

65th Annual Report
2008-2009



Jyoti Ltd.

Report  junction.com

65
YEARS OF
ENGINEERING EXCELLENCE

BOARD OF DIRECTORS
Chairman & Managing Director
Mr. Rahul Nanubhai Amin
Director
Mrs. Tejal Rahul Amin
Wholetime Director
Ms. Keki Rambhai Patel
Director -- Finance
Mr. Ajay Mukundlal Kamdar
Director
Mr. Kantilal Lallubhai Dalal
Director
Mr. Uresh Vivekchandra Desai
Director
Dr. Mahesh Haribhai Mehta
Director
Mr. Sanjay Vasant Jagtap
Director
Dr. Bhimsen Shivdayal Pathak
*General Manager (Legal) &
Company Secretary*
Mr. Suresh 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	12
Auditors' Report	29
Balance Sheet	32
Profit and Loss Account	33
Schedules to Balance Sheet and Profit and Loss Account	34
Cash Flow Statement	53

NOTICE

NOTICE is hereby given that the **SIXTYFIFTH 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 24th September, 2009 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, 2009, 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 Dr. M.H. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sanjay V. Jagtap, who retires by rotation and being eligible, offers himself 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 consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:
"RESOLVED that Mr. Ajay Kamdar, who was appointed by the Board of Directors of the Company as an Additional Director on 25th October, 2008, under Section 260 of the Companies Act, 1956, read with Article 124 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company."
6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:
"RESOLVED that Dr. Bhimsen Pathak, who was appointed by the Board of Directors of the Company as an Additional Director on 27th March, 2009, under Section 260 of the Companies Act, 1956, read with Article 124 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company."
7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:
"RESOLVED THAT in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and such other approvals as may be necessary, the Company hereby approves the terms of appointment and remuneration of Mr. Ajay Kamdar as Director-Finance of the Company for a period of three years with effect from 3rd November, 2008, as approved by the Board of Directors at its meeting, held on 25th October, 2008 and as set out in the 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 of the said appointment and / or remuneration and perquisites so as not to exceed the limits of remuneration specified in Schedule XIII to the Companies Act, 1956 and as may be agreed to between the Board of Directors and Mr. Ajay Kamdar."
8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:



"RESOLVED THAT in partial modification of the Resolution passed at the 63rd Annual General Meeting held on 27th September, 2007 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 approvals as may be necessary, the consent of the Company be and is hereby accorded to increase the remuneration of Mr. Rahul Amin, Managing Director of the Company with effect from 1st April, 2009 for the remainder of the tenure of his 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 Mr. Rahul Amin."

Regd. Office :
Nanubhai Amin Marg
Industrial Area
P.O. Chemical Industries
Vadodara-390 003
18th June, 2009

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, 7 & 8 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 14th September, 2009 to 24th September, 2009, (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
Alkapuri, Vadodara – 390 007
Tel. : 0265-2339397
Fax : 0265-2341639
E-Mail : mcsbaroda@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, 2009, 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. Ajay Kamdar and Dr. Bhimsen Pathak 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 25th October, 2008, Mr. Ajay Kamdar was appointed as an Additional Director of the Company w.e.f. 25th October, 2008. By virtue of the provisions of Section 260 of the Companies Act, 1956 and Article 124 of the Articles of Association of the Company, Mr. Ajay Kamdar 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. Ajay Kamdar as candidate for the Office of Director.

Mr. Ajay Kamdar is Bachelor of Commerce from M.S. University of Vadodara, Gujarat. He has also passed Professional Examination conducted by the Institute of Cost and Works Accountants of India, Kolkata. He has rich experience of 30 years in handling corporate finance functions and has worked at various rung from 1977 till 2004 with Alembic Limited and left Alembic Limited as General Manager, Finance. Mr. Ajay Kamdar was having independent financial consultancy in the areas of corporate finance, business strategies, profit improvement, cost control, funds management, financial re-structuring / re-organising etc., before joining the Company.

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 except Mr. Ajay Kamdar is in any way concerned or interested in the said Resolution.

Item 6

At the Board Meeting held on 27th March, 2009, Dr. Bhimsen Pathak was appointed as an Additional Director of the Company w.e.f. 27th March, 2009. By virtue of the provisions of Section 260 of the Companies Act, 1956 and Article 124 of the Articles of Association of the Company, Dr. Bhimsen Pathak 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 Dr. Bhimsen Pathak as candidate for the Office of Director.

Dr. B. S. Pathak is B.Sc. Agril. Engg., Allahabad University, 1951, Doctorate in Agril. Engg., Landwirtsch-Aftliche Hochschule, Stuttgart-Hohenheim, West Germany, 1963.



Dr. Pathak joined Punjab Agricultural University (PAU) as Associate Professor in 1965 at Hissar Campus. Early, in 1967, he became the first Professor-cum-Head of the Dept. of Agricultural Engineering in the College of Agricultural Engineering (CAE) of PAU at Ludhiana. He played the key role in developing programmes of research and post-graduate teaching in Agricultural Engineering. He took over as Dean, CAE in 1973 and continued in that position till 1980. During this period CAE was awarded ICAR/UNDP Project Centre of Advanced Studies in Agricultural Engineering.

Dr. Pathak introduced the concept of energy being an essential input for modernizing Indian Agriculture. He was associated with the drafting of ICAR's co-ordinated project 'Energy Requirements of Agriculture' in 1970 and was the honorary co-ordinator of this project during initial period of its implementation. He has been Chairman of the Scientific Panel on Agricultural Engineering of ICAR for about 10 years, Convener of the Working Group on Energy of National Commission on Agriculture, Chief Editor of Journal of Agriculture Engineering and President of Indian Society of Agricultural Engineers (ISAE). He is a Fellow of Indian Society of Agricultural Engineering, Indian Standards Institute and National Academy of Agricultural Sciences. He was closely associated with the drafting of the policy document on agricultural mechanization of Ministry of Agriculture, Government of India.

Dr. Pathak has worked as Consultant in many international programmes. From 1985 to 1990, he was FAO-UNDP Project Manager for the establishment of Agricultural Implements Research and Improvement Centre in Ethiopia.

Dr. Pathak joined Sardar Patel Renewable Energy Research Institute (SPRERI) as its Director in 1997, and is continuing in that position. He continues to engage himself in the design and development of renewable energy based systems. He has patented the design of modular down-draft gasifier and the rights have been transferred to SPRERI.

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 except Dr. Bhimsen Pathak is in any way concerned or interested in the said Resolution.

Item 7

In accordance with the provisions of Sections 198, 269 and 309 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, the Board of Directors of the Company at its meeting held on 25th October, 2008, passed a resolution for the appointment of Mr. Ajay Kamdar as Director-Finance of the Company for a period of three years w.e.f. 3rd November, 2008.

Mr. Ajay Kamdar is Bachelor of Commerce from M.S. University of Vadodara, Gujarat. He has also passed Professional Examination conducted by the Institute of Cost and Works Accountants of India, Kolkata. He has rich experience of 30 years in handling corporate finance functions and has worked at various rung from 1977 till 2004 with Alembic Limited and left Alembic Limited as General Manager, Finance. Mr. Ajay Kamdar was having independent financial consultancy in the areas of corporate finance, business strategies, profit improvement, cost control, funds management, financial re-structuring / re-organising etc., before joining the Company.

The remuneration of Mr. Ajay Kamdar was also approved by the Remuneration Committee at its meeting held on 25th October, 2008.

The draft agreement to be entered by the Company with Mr. Ajay Kamdar, which is placed before this meeting and available for inspection by the Members, contain inter-alia, the following principal terms and conditions:

Duties & Powers

The Director-Finance shall perform the duties and exercise the powers assigned to him or vested in him by the Board of Directors and Chairman & Managing Director of the Company from time to time.

65th Annual Report

Period of Appointment

Three years with effect from 3rd November, 2008.

Salary

Rs. 1,17,600/- (Rupees One Lac Seventeen Thousand Six Hundred only) per month.

Perquisites and Allowances

In addition to salary, the appointee Mr. Ajay Kamdar shall also be entitled to perquisites and allowances equivalent to 40% of salary in accordance with rules of the Company.

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 Car with Driver for the use of Company's business and Telephone facility at his residence, reimbursement of expenses including entertaining expenses will not be considered as perquisites.

The following shall not be included for the purposes 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 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.
- iii) Encashment of leave at the end of the tenure of the appointee.

Minimum Remuneration

Subject to the ceiling specified in Section II Part II of Schedule XIII to the Companies Act, 1956, the appointee shall be paid remuneration by way of salary and perquisites specified above notwithstanding that in any Financial Year during the currency of his tenure, the Company has no profits or its profits are inadequate.

Compensation

If before the expiry of the Agreement, the tenure of office of the appointee is determined, he shall be entitled to compensation for the loss of office subject to the provisions of Section 318 of the Companies Act, 1956.

As long as Mr. Ajay Kamdar functions as Director-Finance, he shall not be interested or otherwise concerned directly or indirectly in any Selling Agency of the Company in future, without the prior approval of the Central Government.

The particulars set out above, may be treated as an abstract of the terms of contract for the appointment / remuneration of Mr. Ajay Kamdar as Director-Finance of the Company which is required to be given to every Member under the provisions of Section 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.

Mr. Ajay Kamdar is concerned or interested in the Resolution as it relates to his own terms of appointment/remuneration.

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



Item 8

At the Annual General Meeting held on 27th September, 2007, Mr. Rahul Amin was re-appointed as Managing Director of the Company w.e.f. 25th June, 2007 subject to the approval of the Central Government. The Central Government had given its approval for his term of appointment for a period of three years w.e.f. 25th June, 2007.

Taking into consideration the increased business activities of the Company and the responsibilities cast on Mr. Rahul Amin and having regard to the Government's liberalised guidelines on managerial remuneration and in accordance with provisions of Sections 198, 269 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 18th June, 2009, passed the resolution for increase in remuneration payable to Mr. Rahul Amin, Managing Director of the Company with effect from 1st April, 2009.

The remuneration of Mr. Rahul Amin was also approved by the Remuneration Committee at its meeting held on 18th June, 2009.

The draft supplementary agreement to be entered by the Company with Mr. Rahul Amin, 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 27th September, 2007 will remain unchanged.

Salary :

Rs. 5,00,000/- (Rupees Five Lacs only) per month.

Perquisites and Allowances:

In addition to salary and commission, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, reimbursement of expenditure or allowances in respect of maintenance, utilities such as gas, electricity, furnishings and repairs of the house, medical reimbursement, medical insurance and leave travel concession for self and his family including dependents, personal accident insurance, club fees and such other perquisites, benefits and allowances in accordance with Rules of the Company. The aggregate of aforesaid perquisites and allowances will be restricted to Rs. 6,00,000/- (Rupees Six Lacs only) per annum.

"Family" mentioned above means the spouse and dependent children of the Managing Director.

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 car with driver for use of Company's business and telephone facility at the Managing Director's residence, reimbursement of expenses including entertaining expenses will not be considered as perquisites.

The following shall not be included for the purpose of computation of the Managing Director's 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 are not taxable under the Income Tax Act.
- ii) Gratuity payable to the Managing Director at the rate of half month's salary for each completed year of service.
- iii) Encashment of leave at the end of the Managing Director's tenure.

Minimum Remuneration

Subject to the ceiling specified in Section II, Part II of Schedule XIII to the Companies Act, 1956, the Managing Director shall be paid remuneration by way of salary and perquisites notwithstanding that in any Financial Year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate.

The particulars set out above, may be treated as an abstract of the variation in terms of Contract of appointment / remuneration of Mr. Rahul Amin, which is required to be given to every member as per the provisions of Section 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.

Mr. Rahul Amin and Mrs. Tejal Amin, who are related to each other are interested in the resolution as it relates to his own / relative's terms 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
18th June, 2009

By Order of the Board

S.Singhal
*General Manager (Legal) &
Company Secretary*

Report  Junction.com



Statement in terms of Schedule XIII of the Companies Act, 1956 as amended vide Notification No. GSR 36(E), Dated 16.01.2002 relating to remuneration payable to Director – Finance.

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 31.03.2009.

Particulars	Amount (Rs. in Lacs)
Sales	25332.84
Other Income	56.35
Total Income	25389.19
Material Cost	19036.77
Staff Cost	2682.88
Manufacturing & Other Expenses	1453.48
Total Expenditure	23173.13
Profit before Depreciation, Interest & Tax	2216.06
Depreciation	195.54
Profit before Interest & Tax	2020.51
Interest	1372.98
Profit before Tax	647.54
Exceptional items, if any	15.14
Profit before Tax	632.40
Net Profit after Tax	464.21

4. Export performance and net foreign exchange earned for the year ended on 31.03.2009
 - Export Sales (in Rs.) 1393.47 lacs
 - Foreign Exchange earnings (in Rs.) 770.61 lacs
5. Foreign investments or collaborators, if any – The Company holds 49% Equity 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.
 - Turboinstitut of Slovenia for Hydel Turbines.
 - M/s. SETEC GmbH, Germany for development of 850 KW Permanent Magnet based Wind Turbine.

II. Information about the Director-Finance:

1. Background details – Mr. Ajay Kamdar is Bachelor of Commerce and has also passed Professional examination conducted by the Institute of Cost and Works Accountants of India, Kolkata. He has rich experience of 30 years in handling Corporate Finance function.
2. Past Remuneration – Rs. 9,96,716/- paid as remuneration during the year ended on 31.03.2009.
3. Job profile and suitability – Mr. Ajay Kamdar renders services as Director-Finance of the Company.
4. Remuneration proposed – Salary Rs. 1,17,600/- per month and perquisites, more particularly described in the explanatory statement hereinbefore.