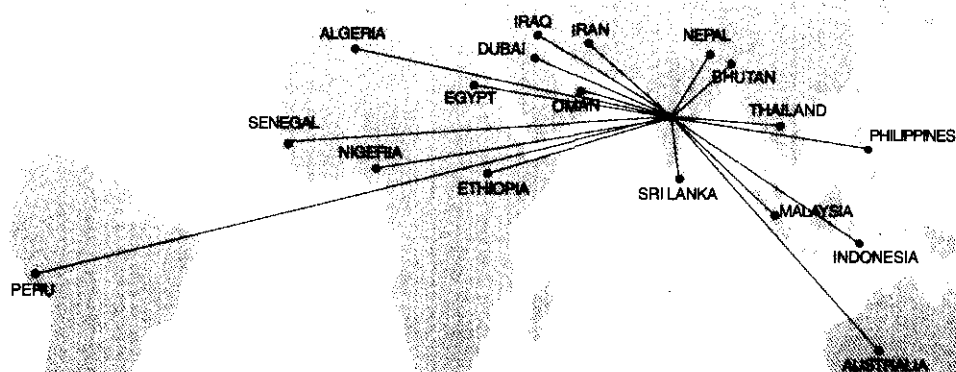


# Jyoti structures Ltd. Annual Report 1999 - 2000

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## ANNUAL REPORT 1999-2000



## JYOTI STRUCTURES LIMITED

ISO 9001-CERTIFIED

## BOARD OF DIRECTORS

S. D. Kulkarni	<i>Chairman</i>
K. R. Thakur	<i>Managing Director</i>
S. A. Krishnan	<i>Whole-Time Director</i>
P. K. Thakur	<i>Whole-Time Director</i>
V. P. Valecha	
S. H. Mirchandani	
M. P. Tejawani	

SR. GENERAL MANAGER (FINANCE)  
& COMPANY SECRETARY

S. G. Kulkarni

## BANKERS

State Bank of India  
IndusInd Bank Ltd.  
Standard Chartered Bank  
The Sakura Bank Ltd.  
ANZ Grindlays Bank Ltd.  
Central Bank of India  
Canara Bank  
ICICI Banking Corpn. Ltd.  
UTI Bank Ltd.  
ABN-AMRO Bank  
Global Trust Bank

## LEGAL ADVISORS

Mulla & Mulla  
and Craigie Blunt & Caroe  
Amarchand & Mangaldas  
and Suresh A. Shroff & Co.

## AUDITORS

R. M. Ajgaonkar & Associates  
Chartered Accountants

## REGISTERED OFFICE

Valecha Chambers,  
5th Floor,  
New Link Road,  
Oshiwara,  
Andheri (W), Mumbai-400 053.  
Tel.: 631 2510/16/17 Fax: 631 0379

## 25TH ANNUAL GENERAL MEETING

Friday, the 29<sup>th</sup> September, 2000  
at 11.00 a.m. at M. C. Ghia Hall,  
Bhogilal Hargovindas Building,  
18/20, Kaikhushru Dubash Marg,  
Mumbai - 400 001.

## ENCLOSURES

Notice  
Attendance Slip & Proxy Form

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**JYOTI STRUCTURES LIMITED****WORKING RESULTS AT A GLANCE**

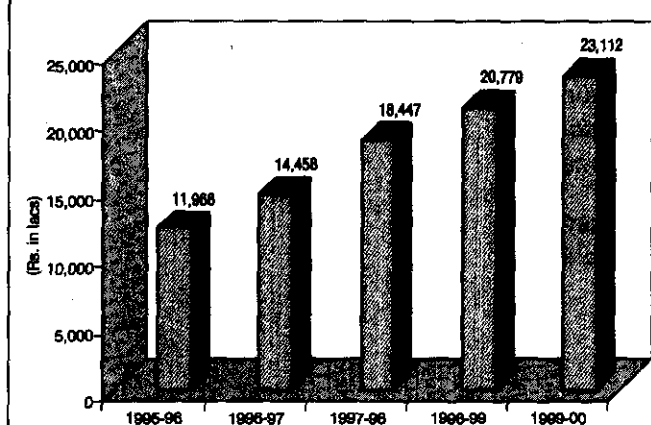
	<b>(Rs. in Lacs)</b>				
	<b>1999-2000</b>	<b>1998-99</b>	<b>1997-98</b>	<b>1996-97</b>	<b>1995-96</b>
<b>SALES &amp; EARNINGS :</b>					
Sales & Other Income	<b>23,112</b>	20,779	18,447	14,458	11,968
Profit Before Taxes	<b>904</b>	810	839	827	1,287
Profit After Taxes	<b>754</b>	701	689	615	972
Equity Dividend	<b>*30%</b>	25%	25%	25%	25%
<b>ASSETS :</b>					
Gross Block (Including Capital W.I.P.)	<b>6,167</b>	5,624	4,476	3,708	2,418
Net Block	<b>4,641</b>	4,371	3,552	3,059	2,004
Total Net Assets	<b>14,760</b>	10,631	8,709	6,662	4,401
<b>REPRESENTED BY :</b>					
Net worth	<b>4,597</b>	4,108	3,544	2,991	2,502
Share Capital	<b>491</b>	491	491	491	491
Reserves & Surplus	<b>4,106</b>	3,617	3,052	2,500	2,011
Borrowings	<b>10,163</b>	6,523	5,166	3,671	1,898
Total Funds	<b>14,760</b>	10,631	8,709	6,662	4,401
<b>OTHER HIGHLIGHTS :</b>					
Foreign Exchange Earnings (Including Deemed Exports & Sales through Export Houses)	<b>14,182</b>	10,186	13,015	9,040	2,781
Foreign Exchange Outgo	<b>3,165</b>	1,366	3,525	5,267	2,667
<b>INSTALLED CAPACITY AND PRODUCTION :</b>					
Installed Capacity (M.T.p.a.)	<b>52,000</b>	52,000	52,000	42,000	34,000
Production (M.T.)	<b>40,957</b>	24,771	33,134	28,312	27,219

\* Includes 5% Silver Jubilee Year Dividend

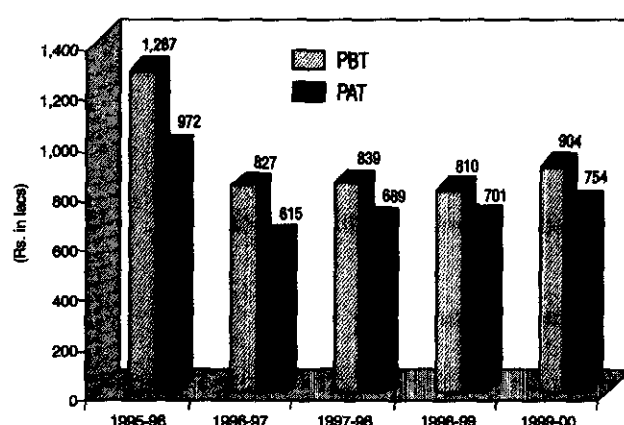
## ANNUAL REPORT 1999-2000

## WORKING RESULTS AT A GLANCE

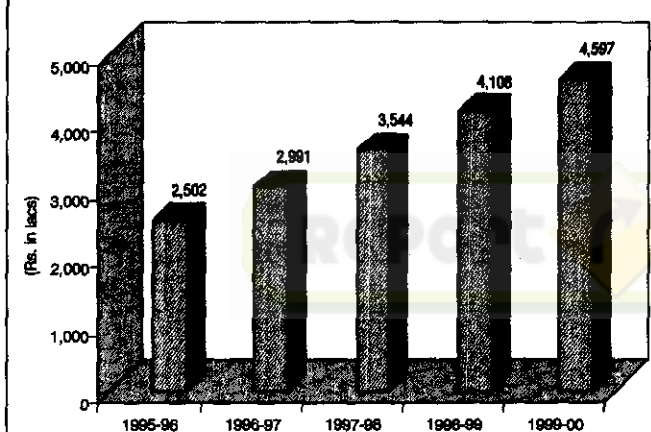
TURNOVER



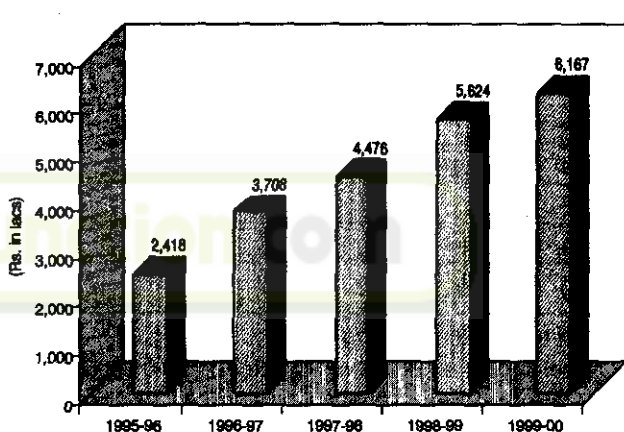
PROFIT BEFORE/AFTER TAXES



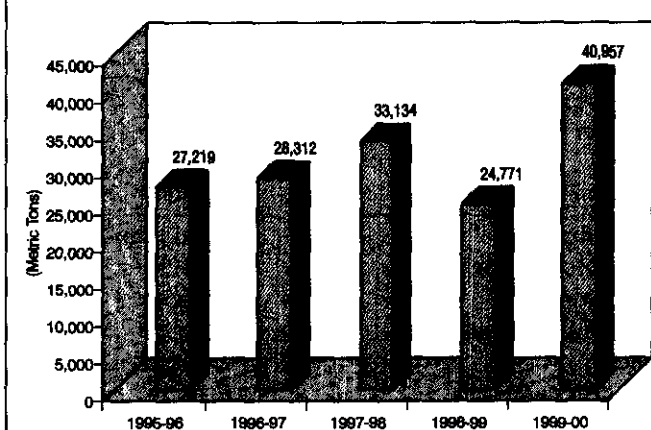
NET WORTH



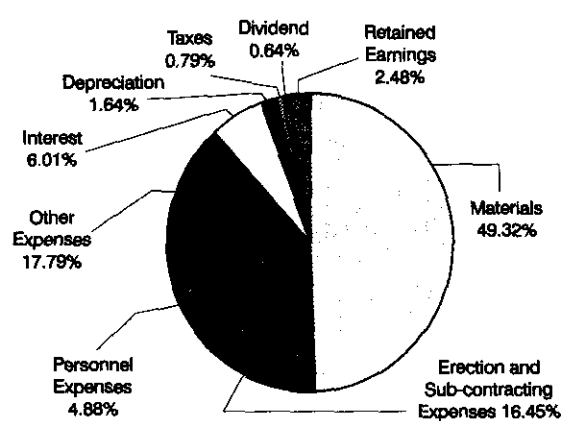
GROSS FIXED ASSETS



PRODUCTION



INCOME DISTRIBUTION PATTERN



**JYOTI STRUCTURES LIMITED****CORPORATE GOVERNANCE****Composition of Board of Directors :**

<b>Promoter Directors</b>	:	Mr. V.P. Valecha Mr. S.H. Mirchandani
<b>Independent Executive Directors</b>	:	Mr. K.R. Thakur Mr. P.K. Thakur Mr. S.A. Krishnan
<b>Independent Non Executive Directors</b>	:	Mr. S.D. Kulkarni Mr. M.P. Tejwani
<b>Nominee Director</b>	:	Nil

**Attendance of Directors at the Board Meetings :**

In the year 1999-2000 seven meetings of the Board of Directors were held. They were held on following dates and the following directors were present at the respective meeting.

**Board of Directors Meeting :**

Name of the Director	31.05.99	31.07.99	30.08.99	28.10.99	31.12.99	15.01.2000	29.01.2000
Mr. V.P. Valecha	Present*	Present*	Present*	Present*	Present*	Present*	Present*
Mr. K.R. Thakur	Present	Present	Present	Present	Present	Present	Present
Mr. M.P. Tejwani	Present	Present	Absent	Present	Present	Present	Absent
Mr. S.H. Mirchandani	Absent	Absent	Absent	Present	Absent	Present	Absent
Mr. P.K. Thakur	-	Present	Present	Present	Present	Present	Present
Mr. S.A. Krishnan	-	Present	Present	Present	Present	Present	Present
Mr. S.D. Kulkarni	-	-	-	-	-	-	Present**

\* Chairman of the meeting

\*\* Appointed as an additional director on 29.01.2000

**Details of Directorships held in Other Companies by the Directors of the Company.**

Sr. No.	Name of Director	Name of Concerns	As a
1.	Mr. S.D. Kulkarni	(a) Voltas Ltd. (b) Bharat Forge Ltd. (c) Sicom Capital Management Ltd. (d) Sesa Goa Ltd. (e) Novartis India Ltd.	Director Director Chairman Chairman Director
2.	Mr. K.R. Thakur	(a) Valecha Engineering Ltd. (b) Valmir Construction Private Ltd. (c) JSL Finance Ltd. (d) Jyoti Acquaculture Private Ltd.	Director Director Director Director
3.	Mr. V.P. Valecha	(a) Valecha Engineering Ltd. (b) Valecha Investments Private Ltd. (c) Valecha Infrastructure Ltd. (d) Juhu Beach Real Estate Private Ltd. (e) JSL Finance Ltd. (f) Jyoti Acquaculture Private Ltd. (g) Valmir Constructuion Private Ltd.	Chairman Director Director Director Director Director Director

**ANNUAL REPORT 1999-2000**

Sr. No.	Name of Director	Name of Concerns	As a
4.	Mr. S.H. Mirchandani	(a) Shalimar Housing & Finance Ltd. (b) Seagull Solutions Ltd.	Director Director
5.	Mr. M.P. Tejwani	(a) Rama Industries Ltd. (b) Rama Capital & Fiscal Services Ltd. (c) Rama Petrochemicals Ltd. (d) Premium Financial Services Ltd. (e) Trishul Mercantile Pvt. Ltd. (f) Rama Phosphates Ltd. (g) Rainbow Agri Industries Ltd. (h) Goodearth Credit & Investment Ltd.	Director Director Director Chairman Director Director Director Director
6.	Mr. P.K. Thakur	(a) AES Orissa Distribution Private Ltd.	Director
7.	Mr. S.A. Krishnan	(a) JSL Refractories Ltd.	Chairman

**AUDIT COMMITTEE :****Composition :**

Non Executive Director : 1. Mr. S.D. Kulkarni  
2. Mr. M.P. Tejwani  
3. Mr. S.A. Krishnan (as Invitee)

Chairman

(Independent Director) : Mr. S.D. Kulkarni

The Audit Committee was constituted only during the year. Its major observations and discussions will be shared with the shareholders in the next Annual Report.

**FINANCE & SHARE TRANSFER COMMITTEE :**

Non Executive Director : 1. Mr. S.A. Krishnan  
2. Mr. M.P. Tejwani  
3. Mr. P.K. Thakur

Compliance Officer : Mr. Suhas Kulkarni  
Sr. General Manager (Finance) &  
Company Secretary.

**Shareholders Complaint (Since 01.04.99 to 31.03.2000) :**

No. of complaints received from Shareholders	No. of complaints solved to the satisfaction of the Shareholders	No. of complaints pending
67	57	10
No. of Complaints in SEBI		
5	5	0

**Pending Share Transfers if any (Since 01.04.99 to 31.03.2000) :**

No. of transfer deeds received from transferee	No. of Shares	No. of Shares transferred	No. of shares pending for transfer	
			Pending due to objection	Pending due to closing date
2,204	9,96,878	9,86,028	10,850	-

**JYOTI STRUCTURES LIMITED****Shareholders' Meeting :**

Name of the Director	30.08.99 (AGM)	24.03.2000 (EGM)	07.04.2000 (Adjourned EGM)**
Mr. V.P. Valecha	Present*	Absent	Present*
Mr. K.R. Thakur	Present	Absent	Present
Mr. M.P. Tejwani	Absent	Absent	Present
Mr. S.H. Mirchandani	Absent	Absent	Present
Mr. P.K. Thakur	Present	Present*	Present
Mr. S.A. Krishnan	Present	Absent	Present
Mr. S.D. Kulkarni	—	Absent	Present

\* Chairman of the meeting

\*\* The EGM had to be adjourned to 7<sup>th</sup> April, 2000, since there was dislocation following the visit of the President of USA to Mumbai

**FINANCE & SHARE TRANSFER COMMITTEE MEETINGS :**

Number of Meetings held	:	29
Attendance	:	Mr. V. P. Valecha 10 out of 10 (Chairman of the meetings)
		Mr. M.P. Tejwani 23 out of 29
		Mr. S. A. Krishnan 19 out of 19 (Chairman of the meetings)
		Mr. P. K. Thakur 19 out of 19

Note : Till 23<sup>rd</sup> July, 1999 the committee consisted of Mr. V.P. Valecha & Mr. M.P. Tejwani w.e.f. 31<sup>st</sup> July, 1999 the committee was re-constituted and now consists of Mr. S.A. Krishnan, Mr. M.P. Tejwani & Mr. P.K. Thakur

**GENERAL SHAREHOLDER INFORMATION :**

Last AGM	:	30 <sup>th</sup> AUGUST, 1999 at 3.30 P.M.
Last EGM	:	24 <sup>th</sup> March, 2000 at 3.30 P.M., adjourned to 7 <sup>th</sup> April, 2000 at 3.30 P.M.
Place of the meetings	:	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001.
Financial Calender	:	1 <sup>st</sup> April, 1999 to 31 <sup>st</sup> March, 2000
Previous Book closure	:	17 <sup>th</sup> August, 1999 to 30 <sup>th</sup> August, 1999 (for Dividend purpose)
Last Dividend payment Date	:	9 <sup>th</sup> October, 1999

**ANNUAL REPORT 1999-2000****Listing at Stock Exchanges :**

<b>Name of Stock Exchange</b>	<b>Stock Code</b>
Mumbai Stock Exchange (Regional Stock Exchange)	13,250
National Stock Exchange	5,251
Delhi Stock Exchange	5,593
Ahmedabad Stock Exchange	28,950

**Market Price Data :**

<b>Month</b>	<b>Highest Rate (Rs.)</b>	<b>Lowest Rate (Rs.)</b>
April'99	67.30	49.10
May'99	59.50	51.20
June'99	55.00	50.50
July '99	72.15	54.65
August '99	77.00	64.05
September '99	70.90	59.20
October '99	103.50	61.00
November '99	80.90	67.35
December '99	78.95	65.30
January '2000	69.90	61.60
February '2000	66.95	47.20
March '2000	59.75	48.00

**REGISTRARS AND TRANSFER AGENTS****Physical Mode :**

Premium Financial Services Ltd.  
A-2/477, Shah & Nahar Industrial Estate,  
Lower Parel (West), Mumbai-400 013.  
Tel. : 4960621/622 Fax : 4950128

**Depository Mode :**

- |   |  |
|---|--|
| 1. For National Securities Depository Ltd. (NSDL)<br>Big Share Services Pvt. Ltd.<br>J/12, Ansa Industrial Estate,<br>Sakivihar Road, Saki Naka,<br>Andheri (E), Mumbai-400 072.<br>Tel. : 8524914/3541 Fax : 8525207 | 2. For Central Depository Services (India) Ltd. (CDSL)<br>Premium Financial Services Ltd.<br>A-2/477, Shah & Nahar Industrial Estate,<br>Lower Parel (West), Mumbai-400 013.<br>Tel. : 4960621/622 Fax : 4950128 |
|---|--|

**Share Transfer System :** Share transfers received by R & T agents are scrutinised & processed by them and these transfers are approved by the Finance & share transfer committee of the board who meets every fortnight.



**JYOTI STRUCTURES LIMITED****Distribution of Shareholding : (as of 23<sup>rd</sup> June, 2000)**

Shareholding of nominal value	Shareholders		Share Amount	
Rupees in Face Value	Number	% to Total	In Rs.	% to Total
Upto - 5,000	5,817	90.81	96,55,180	19.65
5,000 - 10,000	346	5.40	24,98,430	5.09
10,001 - 20,000	121	1.89	17,00,710	3.46
20,001 - 30,000	27	0.42	7,05,840	1.44
30,001 - 40,000	21	0.33	7,20,610	1.47
40,001 - 50,000	7	0.11	3,12,250	0.64
50,001 - 1,00,000	23	0.36	16,43,570	3.35
1,00,001 - AND ABOVE	44	0.69	3,18,83,310	64.90
<b>TOTAL</b>	<b>6,406</b>	<b>100.00</b>	<b>4,91,19,900</b>	<b>100.00</b>

**Shareholding Pattern : (as on 23<sup>rd</sup> June, 2000)**

Category	No of Shares held	% to the Shareholding
Promoter Group	17,70,012	36.03
Other Directors & their relatives	2,32,149	4.73
Associates of Directors	4,38,322	8.92
NRIs	7,613	0.15
Banks	13,497	0.27
Mutual Fund	2,00,700	4.09
FIs	2,44,000	4.97
Indian Financial Institutions	2,21,500	4.51
Other Bodies Corporates	3,98,661	8.12
Other Individuals	13,85,536	28.21
<b>TOTAL</b>	<b>49,11,990</b>	<b>100.00</b>

**Dematerialisation of Share and liquidity :**

The trading of shares is compulsorily in demat mode by all investores w.e.f. 21<sup>st</sup> March, 2000. As of 23<sup>rd</sup> June, 2000, 31% of the shares have been dematerialised.

**Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

: Nil

**PLANT LOCATIONS :****Nasik Factory :**

52A/53, D. Road  
Satpur Industrial Complex  
Nasik - 422 007 (Maharashtra).

**Nasik Operations Office :**

H/37, Shivaji Nagar,  
MIDC, Nasik - 422 007 (Maharashtra).

**R & D Centre at Nasik :**

Ghoti, Igatpuri,  
Dist. : Nasik - 422 002 (Maharashtra).

**Raipur Factory :**

1037/1056, Sarora Ring Road,  
Urla Industrial Complex,  
Raipur - 493 221 (Madhya Pradesh).

**ADDRESS FOR CORRESPONDENCE :****Registered & Corporate Office :**

5th & 6th Floor, Valecha Chambers,  
New Link Road, Oshiwara,  
Andheri (W), Mumbai - 400 053.

**ANNUAL REPORT 1999-2000****DIRECTORS' REPORT**

The Directors present their Twenty-fifth Annual Report and the audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2000.

**Financial Results :**

	1999-2000 Rs. in Lacs	1998-1999 Rs. in Lacs
Sales and Other Income	<u>23,112.26</u>	<u>20,779.50</u>
Profit before Depreciation and Taxes	<u>1,283.18</u>	<u>1,154.13</u>
Less : Depreciation	<u>379.36</u>	<u>344.03</u>
Profit before Taxes	<u>903.82</u>	<u>810.10</u>
Less : Taxes [P.Y. Net of excess provision of earlier years Rs. 60 lacs]	<u>150.00</u>	<u>108.77</u>
Profit after Taxes	<u>753.82</u>	<u>701.33</u>
Balance brought forward from previous year	<u>115.53</u>	<u>119.80</u>
Loss on Advances made	<u>(85.82)</u>	<u>-</u>
Prior Year Adjustment (Net)	<u>2.17</u>	<u>0.71</u>
Profit available for Appropriations	<u>785.71</u>	<u>821.84</u>

**Appropriations :**

Proposed Dividend	<u>147.36</u>	<u>122.79</u>
Corporate Dividend Tax	<u>32.42</u>	<u>13.51</u>
General Reserve	<u>550.00</u>	<u>570.00</u>
Balance carried to Balance Sheet	<u>55.93</u>	<u>115.54</u>
	<u>785.71</u>	<u>821.84</u>

**Dividend :**

The Directors recommend payment of dividend at the rate of Rs. 3.00 per share (P.Y. Rs. 2.50 per share) for the year ended 31<sup>st</sup> March, 2000, on the fully paid up equity shares. This dividend is inclusive of a special 5% dividend to commemorate the Silver Jubilee of the Company.

**Rights Issue :**

To meet the requirements of growth and expansions, your Company has made a Rights Issue to the existing shareholders in the ratio of one share for every share held at a premium of Rs. 25/- per share. Slated to open in September, 2000, this Issue will increase the Company's net worth base by Rs. 17.20 crores.

**Operations :**

Following two difficult years, you would be happy to note that the operations during the year have been satisfactory. The production of towers increased from 24,771 MT in the previous year to 40,957 MT during the year. Notwithstanding the fall in prices, the turnover has also shown a modest increase of 11.2%. Net profit after taxes rose modestly by 7.5% to Rs. 7.50 crores partly because of the continued pressure on the margins, a higher outgo on interest costs and also higher provision for taxation during the year.

Shareholders would be aware of the constant efforts made by your Company in expanding the exports market. The Directors are pleased to state that there has been considerable growth in the export turnover (including Deemed Exports) from Rs. 102 crores to Rs. 142 crores during the year. The Company has also been in receipt of citations and awards commending the consistently good quality of its products, services and adherence to strict and tight time schedules. In recognition of the sustained export efforts, the Government of India has upgraded your Company from an Export House to a Trading House.

**Outlook :**

The outlook for the industry has continued to improve even though volumes are affected by the general fall in price levels. Intense competition has also affected the margins, but your Company has geared itself adequately to meet this. Enquiries from customers, both in India and abroad, are on the rise; and newer markets are opening up. Barring unforeseen circumstances, your Company is hopeful of maintaining the growth momentum in the current year as well as the ensuing ones.

**Subsidiaries :**

The downtrend in the cement and steel industry has affected the refractory business. However, the Refractory