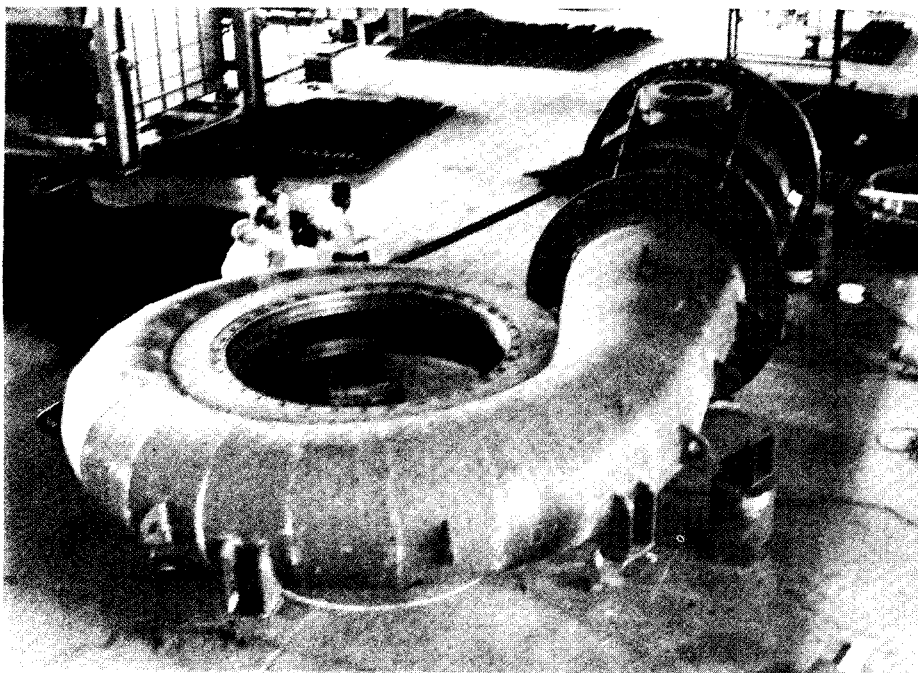




60

64th
Annual Report
2007-2008



Spiral Case with Outlet Piece for Gangaram Pumping Station of
Godavari Lift Scheme, Phase II, Andhra Pradesh :
Motor Rating 12.8 MW, Discharge 7 m³/sec, Head 131 Metres



'Jyoti' make 1200 VM Battery of Pumps for Krishna Bhagya Jal Nigam Ltd.
at Indi Irrigation Scheme, Bangalore :
Motor Rating 2100 KW, Discharge 4.97 m³/sec, Head 34.18 Metres


Jyoti Ltd.
BOARD OF DIRECTORS
Chairman & Managing Director
Mr. Rahul Nanubhai Amin

B.E. (Elect.), M. Engg. (Cornell-U.S.A.)

Wholetime Director
Ms. Keki Rambhai Patel

B.Com., D.T.P.

Director
Mrs. Tejal Rahul Amin

B.Com.

Director
Mr. Kantilal Lallubhai Dalal

B.Com., B.Sc., (Econ-L.S.E.)

Director
Mr. Uresh Vivekchandra Desai

B.Sc. (Elec. Engg.), U.K.

Director
Dr. Mahesh Haribhai Mehta

B. Tech., Ph.D.

Director
Mr. Sanjay Vasant Jagtap

B.E. (Mech.)

Director
Mr. Amit Suresh Bhatnagar

B.E., M.B.A., AIM, Manila

Diploma in Business & Industrial Management

*General Manager (Legal) &
Company Secretary*
Mr. Suresh D. Singhal
AUDITORS
Messrs V. H. Gandhi & Co.

Chartered Accountants

BANKERS

Central Bank of India

Dena Bank

Bank of Maharashtra

REGISTERED OFFICE

Nanubhai Amin Marg

Industrial Area

P.O. Chemical Industries

Vadodara - 390 003.

CONTENTS	PAGE NO.
Notice	2
Directors' Report	8
Auditors' Report	25
Balance Sheet	28
Profit and Loss Account	29
Schedules to Balance Sheet and Profit and Loss Account	30
Cash Flow Statement	49

64th Annual Report

NOTICE

NOTICE is hereby given that the SIXTYFOURTH ANNUAL GENERAL MEETING of the Members of JYOTI LIMITED will be held at the Registered Office of the Company situated at Nanubhai Amin Marg, Industrial Area, P.O. Chemical Industries, Vadodara-390 003, on **THURSDAY, the 25th September, 2008 at 9.00 a.m.** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008, Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K.L. Dalal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Tejal R. Amin, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s. V.H. Gandhi & Co., Chartered Accountants, as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until conclusion of next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

5. To appoint a Director in place of Mr. Amit S. Bhatnagar, who was appointed as an Additional Director of the Company under Article 124 of the Articles of Association of the Company and who according to Section 260 of the Companies Act, 1956, holds office up to the date of this Annual General Meeting and who being eligible, offers himself for re-appointment.
6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing for the purpose of the business of the Company any sum or sums of money from time to time from any Bank or Banks or any Financial Institution or Financial Institutions, firms, entities, bodies corporate, companies or from anyone or other persons whomsoever in addition to the temporary loans obtained from the Company's bankers in the ordinary course of business provided that the sum or sums so borrowed under this Resolution and remains outstanding at any time shall not exceed in aggregate of Rs.300,00,00,000 (Rupees Three Hundred Crores only) in excess of and in addition to the paid up capital and free reserves of the Company for the time being."

7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as Special Resolution:

"RESOLVED THAT in partial modification of the Resolution passed at the 62nd Annual General Meeting held on 28th September, 2006 and in accordance with the provisions of sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government and such other approval as may be necessary, the consent of the Company be and is hereby accorded to increase the remuneration of Ms. Keki R. Patel, Wholtime Director of the Company with effect from 1st April, 2008 for the remainder of the tenure of her office on the terms and conditions including the remuneration as set out in draft agreement submitted to this meeting which agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions including the remuneration so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government or as may be agreed to between the Board of Directors and Ms. Keki. R. Patel."

Regd. Office :
Nanubhai Amin Marg
Industrial Area
P.O. Chemical Industries
Vadodara-390 003
31st July, 2008

By Order of the Board

S.Singhal
General Manager (Legal) &
Company Secretary


NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of items 5, 6 and 7 of the Notice 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 Members on all working days between 10.00 a.m. and 12.00 noon.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 2008 to 25th September, 2008, (both days inclusive) for the purpose of Annual General Meeting.
6. The Company has appointed M/s. MCS Limited as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfers, demat requests, change of address intimation 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 Limited

Neelam Apartment

88, Sampatrao Colony

Atkapuri, Vadodara - 390 007

Tel : 0265-2339397

Fax : 0265-2341639

E-Mail : mcs@aroda@iqara.net

7. Shareholders are requested to notify any change of address.
8. Shareholders are requested to send their queries in respect of Financial Accounts of the Company for the year ended on 31st March, 2008 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.
9. A profile of the Directors retiring by rotation and eligible for re-appointment and profile of Mr. Amit S. Bhatnagar are given in the Directors Report, which form part of this Annual Report.
10. As you are aware, the Company's Shares have been dematerialised for all investors. Members holding Share Certificates in the physical form are requested to dematerialise their shares by approaching any of the Depository Participants registered with SEBI.
11. Shareholders are entitled to nominate by filling up Form No.2B, a person in whom his / her shares in the Company shall vest in the event of his / her demise. The Shareholders are requested to avail of this facility. The duly filled in and signed Nomination Form No. 2B should be sent to the Registrars M/s. MCS Limited at the above mentioned address.
12. Relevancy of questions and the order of speakers at the meeting will be decided by the Chairman.

ANNEXURE TO NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956
Item 5

At the Board Meeting held on 21st January, 2008, Mr. Amit S. Bhatnagar was appointed as an Additional Director of the Company w.e.f. 21st January, 2008. By virtue of the provisions of Section 256 of the

64th Annual Report

Companies Act, 1956 and Article 124 of the Articles of Association of the Company, Mr. Amit S. Bhatnagar holds office upto the date of this Annual General Meeting of the Company. Notice under Section 257 of the Companies Act, 1956 has been received by the Company from a Member signifying his intention to propose Mr. Amit S. Bhatnagar as candidate for the Office of Director.

Mr. Amit S. Bhatnagar is BE in Industrial Engineering, Masters in Business Administration from Asian Institute of Management, Manila (Philippines), Chartered Engineer from Institute of Engineers, India and also a Senior Member of Institute of Industrial Engineers, U.S.A. He is working as Joint Managing Director & CEO of Diamond Infrastructure Ltd.(formerly known as Diamond Cables Ltd.).

Mr. Amit S. Bhatnagar is also a winner of Udyog Ratna Award in 2004 and also short listed for Ernst and Young Entrepreneur of the year 2007. He is also President – Cables and Conductors Manufacturers Association of India and Vice President - AIM, Manila, Alumni Association.

Your Directors feel that his joining the Board will be beneficial and in the interest of the Company.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

Item 6

At the Annual General Meeting of the Company held on 23rd September, 2004, consent of the Company was accorded for borrowing monies from time to time for the purposes of business of the Company to the extent of Rs.100 Crores in excess of paid up Capital and free reserves of the Company. To meet the capital needs, it may be necessary for the Company to obtain additional borrowings in the years to come and accordingly it is necessary to increase the existing borrowing limit of Rs.100 Crores to Rs.300 Crores. This Resolution is an enabling Resolution and the money will be borrowed as and when required by the Board of Directors of the Company keeping in view the business activities of the Company. The Resolution is proposed in terms of Section 293(1)(d) of the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956.

The Board recommends this Resolution for your approval.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

Item 7

At the Annual General Meeting held on 28th September, 2006, Ms. Keki R. Patel was re-appointed as Wholetime Director of the Company w.e.f. 30th July, 2006 subject to the approval of the Central Government. The Central Government had given its approval for her term of appointment for a period of five years w.e.f. 30th July, 2006. The Central Government had also given its approval for her increased remuneration w.e.f. 1st April, 2007 for remainder period of her term i.e. upto 29th July, 2011.

Taking into consideration the increased business activities of the Company and the responsibilities cast on Ms. Keki R. Patel and having regard to the Government's liberalised guidelines on managerial remuneration and in accordance with provisions of Sections 198, 269, 309 and 310 read together with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Shareholders of the Company and the Central Government, the Board of Directors of the Company at its meeting held on 31st July, 2008 passed resolution for increase in remuneration payable to Ms. Keki R. Patel, Wholetime Director of the Company with effect from 1st April, 2008.

The remuneration of Ms. Keki R. Patel was also approved by Remuneration Committee at its meeting held on 31st July, 2008

The draft supplementary agreement to be entered by the Company with Ms. Keki R. Patel which is placed before this meeting and available for inspection by Members, contains inter-alia the following terms and conditions. All other terms and conditions of the agreement as approved by the Members of the Company at its meeting held on 28th September, 2006 will remain unchanged.


Jyoti Ltd.

Salary

Rs. 87,500/- (Rupees Eighty Seven Thousand Five Hundred only) per month. In addition to salary, she will be paid Dearness Allowance of Rs. 3,500/- per month which may be varied from time to time by the Government.

Perquisites and Allowances

- 1) In addition to salary, the appointee Ms. Keki R. Patel shall also be entitled to perquisites and allowances equivalent to 40% of salary.
- 2) Further, she is entitled to Leave Travel Concession for self and her family including dependants, Medical reimbursement and such other perquisites, benefits and allowances in accordance with Rules of the Company. The aggregate of the same will be restricted to 10% of her annual salary.

"Family" mentioned above means the spouse and dependant children of Ms. Keki R. Patel.

For the purpose of calculating the above ceilings, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual costs.

Provision of telephone facility at the residence and reimbursement of expenses including entertainment expenses and actual conveyance expenses will not be considered as perquisites.

The following shall not be included for the purpose of computation of the remuneration or perquisites as aforesaid:

- i) The Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together is/are not taxable under the Income Tax Act;
- ii) Gratuity payable at the rate of half month's salary for each completed year of service; and
- iii) Encashment of leave at the end of the tenure of the appointee.

The particulars set out above, may be treated as an abstract of the variation in terms of contract of appointment of Ms. Keki R. Patel which is required to be given to every member as per the provisions of 302(2) of the Companies Act, 1956.

The draft of the Agreement referred to above is open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on any working day upto the date of the Annual General Meeting.

The Board recommends the adoption of this resolution.

Ms. Keki R. Patel is concerned or interested in the resolution as it relates to her own term of remuneration.

None of the other Directors is in any way concerned or interested in the said resolution.

Regd. Office :
Nanubhai Amin Marg
Industrial Area
P.O. Chemical Industries
Vadodara-390 003
31st July, 2008

By Order of the Board

S.Singhal
General Manager (Legal) &
Company Secretary

64th Annual Report

Statement in terms of Schedule XIII of the Companies Act, 1956 as amended vide Notification No.GSR 36(E), Dated 16.1.2002 relating to remuneration payable to Wholetime Director.

I. General Information

1. Nature of Industry – Engineering.
2. Date or expected date of commencement of commercial production – The Company is in operation since the year 1943.
3. Financial performance based on given indicators – As per the audited financial results for the year ended on 31.03.2008.

Particulars	Amount (Rs.in Lacs)
Sales	20761.84
Other Income	41.65
Total Income	20803.49
Material Cost	15104.19
Staff Cost	2013.95
Manufacturing & Other Expenses	1163.08
Total Expenditure	18281.22
Profit before Depreciation, Interest and Tax	2522.27
Depreciation	175.56
Profit before Interest and Tax	2346.71
Interest	1236.31
Profit before Tax	1110.40
Exceptional items, if any	12.12
Profit before Tax	1098.28
Net Profit after Tax	1046.74

4. Export performance and net foreign exchange earned for the year ended on 31.03.2008
 - Export Sales (in Rs.) 1205.02 lacs
 - Foreign Exchange earnings (in Rs.) 250.64 lacs
5. Foreign investments or collaborators, if any – The Company holds 49% in M/s. Jyoti Sohar Switchgear L.L.C., a joint venture company in Sultanate of Oman.

The Company has technical collaboration with:

- Toshiba Corporation of Japan for manufacture of Vacuum Circuit Breakers.
- Jeumont Industrie of France for high voltage Alternators with cylindrical Rotor Generators.
- Turbinstitut of Slovenia for Hydroturbines.
- M/s. Harakosan Co.Ltd., Japan for manufacture of 2 MW Permanent Magnet based Wind Turbine.
- M/s. SETEC GmbH, Germany for development of 850 kW Permanent Magnet based Wind Turbine.


II. Information about the Wholetime Director:

1. Background Details - Ms. Keki R. Patel is a graduate in Commerce and has considerable experience in the areas of General Management, Finance and Internal Audit. She has been working with the Company in various capacities for the last 30 years.
2. Past Remuneration – Rs. 16,81,848 paid as remuneration during the year ended on 31.03.2008.
3. Job profile and suitability – Ms. Keki R. Patel renders services as Wholetime Director of the Company.
4. Remuneration proposed – Salary Rs. 87,500/- per month and perquisites more particularly described in the explanatory statement herein before.
5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person – Looking to the size of the company, the profile of Ms. Keki R. Patel, the responsibilities shouldered by her, the above said remuneration is commensurate with the remuneration package paid to similar senior level appointees in other companies.
6. Pecuniary relationship directly or indirectly or relationship with the managerial personnel, if any – Besides the remuneration proposed, the Wholetime Director does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. Other information:

1. Reasons for loss or inadequacy of profit – The Company is making profits. After the disbursal of funds from the Consortium of Banks as per restructuring package approved by the Corporate Debt Restructuring Cell in September 2004, the operations of the Company have shown marked improvement.
2. Steps taken or proposed to be taken for improvement – The Company has strengthened its Balance Sheet by increasing cash flows, reducing interest cost and improving working capital management. With the streamlining operations, overall improved business scenario and healthy order book position, the Company would grow in the coming years.
3. Expected increase in productivity and profits in measurable terms

Particulars	This Year(Rs.Lacs)	Previous Year(Rs.Lacs)
Sales	20761.84	14578.36
Other Income	41.65	34.02
Net Profit	1046.74	502.27

64th Annual Report

DIRECTORS' REPORT

To,
The Members of **Jyoti Limited**

Your Directors present this SIXTYFOURTH ANNUAL REPORT and Audited Accounts for the year ended on 31st March, 2008.

FINANCIAL RESULTS

	(Rs. in Lacs)	
	2007-08	2006-07
Profit before Interest and Depreciation	2,522.27	1,914.25
Less: Interest and Bank Charges	1,236.31	1,199.91
Profit before Depreciation	1,285.96	714.34
Less: Depreciation	175.56	144.56
Profit from Operations	1,110.40	569.78
Less: Contractual deductions and Bad Debts written off	12.12	49.85
Profit before Taxation	1,098.28	519.93
Provision for Taxation - Current Tax	95.00	—
- Deferred Tax	(60.70)	—
- Fringe Benefit Tax	17.24	17.66
Balance of Profit for the year	1,046.74	502.27
Balance brought forward from the previous year	(1,015.83)	(1,518.10)
Balance Profit / (Loss) carried to Balance sheet	30.91	(1,015.83)

OPERATIONS

The Operations of the Company during the year under review have shown considerable improvement and the Company has achieved first time, a turnover of more than Rs. 200 crores. The turnover of the Company at Rs. 20803 lacs has shown an increase of 42% as compared to Rs. 14612 lacs in the previous year. The Profit before tax increased by 111% from Rs.520 lacs to Rs. 1098 lacs. The Profit after tax registered a growth of 108%. It would be appropriate to mention here that due to the excellent performance during the year under review, accumulated losses have been wiped out completely during this year. This augurs well for the Company.

PROSPECTS

In view of focus of the Government on infrastructure projects, overall economic growth and with the present order book position, your Company is poised for a better performance in the coming years.

In spite of selective order booking, the Company has pending orders worth Rs. 29774 lacs at the beginning of the current year i.e. 1st April, 2008. Decisions are awaited from various clients for tenders submitted by the Company (directly or in JV). The Company is confident of securing a sizeable share of these new projects.

DIVISIONAL PERFORMANCE

ENGINEERED PUMPS & PROJECTS

During the year under review, the Division has once again recorded growth of 100% compared to previous financial year. Among other orders executed, the Division has supplied 20 nos. Horizontal Split Case Pumps through IVRCL Infrastructures Ltd. and 14 nos. Vertical Mix Flow Pumps through