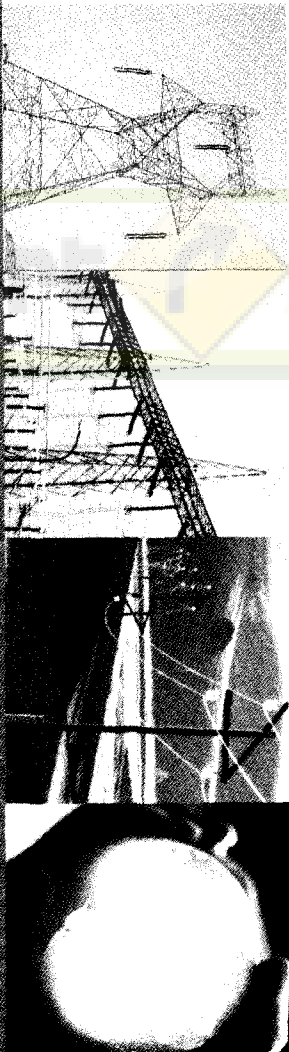
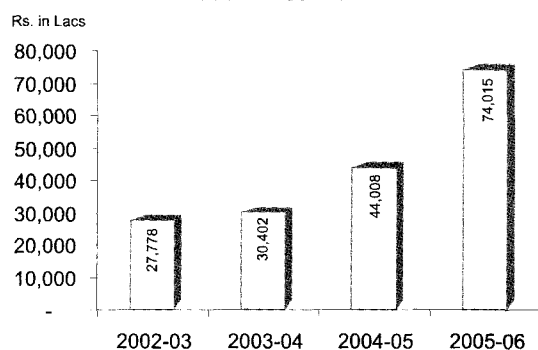


JOTI STRUCTURES LIMITED

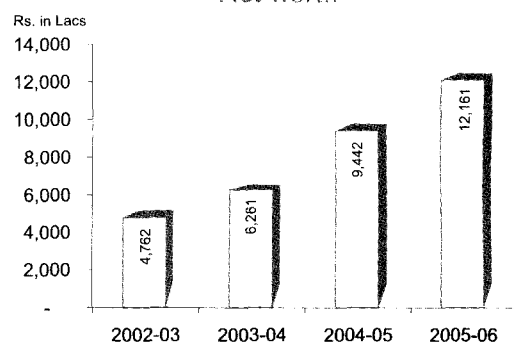


Financial Highlights

Total Income



Net worth



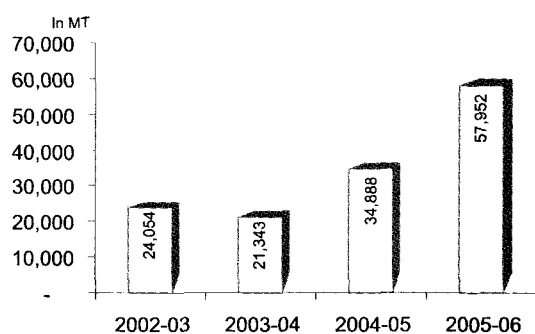
Profit Before Taxes



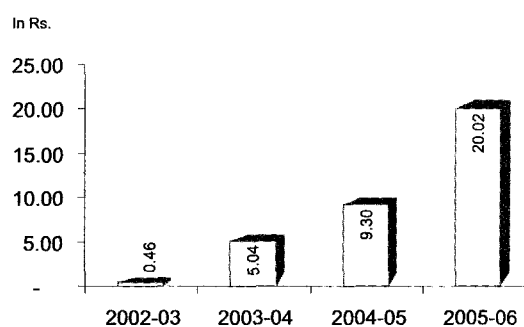
Profit After Taxes



Production



EPS - Basic





JYOTI STRUCTURES LIMITED

ISO 9001 - CERTIFIED

BOARD OF DIRECTORS

S D Kshirsagar *Chairman*

A J Khan

S H Mirchandani

P A Sethi

G L Valecha

K R Thakur *Managing Director*

COMPANY SECRETARY

L H Khilnani

AUDITORS

R M Ajgaonkar & Associates, Chartered Accountants

BANKERS / FINANCIAL INSTITUTIONS

State Bank of India

Union Bank of India

Canara Bank

State Bank of Indore

Dena Bank

Bank of India

Bank of Maharashtra

State Bank of Hyderabad

Syndicate Bank

Oriental Bank of Commerce

UCO Bank

ICICI Bank Limited

Indian Bank

Export - Import Bank Of India

IL & FS

Industrial Development Bank of India Limited

REGISTERED OFFICE

Valecha Chambers, 6th Floor, New Link Road,

Andheri (W), Mumbai-400 053.

Maharashtra State, India

Tel : 4091 5000

Fax : 6691 5014 / 4091 5015

Website : www.jsl.co.in

Email : contact@jsl.co.in

LEGAL ADVISORS

Amarchand & Mangaldas & Suresh A. Shroff & Co

REGISTRAR & SHARE TRANSFER AGENT

Big Share Services Private Limited,

E/2, Ansa Industrial Estate, Sakivihar Road,

Saki Naka, Andheri (East), Mumbai – 400 072

Tel. : 2847 0652 / 2847 0653 / 2847 3747

Fax : 2847 5207

31st ANNUAL GENERAL MEETING

Day : Friday

Date : 30th June 2006

Time : 3.30 P.M.

Venue : M C Ghia Hall,
Bhogilal Hargovindas Building,
18/20, Kaikhushru Dubash Marg,
Mumbai - 400 001

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Transmission Lines

Keeping in view the massive increase planned in power generation capacity, requiring transmission lines for evacuation and also for strengthening of the national and regional power grids, large investments through public and private sectors, have been envisaged by Government of India.

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Jyoti Structures is equipped to play a significant role in this national endeavour.



Sub - Stations

Sub-stations are a part of power transmission networks.

Having executed Sub-station projects involving more than 350 bays of up to 400 KV, Jyoti Structures is poised to contribute in this important segment of power transmission business.



Distribution Networks and Rural Electrification

Rajiv Gandhi Grameen Vidyutikaran Yojana, aimed at taking electricity to thousands of villages across the country and lighting up lakhs of homes Below Poverty Line, has not only thrown open a large business opportunity for Jyoti Structures, but also an opportunity to be a part of the endeavour to bring about social equity.

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Jyoti Structures is geared and keen to be an important player in this national effort.



Global Reach

Having executed projects for customers in more than 30 countries all across the world, Jyoti Structures is now looking forward to further extend their global reach. Hence, the formation of Gulf Jyoti International LLC. in UAE as a Joint Venture with Gulf Investment Corporation, Kuwait, to carry out power transmission line business, with a manufacturing facility in Dubai.

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JYOTI STRUCTURES LIMITED

DIRECTORS' REPORT

Your Directors are pleased to present the thirty first annual report of your company together with audited statement of accounts for the year ended 31st March 2006.

FINANCIAL RESULTS

	2005-2006	(Rs. in Cr) 2004-2005
Sales and other Income	740.15	440.08
Profit before tax	46.20	18.11
Provision for taxation including deferred tax	18.53	6.58
Profit after tax	27.67	11.53
Profit available for appropriation	28.30	11.53
Proposed dividend	3.07	1.66
Tax on dividend	0.43	0.22
Transfer to General Reserve	3.00	9.00
Balance carried to Balance Sheet	21.80	0.65

DIVIDEND

For the year under review, the Directors of your Company have recommended a dividend of Rs. 2 per share (Rs.1.20 per share for the previous year) on enhanced capital of Rs.15.37 crore.

CAPITAL

During the year, 7,00,000 warrants were issued to promoters of the Company on a preferential basis.

The Company has granted 2,34,800 stock options under Employees Stock Option Scheme.

OPERATIONS

For the year under review, the Company continued with strong performance. The turnover registered a growth of 68% to Rs.740.15 crores. The Profit after tax has gone up by 140% to Rs. 27.67 crores.

OPPORTUNITIES

The year 2005-06 has been an exciting one for India. The Indian economy continues to grow at a robust pace. During the first half of Financial Year 2006, it registered a GDP growth of over 8%. This strong economic growth places India amongst the fastest growing economies in the world. If aided by the right policies the current growth rate can be sustained and bettered.

Power sector has been on steep growth path since the last few years. The sector is poised to continue to grow in the future. Targets for generation and transmission capacity addition set for the plan period ending 2007 are likely to be substantially achieved. With the announcement of seven mega power projects, increasing involvement of private sector, major thrust on rural electrification, likely opening of nuclear power sector, there is an all round upswing in all three segments of power sector, namely, generation, transmission and distribution.

Your Company is well placed and equipped to derive benefit from the ongoing and forthcoming opportunities in the sector.

SUBSIDIARIES

JSL Refractories Limited

Sales and Income from other operations during the year 2005-2006 was Rs1.58 crore as against Rs 5.05 crore for the corresponding previous financial year. The loss after tax has increased to Rs. 1.90 crore as against loss of Rs 0.31 crore for the corresponding previous financial year.

ANNUAL REPORT 2005-2006

The Company has discontinued refractory business and has switched to fabrication of tower parts, for which it was originally established. There exist good opportunities in fabrication business and the operations will be in synergy with that of its holding Company.

JSL Corporate Services Ltd

For the year under review, no business was transacted in this Company.

Shree Chhatrapati Shahu Power Company Limited

During the year under review the Company earned income by way of commission of Rs 0.34 crore as against commission of Rs. 0.04 crore for the corresponding previous financial year. Other than this no business was transacted during the year.

The Central Government in exercise of the power conferred by sub section 212 (8) of the Companies Act, 1956 has accorded its approval for exemption from attaching the accounts of subsidiaries to the Balance Sheet of the Company.

The Company shall provide the copy of the Annual Report and other documents of its subsidiary companies as required under Section 212 of the Act to the members on their request, free of cost.

JOINT VENTURE

The Company has entered into a venture with Gulf Investment Corporation, Kuwait and established a joint venture company in name of Gulf Jyoti International LLC in UAE. Gulf Jyoti will carry out EPC transmission line related business in the Gulf Region and other countries.

DIRECTORS**Appointments**

Mr. P A Sethi was appointed as an Additional Director of the Company with effect from January 24, 2006. Approval of the members for appointing him as a Director of the Company is sought vide requisite resolution in the accompanying Notice dated May 24, 2006 convening the Annual General Meeting. Directors commend the resolution for approval by the members.

Retirement by Rotation

In accordance with the requirement of the Companies Act, 1956, Mr. G L Valecha and Mr. S H Mirchandani, Directors of the Company are due for retirement by rotation and are eligible for reappointment.

The information on the particulars of Directors seeking appointment/Re-appointment as required under Clause 49 of the Listing Agreement executed with the Stock Exchange, Mumbai and National Stock Exchange of India Ltd. has been given under Corporate Governance Report.

AUDITORS

M/s R. M. Ajgaonkar & Associates, Statutory Auditors of the Company retire and offer themselves for re-appointment as the statutory auditors of the Company under the Companies Act, 1956.

The observations made in the Auditors Report are self – explanatory and therefore, do not call for any further comments under Section 217 (3) of the Companies Act, 1956.

DEPOSITS

The Company has not accepted deposits by way of invitation to the public and has complied with the provisions of Section 58 A of the Companies Act, 1956.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

The information required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 is enclosed with this report.

A Statement pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is enclosed with this report.

JYOTI STRUCTURES LIMITED

CORPORATE GOVERNANCE

Your Company continued to practice good governance. The Board of Directors supported the broad principles and the Company complied with all the mandatory provisions prescribed by SEBI and Clause 49 of the Listing Agreement with the Stock Exchanges. In addition to the basic governance issues, the Board laid a strong emphasis on transparency, accountability and integrity. The detailed report on compliance of Corporate Governance and Management's Discussion Analysis as stipulated in clause 49 of the Listing Agreement is enclosed with this report.

In line with the said provisions, the Company has obtained certificates from the Managing Director and Auditors of the Company, the same are annexed and form part of this Report.

CODE OF CONDUCT

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standard of business ethics. In recognition thereof, the Board of Directors have implemented a Code of Conduct for adherence by the Directors and Senior Management Personnel of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity.

EMPLOYEES STOCK OPTION SCHEME

Pursuant to the provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended, the details of Stock Options as on March 31, 2006 under the Jyoti Structures Limited Employees Stock Option Scheme is enclosed with this report.

DIRECTOR'S RESPONSIBILITY STATEMENT

As stipulated in section 217 (2AA) of the Companies Act, 1956, your Director subscribe to the 'Directors Responsibility Statement' and confirm 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 have 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 profit or loss of the company for that period;
- iii the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding assets of the company and for preventing and detecting fraud and other irregularities;
- iv the Directors have prepared the annual accounts on a going concern basis.

INDUSTRIAL RELATIONS

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees enable the Company to remain competitive in the industry.

ACKNOWLEDGEMENTS

Your Directors acknowledge the contribution made by all the stakeholders and support given by its Bankers/ Lenders.

For and on behalf of the Board

S D Kshirsagar
Chairman

Mumbai, 24th May, 2006