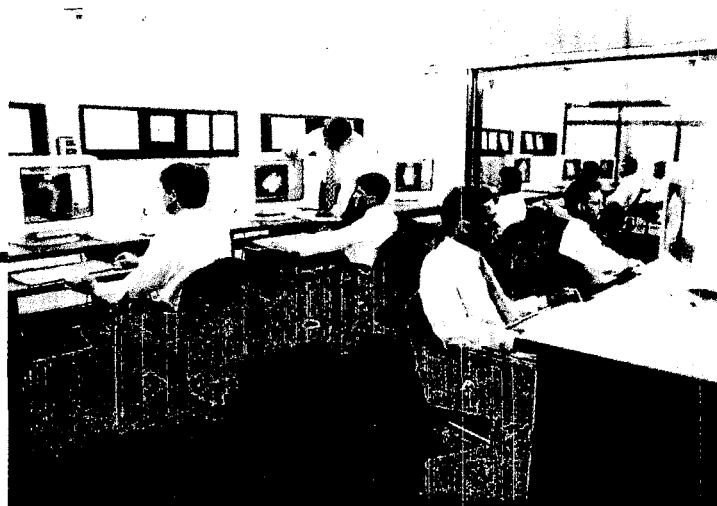


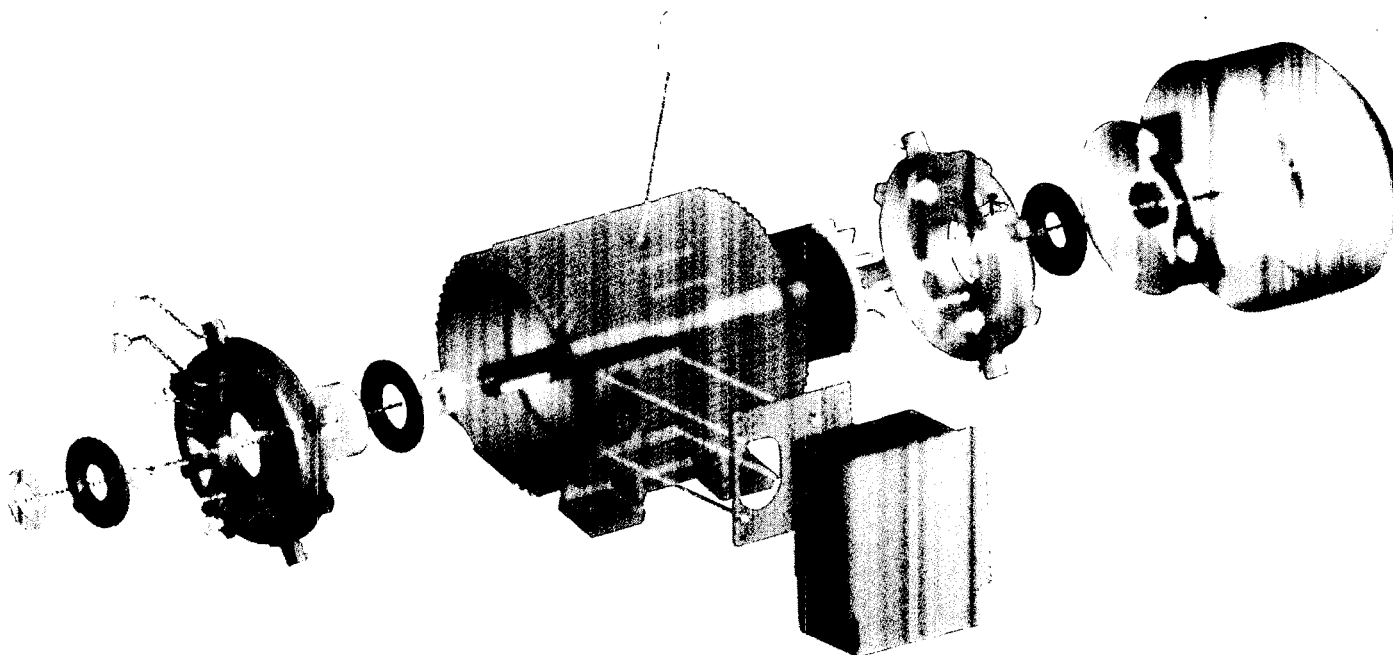


Jyoti Ltd.

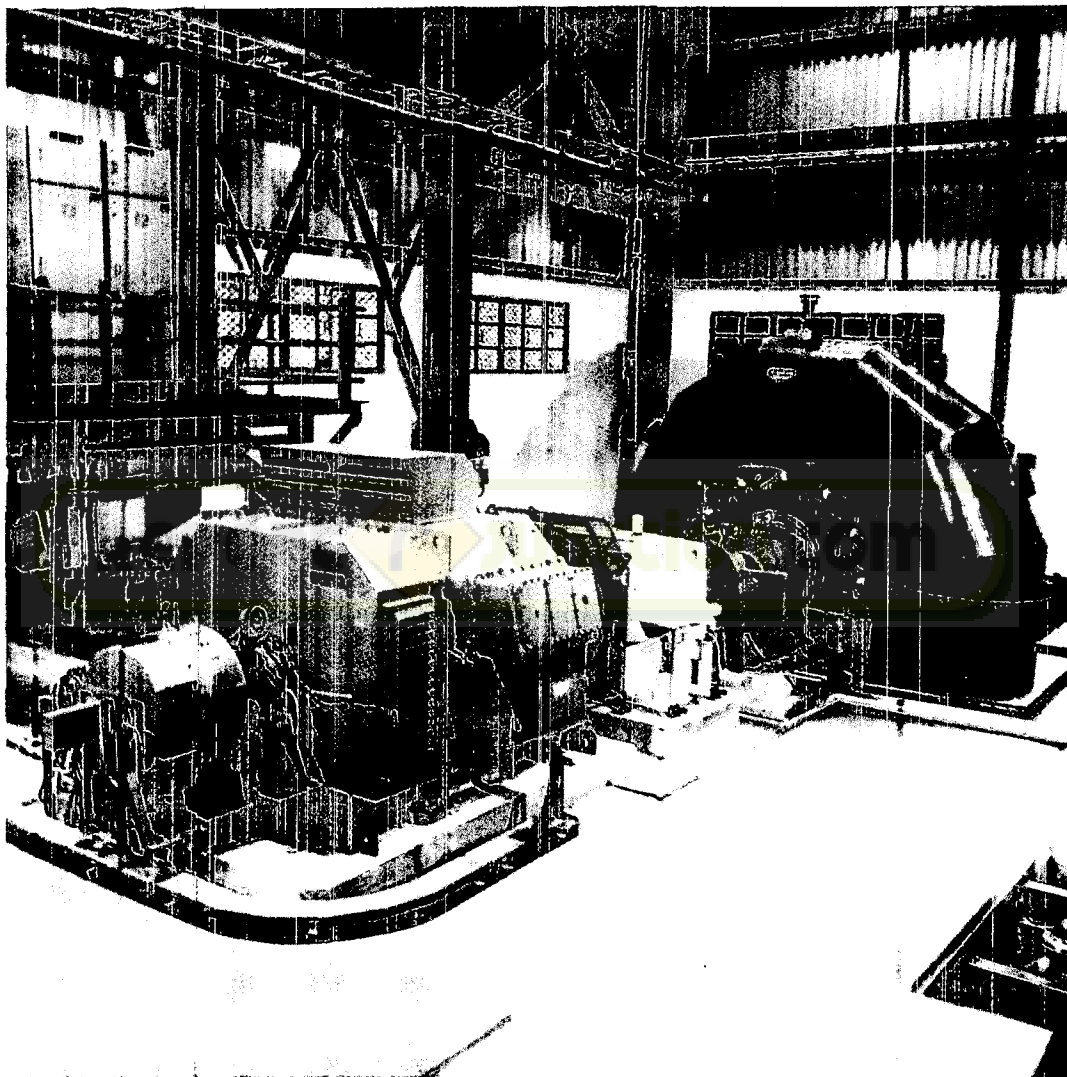


MD			BKC	✓
CS			DPY	✓
RO			DIV	✓
TRA			AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

Report Junction



54TH ANNUAL REPORT 1997-98



The first unmanned Small Hydro Power Station in India - 2 x 1600 KW, fully automatic and remote controlled at a Tail Race Power House in Maharashtra.


Jyoti Ltd.

54TH ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 1998

BOARD OF DIRECTORS

**Chairman &
Managing Director** **Mr. Nanubhai Bhailalbhai Amin**
S.B. (M.I.T., U.S.A.), M.Sc. (Cornell – U.S.A.)

Managing Director **Mr. Rahul Nanubhai Amin**
B.E. (Elec.), M.Engg. (Cornell – U.S.A.)

Directors **Dr. Narayan Ranchhodlal Sheth**
M.A., Ph.D.

Mr. Mulshankar Chhotalal Bhatt
B.A. (Hons.)

Mr. Kantilal Lallubhai Dalal
B.Com., B.Sc. (Econ.-L.S.E.)

Mr. Vinodrai Chhaganlal Desai
M.Sc., LL.B.

Mr. Uday Shantilal Shah
B.Com. (Hons.), F.C.A.

Mr. Uresh Vivekchandra Desai
B.Sc. (Elec. Engg.), U.K.

Mr. Hosi Navalshah Elavia
B.Com., LL.B., A.I.C.W.A.

Mr. Buddhavarapu Surya Mahadev
B. Tech. (Met. Enggs.), P.G.D.M.

Mr. Kewal K. Taneja
B.Sc., D.I.I.Sc., F.I.E.

AUDITORS **Messrs K.S. Aiyar & Co.**
Chartered Accountants

BANKERS Central Bank of India
Dena Bank
Bank of Maharashtra

REGISTERED OFFICE Industrial Area
P.O. Chemical Industries
Vadodara - 390 003



Jyoti Ltd.

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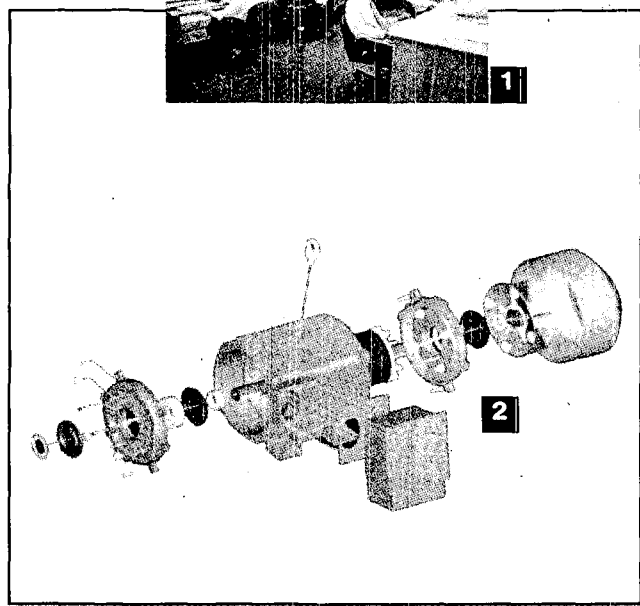
Report  junction.com



1. View of Pro/ENGINEER Design Centre at Jyoti, only of its kind in Gujarat.

Pro/ENGINEER is industry's leading CAD/CAM/CAE (Computer-aided Design, Manufacturing and Engineering) software tool used to automate the mechanical development of a product from its conceptual design through its release into manufacturing. It will help us reducing 'Time to Market' a product, improving engineering processes and optimising product quality.

2. The Exploded View of 'Jyoti' Electric Motor designed on Pro/ENGINEER software.



NOTICE

The FIFTY FOURTH ANNUAL GENERAL MEETING of the Members of JYOTI LIMITED will be held at the Campus of Jyoti Colony, situated at Sama Road, Vadodara-390 008, on **Thursday, the 24th September, 1998 at 3.00 p.m.** to transact the following Ordinary and Special Business :

Ordinary Business :

1. To receive and adopt Directors' Report and Audited Profit and Loss Account for the year ended on 31st March, 1998 and the Balance Sheet as at that date.
2. To appoint a Director in place of **Mr. H.N. Elavia**, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution :

"RESOLVED that **Messrs K.S. Aiyar & Company**, Chartered Accountants, Mumbai, be and are hereby appointed as Auditors of the Company to hold Office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting on a remuneration of Rs. 2,00,000/- per annum plus travel and other out-of-pocket expenses."

Special Business :

4. To appoint a Director in place of **Mr. M.C. Bhatt**, who retires by rotation and does not offer himself for re-appointment.

The Company has received a Notice under Section 257 of the Companies Act, 1956, from a Member signifying intention to propose the appointment of Mr. Ashwin P. Hathi as a Director of the Company in place of Mr. M.C. Bhatt who retires by rotation at this 54th Annual General Meeting.

5. **Amendment of Article - Buy-back of Company's Shares**

To consider and if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution :

"RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the existing Article 7 of the Articles of Association of the Company be and is hereby altered by deleting the same and substituting in its place and stead the following new Article 7 :

ARTICLE 7

Purchase of Company's Shares Subject to the provisions of the Companies Act, 1956, the Board of Directors is authorised to purchase from time to time such quantity or quantities of the Shares or other specified securities of the Company whether or not they are redeemable, at such rate(s) and on such terms as the Board may deem proper and make payment(s) for such purchases and to keep them alive/cancel and/or resell from time to time such number(s) of Shares so purchased at such rate(s) and on such terms as the Board may deem proper, in accordance with the provisions of the Companies Act and any other laws/rules and regulations as may be applicable from time to time.

And that the Board of Directors of the Company be and is hereby authorised to do everything necessary, desirable and incidental for giving effect to this Resolution.

6. **Authority to the Board - Buy-back of Company's Shares**

To consider and if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution :

RESOLVED THAT

- (a) Pursuant to the provisions of the Companies Act, 1956, and any amendment or re-enactment thereof, as applicable, and subject to such other approvals as may be necessary, and the conditions as may be prescribed by any approving authority, which the Board of Directors (which shall include any Committee which the Board may constitute or any Officer authorised by the Board for this purpose), is hereby authorised to accept, consent of the Company be and is hereby accorded to the Board of Directors to buy-back such number of Equity Shares of the Company, whether fully paid or partly paid, on such terms and conditions as it may deem fit.


Jyoti Ltd.

- (b) The Board of Directors be and is hereby authorised to settle all matters arising out of and incidental to the above, finalise and execute all documents, deeds, agreements and other writings relating thereto and further to do all other acts, deeds, matters and things as it may, in its absolute discretion, deem necessary to give effect to this Resolution.

7. Amendment of Article –Non-Voting Shares

To consider and if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution :

“RESOLVED that the existing Article 4 (a) to (i) of Articles of Association of the Company be and is hereby deleted and following Article be added as Article 4 (A):

ARTICLE 4 (A)

<i>Issue of Non-Voting Shares.</i>	<i>In the event of any modification or changes to the applicable law or statute permitting the Company to issue non-voting shares, the Board of Directors may issue such shares in such numbers of such denomination and upon such terms and conditions and with such rights and privileges as may be permitted and deemed fit by the Directors.</i>
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RESOLVED further that such non-voting shares, when issued, shall rank pari passu in all respects with the existing equity shares of the Company save and except to the extent of those terms and conditions as are expressly defined by the Board of Directors at the time of such issue and further that these shares shall be eligible for dividend, if declared, on a pro-rata basis from the date of their allotment”.

By Order of the Board

Shrikar Bhattbhatt
General Manager &
Company Secretary

REGISTERED OFFICE

Industrial Area
P.O. Chemical Industries
Vadodara – 390 003
15th June, 1998

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Explanatory Statement as required under Section 173 of the Companies Act, 1956, in respect of Special Business set out above is annexed hereto.
4. All documents referred to in the Notice and Explanatory Statement will be available at the Registered Office of the Company for inspection by the Members on all working days between 10.00 a.m. to 12.00 noon.
5. Shareholders are requested to notify any change of address.
6. Shareholders are requested to send their queries in respect of Financial Accounts of the Company for the year ended 31st March, 1998, at least a week in advance so as to enable the Management to keep the information ready at the time of the Annual General Meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 1-9-98 to 24.9.98 (both days inclusive).
8. As required by the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978, the unpaid dividend for the financial year 1994-95 will be transferred to the General Revenue Account of the Central Government after 15th September, 1998. Members are therefore, requested to claim their unpaid dividend, if any, in respect of this financial year before 15th September, 1998.
9. Relevancy of questions and the order of speakers at the meeting will be decided by the Chairman.



EXPLANATORY STATEMENT (Pursuant to Section 173 of the Companies Act, 1956)

Item No. 4

Mr. M.C. Bhatt, who retires by rotation at the ensuing 54th Annual General Meeting, has conveyed his inability to continue as a Director of the Company due to his advanced age.

The Company has however, received a Notice under Section 257 of the Companies Act, 1956, from a Member signifying intention to propose appointment of Mr. Ashwin P. Hathi as a Director of the Company in place of Mr. M.C. Bhatt, who retires by rotation at this 54th Annual General Meeting.

Mr. Ashwin P. Hathi, B.A., LL.B., D.L.P., is a leading Corporate Lawyer of Baroda having rich experience of about 35 years in the legal field.

None of the Directors is interested in the Resolution.

Item Nos. 5 & 6

The Companies Act, 1956, presently restricts the purchase of its own shares by a Company unless the same is done with a view to reducing its Capital. As the members may be aware, the Companies Act is proposed to be amended by incorporating provision enabling the Companies to buy-back their own shares, subject to certain conditions as may be prescribed under the proposed amendment. The buy-back of Shares shall either be for reduction of Capital or if permissible, for re-issue of shares as the Board may decide from time to time including to the employees of the Company. Re-issue of such Shares would further motivate the employees towards achieving better business results leading to higher shareholder value.

Resolution at Item No.6 is for grant of approval of the Members, by Special Resolution, to the Board of Directors/ Committee thereof to buy-back the Shares/Securities as per the proposed amendments to the Companies Act, 1956 and amended Article 7 of the Articles of Association of the Company as set out in the Resolution at Item No.5.

A copy of the Memorandum & Articles of Association of the Company together with proposed amendment is available for inspection at the Registered Office of the Company on any working day.

As your Directors are of the opinion that the buy-back of shares as above will lead to improvement in the intrinsic worth of the equity shares and is considered beneficial to the shareholders, the proposed resolution is placed before you for your approval.

The Directors are concerned or interested in this Resolution only to the extent of their Shareholding in the Company, if any.

Item No. 7

In the event that the Companies Act permits any time in future issue of non-voting shares, it is proposed to give the Board of Directors authority to issue such non-voting shares at its discretion, to augment the financial resources of the Company.

None of the Directors of the Company is in any way concerned or interested in the above Resolution.

By Order of the Board

Shrikar Bhattbhatt
General Manager &
Company Secretary

REGISTERED OFFICE

Industrial Area
P.O. Chemical Industries
Vadodara-390 003
15th June, 1998


Jyoti Ltd.

DIRECTORS' REPORT

To,
The Members of **Jyoti Limited**

Your Directors have pleasure in presenting the **FIFTY FOURTH ANNUAL REPORT** and audited Accounts for the year ended on 31st March, 1998.

FINANCIAL RESULTS

(Rs. in Lacs)

	1997-98	1996-97
Profit before Interest and Depreciation	1071.99	1048.79
Less : Interest and Bank Charges	555.03	633.63
Profit before Depreciation	516.96	415.16
Less : Depreciation	106.47	98.06
Profit from Operations	410.49	317.10
Less : Contractual deductions and Bad debts written off	62.30	245.85
Gratuity Provision	221.51	—
Profit before Taxation	126.68	71.25
Provision for Taxation	108.00	47.00
Balance of profit for the year	18.68	24.25
Balance brought forward from the previous year	261.80	242.55
Profit available for Appropriation	280.48	266.80
Less : Transferred to General Reserve	15.00	5.00
Balance profit carried to Balance sheet	265.48	261.80

REVIEW

The overall economic growth has decelerated significantly to 5% in 1997-98 from 7.5% in 1996-97. There has also been a fall in the average rate of inflation during 1997-98 to less than 5% from 6.3% during 1996-97, evidencing sluggishness in demand.

The demand slow down has led to cut-throat competition forcing considerable reduction in selling prices of the products, thereby bringing margins under severe pressure. Realising this fact, your Company concentrated on increasing volumes on the one hand and controlling the material cost and overhead expenses on the other hand. Due to this, in such an adverse situation also your Company has been able to marginally increase its revenue. The Sales and other income for the Financial Year under review was Rs. 13468 lacs (Rs.13154 lacs). The Profit from operations was Rs. 410 lacs (Rs. 317 lacs).

PROSPECTS

The order book position of your Company was Rs. 7575 lacs at the beginning of the year i.e. 1st April, 1998. On account of slow down in the economy the market is depressed and order booking has become more and more competitive. However, your Company is hopeful of booking sufficient orders during the current year. With the orders already booked during the current year 1998-99, the order book position at Rs.12312 lacs is reasonably satisfactory.

You will be glad to note that your Company has bagged, under very stiff competition, a turnkey contract for supply, erection & commissioning of 2 x 6 MW Shimsha Hydel Project of approximate value of Rs. 3750 lacs from M/s. Atria Power Corporation Ltd., which is the largest single order ever secured by your Company.

Your Company has designed, manufactured and tested 1000 KVA, 11 KV Alternator in Cylindrical Rotor design which will help in improving the market share for large Alternators. The Company also expects good orders for Sugar Alternators in view of signs of revival of Sugar Industry.

Your Company has commissioned the first ever remote controlled unmanned Hydel Station of capacity 2 x 1.6 MW for Tata Electric Companies at Bhivpuri in Maharashtra.

Your Company has developed Permanent Magnet exciter for brushless Alternators as import substitution.

During the year under review your Company manufactured and supplied 150 CXP Condensate Extraction Pumps which are indigenously designed and developed for the first time in India.

Your Company continues its efforts to increase Export business.

Your Directors are happy to inform that your Company has strengthened the facilities in the Sheet Metal Shop of our Switchboard Division with the additions of CNC Turret Punch Press and CNC Hydraulic Press Brake and latest state-of-the-art equipment for Powder Coating of Switchboards. This technological updation enables your Company to manufacture state-of-the-art Switchboards comparable to the Switchboards manufactured in advanced countries. This has further enabled the Company to standardise the designs, reduce costs and improve performance.

Your Company continues to give emphasis on R&D activities in developing and improving various products of the Company.

Latest state-of-the-art Software Packages have been purchased for furtherance of Research & Development activities with an arrangement to continuously update the development in the software from M/s. Parametric Technology Corporation, USA. This is integrated and is being used for CAD/CAM/CAE (Computer Aided Design, Manufacturing and Engineering) applications. This will help your Company not only to improve designs but to improve engineering processes and optimise the product quality besides reducing considerably the time from concept to market.

FINANCE

By better management of working capital and control on overheads, your Company has been able to improve its cash flow position. You will be glad to note that inspite of overall difficult liquidity position in the economy of the country, your Company has been able to make essential additions/upgradation, in Plant & Machinery for improving its manufacturing facilities. Further, the compensation payable to employees under Voluntary Retirement Scheme was also organised, inspite of financial strain, from available sources.

In view of the present economic situation there have been delays in payment of dues by our customers. All efforts are being made and a special Task Force has been formed to ensure timely recovery of dues from customers.

Considering the need to conserve the working funds of the Company for its operational requirements and to facilitate a higher growth rate, your Directors have thought it advisable not to recommend any dividend for the year under report.

Board of Directors hereby certify that the funds raised through private placement of Non-convertible Debentures of the value of Rs. 75 lacs with Unit Trust of India in the year 1984-85 have been utilised only for working capital needs and that the funds have not been diverted for any other purposes. As of today, only Rs. 8.36 lacs is outstanding towards these Debentures.

Observation/s made by the Auditors in their Report at Item No. (c) has been fully clarified in the Note No. 4(a) of Notes on Accounts, which is self-explanatory and does not call for any further explanation.

SUBSIDIARY COMPANY

Pursuant to Section 212 of the Companies Act, 1956, the Annual Accounts for the year ended on 31st March, 1998 of Nima Limited, a subsidiary of your Company, is annexed.

DIRECTORS

Mr. H.N. Elavia retires by rotation and being eligible offers himself for reappointment.

Mr. M.C. Bhatt, who retires by rotation and who has been associated with the Company for the last several years as a Director, has conveyed his inability to continue as a Director at the ensuing 54th Annual General Meeting due to his advanced age.

Board places on record its deep appreciation for the valuable guidance and advice given by him during his tenure as a Director of the Company. Mr. M.C. Bhatt provided very valuable services and help during the crucial period through which the Company was passing after July 1984, when he joined the Board.

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

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the prescribed format as an Annexure to this Report.


Jyoti Ltd.

PARTICULARS OF EMPLOYEES

Information pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended is given in the enclosed annexure, which forms a part of this Report.

AUDITORS

The Members are requested to appoint Statutory Auditors, at the ensuing Annual General Meeting, to hold Office from the conclusion of the said Meeting until the conclusion of the next Annual General Meeting and fix their remuneration. M/s. K.S. Aiyar & Co., Chartered Accountants, Mumbai, the existing Auditors have under Section 224(1) of the Companies Act, 1956, furnished Certificate of their eligibility for re-appointment.

A Special Resolution has been proposed for the appointment of M/s. K.S. Aiyar & Co., Mumbai, as Auditors of the Company as required under Section 224A of the Companies Act, 1956.

APPRECIATION

Your Directors place on record their appreciation for the excellent support the Company has received from Employees, Customers and Shareholders. They also express their sincere thanks to the Financial Institutions, Company's Bankers and the Government of Gujarat for very valuable support extended to the Company.

On Behalf of the Board of Director

NANU B. AMIN

Chairman

Vadodara

15th June, 1998

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