

ANNUAL REPORT 2008

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JYOTI STRUCTURES LIMITED
JYOTI STRUCTURES LIMITED
 ISO 9001-CERTIFIED
BOARD OF DIRECTORS

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

COMPANY SECRETARY

Manoj G. Raichandani

BANKERS

State Bank of India
 Bank of India
 UTI Bank Ltd.
 IndusInd Bank Ltd.
 ICICI Banking Corpn. Ltd.
 Global Trust Bank Ltd.
 Canara Bank
 Bank Muscat
 Exim Bank of India

LEGAL ADVISORS

Amarchand & Mangaldas & Suresh A. Shroff & Co.
 Mulla & Mulla & Craigie Blunt & Caroe
 Wadia Ghandy & Company

AUDITORS

R. M. Ajgaonkar & Co.
 Chartered Accountants

REGISTERED AND CORPORATE OFFICE

Valecha Chambers, 5th/6th Floor,
 New Link Road, Oshiwara,
 Andheri (W), Mumbai-400 053.
 Maharashtra State, India.
Tel : 691 5000 **Fax** : 691 5014/5
Website : www.jyotisttructures.com
Email : contact@jyotisttructures.com

27TH ANNUAL GENERAL MEETING

Day : Thursday
Date : 26th September, 2002
Time : 12.30 p.m.
Venue : M. C. Ghia Hall,
 Bhogilal Hargovindas Building,
 18/20, Kaikhushru Dubash Marg,
 Mumbai - 400 001.

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WORKING RESULTS AT A GLANCE

(Rs. in Lacs)

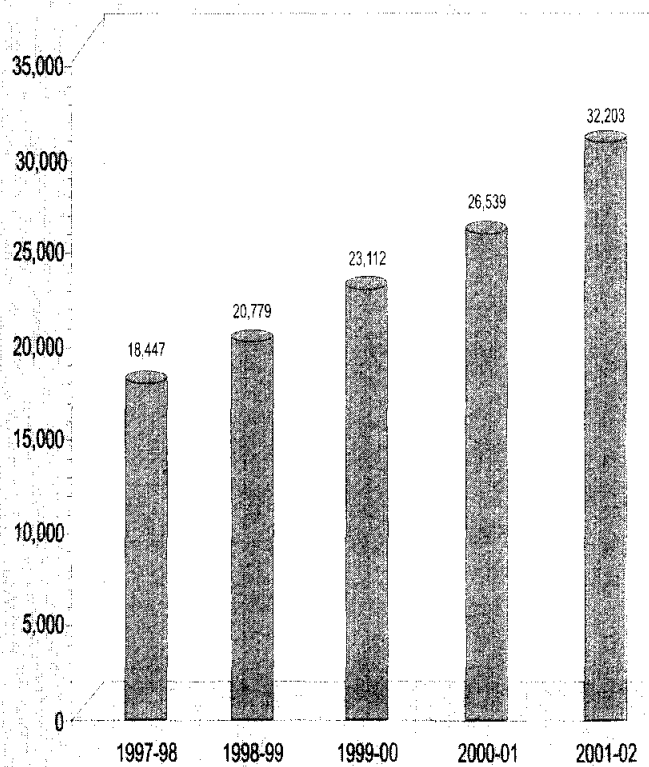
	2001-02	2000-01	1999-00	1998-99	1997-98
SALES & EARNINGS :					
Sales & Other Income	32,203	26,539	23,112	20,779	18,447
Profit / (Loss) Before Taxes	(1,503)	1,090	904	810	839
Profit / (Loss) After Taxes	(964)	801	754	701	689
Equity Dividend	NIL	25%	*30%	25%	25%
ASSETS :					
Gross Block	6,733	6,582	6,167	5,624	4,476
(including Capital W.I.P.)					
Net Block	4,542	4,699	4,641	4,371	3,552
Total Net Assets	18,281	18,982	14,853	10,631	8,709
REPRESENTED BY :					
Net Worth	4,573	6,137	4,597	4,108	3,544
Share Capital	930	969	491	491	491
Reserves & Surplus	3,643	5,168	4,106	3,617	3,052
Borrowings	13,554	12,845	10,256	6,523	5,166
Deferred Tax Liability	154	—	—	—	—
Total Funds	18,281	18,982	14,853	10,631	8,709
OTHER HIGHLIGHTS :					
Foreign Exchange Earnings (Including Deemed Exports & Sales through Export House)	21,969	19,751	14,182	10,186	13,015
Foreign Exchange Outgo	2,921	4,494	3,165	1,366	3,525
INSTALLED CAPACITY AND PRODUCTION :					
Installed Capacity (M.T.p.a.)	52,000	52,000	52,000	52,000	52,000
Production (M.T.)	43,551	40,244	40,957	24,771	33,134
EARNING PER SHARE	(9.94)	11.37 **	15.35	14.25	14.02

* Includes 5% Silver jubilee Year Dividend

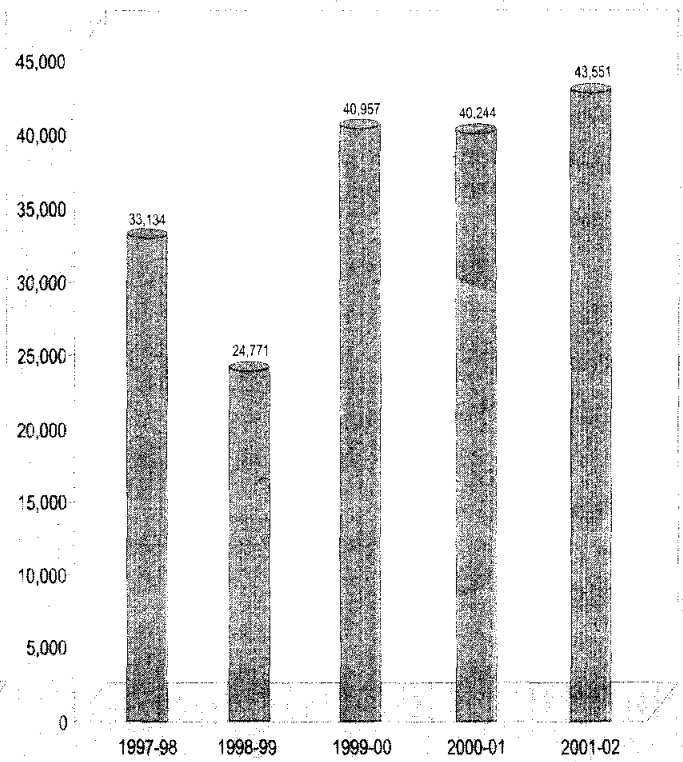
** On the expanded capital base after the Rights issue

JYOTI STRUCTURES LIMITED**TOTAL INCOME**

(Rs. in Lacs)

**PRODUCTION**

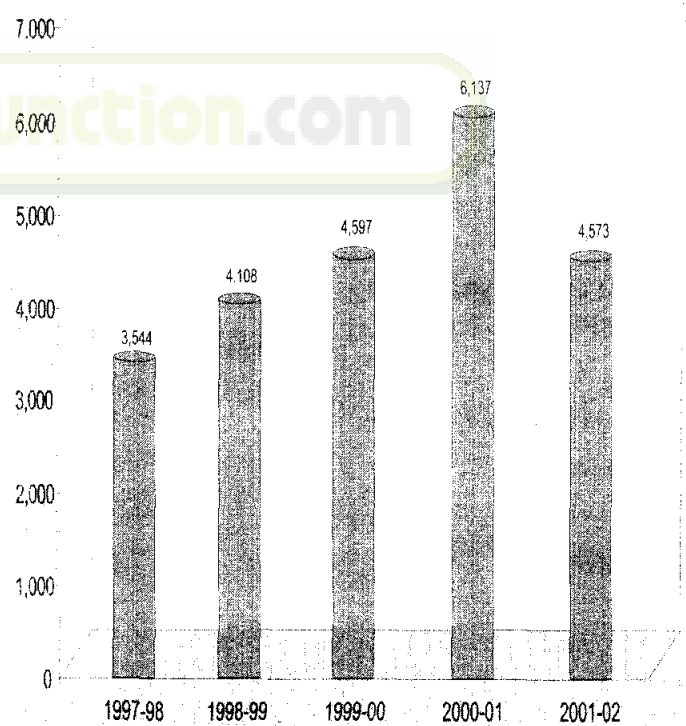
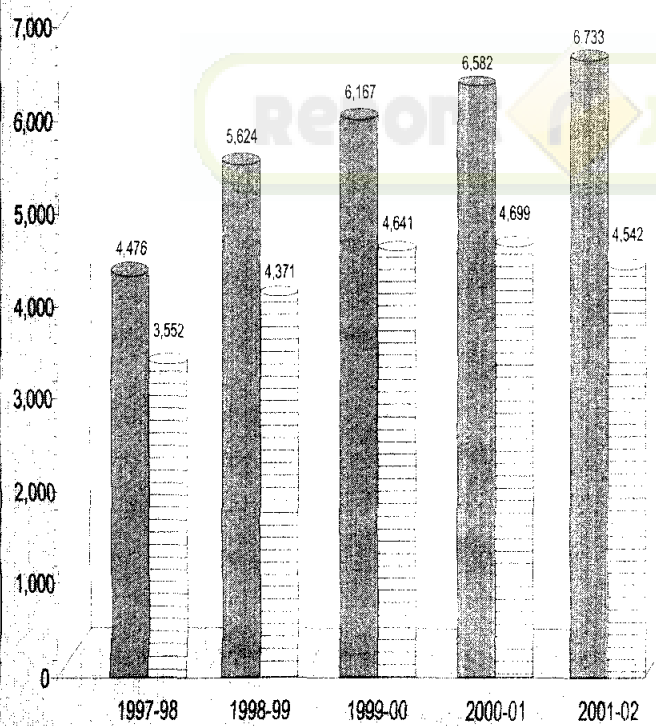
(In MT)

**GROSS FIXED ASSETS****NET FIXED ASSETS**

(Rs. in Lacs)

NET WORTH

(Rs. in Lacs)





JYOTI STRUCTURES LIMITED

NOTICE

NOTICE is hereby given that the Twenty-Seventh Annual General Meeting of the members of the Company will be held on Thursday, 26th September, 2002 at 12.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 001 to transact the following business :

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2002, the Balance Sheet as at that date and the Report of the Directors and the Auditors thereon.
- 2) To confirm interim dividend paid on 10.50 % Series 'A' of Redeemable Non-convertible Preference Shares.
- 3) To confirm interim dividend on 11 % Series 'C' of Redeemable Non-convertible Preference Shares.
- 4) To appoint a Director in place of Mr. P. K. Thakur, who retires by rotation and being eligible, offers himself for re-appointment.
- 5) To appoint a Director in place of Mr. V. P. Valecha, who retires by rotation and being eligible, offers himself for re-appointment.
- 6) To appoint Auditors and to fix their remuneration.
- 7) To appoint M/s. ERNST & YOUNG, Chartered Accountants, Muscat, Sultanate of Oman as Branch Auditors for Muscat Branch and to fix their remuneration.
- 8) To appoint M/s. Tadesse Woldegabriel & Co., Chartered Accountants, Addis Ababa, Ethiopia as Branch Auditors for Ethiopia Branch and to fix their remuneration.

NOTES :

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** The Proxy Form should be lodged with the Company at its Registered Office at least 48 hours before the time of the meeting.
- 2) Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 21st September, 2002 to Thursday, 26th September, 2002. (both days inclusive).
- 4) Pursuant to Section 205 A (5) of the Companies Act, 1956, all unclaimed/unpaid dividend upto and including the financial year ended on 31st March, 1995 have been transferred to the Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from the

JYOTI STRUCTURES LIMITED

Registrar of Companies, Maharashtra, Hakoba Mills Compound, Dattaram Lad Marg, Kalachowki, Parel, Mumbai – 400 033.

As per the provisions of Section 205A(5) & 205C of the Companies Act, 1956, as amended, the dividend and application money received by the Company for allotment of any securities and due for refund which remains unclaimed/unpaid for seven years from the date they became due for payment shall be transferred by the Company to the 'Investor Education and Protection Fund' established by the Central Government and no claims shall lie against the said Fund or the Company in respect of such individual dividend amounts transferred to said fund.

- 5) Members holding equity shares in physical form are hereby requested to promptly notify the change of address/ dividend mandate, if any, to the Company's Registrar, M/s. Bigshare Services Pvt. Ltd. quoting their folio number and Members holding equity shares in demat form shall have to intimate to their respective Depository Participants quoting their Client ID.
- 6) Any member seeking further information on the Accounts at the meeting is requested to send their queries in writing to the Company so as to reach at least one week in advance to enable the Management to keep the information ready. Replies will be provided only at the meeting.
- 7) In accordance with SEBI directives, Company's shares are being traded in compulsory demat form. Accordingly the Company has entered into the agreement(s) with Central Depository Services (India) Ltd. (CDSL), National Securities Depository Limited (NSDL). The members may open Beneficiary Account with the Depository Participants (DP). For more details, shareholders may contact the Company's Registrar & Share Transfer Agents, Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Saki-Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072, Tel. No. 852 3474, 856 0652/53, 6901335, Fax : 8525207.
- 8) Members/proxies should bring their Attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.

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By order of the Board
For Jyoti Structures Limited

Mumbai,
29th June, 2002

Manoj G. Raichandani
Company Secretary

Registered Office :
Valecha Chambers, 5th/6th Floor,
New Link Road,
Oshiwara,
Andheri (West),
Mumbai – 400 053.

ANNEXURE TO THE NOTICE :***Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956*****ITEM NO. 7**

Though not strictly necessary, this Explanatory Statement on Item No. 7 is being given in respect of resolution mentioned at this item.

The Company is executing a project worth US \$36.73 Mn. for installation of transmission line on turnkey basis at Oman. Therefore, it has established a Branch office at Oman, and the Books of Account relating to operations of Oman office are maintained at Oman Branch. Since, the branch office is situated outside India, it was necessary to appoint a branch auditor who is a person qualified for appointment or qualified to act as auditors as per the law of Sultanate of Oman for auditing the books of account maintained by Oman Branch. In the last Annual General Meeting, members had approved appointment of M/s. Ernst & Young & Co., Chartered Accountants, Muscat, Sultanate of Oman, as branch auditors of Oman Branch, who holds office upto the date of the forthcoming Annual General Meeting. The Company has received consent from M/s. Ernst & Young & Co., Muscat, for their re-appointment as branch auditors for Oman branch of the company. The Board of Directors has in its meeting held on 29th June, 2002, re-appointed M/s. Ernst & Young & Co., Chartered Accountants, Muscat, Sultanate of Oman as branch auditors for Oman Branch.

Your Directors recommend the re-appointment of M/s. Ernst & Young & Co., Chartered Accountants as the auditors for Oman Branch of the Company and recommends passing of the Ordinary Resolution at item no. 7 of the notice.

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

ITEM NO. 8

Though not strictly necessary, this Explanatory Statement on Item No. 8 is being given in respect of resolution mentioned at this item.

The Company is executing a project worth US\$ 4.50 Mn. for installation of transmission line on turnkey basis at Ethiopia. Therefore, it has established a Branch office at Ethiopia, and the Books of Account relating to operations of Ethiopia office are maintained at Ethiopia Branch. Since, the branch office is situated outside India, it was necessary to appoint a branch auditor who is a person qualified for appointment or qualified to act as auditors as per the law of Ethiopia for auditing the books of account maintained by Ethiopia Branch. The Board of Directors has in its meeting held on 15th May, 2002, appointed M/s. Tadesse Woldegabriel & Co., Chartered Accountants, Addis Ababa, Ethiopia, as branch auditors for Ethiopia branch, who holds office upto the date of the forthcoming Annual General Meeting .

Your Directors recommend the Ordinary Resolution at item no. 8 of the notice for your approval.

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

By order of the Board
For Jyoti Structures Limited

Mumbai
29th June, 2002

Manoj G. Raichandani
Company Secretary

Registered Office :
Valecha Chambers, 5th/6th Floor,
New Link Road,
Oshiwara,
Andheri (West),
Mumbai - 400 053.

JYOTI STRUCTURES LIMITED**Information required to be furnished under clause 49 of the Listing Agreement**

As required under clause 49 of the Listing Agreement, the particulars of Directors who are proposed to be appointed / re-appointed at this meeting are given below :-

Name of Director	V.P. Valecha	P. K.Thakur
Date of Birth	28.1.1933	28.02.1969
Date of Appointment/Re-appointment as MD/WTD	Not applicable being a Non-executive director.	Appointed as Whole Time Director w. e. f. 01.06.1999
Qualification	Intermediate Science	B.E., MBA
Experience and expertise in specific functional area.	Vast experience in engineering & contracting business	Global Experience of working with the world's largest IPP-AES Corporation, USA and New Zealand Transpower, Wellington.

Other Directorships: V. P. Valecha

Sr. no.	Name of the Company	Position held	Committee	Membership
			Type	Status
1	JSL Finance Ltd.	Director	Nil	Nil
2	Juhu Beach Real Estate Pvt. Ltd.	Director	Nil	Nil
3	Jyoti Aquaculture Pvt. Ltd.	Director	Nil	Nil
4	Valecha Engineering Ltd.	Director	Audit	Member
			Share Transfer	Member
5	Valecha Investment Pvt. Ltd.	Director	Nil	Nil
6	Valecha Infrastructure Ltd.	Director	Nil	Nil
7	Val-Mir Constructions Pvt. Ltd.	Director	Nil	Nil

Other Directorships: P. K. Thakur

Sr. no.	Name of the Company	Position held	Committee	Membership
			Type	Status
1	AES Orissa Distribution Pvt. Ltd.	Director	Nil	Nil



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DIRECTORS' REPORT

The Directors present their Twenty-seventh Annual Report and the audited Statements of Account for the year ended 31st March 2002.

Financial Results :

	2001-2002	2000-2001
	Rs. in Lacs	Rs. in Lacs
Sales and Other Income	<u>32,203.24</u>	<u>26,538.82</u>
Profit / (Loss) before Depreciation and Taxes	(1096.98)	1,488.72
Less: Depreciation	<u>406.28</u>	<u>399.10</u>
Profit / (Loss) before Taxes	(1503.26)	1,089.62
Less : Current Tax	1.00	289.00
Deferred Tax (Net)	<u>(539.84)</u>	<u>—</u>
Profit / (Loss) after Taxes	(964.42)	800.62
Balance brought forward from previous year	54.02	55.93
Prior Year adjustment (Net)	<u>5.33</u>	<u>1.12</u>
Profit / (Loss) available for appropriations	<u>(905.07)</u>	<u>857.67</u>

Appropriations :

Proposed Dividend - Equity Shares	—	245.52
- Preference Shares	10.25	27.32
Corporate Dividend Tax	1.04	30.81
General Reserve	—	200.00
Transfer to Capital Redemption Reserve	—	200.00
Transfer to Debenture Redemption Reserve	—	100.00
Balance carried to Balance Sheet	<u>(916.36)</u>	<u>54.02</u>
	<u>(905.07)</u>	<u>857.67</u>

Dividend :

In view of absence of profits for the year ended 31st March, 2002 the Directors have not recommended dividend on the equity shares of the Company for the year ended 31st March, 2002.

The Directors recommend adoption of interim dividend, paid @ 10.50%, and 11.00% respectively on series 'A' and 'C' of Redeemable Non-convertible Preference shares, as the final dividend for the year ended 31st March, 2002 paid out of reserves of the Company.

Rights Issue :

The Company had issued Rights Shares in the financial year 2000-2001. As on 31.03.2002, calls in arrears were Rs. 155.04 Lacs (P.Y. Rs. 340.23 Lacs). During the current year the Company has received Rs. 149.09 Lacs of calls in arrears, with interest. The Company has sent reminders for payment of call money for balance amount of Rs.5.95 Lacs.

As a result, the paid up equity capital in the current year has gone up from Rs. 930.41 Lacs to Rs.980.11 Lacs

JYOTI STRUCTURES LIMITED

and the Security Premium account has gone up from Rs. 1419.15 Lacs to Rs. 1518.54 Lacs.

The proceeds of the Rights Issue collected so far have been utilized for the purposes stated in the Letter of Offer dated 11th September 2000.

Operations :

The year 2001-02 was an exceptionally difficult year for your Company. Although, Sales and other income witnessed a rise from Rs. 26,539 Lacs to Rs. 32,203 Lacs, depicting approx. 21.30% increase, the Company incurred a loss of Rs. 1,097 Lacs prior to depreciation and taxes. The overall recessionary trend in the economy resulted in erratic cash flow behaviour. This in turn necessitated increased borrowing for operations and consequently, higher outflow on account of interest payment. Substantial negative price variations in some of the contracts executed during the year with no matching reduction in cost of inputs pushed the margins further down. Compliance with Accounting Standards in the year, on Insurance, Bonus, Leave encashment and Construction Accounting, put additional burden. The effect of all such provisions had its impact on the operations.

The thrust on Cost Controls and exports continues in the current year. The major transmission line turnkey contract in Oman will be over in the current year. In addition to the existing turnkey contract for transmission line in Ethiopia, the Company has received two more such orders in Ethiopia. Exports to Chile, Brazil & Sri Lanka will also form substantial part of export turnover in the current year. The impact of negative price variation in some of the contracts and other factors will continue in the current year.

Subsidiaries :

The refractories unit produced 4,115 MT of bricks and monolithics during the year as against 5,674 MT in the previous year. The Company's gross turnover decreased from Rs.581.82 lacs to Rs. 513.72 lacs. Due to sluggish demand in steel, glass and cement industries in Indian market, pressure on Company's margins continued. The management is considering effective steps to control further losses.

JSL Finance Ltd., the other subsidiary, is a NBFC registered with the Reserve Bank of India.

During the current year your Company subscribed 99.88% equity shares to the extent of Rs. 4.99 Lacs in a newly incorporated company namely Shree Chhatrapati Shahu Power Co. Ltd. with the main object being erection, commissioning, setting up electric power generating stations based on conventional/non-conventional resources. With the above investment, said Company is also a subsidiary of your company. The operational activities of this company have not yet started. No further investment is envisaged in the current year in this Company.

In accordance with Section 212 of the Companies Act, 1956 the audited statements of account along with reports of the Board of Directors and the Auditors are annexed to the Annual Report.

Directors :

During the current year, Shri S. D. Kulkarni, Chairman of the Board resigned from the Board on account of his health grounds. The Directors wish to place on record their appreciation of the services rendered by Shri S. D. Kulkarni during his tenure as the Chairman of the Board.

In accordance with Article 80 of the Articles of the Association of the Company, Mr. P. K. Thakur and Mr. V. P. Valecha retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Auditors :

M/s. R. M. Ajgaonkar & Co. Chartered Accounts, Mumbai, the auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and have given their consent for re-appointment.

M/s. ERNST & YOUNG & COMPANY, Muscat, Sultanate of Oman have given their consent for their re-appointment as Oman Branch Auditors.

M/s. Tadesse Woldegabriel & Co., Addis Ababa, Ethiopia, have given their consent for their appointment as Ethiopia Branch Auditors.

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.