office equipments and all other movable and immovable properties, (except those created in favour of Technology Development Board), both present and future, of the company situated at Kasba, Dist. Vadodara, Gorwa, Dist. Vadodara, Mogar, Dist. Anand and Moje Sama in registration District and Sub-District of Vadodara, all in the State of Gujarat .
- c) Also Equity Shares of the core Promoter group have been pledged to consortium members, total no. of shares 54,46,503 equivalent to 31.80% of total Equity Shares.
- 2) The term loans from Technology Development Board carries interest @ 5% and is secured by first charge on the assets created for Wind Turbine Project both, present and future.
- 3) Further, these facilities are also secured by the personal guarantee of Promoter Directors.
- 4) Please refer note 25(20) for repayment schedule.

### Note 11 - Provisions

Employee benefits	590.84	700.64	875.39
	<u>590.84</u>	<u>700.64</u>	<u>875.39</u>

### Note 12 - Other non-current liabilities

Advances from customers	2,697.33	3,222.90	3,942.30
	<u>2,697.33</u>	<u>3,222.90</u>	<u>3,942.30</u>

### Note 13 - Current liabilities

#### Borrowings

#### Loans payable on demand (Secured) :

From Banks	14,349.26	26,337.31	25,036.04
(Including Due but not paid ` 3734.92 (P/Y ` 7661.68))			
From Asset Reconstruction Company	9,186.62	-	-
(Including Due but not paid ` 1832.46)			

#### Term loans (Secured):

From Banks	11,372.38	11,463.50	7,124.50
(Including Due but not paid ` 8342.30 (P/Y ` 7124.50))			
From Technology Development Board	591.66	663.55	441.33
(Including Due but not paid ` 444.44 (P/Y ` 441.33))			
From Asset Reconstruction Company	3,722.78	-	-
(Including Due but not paid ` 2679.86)			
	<u>39,222.70</u>	<u>38,464.36</u>	<u>32,601.87</u>

Refer Note no.10 for securities and interest rates.

### Notes to Financial Statements

	As at 31-03-2018 lakhs	As at 31-03-2017 lakhs	As at 01-04-2016 lakhs
<b>Note 14 - Trade payable</b>			
Micro and small enterprises	85.12	112.55	126.51
Others	9,966.64	11,076.85	10,579.83
	<u>10,051.76</u>	<u>11,189.40</u>	<u>10,706.34</u>
<b>Note 15 - Other financial liabilities - Secured</b>			
Interest accrued and due to Consortium Members	11,602.07	11,559.96	3,449.16
Interest accrued but not due to TDB	-	48.49	154.54
	<u>11,602.07</u>	<u>11,608.45</u>	<u>3,603.70</u>
<b>Note 16 - Provisions</b>			
Employee benefits	107.21	150.75	233.90
	<u>107.21</u>	<u>150.75</u>	<u>233.90</u>
<b>Note 17 - Other current liabilities</b>			
Advance from customers	1,194.20	1,508.74	1,876.30
Unclaimed dividend	17.17	14.24	14.25
Others	200.42	307.42	665.02
	<u>1,411.79</u>	<u>1,830.40</u>	<u>2,555.57</u>

## Notes to Financial Statements

	2017-2018 ` lakhs	2016-2017 ` lakhs
<b>Note 18 - Revenue from Operations</b>		
Sale of Products	25,907.36	27,270.41
Sale of Services	391.91	373.28
	<u>26,299.27</u>	<u>27,643.69</u>
Less: Excise Duty	312.86	1,122.51
Net sales	<u>25,986.41</u>	<u>26,521.18</u>
Other operating revenues		
Claims	-	337.00
Others	33.49	62.91
	<u>33.49</u>	<u>399.91</u>
<b>Revenue from operations (Net)</b>	<u><b>26,019.90</b></u>	<u><b>26,921.09</b></u>
<b>Details of products sold</b>		
Pumps and Pumpsets	4,883.44	7,730.85
Rotating Electric Machines	1,259.66	1,116.93
Generating Sets	2,369.49	2,481.43
Switchboards	3,154.86	4,288.63
H.T. Circuit Breakers	610.16	590.20
Relays	263.29	241.35
Components, Spares and Others	13,053.60	9,698.51
	<u>25,594.50</u>	<u>26,147.90</u>
<b>Details of Services rendered</b>		
Miscellaneous Services	391.91	373.28
	<u>25,986.41</u>	<u>26,521.18</u>
<b>Note 19 - Other Income</b>		
Interest on Fixed Deposits and Others	182.86	149.07
Income from Investments (Gross)		
Dividend	166.10	163.76
Profit/(Loss) on Sale of Fixed Assets (Net)	(2.50)	(21.94)
Other non-operating income	18.97	65.95
	<u>365.43</u>	<u>356.84</u>
<b>Note 20 - Cost of Material and Components Consumed</b>		
Inventory at the beginning of the year	1,355.00	1,257.17
Add : Purchases	17,144.29	17,884.71
	<u>18,499.29</u>	<u>19,141.88</u>
Less : Inventory at the end of the year	916.68	1,355.00
	<u>17,582.61</u>	<u>17,786.88</u>

### Notes to Financial Statements

	2017-2018 ` lakhs	2016-2017 ` lakhs
<b>Note 21 - Change in Inventories of Finished Goods and Work-in-Progress</b>		
Inventory at the beginning of the year		
Work-in-progress	2,669.16	4,431.89
Finished Goods	339.99	199.81
	<u>3,009.15</u>	<u>4,631.70</u>
Inventory at the end of the year		
Work-in-progress	1,676.39	2,669.16
Finished Goods	30.69	339.99
	<u>1,707.08</u>	<u>3,009.15</u>
	<u>1,302.07</u>	<u>1,622.55</u>
<b>Note 22 - Employee Benefits Expense</b>		
Salaries and Wages	2,770.79	2,724.80
Contribution to Provident and other funds	231.83	257.84
Staff welfare expense	133.20	124.54
	<u>3,135.82</u>	<u>3,107.18</u>
<b>Note 23 - Finance Costs</b>		
Interest	169.76	7,357.08
Please refer note 25(18).		
	<u>169.76</u>	<u>7,357.08</u>

## Notes to Financial Statements

	2017-2018 ` lakhs	2016-2017 ` lakhs
<b>Note 24 - Other Expenses</b>		
Consumption of Stores and spares	47.14	66.54
Power and Fuel	109.68	105.40
Rent	35.85	43.64
Repairs and Maintenance to		
: Building	131.43	36.82
: Machinery	156.19	64.33
: Others	110.48	87.13
Insurance	56.99	48.45
Rates and Taxes	50.89	49.60
Excise Duty (Including increase/ (decrease) of Excise Duty on inventory)	(41.35)	51.35
Publicity	49.20	17.87
Commission	25.91	-
Freight and Forwarding Charges	138.00	170.91
Stationery, Postage, Telephones and Telex	48.75	48.18
Bank Charges	139.21	191.54
Audit Fees and Expenses	8.97	9.84
Legal & Professional Fees	481.13	477.23
Travelling	200.55	170.91
Directors' Fees	0.76	0.86
Membership Fees and Subscriptions	6.71	7.22
Bad debts/Advances written off	338.00	381.45
Provision for doubtful debts / advances and Impairment of Capital WIP	85.46	176.00
Miscellaneous Expenses	172.66	188.19
Provision for diminution in value of investment	0.01	-
	<b>2,352.62</b>	<b>2,393.46</b>
Payment to auditors		
1) As auditor :		
Audit fees	5.20	5.98
Tax audit fees	1.35	1.38
Limited Review & Other services	1.20	1.17
Reimbursement of expenses	0.47	0.45
2) Cost audit fees	0.75	0.86
	<b>8.97</b>	<b>9.84</b>

### NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2018.

#### Note 25:- Significant Accounting Policies and Other explanatory notes and information

##### 1. Company Overview and Significant Accounting Policies

###### 1.1. Description of Business :

Jyoti Ltd., a leading Engineering Company, serving the Core Sectors of Power and Water. It offers reliable quality hydraulic and electrical products and services. It is principally engaged in designing and manufacturing wide range of Pumps and EPC Pumping Systems from concept to commissioning. The Company is the Public Limited Company domiciled in India and is incorporated under the provision of the Companies Act applicable in India. Its shares are listed on the Stock Exchange in India. The registered office of the Company is located at Nanubhai Amin Marg, Vadodara – 390 003, India.

The Financial Statements are approved by the Company's Board of Directors on 26<sup>th</sup> May, 2018.

###### 1.2. Basis of Preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's Financial Statements for the year ended 31<sup>st</sup> March, 2018 comprises of the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity and the Notes to Financial Statements.

For all periods up to and including the year ended 31<sup>st</sup> March, 2017, the Company prepared its Financial Statements in accordance with Indian GAAP, including accounting standards specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2015. The Financial Statements for the year ended 31<sup>st</sup> March, 2018 are the first Financial Statements of the Company prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 "First time adoption of Indian Accounting Standards" in Note No. 21.

Reconciliations and descriptions of the effect of the transition have been summarized in Note No.21.1.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Financial Statements have been prepared on a historical cost convention on the accrual basis, except for Derivative Financial instruments which have been measured at fair value.

###### 1.3. Significant Accounting Judgments, Estimates and Assumptions

In preparing these Financial Statements, Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards..

#### 1.4. Sales and Income from Operation

Sales of goods :

- (i) Sales are accounted on dispatch of goods. Net Sales exclude amounts recovered towards VAT, Octroi, Freight, and Goods & Service Tax and is net of discounts. Erection and Commissioning Income is recognised as revenue, generally, to the extent of completion of erection work as assessed or as and when it becomes due as per terms of contracts.
- (ii) Export sales are recognized on the date of bill of lading / Airway bill.

Income from Services : Repairs and Service Income is recognised as revenue after the service is rendered.

Other Operating Income :

- Income from royalty and others is recognized on an accrual basis in accordance with the terms of the relevant agreement.
- Claims receivable are accounted at the time of lodgment, depending on the certainty of receipt.
- Excise duty / Duty Drawback refund claims are accounted as and when accrued.

Interest & Dividend :

Interest : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Dividend : Dividend income is recognized when the Company's right to receive dividend is established.

#### 1.5. Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

#### 1.6. Property, Plant and Equipment

Property, Plant and Equipment were carried on historical cost / value transferred as per the scheme of arrangement in the Balance Sheet as on 31<sup>st</sup> March, 2016 prepared in accordance with Indian GAAP. The Company has elected to regard those values as deemed cost at the date of the transition i.e. 1<sup>st</sup> April, 2016 as permitted under Ind AS 101.

- (i) Fixed Assets are stated at cost of acquisition / construction (net of cenvat wherever applicable and expenditure incurred including interest on borrowing and financial cost) except certain land and building which were revalued at market value and are stated at revalued Cost.
- (ii) Depreciation is provided on Straight-line Method on all assets at the rates and in the manner specified as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- (iii) Intangible Fixed Assets: Depreciation is provided over their estimated economic life, in accordance with Ind AS.
- (iv) Leasehold Land is amortized over the period of lease.
- (v) In case the recoverable amount of the fixed assets is lower than its carrying amount, a provision is made for the impairment loss.

#### 1.7. Investments

Long term Investments are stated at cost with an appropriate provision for permanent diminution in value, if any.

### 1.8. Inventories

- All Inventories are valued at lower of cost and net realisable value.
- Raw Materials, Stores and Spares & Packing Materials are valued at lower of cost determined on weighted average basis and net realisable value.
- Work in process is valued at lower of cost and net realisable value.
- Finished Goods are valued at lower of cost and net realisable value.

### 1.9. Debenture / Share Issue Expenses

Debenture issue expenses and Share issue expenses are charged out in the year in which they are incurred.

### 1.10. Employee Benefits

Employee benefits are provided as follows:

- (i) Gratuity : The gratuity liability is funded through the scheme administered by the ICICI Prudential Life Insurance Co.Ltd, and the amount paid/provided under the scheme are charged to Statement of Profit and Loss on the basis of actuarial valuations.  
The Service Cost and the net interest cost would be charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognizes these re-measurements in the Other Comprehensive Income (OCI).
- (ii) Superannuation : Superannuation as per Superannuation Scheme is provided for / paid to employees.
- (iii) Company's contributions payable to Provident Fund and Family Pension Fund are charged to Statement of Profit and Loss.
- (iv) The Company extends the benefit of encashment of leave to its employees while in service as well as on retirement. Though encashment is at the discretion of the Management for the leave accumulated while in service as well as on retirement, it is provided for during the year on the basis of actuarial valuations.

### 1.11. R & D Expenses

All revenue expenses related to R & D including expenses in relation to development of product / processes are charged to the Statement of Profit & Loss in the year in which it is incurred.

### 1.12. Foreign Currency Transactions

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end exchange rates.

### 1.13. Income Taxes

Income tax expense comprises Regular Tax or Minimum Alternate Tax and is provided for as required by Income Tax Law and Rules & Regulations framed there under.

Deferred Income Tax Assets and Liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred Tax Assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 1.14. Contingent Liabilities and Commitments

- (a) Provisions are recognized when the Company has present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.
- (b) Contingent Liabilities are disclosed after careful evaluation by the Management of facts and legal aspects of the matter involved.
- (c) Contingent Assets are neither recognized nor disclosed in the Financial Statement except MAT Credit Entitlement.

	2017-18	2016-17
		( ` lakhs)
2. Estimated value of Capital contracts yet to be executed and not provided	<b>33.86</b>	49.51
3. Contingent liability to the extent not provided for :		
(a) Bills/Cheques discounted with scheduled banks	<b>621.11</b>	211.19
(b) Income Tax (*)	<b>3,362.33</b>	3,362.33
(c) Service Tax / Excise Duty	<b>315.35</b>	316.81
(d) Interest not provided on bank borrowings ( **)	<b>8,666.95</b>	-
(e) Claims against the Company/disputed liabilities not acknowledged as debts	<b>291.45</b>	274.61

(\*) With regard to the merits of the reported demand of ` 2,850.41 lakhs for the year 2012-13 received from the Income tax authorities, the Company has represented during appeal proceedings, outcome of which is expected shortly. In the meantime, based on identical merits, the Company has received favourable orders from the Income tax authorities for subsequent year upholding the Company's stand in the matter.

(\*\*) Refer Note No.18

	2017-18	2016-17
4. <b>Earning Per Share</b>		
Profit/(Loss) after Tax available for equity shareholders ( ` lakhs)	(A) <b>101.47</b>	(12,388.73)
No. of Equity Shares / Weighted Average number of equity shares	(B) <b>171,28,992</b>	171,28,992
Earning per share (Basic and diluted) (in `)	(A/B) <b>0.59</b>	(72.33)
Face value of ` 10 per share		

### 5. Research and Development Expenditure

Particulars	` lakhs
Material Consumption	11.07
Salaries, Wages, Bonus, Gratuity and Other Benefits	114.16
Contribution to Provident and Other funds	13.98
Power and Fuel	1.31
Other	125.44
<b>Total</b>	<b>265.96</b>

6. Net Loss on account of foreign exchange fluctuation ` 0.76 lakhs (Previous Year Net Gain of ` 39.08 lakhs) has been accounted for in the Statement of Profit and Loss.

### 7. Disclosure required under Micro, Small and Medium Development Act 2006

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company the following are the details.

(` lakhs)

As at	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
(a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	86.07	113.76
(b) The amount of interest paid by the buyer in terms of Section 16 of the Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	—	—
(c) The amount of interest due and payable for the period of delay in making payment	—	—
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
(e) 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 enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	—	—

### 8. Defined benefit plans – As per actuarial valuation:

(` lakhs)

Particulars	Gratuity Funded As at	
	31-03-18	31-03-17
<b>Expenses recognized in the Statement of Profit &amp; Loss for the year ended on 31<sup>st</sup> March, 2018</b>		
Current Service Cost	37.39	36.97
Interest Cost	49.46	74.21
Employer Contributions	—	—
Expected return on plan assets	(2.75)	(2.81)
Net Actuarial (Gains) / Losses	—	34.52
Past Service Cost	—	—
Settlement Cost	—	—
<b>Total Expenses</b>	<b>84.10</b>	<b>142.89</b>
<b>Expense recognized in the Statement of Other Comprehensive Income</b>		
Components of actuarial gain/losses on obligations Returned on plan assets excluding amounts included in Interest Income	(92.62)	—
	0.11	—
<b>Total Other Comprehensive Income</b>	<b>(92.51)</b>	<b>—</b>

Particulars	Gratuity Funded As at	
	31-03-18	31-03-17
<b>Net Asset / (Liability) recognised in the Financial Statement as at 31<sup>st</sup> March, 2018</b>		
Present value of Defined Benefit Obligation as at 31 <sup>st</sup> March, 2018	<b>530.34</b>	669.25
Fair Value of plan asstes as at 31 <sup>st</sup> March, 2018	<b>31.78</b>	37.19
Funded status [ Surplus / (Deficit) ]	<b>(498.56)</b>	(632.06)
Net Asset / (Liability) as at 31 <sup>st</sup> March, 2018	<b>(498.56)</b>	(632.06)
<b>Change in Obligation during the Year ended on 31<sup>st</sup> March, 2018</b>		
Present value of Defined Benefit Obligation at beginning of the year	<b>632.06</b>	908.33
Current Service Cost	<b>37.39</b>	36.97
Interest Cost	46.71	71.40
Settlement Cost	—	—
Past Service Cost	—	—
Employer Contributions	—	—
Acturies (Gains) / Losses	<b>(92.51)</b>	34.52
Benefits Payments	<b>(125.09)</b>	(419.16)
Present value of Defined Benefit Obligation at the end of the year	<b>498.56</b>	632.06
<b>Actuarial Assumptions</b>		
Discount Rate	<b>7.78%</b>	7.39%
Expected rate of return on plan assets	<b>7.78%</b>	7.39%
Rate of escalation in salary (p.a.)	<b>6.00%</b>	6.00%

9. The Company is engaged in manufacturing of engineering goods only and, therefore, there is only one reportable segment in accordance with Ind AS 108.
10. The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below :

List of Related Parties with whom transactions have taken place during the year.

- (a) Subsidiary Companies : —
- (b) Associate Companies : JSL Industries Ltd.  
: Insutech Industries Ltd.
- (c) Joint Venture : Jyoti Sohar Switchgear L.L.C.,Oman
- (d) Key Management Personnel :  
Chairman & Managing Director - Mr. Rahul Nanubhai Amin  
Chief Financial Officer - Mr. Ronak Shah\*  
Vice President (Legal) & - Mr. Suresh Singhal  
Company Secretary
- (e) Relative of Key Managerial Personnel :  
Non-Executive Director - Mrs. Tejal Rahul Amin

(f) Transactions with related parties during the year 2017-18 (₹ lakhs)

Nature of Transactions	Associate Companies / Firm	Joint Venture	Key Management Personnel
Purchases	<b>572.13</b> (420.34)	— (—)	— (—)
Sales / Others	<b>24.81</b> (25.52)	<b>515.79</b> (2,248.51)	— (—)
Managerial Remuneration / Sitting fees/ Others	— (—)	— (—)	<b>83.76</b> (86.33)
Salary & Perquisites	— (—)	— (—)	<b>51.94</b> (62.95)
Outstandings			
- Payables	— (9.84)	— (—)	— (—)
- Receivables	<b>11.21</b> (10.24)	<b>8.72</b> (20.76)	— (—)

\* Part of the Year.

11. Net Deferred Tax Asset / Liability of ₹ (82.75) lakhs has been recognized for the year to the statement of Profit and Loss on account of Employees benefits and Depreciation.

(a) The Deferred Tax Assets and Liabilities for the year comprise of the following:

	As at 31-03-2018 (₹ lakhs)	As at 31-03-2017 (₹ lakhs)
Deferred Tax Liability	<b>(113.17)</b>	(110.48)
Less : Deferred Tax Assets	<b>30.42</b>	79.70
Deferred Tax Expense for the year	<b>(82.75)</b>	(30.78)

(b) The Break up of Cumulative Net Deferred Tax Liability/(Asset) :

Deferred Tax Liability :		
- Fixed Assets	<b>295.58</b>	408.75
- Others	<b>512.37</b>	512.37
	<b>807.95</b>	921.12
Deferred Tax Assets :		
- Provisions (Net of Payment) & Others	<b>313.82</b>	344.24
Net Deffered Tax Liability/(Assets)	<b>494.13</b>	576.88

12. Operating Lease Obligations :

Where the Company is a Lessee :

The Company has taken various commercial premises under operating lease or leave and license agreements. Lease Payments are recognised in the Profit & Loss Account.

	₹ lakhs
Payable not later than one year	20.25

13. (a) The accounts of Trade Receivables, Trade Payables and Advances are subject to reconciliation/confirmation.

(b) In the opinion of the Company, Current Assets and Non-Current Assets, Loans and Advances have values on realization in the ordinary course of business at least equal to the amount at which they are stated.

14. There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at 31<sup>st</sup> March, 2018, except Dividend amounting to ₹ 4.08 lakhs, which is subjudice.
15. In Compliance with terms and conditions of letter of approval dated 28<sup>th</sup> September, 2013 received from CDR Cell, Promoters have brought necessary contribution amounting to ₹ 1980.00 lakhs by way of Share Application Money. As there was no possibility of converting Share Application Money into Equity Shares, the Board of Directors in its Meeting held on 14<sup>th</sup> March, 2018, decided to refund the Share Application Money to the Promoter Group Entities.
16. Lenders have under section 13 (2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI Act”), given notices to the Company in the year 2016.

However, the Company is of the view that considering ongoing operations with improved business prospects, recovery of old outstanding through cut back mechanism, continues to execute orders in hand & obtain new orders despite adversities and acquisition of total debt of the Company due with Dena Bank by RARE Asset Reconstruction Pvt. Ltd., the Management is very positive about the Company’s viability and optimistic about its future.

In view thereof, the Financial Statements have been prepared by the Management on a ‘Going Concern’ basis and no adjustment is considered necessary, except for the provisions made in the books of account, to the recorded assets, recorded liabilities, contingent liabilities and other commitments.

17. RARE Asset Reconstruction Pvt. Ltd. (Rare ARC) vide its letter dated 2<sup>nd</sup> April, 2018 communicated to the Company that it has acquired the entire debt together with all security interest including all its rights, title, interest and benefits of Dena Bank pursuant to the assignment agreement dated 28<sup>th</sup> March, 2018. In turn, Dena Bank has squared off all loans and cash credit account.

Further, Rare ARC pursuant to Section 9 (1) (g) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has converted part of the outstanding debt amounting to ₹ 3,280.00 lakhs into equity shares. Consequent upon this decision of Rare ARC, the Board of Directors of the Company in its meeting held on 2<sup>nd</sup> May, 2018, issued and allotted 59,63,636 equity shares of ₹ 10/- each of the Company at a premium of ₹ 45/- per equity share to Rare ARC.

18. The lenders of the Company have not charged interest on outstanding bank facilities, since the dues from the Company were categorized as a Non-Performing Asset with all banks from December 2015 onwards. The Company currently, is in active discussion/negotiation with its lenders to restructure its debt to a sustainable level including waiver of full unpaid interest. In view of this, the Company has not provided interest amounting to ₹ 8,666.95 lakhs for the year ended on 31<sup>st</sup> March, 2018. However, interest for the year ended on 31<sup>st</sup> March, 2018 has been recognized as a Contingent Liability in the financial statements.
19. After detailed assessment of capital advances, capital work in progress and others, amounting to ₹ 810.00 lakhs has been charged to the Statement of Profit and Loss. Being of high material value and incidence, it has been disclosed as an Exceptional Item.

### 20. Repayment Schedule of Bank Loans and Others:

Details of Loans (Original Sanctioned Amount)	INSTALLMENT		
	Period	No	Starting
<b>A :- From Bank</b>			
Existing Term Loan – I (328 lakhs)	Quartely	24	June - 2015
Existing Term Loan – II (8,795 lakhs)	Quartely	32	June - 2015
Existing Term Loan – III (956 lakhs)	Quartely	20	June - 2015
Existing Term Loan – IV (4,000 lakhs)	Quartely	20	June - 2015
FITL (3,696 lakhs)	Quartely	14	December - 2014
WCTL – I (3,191 lakhs)	Quartely	20	June - 2015
WCTL – II (2,672 lakhs)	Quartely	20	June - 2015
Retention Money Term Loan (1,544 lakhs)	Quartely	32	June - 2015
Capex Term Loan (741 lakhs)	Quartely	32	June - 2015
<b>B :- From TDB</b> (950 lakhs)	Half Yearly	09	January - 2015
<b>C :- From ARC#</b> (11,964 lakhs)	Quartely	20	June – 2015

#(previously Dena Bank)

As on 31<sup>st</sup> March, 2018, the overdue amount on account of interest on various Term Loans, Working Capital Demand Loans, Letters of Credit and Installment of Term Loan was ₹ 28,636.05 lakhs.

### 21. First Time Adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS

The significant accounting policies set out in note 1.2 have been applied in preparing the financial statements for the year ended 31<sup>st</sup> March, 2018, the comparative information presented in these financial statements for the year ended 31<sup>st</sup> March, 2017, and in the preparation of an opening Ind AS balance sheet at 1<sup>st</sup> April, 2016 ( the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and the other relevant provisions of the Act (previous GAAP or Indian GAAP).

#### A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous GAAP to Ind AS

##### A.1. Ind AS optional exemptions

###### A.1.1 Business Combinations

Business Combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in joint venture.

###### A.1.2 Deemed Cost

The Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value i.e. deemed cost.

###### A.1.3 Investments in joint venture

The Company has elected to measure all of its investments in joint venture at their previous carrying value.

#### 21.1.Reconciliations

The following reconciliations provide the effect of transition to Ind AS from GAAP in accordance with Ind AS 101.

- Equity as at 1<sup>st</sup> April, 2016 and 31<sup>st</sup> March, 2017
- Net Profit for the year ended 31<sup>st</sup> March, 2017

**21.1.1 Reconciliation of equity as previously reported under IGAAP to Ind AS:**

(₹ lakhs)

Particulars	As at 1 <sup>st</sup> April, 2016			As at 31 <sup>st</sup> March, 2017		
	Previous GAAP	Effect of Transition	Ind AS	Previous GAAP	Effect of Transition	Ind AS
<b>ASSETS</b>						
Non Current Assets						
Property, Plant & Equipment	9,697.45	-	9,697.45	8,908.54	-	8,908.54
Intangible Property	16.43	-	16.43	0.64	-	0.64
Capital Work-in-Progress	3,399.13	-	3,399.13	3,223.13	-	3,223.13
Financial Assets- Investments	123.98	-	123.98	123.98	-	123.98
Other Non-Current Assets	1,393.74	-	1,393.74	1,431.58	-	1,431.58
<b>Total Non Current Assets</b>	<b>14,630.73</b>	<b>-</b>	<b>14,630.73</b>	<b>13,687.87</b>	<b>-</b>	<b>13,687.87</b>
Current Assets						
Inventories	5,955.43	-	5,955.43	4,364.15	-	4,364.15
Financial Assets						
- Trade Receivables	34,280.71	-	34,280.71	31,818.46	-	31,818.46
- Cash and Cash Equivalents	1,282.22	(1,167.32)	114.90	1,946.49	(1,755.13)	191.36
- Bank Balance other than cash	0.00	1,167.32	1,167.32	0.00	1,755.13	1,755.13
- Loans	121.45	(121.45)	-	46.94	(46.94)	-
Other Current Assets	4,294.44	121.45	4,415.89	4,333.65	46.94	4,380.59
<b>Total Current Assets</b>	<b>45,934.25</b>	<b>-</b>	<b>45,934.25</b>	<b>42,509.69</b>	<b>-</b>	<b>42,509.69</b>
<b>TOTAL ASSETS</b>	<b>60,564.98</b>	<b>-</b>	<b>60,564.98</b>	<b>56,197.56</b>	<b>-</b>	<b>56,197.56</b>
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>						
Equity Share Capital	1,712.90	-	1,712.90	1,712.90	-	1,712.90
Other Equity	(24,239.13)	82.76	(24,156.37)	(36,662.38)	82.76	(36,579.62)
<b>Total Equity</b>	<b>(22,526.23)</b>	<b>82.76</b>	<b>(22,443.47)</b>	<b>(34,949.48)</b>	<b>82.76</b>	<b>(34,866.72)</b>
<b>LIABILITIES</b>						
Non-Current Liabilities						
Financial Liabilities-Borrowing	27,881.72	-	27,881.72	23,320.50	-	23,320.50
Provisions	958.15	(82.76)	875.39	783.40	(82.76)	700.64
Deferred tax liabilities (Net)	607.66	-	607.66	576.88	-	576.88
Other Non-Current Liabilities	3,942.30	-	3,942.30	3,222.90	-	3,222.90
<b>Total Non Current Liabilities</b>	<b>33,389.83</b>	<b>(82.76)</b>	<b>33,307.07</b>	<b>27,903.68</b>	<b>(82.76)</b>	<b>27,820.92</b>
Current Liabilities						
Financial Liabilities-						
- Borrowings	25,036.04	7,565.83	32,601.87	26,337.31	12,127.05	38,464.36
- Trade Payables	10,706.34	-	10,706.34	11,189.40	-	11,189.40
- Other Financial Liabilities	13,725.10	(10,121.40)	3,603.70	25,565.90	(13,957.45)	11,608.45
Other Current Liabilities	-	2,555.57	2,555.57	-	1,830.40	1,830.40
Provisions	233.90	-	233.90	150.75	-	150.75
<b>Total Current Liabilities</b>	<b>49,701.38</b>	<b>-</b>	<b>49,701.38</b>	<b>63,243.36</b>	<b>-</b>	<b>63,243.36</b>
<b>Total Liabilities</b>	<b>83,091.21</b>	<b>(82.76)</b>	<b>83,008.45</b>	<b>91,147.04</b>	<b>(82.76)</b>	<b>91,064.28</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>60,564.98</b>	<b>-</b>	<b>60,564.98</b>	<b>56,197.56</b>	<b>-</b>	<b>56,197.56</b>

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### 21.1.2 Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS for the year ended 31<sup>st</sup> March, 2017:

Particulars	Previous GAAP	Effect of Transition	Ind AS
( ₹ lakhs)			
<b>INCOME</b>			
Revenue from Operations	26,921.09	-	26921.09
Other Income	356.84	-	356.84
<b>TOTAL INCOME ( I )</b>	<b>27,277.93</b>	<b>-</b>	<b>27277.93</b>
<b>EXPENSES</b>			
Cost of Materials & components consumed	17,786.88	-	17786.88
Changes in Inventories of Finished Goods and W.I.P.	1,622.55	-	1622.55
Employee Benefits Expense	3,141.70	34.52	3107.18
Finance Cost	7,357.08	-	7357.08
Depreciation and Amortization Expense	1,069.32	-	1069.32
Other Expenses	2,393.46	-	2393.46
<b>TOTAL EXPENSES ( II )</b>	<b>33370.99</b>	<b>34.52</b>	<b>33336.47</b>
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS ( I ) – ( II )</b>	<b>(6093.06)</b>	<b>(34.52)</b>	<b>(6058.54)</b>
EXCEPTIONAL ITEM	6360.97	-	6360.97
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>(12454.03)</b>	<b>(34.52)</b>	<b>(12419.51)</b>
<b>Tax Expenses</b>			
- Current Tax	-	-	-
- Deferred Tax	(30.78)	-	(30.78)
<b>Total Tax Expense</b>	<b>(30.78)</b>	<b>-</b>	<b>(30.78)</b>
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>(12423.25)</b>	<b>(34.52)</b>	<b>(12388.73)</b>
Other Comprehensive Income			
Item that will not be reclassified subsequently to profit or loss	-	34.52	(34.52)
Re-measurement of the net defined benefit liability/asset net of tax	-	-	-
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>34.52</b>	<b>(34.52)</b>
<b>Total Comprehensive Income for the period</b>	<b>(12423.25)</b>	<b>-</b>	<b>(12423.25)</b>

Explanations for reconciliation of Statement of Profit and Loss as previously reported under IGAAP to Ind AS :

#### 1. Employee Benefits Expense :

As per Ind-AS 19- Employee Benefits, actuarial gains and losses are recognized in Other Comprehensive Income and not reclassified to profit and loss in a subsequent period.

22. The figures of previous year are regrouped / rearranged wherever necessary.

23. **Additional information required under Revised/Modified Schedule III to the Companies Act, 2013** (As certified by the Management)

<b>i) Imports calculated on C.I.F. basis</b>		(` lakhs)
Raw Materials		<u>158.72</u> (55.70)
<b>ii) Expenditure in Foreign Currencies</b>		(` lakhs)
Travelling Expenses		<u>3.19</u> (4.07)
Others		<u>18.06</u> (10.41)
<b>iii) Raw Materials Consumed</b>	(` lakhs)	% to Total Consumption
a) Imported	<u>146.40</u> (107.12)	<u>0.83</u> (0.60)
b) Indigenous	<u>17,436.21</u> (17,679.76)	<u>99.17</u> (99.40)
	<u>17,582.61</u> (17,786.88)	<u>100.00</u> (100.00)
<b>iv) Earnings in Foreign Exchange</b>		(` lakhs)
a) F.O.B Value of Exports		<u>496.12</u> (2,252.69)
b) Dividend		<u>166.02</u> (163.74)
<b>v) Stores Consumed</b>		(` lakhs)
a) Imported		- (-)
b) Indigenous		<u>47.14</u> (66.54)

(Previous year's figures are shown in brackets)

As per our Report attached of even date  
**For Amin Parikh & Co.**  
 Chartered Accountants  
 F.R.N. 100332W

**CA. Samir R. Parikh**  
 Partner  
 M. No. 41506

Vadodara  
 26<sup>th</sup> May, 2018

**Suresh Singhal**  
 Vice President (Legal) &  
 Company Secretary

**Ronak Shah**  
 Chief Financial Officer

**Rahul N. Amin**  
 Chairman & Managing Director

Directors

**Mrs. T. R. Amin**      **Mr. U.V. Desai**  
**Mr. T. C. Dayal**      **Mr. V. K. Gulati**  
**Mr. S. S. Bhattbhatt**      **Dr. R. M. Khajuria**

Vadodara  
 26<sup>th</sup> May, 2018

**Cash flow statement for the year ended on 31<sup>st</sup> March, 2018.**

	2017-2018 lakhs	2016-2017 lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax and non-recurring items :	18.72	(12,419.51)
<b>Adjustments for</b>		
1. Depreciation	1,013.73	1,069.32
2. Finance Cost charged	169.76	7,357.08
3. Interest Received	(182.86)	(149.07)
4. Dividend Received	(166.10)	(163.76)
5. (Profit)/Loss on Sale of Fixed Assets (Net)	2.50	21.94
6. Bad Debts written off	338.00	381.45
7. Provision for doubtful debts / advances and impairment of Capital WIP	895.46	6,536.97
8. Provision for diminution in value of Investments*	-	-
	<u>2,070.49</u>	<u>15,053.93</u>
Operating profit / (loss) before working capital changes	2,089.21	2,634.42
<b>Movement in Working Capital</b>		
1. Trade and Other Receivables	2,223.87	(4,802.97)
2. Inventories	1,740.39	1,591.28
3. Trade and Other Payables	(2,192.66)	(447.47)
Net change in working capital	1,771.60	(3,659.16)
Cash (used in ) / Generated from Operations	3,860.81	(1,024.74)
Income tax paid ( net of refunds )	(139.90)	(67.54)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES (A)</b>	<u>3,720.91</u>	<u>(1,092.28)</u>

	2017-2018 lakhs	2016-2017 lakhs
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
1. Purchase of Fixed Assets	(304.20)	(306.61)
2. Proceeds from Sale of Fixed Assets	18.17	20.04
3. Investments	0.01	-
4. Interest Received	182.86	149.07
5. Dividend Received	166.10	163.76
<b>NET CASH UTILISED IN INVESTING ACTIVITIES (B)</b>	<b>62.94</b>	<b>26.26</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
1. Proceeds from borrowings (Net)	(3,465.22)	1,301.27
2. Interest Paid	(126.14)	(158.79)
<b>NET CASH GENERATED IN FINANCIAL ACTIVITIES (C)</b>	<b>(3,591.36)</b>	<b>1,142.48</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)</b>		
	<b>192.49</b>	<b>76.46</b>
Cash and Cash Equivalents as at 01/04/2017	191.36	114.90
Cash and Cash Equivalents as at 31/03/2018	383.85	191.36

Notes : i) Previous year figures are regrouped wherever necessary.

ii) Figures in brackets indicate negative figures.

\* Nominal Value

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants

F.R.N. 100332W

**CA. Samir R. Parikh**

Partner

M. No. 41506

Vadodara

26<sup>th</sup> May, 2018

**Suresh Singhal**

Vice President (Legal) &

Company Secretary

**Ronak Shah**

Chief Financial Officer

**Rahul N. Amin**

Chairman & Managing Director

Directors

**Mrs. T. R. Amin**

**Mr. U.V. Desai**

**Mr. T. C. Dayal**

**Mr. V. K. Gulati**

**Mr. S. S. Bhattbhatt**

**Dr. R. M. Khajuria**

Vadodara

26<sup>th</sup> May, 2018

### **CONSOLIDATED INDEPENDENT AUDITORS' REPORT**

To the Members of **Jyoti Limited**

#### **Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying Consolidated Ind AS Financial Statements of Jyoti Limited (hereinafter referred to as "the company"), where in Company's investment in its Joint Venture namely Jyoti Sohar LLC (Sultanate of Oman) together referred to as "the Group", comprising the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2018, available Financial Statements of Joint venture up to 31<sup>st</sup> December, 2017 prepared as per International Financial Reporting Standard, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.(hereinafter referred to as "the Consolidated Ind AS Financial Statements").

#### **Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated financial position and Consolidated Profit or loss including Other Comprehensive Income(financial performance), Consolidated Cash Flows of the Company and Consolidated Statement of changes in Equity of the Company in accordance with the principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The Respective Board of Directors of the company included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 internal financial control, 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 Ind AS Financial Statements by the Directors of the Company, as aforesaid.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statement 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 there under.

We conducted our audit of the Consolidated Ind AS Financial Statements 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 disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting

policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 Company as at 31st March, 2018, and its consolidated profit Including Other Comprehensive Income (financial performance), Consolidated Cash Flows of the Company and the Consolidated Changes in Equity of the Company for the year ended on that date.

### **Other Matters**

The Financial Statements up to 31<sup>st</sup> December, 2017 of Joint Venture company which have been consolidated have been audited by other auditor as per International Financial Reporting Standard, whose report has been furnished to us by the Management and our opinion and report in terms of Sub-Sections (3) and (11) of Section 143 of the Act, in so far as it relates to the amounts and disclosures included in respect of this joint venture company, is based solely on the reports of the other auditors.

We did not audit the Financial Statements / Financial Information of joint venture Company whose Financial Statements / Financial Information reflect share of Profit of ₹ 260.20 lakhs as at 31<sup>st</sup> December, 2017, as considered in the Consolidated Ind AS Financial Statements.

As informed by the management, there are no material transactions during the remaining period i.e. 1<sup>st</sup> January, 2018 to 31<sup>st</sup> March, 2018 of Joint Venture on the Consolidated Ind AS Financial Statements as at 31<sup>st</sup> March, 2018. Refer Note No. 25 (7) to the Consolidated Ind AS Financial Statements.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

### **Emphasis of Matters**

- (a) Note No. 25(16) in the Ind AS Financial Statements which indicates that, In view of continued losses, total erosion of the Net Worth, Current Liabilities Exceeds Current Assets, Liquidity constraint, Inability to comply with the terms of loan agreements and that Lenders have under section 13 (2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act"), given notices to the Company in the year 2016. There is an uncertainty about the Company's ability to continue as a going concern.

However, the Company is of the view that considering ongoing operations with improved business prospects, recovery of old outstanding through cut back mechanism, continues to execute orders in hand & obtain new orders despite adversities and acquisition of total debt of the Company due with Dena Bank by RARE ARC, the Management is very positive about the Company's viability and optimistic about its future.

In view thereof, the Financial Statements have been prepared by the Management on a 'Going Concern' basis and no adjustment is considered necessary, except for the provisions made in the books of account, to the recorded assets, recorded liabilities, contingent liabilities and other commitments.

- b) Note No. 25(13) (a) & (b) and 25 (19) of the Ind AS Financial Statements regarding recoverability of Trade Receivables, Advances and Impairment of Assets other than those provided for during the year, which has been considered good by the Management.
- c) Note No. 25(18) in the Standalone Ind AS Financial Statements which indicates that, the Company has not provided interest on outstanding Bank Facilities amounting to ` 8665.95 Lakhs for the year ended on 31<sup>st</sup> March, 2018, since the dues of the company were categorized as Non Performing Assets by all the Banks from December 2015 and onwards.
- d) Note No. 25(17) in the Standalone Ind AS Financial Statements which indicates that, RARE Asset Reconstruction Pvt. Ltd. (RARE ARC) has acquired financial assets of the company together with all security interest including all its rights, title, interest and benefits in respect of total debt of the company with Dena Bank. In turn, dues with the Dena Bank has squared up and assigned to RARE ARC. Further, part of the debts due to ARC is converted into Equity Shares on 2<sup>nd</sup> May, 2018.

Our opinion is not modified in respect of these matters.

### **Report on other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and 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 Ind AS Financial Statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
  - d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) The matters described in sub-paragraph (a), (b), (c) & (d) under the Emphasis of Matters paragraph above, in our opinion, may have an effect on the functioning of the Company;
  - f) On the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors of the Company and as per the reports of the statutory auditors of Joint Venture in Oman, none of the directors of the Company and its joint venture incorporated in Oman is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
  - g) The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the internal control over financial reporting criteria established by the Company. The Joint Venture is a Foreign Company, hence, Company's Act, 2013 is not applicable. However, for Indian Company, please refer our Annexure A of Consolidated Ind AS Financial Statements.

- h) With respect to the other matters included in the Auditor's Report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i) The Consolidated Ind AS Financial Statements has disclosed the impact of pending litigations on its Consolidated Financial Position of the Group and its joint venture in its Consolidated Financial Statements as referred to note no 25 (3).
  - ii) The Company and its Joint Venture has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except dividend under dispute amounting to ` 4.08 lakhs, which is subjudice.
  - v) Share Application Money of ` 1980 lakhs outstanding since financial year 2013-14. We have been given to understand by the Management that as there was no possibility of converting Share Application Money into Equity Shares, the Board of Directors in its meeting held on 14<sup>th</sup> March, 2018 decided to refund the Share Application Money to Promoter Group Entities.

**For AMIN PARIKH & CO.**

*Chartered Accountants*

Firm Reg. No. 100332W

**CA SAMIR R. PARIKH  
PARTNER**

M.No. 41506

Vadodara  
26<sup>th</sup> May, 2018

### **Annexure – A to the Auditors' Report**

#### **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 Ind AS Financial Statements of the **Jyoti Limited** as of and for the year ended 31<sup>st</sup> March, 2018, We have audited the internal financial controls over financial reporting of **Jyoti Limited** (hereinafter referred to as "the Company") and in respect of its joint venture wherein such audit of the internal financial controls over financial reporting was carried out by other Auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Company and its joint venture 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 issued by the Institute of Chartered Accountants of India. 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 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 Companies Act, 2013.

### **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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 auditor's 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 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 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.

### **Opinion**

In our opinion the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls were operating effectively as at 31<sup>st</sup> March, 2018, 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 issued by the Institute of Chartered Accountants of India.

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### Emphasis of Matters

1. The accounts of Trade Receivables, Trade Payables and Advances are subject to reconciliation/confirmation. The Management does not expect any material difference affecting the financial statements on reconciliation.
2. The Company has not provided interest on outstanding Bank Facilities amounting to ` 8665.95 Lakhs for the year ended on 31<sup>st</sup> March 2018, since the dues of the company were categorized as Non Performing Assets by all the Banks from December 2015 and onwards.

In our opinion, this may have an effect on the functioning of the Company. However, our opinion is not modified in respect of these matters.

**For AMIN PARIKH & CO.**  
*Chartered Accountants*  
Firm Reg. No. 100332W

**CA SAMIR R. PARIKH**  
**PARTNER**  
M.No. 41506

Vadodara  
26<sup>th</sup> May, 2018

## 74th Annual Report

### CONSOLIDATED BALANCE SHEET as at 31<sup>st</sup> March, 2018

	Note No.	As at 31-03-2018 lakhs	As at 31-03-2017 lakhs	As at 01-04-2016 lakhs
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	1	8,167.17	8,908.54	9,697.45
(b) Capital work-in-progress		2,852.40	3,223.13	3,399.13
(c) Intangible Property	1	11.81	0.64	16.43
(d) Financial Assets				
i) Investments	2	1,638.50	1,414.19	802.79
(e) Other non-current assets	3	1,197.14	1,431.58	1,393.74
		<u>13,867.02</u>	<u>14,978.08</u>	<u>15,309.54</u>
<b>Current assets</b>				
(a) Inventories	4	2,623.76	4,364.15	5,955.43
(b) Financial Assets				
i) Trade receivables	5	30,030.92	31,818.46	34,280.71
ii) Cash and cash equivalents	6	383.85	191.36	114.90
iii) Bank balances other than (ii) above	7	1,327.57	1,755.13	1,167.32
(c) Other current assets	8	3,883.43	4,380.59	4,415.89
		<u>38,249.53</u>	<u>42,509.69</u>	<u>45,934.25</u>
<b>Total Assets</b>		<u><b>52,116.55</b></u>	<u><b>57,487.77</b></u>	<u><b>61,243.79</b></u>
<b>EQUITY and LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	9	1,712.90	1,712.90	1,712.90
(b) Other Equity		(34,871.11)	(35,289.41)	(23,477.56)
		<u>(33,158.21)</u>	<u>(33,576.51)</u>	<u>(21,764.66)</u>
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
i) Borrowings	10	19,096.93	23,320.50	27,881.72
(b) Provisions	11	590.84	700.64	875.39
(c) Deferred tax liabilities (Net)		494.13	576.88	607.66
(d) Other non-current liabilities	12	2,697.33	3,222.90	3,942.30
		<u>22,879.23</u>	<u>27,820.92</u>	<u>33,307.07</u>
<b>Current liabilities</b>				
(a) Financial Liabilities				
i) Borrowings	13	39,222.70	38,464.36	32,601.87
ii) Trade payables	14	10,051.76	11,189.40	10,706.34
iii) Other financial liabilities	15	11,602.07	11,608.45	3,603.70
(b) Provisions	16	107.21	150.75	233.90
(c) Other current liabilities	17	1,411.79	1,830.40	2,555.57
		<u>62,395.53</u>	<u>63,243.36</u>	<u>49,701.38</u>
<b>Total Equity and Liabilities</b>		<u><b>52,116.55</b></u>	<u><b>57,487.77</b></u>	<u><b>61,243.79</b></u>

The accompanying notes are an intergral part of the financial statements. 25

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants

F.R.N. 100332W

**CA. Samir R. Parikh**

Partner

M. No. 41506

Vadodara

26<sup>th</sup> May, 2018

**Suresh Singhal**

Vice President (Legal) &  
Company Secretary

**Ronak Shah**

Chief Financial Officer

**Rahul N. Amin**

Chairman & Managing Director

Directors

**Mrs. T. R. Amin**

**Mr. T. C. Dayal**

**Mr. S. S. Bhattbhatt**

**Mr. U.V. Desai**

**Mr. V. K. Gulati**

**Dr. R. M. Khajuria**

Vadodara

26<sup>th</sup> May, 2018

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31<sup>st</sup> March, 2018**

	Note No.	2017-2018 ` lakhs	2016-2017 ` lakhs
Revenue From Operations	18	<b>26,019.90</b>	26,921.09
Other Income	19	<b>365.43</b>	356.84
<b>Total Income (I)</b>		<b>26,385.33</b>	27,277.93
<b>Expenses</b>			
Cost of material and components consumed	20	<b>17,582.61</b>	17,786.88
Changes in inventories of finished goods, work-in-progress	21	<b>1,302.07</b>	1,622.55
Employee Benefits Expense	22	<b>3,135.82</b>	3,107.18
Finance costs	23	<b>169.76</b>	7,357.08
Depreciation and amortisation expense		<b>1,013.73</b>	1,069.32
Other expenses	24	<b>2,352.62</b>	2,393.46
<b>Total Expenses (II)</b>		<b>25,556.61</b>	33,336.47
<b>Profit/(Loss) Before Exceptional Items (I)-(II)</b>		<b>828.72</b>	(6,058.54)
Exceptional Items		<b>810.00</b>	6,360.97
Share of profit/(loss) Of a joint venture		<b>260.20</b>	592.26
<b>Profit/(Loss) Before Tax</b>		<b>278.92</b>	<b>(11,827.25)</b>
<b>Tax Expense:</b>			
- Current Tax		-	-
- Deferred Tax		<b>(82.75)</b>	(30.78)
<b>Profit/ (Loss) for the year</b>		<b>361.67</b>	<b>(11,796.47)</b>
Other comprehensive income			
Actuarial gain / (loss) on employee benefits		<b>92.51</b>	(34.52)
<b>Total Comprehensive Income</b>		<b>454.18</b>	<b>(11,830.99)</b>
Earning per Share (Basic & Diluted) (In `) (Face Value ` 10/-)		2.11	(68.87)
The accompanying notes are an intergral part of the financial statements.	25		

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants

F.R.N. 100332W

**CA. Samir R. Parikh**

Partner

M. No. 41506

Vadodara

 26<sup>th</sup> May, 2018

**Suresh Singhal**  
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**Mr. V. K. Gulati**
**Mr. S. S. Bhattbhatt**
**Dr. R. M. Khajuria**

 Vadodara  
 26<sup>th</sup> May, 2018

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### A. Equity Share Capital

Particulars	No. of Shares	₹ lakhs
Balance as at 1 <sup>st</sup> April, 2016	17,128,992	1,712.90
Changes in equity share capital during FY 2016-17	-	-
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>17,128,992</b>	<b>1,712.90</b>
Balance as at 1 <sup>st</sup> April, 2017	17,128,992	1,712.90
Changes in equity share capital during FY 2017-18	-	-
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>17,128,992</b>	<b>1,712.90</b>

### B. Other Equity

Particulars	Reserves and Surplus								Items of Other Comprehensive Income	Total Other Equity
	Share Application Money	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve	Foreign Currency Translation Reserve	Retained Earnings		
Balance as at 1 <sup>st</sup> April, 2016	1,980.00	253.04	25.00	6,684.48	411.47	39.68	-	(32,953.99)	82.76	(23,477.56)
Profit for the period								(11,796.47)		(11,796.47)
Other Comprehensive Income-Actuarial Gains / (Losses) (OCI)									(34.52)	(34.52)
Foreign Currency Translation Reserve							19.14			19.14
Transferred to General Reserve					(1.50)					(1.50)
Transferred from General Reserve						1.50				1.50
Balance at 31 <sup>st</sup> March, 2017	1,980.00	253.04	25.00	6,684.48	409.97	41.18	19.14	(44,750.46)	48.24	(35,289.41)
Balance at 1 <sup>st</sup> April, 2017	1,980.00	253.04	25.00	6,684.48	409.97	41.18	19.14	(44,750.46)	48.24	(35,289.41)
Profit for the period								361.67		361.67
Other Comprehensive Income - Actuarial Gains / (Losses) (OCI)									92.51	92.51
Foreign Currency Translation Reserve							(35.88)			(35.88)
Transferred to General Reserve					(1.51)					(1.51)
Transferred from General Reserve						1.51				1.51
Balance at 31 <sup>st</sup> March, 2018	1,980.00	253.04	25.00	6,684.48	408.46	42.69	(16.74)	(44,388.79)	140.75	(34,871.11)

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants

F.R.N. 100332W

**CA. Samir R. Parikh**  
Partner

M. No. 41506

Vadodara

26<sup>th</sup> May, 2018

**Suresh Singhal**

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**Dr. R. M. Khajuria**

Vadodara

26<sup>th</sup> May, 2018

**Notes to Consolidated Financial Statements**

( lakhs )

PARTICULARS	TANGIBLE ASSETS								TOTAL TANGIBLE ASSETS	INTANGIBLE ASSETS Software Licences	GRAND TOTAL
	*Land Freehold	Buildings	Plant & Equipments	R & D Equipments	Furniture & Fixture	Vehicles	Office Equipments	Electrical Installation			
<b>GROSS BLOCK</b>											
As at 1 <sup>st</sup> April 2016	650.42	3,022.91	11,204.50	1,818.77	331.52	289.92	701.76	153.53	18,173.33	345.59	18,518.92
Additions	168.82	-	19.17	-	4.04	110.09	4.49	-	306.61	-	306.61
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Deductions / Amortisation	-	-	24.47	-	1.50	64.91	11.97	-	102.85	-	102.85
As at 31 <sup>st</sup> March 2017	819.24	3,022.91	11,199.20	1,818.77	334.06	335.10	694.28	153.53	18,377.09	345.59	18,722.68
Additions	45.95	48.93	45.11	-	0.19	105.75	43.99	-	289.92	14.28	304.20
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Deductions / Amortisation	-	-	-	-	0.75	74.10	2.17	-	77.02	-	77.02
As at 31 <sup>st</sup> March 2018	865.19	3,071.84	11,244.31	1,818.77	333.50	366.75	736.10	153.53	18,589.99	359.87	18,949.86
<b>DEPRECIATION</b>											
Upto 1 <sup>st</sup> April 2016	-	835.00	5,926.03	609.73	203.87	169.52	666.54	65.19	8,475.88	329.16	8,805.04
For the year	-	74.99	774.90	93.53	26.45	35.04	19.70	13.82	1,038.43	15.79	1,054.22
Adjustments	-	-	15.10	-	-	-	-	-	15.10	-	15.10
Deductions / Amortisation	-	-	3.87	-	0.96	44.68	11.35	-	60.86	-	60.86
As at 31 <sup>st</sup> March 2017	-	909.99	6,712.16	703.26	229.36	159.88	674.89	79.01	9,468.55	344.95	9,813.50
For the year	-	75.68	751.74	73.71	26.25	40.89	13.35	13.40	995.02	3.11	998.13
Adjustments	-	-	15.60	-	-	-	-	-	15.60	-	15.60
Deductions / Amortisation	-	-	-	-	0.65	53.73	1.97	-	56.35	-	56.35
As at 31 <sup>st</sup> March 2018	-	985.67	7,479.50	776.97	254.96	147.04	686.27	92.41	10,422.82	348.06	10,770.88
<b>NET BLOCK</b>											
As at 1 <sup>st</sup> April 2016	650.42	2,187.91	5,278.47	1,209.04	127.65	120.40	35.22	88.34	9,697.45	16.43	9,713.88
As at 31 <sup>st</sup> March 2017	819.24	2,112.92	4,487.04	1,115.51	104.70	175.22	19.39	74.52	8,908.54	0.64	8,909.18
As at 31 <sup>st</sup> March 2018	865.19	2,086.17	3,764.81	1,041.80	78.54	219.71	49.83	61.12	8,167.17	11.81	8,178.98

Note :

- 1) Vehicles include gross value of ₹ 6.10 lakhs purchased under hire purchase arrangements .
- 2) \* Part of the Land is given on long term lease.

## 74th Annual Report

### Notes to Consolidated Financial Statements Note 2 - Non-current Investments(at cost)

	Nos.	Face Value	As at 31-03-2018 lakhs	As at 31-03-2017 lakhs	As at 01-04-2016 lakhs
<b>A Trade Investment</b>					
<b>Investment in Equity Instruments</b>					
<b>[1] Quoted :</b>					
JSL Industries Ltd. (Associate Company)	29,255	10	3.37	3.37	3.37
<b>Investment in Joint Venture Company</b>					
<b>[2] Unquoted :</b>					
Jyoti Sohar Switchgear LLC, Oman @	490,000	(RO) 1	1,376.94	765.54	86.73
Add : Share in Profit including transitional provision			260.20	592.26	678.81
Add : Exchange rate diff on transition			(35.88)	19.14	-
			<b>1,601.26</b>	<b>1,376.94</b>	<b>765.54</b>
<b>B Others</b>					
<b>Investment in Equity Instruments</b>					
<b>[1] Quoted :</b>					
MPIL Corporation Ltd.	2	10	* 0.00	* 0.00	-
Mather & Platt Fire Systems Ltd.	9	10	* 0.00	* 0.00	-
Kirloskar Brothers Investments Ltd.	-	2	-	-	-
	(52)				
Kirloskar Oil Engines Limited	790	2	0.01	0.01	0.01
Kirloskar Pneumatic Co., Limited	68	10	0.01	0.01	0.01
ABB India Limited	335	2	0.32	0.32	0.32
S. Kumars Nationwide Ltd.	50	10	* 0.00	* 0.00	-
Kotia Enterprises	300	10	0.06	0.06	0.06
WPIL Ltd.	50	10	0.01	0.01	0.01
			<b>0.41</b>	<b>0.41</b>	<b>0.41</b>
Less:Provision for other than temporary diminution in value			0.01	* 0.00	-
			<b>0.40</b>	<b>0.41</b>	<b>0.41</b>
<b>[2] Unquoted :</b>					
S & S Power Switchgear Ltd.	50	10	0.07	0.07	0.07
SLM Maneklal Industries Ltd.	10	100	0.01	0.01	0.01
Advance Bio-Coal (India) Ltd.	500	10	0.05	0.05	0.05
Engineering Raw Materials Consumers' Corpn. Ltd.	10	1000	0.10	0.10	0.10
Alternative Energy Industries Ltd.	50	10	0.01	0.01	0.01
Gujarat Small Industries Baroda Industrial Development Corporation Ltd.	60	100	0.06	0.06	0.06
	132	1000	1.32	1.32	1.32
Gujarat State Financial Corporation	100	10	0.01	0.01	0.01
Co-Operative Bank of Baroda Ltd.	100	25	0.03	0.03	0.03
Uma Co-Operative Bank Ltd.	440	25	0.11	0.11	0.11
			<b>1.77</b>	<b>1.77</b>	<b>1.77</b>
<b>C Investments in Government Securities (Unquoted)</b>					
6/7 Years National Savings Certificates (` 1,64,360 deposited with Government)	-	164,360	1.64	1.64	1.64
Sardar Sarovar Narmada Nigam Ltd.	-	3,000,000	30.06	30.06	30.06
			<b>31.70</b>	<b>31.70</b>	<b>31.70</b>
Total Investments			<b>1,638.50</b>	<b>1,414.19</b>	<b>802.79</b>
a) Aggregate amount of Quoted Investments (Market value of ` 41.33 lacs) (Previous year ` 46.39 lacs)			<b>3.77</b>	<b>3.78</b>	<b>3.78</b>
b) Aggregate amount of Unquoted Investments			<b>1,634.73</b>	<b>1,410.41</b>	<b>799.01</b>
			<b>1,638.50</b>	<b>1,414.19</b>	<b>802.79</b>
Aggregate provision for diminution in value of investments			0.01	* 0.00	-

@ Equity investments in this Company carry certain restrictions on transfer of shares that are normally provided for in joint venture agreement.

\* Nominal value

## Notes to Consolidated Financial Statements

	As at 31-03-2018 lakhs	As at 31-03-2017 lakhs	As at 01-04-2016 lakhs
<b>Note 3 - Other non-current assets</b>			
Unsecured, considered good			
Capital advances	9.60	377.84	406.56
Security deposits	101.06	107.16	108.14
Advance payments and MAT credit of Income tax (net of provisions ` 1124.33 (Previous year ` 1124.33))	1,086.48	946.58	879.04
	<u>1,197.14</u>	<u>1,431.58</u>	<u>1,393.74</u>
<b>Note 4 - Inventories</b>			
(Valued at lower of cost and net realisable value)			
Raw Materials and Components	916.68	1,355.00	1,257.17
Material in Transit	-	-	66.56
Work-in-progress	1,676.39	2,669.16	4,431.89
Finished Goods	30.69	339.99	199.81
	<u>2,623.76</u>	<u>4,364.15</u>	<u>5,955.43</u>
<b>Note 5 - Trade Receivables</b>			
Unsecured, considered good			
Considered Good	36,449.62	38,179.43	34,586.33
Less: Provision for doubtful trade receivables	6,418.70	6,360.97	305.62
	<u>30,030.92</u>	<u>31,818.46</u>	<u>34,280.71</u>
<b>Note 6 - Cash and cash equivalents</b>			
Balance in Current Account with Banks	368.19	179.29	73.64
Cheques, drafts on hand	-	-	22.89
Cash on hand	15.66	12.07	18.37
	<u>383.85</u>	<u>191.36</u>	<u>114.90</u>
<b>Note 7 - Other Bank balances</b>			
Unclaimed Dividend Accounts	10.56	14.31	14.31
Margin Money Deposits with Banks (Due within 12 months ` 946.37 (Previous year ` 1348.73))	1,317.01	1,740.82	1,153.01
	<u>1,327.57</u>	<u>1,755.13</u>	<u>1,167.32</u>
Margin Money Deposits given as security for guarantees / letters of credit given by the banks.			
<b>Note 8 - Other current assets</b>			
Unsecured, considered good			
Advances for supplies and expenses	3,256.89	3,561.74	3,631.46
Less: provision for doubtful advances	-	-	80.82
	<u>3,256.89</u>	<u>3,561.74</u>	<u>3,550.64</u>
Tender deposits/ Security deposits	189.37	165.86	129.75
Advances recoverable in cash or kind	112.12	488.46	454.37
Advances to staff	-	0.76	2.51
Pre-paid expenses	96.90	116.83	157.17
Interest accrued on fixed deposits	62.13	46.94	121.45
Dividend receivable on investment	166.02	-	-
	<u>3,883.43</u>	<u>4,380.59</u>	<u>4,415.89</u>

## Notes to Consolidated Financial Statements

	As at 31-03-2018 ` lakhs	As at 31-03-2017 ` lakhs	As at 01-04-2016 ` lakhs
<b>Note 9 - Equity Share Capital</b>			
a) The Company has only one class of shares referred to as equity shares having a par value of ` 10/-			
<b>Authorised</b>			
2,50,00,000 (31 <sup>st</sup> March,2017: 2,50,00,000 )	2,500.00	2,500.00	2,500.00
Equity Shares of ` 10 each	<u>2,500.00</u>	<u>2,500.00</u>	<u>2,500.00</u>
<b>Issued, Subscribed and Paid Up</b>			
1,71,28,992(31 <sup>st</sup> March,2017: 1,71,28,992)	1,712.90	1,712.90	1,712.90
Equity Shares of ` 10 each fully paid	<u>1,712.90</u>	<u>1,712.90</u>	<u>1,712.90</u>

- b) Reconciliation of the number of shares outstanding and amount at the beginning and at the end of the reporting period :

Particulars	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	No.	` lakhs	No.	` lakhs	No.	` lakhs
Equity Shares of ` 10						
At the beginning of the period	17,128,992	1,712.90	17,128,992	1,712.90	17,128,992	1,712.90
Issued during the period	-	-	-	-	-	-
Outstanding at the end of the period	17,128,992	1,712.90	17,128,992	1,712.90	17,128,992	1,712.90

The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital:

The Company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution / repayment of all creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

- c) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held:

Name of Shareholder	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	No. of Shares Holding held	% of	No. of Shares held	% of Holding	No. of Shares Holding held	% of
1. Insutech Industries Ltd.	2,337,654	13.65	2,337,654	13.65	2,337,654	13.65
2. JSL Industries Ltd.	1,074,239	6.27	1,074,239	6.27	1,074,239	6.27
3. Rahul N. Amin	1,084,100	6.33	1,084,100	6.33	1,084,100	6.33
4. Signora Finance Pvt. Ltd.	-	-	-	-	966,278	5.64
5. Chartered Capital Research Pvt. Ltd.	966,278	5.64	-	-	-	-

## Notes to Consolidated Financial Statements

	As at 31-03-2018 ` lakhs	As at 31-03-2017 ` lakhs	As at 01-04-2016 ` lakhs
<b>Note 10 - Non-current liabilities</b>			
<b>Borrowings</b>			
<b>Term loans (Secured):</b>			
From Banks	12,585.79	23,170.17	27,509.17
From Technology Development Board	-	150.33	372.55
From Asset Reconstruction Company	6,511.14	-	-
	<u>19,096.93</u>	<u>23,320.50</u>	<u>27,881.72</u>

### Notes :-

- 1) a) The term loans, cash credit facilities and others carry interest @ 11.75% to 12.25% p.a.
- b) The term loans, cash credit facilities, interest accrued and due thereon and non-fund based facilities are secured by a first charge created in favour of consortium members on the stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables and book debts, furniture, fixtures, office equipments and all other movable and immovable properties, (except those created in favour of Technology Development Board), both present and future, of the company situated at Kasba, Dist. Vadodara, Gorwa, Dist. Vadodara, Mogar, Dist. Anand and Moje Sama in registration District and Sub-District of Vadodara, all in the State of Gujarat .
- c) Also Equity Shares of the core Promoter group have been pledged to consortium members, total no. of shares 54,46,503 equivalent to 31.80% of total Equity Shares.
- 2) The term loans from Technology Development Board carries interest @ 5% and is secured by first charge on the assets created for Wind Turbine Project both, present and future.
- 3) Further, these facilities are also secured by the personal guarantee of Promoter Directors.

### Note 11 - Provisions

Employee benefits	590.84	700.64	875.39
	<u>590.84</u>	<u>700.64</u>	<u>875.39</u>

### Note 12 - Other non-current liabilities

Advances from customers	2,697.33	3,222.90	3,942.30
	<u>2,697.33</u>	<u>3,222.90</u>	<u>3,942.30</u>

### Note 13 - Current liabilities

#### Borrowings

#### Loans payable on demand (Secured) :

From Banks (Including Due but not paid ` 3734.92 (P/Y ` 7661.68))	14,349.26	26,337.31	25,036.04
From Asset Reconstruction Company (Including Due but not paid ` 1832.46)	9,186.62	-	-

#### Term loans (Secured):

From Banks (Including Due but not paid ` 8342.30 (P/Y ` 7124.50))	11,372.38	11,463.50	7,124.50
From Technology Development Board (Including Due but not paid ` 444.44 (P/Y ` 441.33))	591.66	663.55	441.33
From Asset Reconstruction Company (Including Due but not paid ` 2679.86)	3,722.78	-	-
	<u>39,222.70</u>	<u>38,464.36</u>	<u>32,601.87</u>

Refer Note no.10 for securities and interest rates.

### Notes to Consolidated Financial Statements

	As at 31-03-2018 ` lakhs	As at 31-03-2017 ` lakhs	As at 01-04-2016 ` lakhs
<b>Note 14 - Trade payable</b>			
Micro and small enterprises	85.12	112.55	126.51
Others	9,966.64	11,076.85	10,579.83
	<u>10,051.76</u>	<u>11,189.40</u>	<u>10,706.34</u>
<b>Note 15 - Other financial liabilities - Secured</b>			
Interest accrued and due to Consortium Members	11,602.07	11,559.96	3,449.16
Interest accrued but not due to TDB	-	48.49	154.54
	<u>11,602.07</u>	<u>11,608.45</u>	<u>3,603.70</u>
<b>Note 16 - Provisions</b>			
Employee benefits	107.21	150.75	233.90
	<u>107.21</u>	<u>150.75</u>	<u>233.90</u>
<b>Note 17 - Other current liabilities</b>			
Advance from customers	1,194.20	1,508.74	1,876.30
Unclaimed dividend	17.17	14.24	14.25
Others	200.42	307.42	665.02
	<u>1,411.79</u>	<u>1,830.40</u>	<u>2,555.57</u>

## Notes to Consolidated Financial Statements

	2017-2018 ` lakhs	2016-2017 ` lakhs
<b>Note 18 - Revenue from Operations</b>		
Sale of Products	25,907.36	27,270.41
Sale of Services	391.91	373.28
	<u>26,299.27</u>	<u>27,643.69</u>
Less: Excise Duty	312.86	1,122.51
Net sales	<u>25,986.41</u>	<u>26,521.18</u>
Other operating revenues		
Claims	-	337.00
Others	33.49	62.91
	<u>33.49</u>	<u>399.91</u>
<b>Revenue from operations (Net)</b>	<u><b>26,019.90</b></u>	<u><b>26,921.09</b></u>
<b>Details of products sold</b>		
Pumps and Pumpsets	4,883.44	7,730.85
Rotating Electric Machines	1,259.66	1,116.93
Generating Sets	2,369.49	2,481.43
Switchboards	3,154.86	4,288.63
H.T. Circuit Breakers	610.16	590.20
Relays	263.29	241.35
Components, Spares and Others	13,053.60	9,698.51
	<u>25,594.50</u>	<u>26,147.90</u>
<b>Details of Services rendered</b>		
Miscellaneous Services	391.91	373.28
	<u>25,986.41</u>	<u>26,521.18</u>
<b>Note 19 - Other Income</b>		
Interest on Fixed Deposits and Others	182.86	149.07
Income from Investments (Gross)		
Dividend	166.10	163.76
Profit/(Loss) on Sale of Fixed Assets (Net)	(2.50)	(21.94)
Other non-operating income	18.97	65.95
	<u>365.43</u>	<u>356.84</u>
<b>Note 20 - Cost of Material and Components Consumed</b>		
Inventory at the beginning of the year	1,355.00	1,257.17
Add : Purchases	17,144.29	17,884.71
	<u>18,499.29</u>	<u>19,141.88</u>
Less : Inventory at the end of the year	916.68	1,355.00
	<u>17,582.61</u>	<u>17,786.88</u>

### Notes to Consolidated Financial Statements

	2017-2018 ` lakhs	2016-2017 ` lakhs
<b>Note 21 - Change in Inventories of Finished Goods and Work-in-Progress</b>		
Inventory at the beginning of the year		
Work-in-progress	2,669.16	4,431.89
Finished Goods	339.99	199.81
	<u>3,009.15</u>	<u>4,631.70</u>
Inventory at the end of the year		
Work-in-progress	1,676.39	2,669.16
Finished Goods	30.69	339.99
	<u>1,707.08</u>	<u>3,009.15</u>
	<u>1,302.07</u>	<u>1,622.55</u>
<b>Note 22 - Employee Benefits Expense</b>		
Salaries and Wages	2,770.79	2,724.80
Contribution to Provident and other funds	231.83	257.84
Staff welfare expense	133.20	124.54
	<u>3,135.82</u>	<u>3,107.18</u>
<b>Note 23 - Finance Costs</b>		
Interest	169.76	7,357.08
Please refer note 25(18).		
	<u>169.76</u>	<u>7,357.08</u>

## Notes to Consolidated Financial Statements

	2017-2018 ` lakhs	2016-2017 ` lakhs
<b>Note 24 - Other Expenses</b>		
Consumption of Stores and spares	47.14	66.54
Power and Fuel	109.68	105.40
Rent	35.85	43.64
Repairs and Maintenance to		
: Building	131.43	36.82
: Machinery	156.19	64.33
: Others	110.48	87.13
Insurance	56.99	48.45
Rates and Taxes	50.89	49.60
Excise Duty (Including increase/ (decrease) of Excise Duty on inventory)	(41.35)	51.35
Publicity	49.20	17.87
Commission	25.91	-
Freight and Forwarding Charges	138.00	170.91
Stationery, Postage, Telephones and Telex	48.75	48.18
Bank Charges	139.21	191.54
Audit Fees and Expenses	8.97	9.84
Legal & Professional Fees	481.13	477.23
Travelling	200.55	170.91
Directors' Fees	0.76	0.86
Membership Fees and Subscriptions	6.71	7.22
Bad debts / Advances written off	338.00	381.45
Provision for doubtful debts / advances and Impairment of Capital WIP	85.46	176.00
Miscellaneous Expenses	172.66	188.19
Provision for diminution in value of investment	0.01	-
	<b>2,352.62</b>	<b>2,393.46</b>
Payment to auditors		
1) As auditor :		
Audit fees	5.20	5.98
Tax audit fees	1.35	1.38
Limited Review & Other services	1.20	1.17
Reimbursement of expenses	0.47	0.45
2) Cost audit fees	0.75	0.86
	<b>8.97</b>	<b>9.84</b>

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2018.

#### Note 25:- Significant Accounting Policies and Other explanatory notes and information

##### 1. Contingent liability to the extent not provided for :

	2017-18 ` lakhs	2016-17 ` lakhs
(a) Bills/Cheques discounted with scheduled banks	621.11	211.19
(b) Income Tax (*)	3,362.33	3,362.33
(c) Service Tax / Excise Duty	315.35	316.81
(d) Interest not provided on bank borrowings	8,666.95	-
(e) Claims against the Company/disputed liabilities not acknowledged as debts	291.45	274.61

(\*) With regard to the merits of the reported demand of ` 2,850.41 lakhs for the year 2012-13 received from the Income tax authorities, the Company has represented during appeal proceedings, outcome of which is expected shortly. In the meantime, based on identical merits, the Company has received favourable orders from the Income tax authorities for subsequent year upholding the Company's stand in the matter.

##### 2. Basis of Preparation :

The Financial Statements of the Joint Venture used in the Consolidation are drawn up to 31<sup>st</sup> December, 2017.

##### 3. Principles of Consolidation :

The Consolidated Financial Statements consists of Jyoti Limited and its Joint Venture. The Consolidated Financial Statements have been prepared on the following basis:

Investment and share of profit of Joint Venture have been consolidated as per the equity method as per Ind AS 28 "Investments in Associates" and "Ind AS 111 Joint Arrangements" respectively specified under Section 133 of the Companies Act 2013 read with Companies (Accounts) Rules 2015.

##### 4. Companies included in Consolidation :

Name	Nature	Country of Incorporation	Proportion of Ownership Interest as on 31.03.2018
Jyoti Sohar Switchgear LLC	Joint Venture	Sultanate of Oman	49% shareholding of Jyoti Limited

##### 5. Accounting Policies :

The accounting policies of the Company are as per generally accepted accounting principles in India and the accounting policies of its Joint Venture are in accordance with International Financial Reporting Standards (IFRS). However, no adjustment is considered necessary in the consolidated accounts.

##### 6. Translation of Accounts :

In Consolidated Financial Statements, the Financial Statements of Joint Ventures have been translated into INR as prescribed under Ind AS 21 the Effects of Changes in Foreign Exchange Rates specified under Section 133 of the Companies Act 2013 read with Companies (Accounts) Rules 2015.

##### 7. For Consolidation, the Financial Statements of Joint Venture are considered as at 31<sup>st</sup> December, 2017. There are no significant transactions during the period from 1<sup>st</sup> January, 2018 to 31<sup>st</sup> March, 2018.

**8.1 Reconciliation of equity as previously reported under IGAAP to Ind AS:**

(₹ lakhs)

Particulars	As at 1 <sup>st</sup> April, 2016			As at 31 <sup>st</sup> March, 2017		
	Previous GAAP	Effect of Transition	Ind AS	Previous GAAP	Effect of Transition	Ind AS
<b>ASSETS</b>						
<b>Non Current Assets</b>						
Property, Plant & Equipment	9,697.45	-	9,697.45	8,908.54	-	8,908.54
Intangible Property	16.43	-	16.43	0.64	-	0.64
Capital Work-in-Progress	3,399.13	-	3,399.13	3,223.13	-	3,223.13
Financial Assets- Investments	802.79	-	802.79	1,414.19	-	1,414.19
Other Non-Current Assets	1,393.74	-	1,393.74	1,431.58	-	1,431.58
<b>Total Non Current Assets</b>	<b>15,309.54</b>	<b>-</b>	<b>15,309.54</b>	<b>14,978.08</b>	<b>-</b>	<b>14,978.08</b>
<b>Current Assets</b>						
Inventories	5,955.43	-	5,955.43	4,364.15	-	4,364.15
<b>Financial Assets</b>						
- Trade Receivables	34,280.71	-	34,280.71	31,818.46	-	31,818.46
- Cash and Cash Equivalents	1,282.22	(1,167.32)	114.90	1,946.49	(1,755.13)	191.36
- Bank Balance other than cash	0.00	1,167.32	1,167.32	-	1,755.13	1,755.13
- Loans	121.45	(121.45)	-	46.94	(46.94)	-
Other Current Assets	4,294.44	121.45	4,415.89	4,333.65	46.94	4,380.59
<b>Total Current Assets</b>	<b>45,934.25</b>	<b>-</b>	<b>45,934.25</b>	<b>42,509.69</b>	<b>-</b>	<b>42,509.69</b>
<b>TOTAL ASSETS</b>	<b>61,243.79</b>	<b>-</b>	<b>61,243.79</b>	<b>57,487.77</b>	<b>-</b>	<b>57,487.77</b>
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>						
Equity Share Capital	1,712.90	-	1,712.90	1,712.90	-	1,712.90
Other Equity	(23,560.32)	82.76	(23,477.56)	(35,372.17)	82.76	(35,289.41)
<b>Total Equity</b>	<b>(21,847.42)</b>	<b>82.76</b>	<b>(21,764.66)</b>	<b>(33,659.27)</b>	<b>82.76</b>	<b>(33,576.51)</b>
<b>LIABILITIES</b>						
<b>Non-Current Liabilities</b>						
Financial Liabilities-Borrowing	27,881.72	-	27,881.72	23,320.50	-	23,320.50
Provisions	958.15	(82.76)	875.39	783.40	(82.76)	700.64
Deferred tax liabilities (Net)	607.66	-	607.66	576.88	-	576.88
Other Non-Current Liabilities	3,942.30	-	3,942.30	3,222.90	-	3,222.90
<b>Total Non Current Liabilities</b>	<b>33,389.83</b>	<b>(82.76)</b>	<b>33,307.07</b>	<b>27,903.68</b>	<b>(82.76)</b>	<b>27,820.92</b>
<b>Current Liabilities</b>						
<b>Financial Liabilities-</b>						
- Borrowings	25,036.04	7,565.83	32,601.87	26,337.31	12,127.05	38,464.36
- Trade Payables	10,706.34	-	10,706.34	11,189.40	-	11,189.40
- Other Financial Liabilities	13,725.10	(10,121.40)	3,603.70	25,565.90	(13,957.45)	11,608.45
Other Current Liabilities	-	2,555.57	2,555.57	-	1,830.40	1,830.40
Provisions	233.90	-	233.90	150.75	-	150.75
<b>Total Current Liabilities</b>	<b>49,701.38</b>	<b>-</b>	<b>49,701.38</b>	<b>63,243.36</b>	<b>-</b>	<b>63,243.36</b>
<b>Total Liabilities</b>	<b>83,091.21</b>	<b>(82.76)</b>	<b>83,008.45</b>	<b>91,147.04</b>	<b>(82.76)</b>	<b>91,064.28</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>61,243.79</b>	<b>-</b>	<b>61,243.79</b>	<b>57,487.77</b>	<b>-</b>	<b>57,487.77</b>

8.2 Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS for the year ended 31<sup>st</sup> March, 2017:

Particulars	Previous GAAP	Effect of Transition	(` lakhs) Ind AS
<b>INCOME</b>			
Revenue from Operations	26,921.09	-	26921.09
Other Income	356.84	-	356.84
<b>TOTAL INCOME ( I )</b>	<b>27,277.93</b>	<b>-</b>	<b>27277.93</b>
<b>EXPENSES</b>			
Cost of Materials & components consumed	17,786.88	-	17786.88
Changes in Inventories of Finished Goods and W.I.P.	1,622.55	-	1622.55
Employee Benefits Expense	3,141.70	34.52	3107.18
Finance Cost	7,357.08	-	7357.08
Depreciation and Amortization Expense	1,069.32	-	1069.32
Other Expenses	2,393.46	-	2393.46
<b>TOTAL EXPENSES ( II )</b>	<b>33,370.99</b>	<b>34.52</b>	<b>33,336.47</b>
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS ( I ) – ( II )</b>			
	<b>(6,093.06)</b>	<b>(34.52)</b>	<b>(6,058.54)</b>
EXCEPTIONAL ITEM	6,360.97	-	6,360.97
SHARE OF PROFIT/(LOSS) OF A JOINT VENTURE	592.26	-	592.26
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>(11,861.77)</b>	<b>(34.52)</b>	<b>(11,827.25)</b>
<b>Tax Expenses</b>			
- Current Tax	-	-	-
- Deferred Tax	(30.78)	-	(30.78)
<b>Total Tax Expense</b>	<b>(30.78)</b>	<b>-</b>	<b>(30.78)</b>
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>(11,830.99)</b>	<b>(34.52)</b>	<b>(11,796.47)</b>
<b>Other Comprehensive Income</b>			
Item that will not be reclassified subsequently to profit or loss	-	34.52	(34.52)
Re-measurement of the net defined benefit liability/asset net of tax	-	-	-
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>34.52</b>	<b>(34.52)</b>
<b>Total Comprehensive Income for the period</b>	<b>(11,830.99)</b>	<b>-</b>	<b>(11,830.99)</b>

Explanations for reconciliation of Statement of Profit and Loss as previously reported under IGAAP to Ind AS :

1. **Employee Benefits Expense :**

As per Ind-AS 19- Employee Benefits, actuarial gains and losses are recognized in Other Comprehensive Income and not reclassified to profit and loss in a subsequent period.

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants

F.R.N. 100332W

**CA. Samir R. Parikh**

Partner

M. No. 41506

Vadodara

26<sup>th</sup> May, 2018

**Suresh Singhal**

Vice President (Legal) &

Company Secretary

**Ronak Shah**

Chief Financial Officer

**Rahul N. Amin**

Chairman & Managing Director

Directors

**Mrs. T. R. Amin**

**Mr. T. C. Dayal**

**Mr. S. S. Bhattbhatt**

**Mr. U.V. Desai**

**Mr. V. K. Gulati**

**Dr. R. M. Khajuria**

Vadodara

26<sup>th</sup> May, 2018

**Consolidated Cash flow statement for the year ended on 31<sup>st</sup> March, 2018.**

	2017-2018 lakhs	2016-2017 lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and non-recurring items :	<b>278.92</b>	(11,827.25)
<b>Adjustments for</b>		
1. Depreciation	<b>1,013.73</b>	1,069.32
2. Finance Cost charged to Statement of Profit & Loss	<b>169.76</b>	7,357.08
3. Interest Received	<b>(182.86)</b>	(149.07)
4. Dividend Received	<b>(166.10)</b>	(163.76)
5. (Profit)/Loss on Sale of Fixed Assets (Net)	<b>2.50</b>	21.94
6. Bad Debts written off	<b>338.00</b>	381.45
7. Provision for doubtful debts / advances and impairment of Capital WIP	<b>895.46</b>	6,536.97
8. Provision for diminution in value of Investments*	-	-
	<b>2,070.49</b>	15,053.93
Operating profit / (loss) before working capital changes	<b>2,349.41</b>	3,226.68
<b>Movement in Working Capital</b>		
1. Trade and Other Receivables	<b>2,223.87</b>	(4,802.97)
2. Inventories	<b>1,740.39</b>	1,591.28
3. Trade and Other Payables	<b>(2,192.66)</b>	(447.47)
Net change in working capital	<b>1,771.60</b>	(3,659.16)
Cash Generated from Operations	<b>4,121.01</b>	(432.48)
Direct Taxes Paid (Net)	<b>(139.90)</b>	(67.54)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES (A)</b>	<b>3,981.11</b>	(500.02)

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	2017-2018 lakhs	2016-2017 lakhs
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
1. Purchase of Fixed Assets	(304.20)	(306.61)
2. Proceeds from Sale of Fixed Assets	18.17	20.04
3. Investments	(260.19)	(592.26)
4. Interest Received	182.86	149.07
5. Dividend Received	166.10	163.76
<b>NET CASH UTILISED IN INVESTING ACTIVITIES (B)</b>	<b>(197.26)</b>	<b>(566.00)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
1. Proceeds from borrowings (Net)	(3,465.22)	1,301.27
2. Interest Paid	(126.14)	(158.79)
<b>NET CASH GENERATED IN FINANCIAL ACTIVITIES (C)</b>	<b>(3,591.36)</b>	<b>1,142.48</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>192.49</b>	<b>76.46</b>
Cash and Cash Equivalents as at 01/04/2017	191.36	114.90
Cash and Cash Equivalents as at 31/03/2018	383.85	191.36

Notes : i) Previous year figures are regrouped wherever necessary.

ii) Figures in brackets indicate negative figures.

\* Nominal Value

As per our Report attached of even date

**For Amin Parikh & Co.**

Chartered Accountants

F.R.N. 100332W

**CA. Samir R. Parikh**

Partner

M. No. 41506

Vadodara

26<sup>th</sup> May, 2018

**Suresh Singhal**  
Vice President (Legal) &  
Company Secretary

**Ronak Shah**  
Chief Financial Officer

**Rahul N. Amin**  
Chairman & Managing Director

Directors

**Mrs. T. R. Amin**      **Mr. U.V. Desai**  
**Mr. T. C. Dayal**      **Mr. V. K. Gulati**  
**Mr. S. S. Bhattbhatt**      **Dr. R. M. Khajuria**

Vadodara  
26<sup>th</sup> May, 2018

**ATTENDANCE SLIP**

CIN : **L36990GJ1943PLC000363**

NAME OF THE COMPANY: **Jyoti Limited**

Regd. Office : Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara - 390 003.

**Please complete this Attendance Slip and hand over at the Entrance of the Company.**

I/We hereby record my/our presence at the 74<sup>th</sup> Annual General Meeting held at Jyoti Limited, Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara — 390 003 on Thursday, 27<sup>th</sup> September, 2018 at 9.00 a.m.

<b>DP ID No.*:</b>	<b>L.F. No. :</b>
<b>Client ID No.*:</b>	<b>No. of Shares held:</b>

**Name and Address of the Shareholder (s):**

<b>If Shareholder (s), Please Sign here</b>	<b>If Proxy, Please Sign here</b>

\* Applicable for Investors holding shares in electronic form.

**Form No. MGT-11  
PROXY FORM**

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

CIN: **L36990GJ1943PLC000363**

NAME OF THE COMPANY: **Jyoti Limited**

Regd. Office : **Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara - 390 003.**

Name of Member (s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) of \_\_\_\_\_, Shares of the above named Company, hereby appoint:

- 1) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_  
 Signature: \_\_\_\_\_, or failing him
- 2) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_  
 Signature: \_\_\_\_\_, or failing him
- 3) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_  
 Signature: \_\_\_\_\_,

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as my/our proxy to attend and vote for me/us and on my/our behalf at the Seventy Fourth Annual General Meeting of the Company, to be held on the 27<sup>th</sup> day of September, 2018 at 9.00 a.m. at Registered Office of the Company situated at Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara – 390 003 and at any adjournment thereof in respect of such resolutions as are indicated below :

**Resolution No.:**

1. Adoption of Financial Statements - To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the Financial Year ended on 31<sup>st</sup> March, 2018, including the audited Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. Re-appointment of Shri Uresh Desai (DIN:00236530), who retires by rotation and, being eligible has offered himself for re-appointment.
3. Approval of Remuneration of Cost Auditors of the Company.
4. Special Resolution under Section 180 (1) (a) of the Companies Act, 2013 for Creation of mortgage / charge for Borrowings / Financial Assistance availed.
5. Special Resolution for adoption of new set of Articles of Association.

Sign this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of Shareholder: \_\_\_\_\_

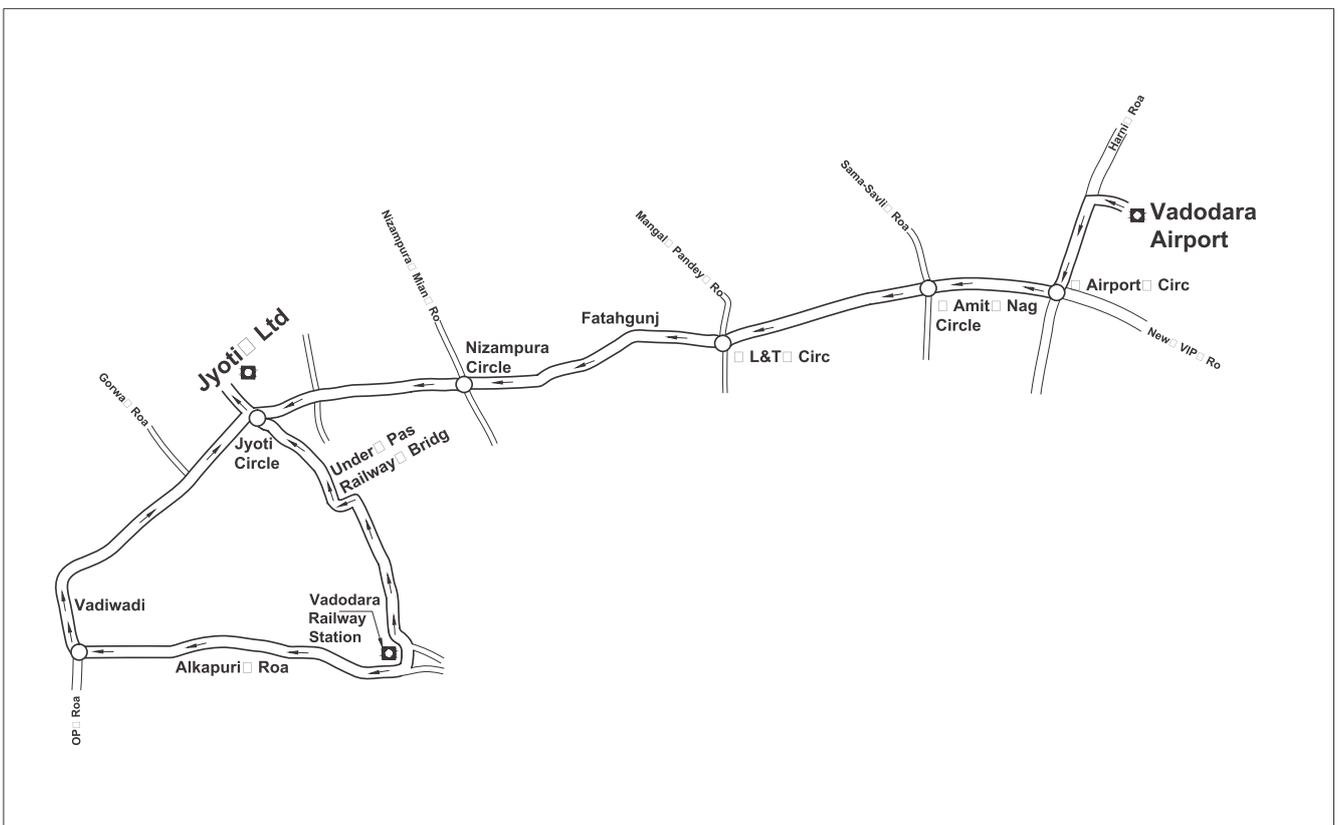
Signature of proxy holder (s): \_\_\_\_\_



**Notes:**

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. **A proxy need not be a member of the Company.**

# ROUTE MAP OF VENUE OF AGM



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# 74<sup>th</sup> ANNUAL REPORT 2017-2018

## 70 Years of Engineering Excellence

*If undelivered, please return to :*



**Jyoti Ltd.**

Water • Power • Progress

Nanubhai Amin Marg, Industrial Area,  
P.O. Chemical Industries,  
Vadodara-390 003. (India)

CIN: L36990GJ1943PLC000363

E.Mail : [jyotilt@jyoti.com](mailto:jyotilt@jyoti.com)  
Website : <http://www.jyoti.com>

74th Annual General Meeting on  
Thursday, the 27th September, 2018  
at the Registered Office, Nanubhai Amin Marg,  
Industrial Area, P.O. Chemical Industries,  
Vadodara - 390 003.

pratiksha : 98252 62512