JYOTI STRUCTURES LIMITED

Registered & Corporate Office:
Valecha Chambers, 6th Floor, New Link Road
Oshiwara, Andheri (West), Mumbai – 400 053
Corporate Identity No.: L45200MH1974PLC017494
Tel.: (91-22) 4091 5000 Fax : (91-22) 40915014 / 15
E-mail: contact@jsl.in Web site : www.jsl.in

February 28, 2019

BSE Limited
Listing Department
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort
Mumbai - 400 001

National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051

Subject: Submission of Annual Report

Ref: JYOTISTRUC/Scrip Code: 513250 / ISIN: INE197A01024

Dear Sir/Madam,

Please find enclosed herewith;

- The Annual Report for the financial year 2016-17 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

Kindly take the same on records.

Thanking you.
Yours faithfully

FOR JYOTI STRUCTURES LIMITED
(Company under Corporate Insolvency Resolution Process)

Vandana Garg
Insolvency Professional
IBBI/IPA-001/IP-P00025/2016-17/10058

Encl.: as above

JYOTI STRUCTURES LIMITED

CIN NO.: L45200MH1974PLC017494
Regd. Office: Valecha Chambers, 6th Floor, New Link Road, Andheri West, Mumbai 400053,
Email: investors@jsl.in; **Website :** www.jsl.in

CORRIGENDUM TO THE 42ND NOTICE AND ANNUAL REPORT 2016-17

Dear Shareholders,

1. On page no. 3 of the Notice appearing in Point 10. Under the heading of **NOTES**:

   Please read the point as "Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unclaimed and unpaid amounts lying with the Company as on 28th September, 2016 (date of last annual general meeting) on the Ministry of Corporate Affairs Website and the same is available at the Registered Office" as against printed:

   "Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unclaimed and unpaid amounts lying with the Company as on 28th September, 2016 (date of last annual general meeting) on the website of the Company www.jsl.in and also on the Ministry of Corporate Affairs website."

2. On page 7, appearing in point f under the heading of other Instructions to the **Notice**, please read as :

   The results declared along with the Scrutinizers Report shall be made available at the Registered Office of the Company and on the website of CDSL www.cdslindia.com and communicated to the Stock Exchanges immediately after the result is declared as against printed:

   "The results declared along with the Scrutinizers Report shall be placed on the Company's website www.jsl.in and on the website of CDSL www.cdslindia.com and communicated to the Stock Exchanges immediately after the result is declared"

3. On page 6 of the Annual Report, appearing in second para under the heading of **SUBSIDIARY AND ASSOCIATE COMPANIES to the** Directors Report, please read as "

   "The audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available for inspection by the members at the registered office of your Company during business hours on all working days except Saturdays upto the date of the Annual General Meeting**.** Any member desirous of obtaining a copy of the said financial statements may write to the Company at the registered office of the Company." as against printed

   "In accordance with Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website. The same are available for inspection by the members at the registered office of your Company during business hours on all working days except Saturdays upto the date of the Annual General Meeting**.** Any member desirous of obtaining a copy of the said financial statements may write to the Company at the registered office of the Company."

4. On page 32 of the Annual Report appearing in point 6- **Familiarization programme for Independent Directors** under the heading of **Disclosures** to the Corporate Governance Report, please read as:

   The Company has familiarized its Independent Directors' regarding the Company, their roles, rights, responsibilities and liabilities in the Company. Presentations are made by senior managers to the Independent Directors covering nature of Industry, business model, business performance and operations, opportunities available etc. The Details of such Familiarization programme for Independent Directors has been made available at the Registered Office of the Company." as against printed

   "The Company has familiarized its Independent Directors' regarding the Company, their roles, rights, responsibilities and liabilities in the Company. Presentations are made by senior managers to the Independent Directors covering nature of Industry, business model, business performance and operations, opportunities available etc. The Details of such Familiarization programme for Independent Directors has been disclosed on the Company's website www.jsl.in."

5. On Page 33 of Annual Report, the below 2nd para, appearing under the heading of **Means of Communication,** please read as **:**

   "The Company's website www.jsl.in contains a separate dedicated section 'Investor Relations' where shareholders information is available." as against printed

   "The Company's website www.jsl.in contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Company's Annual report is also available in a downloadable form."

   Note: Owing to reasons such as on-going Corporate Insolvency Resolution Process, interrupted operations, absenteeism and non-co-operation of employees, and non-operative Information Technology systems and limited information available with Resolution Professional and/or her team, the Resolution Professional is unable to access the official website of the Company and/or upload requisite document on the official website of the Company as required under SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and other applicable Law/ Rules and Regulations, if any.

The above errors are regretted and shareholders are requested to read the Annual Report 2016-17 with Corrigendum.

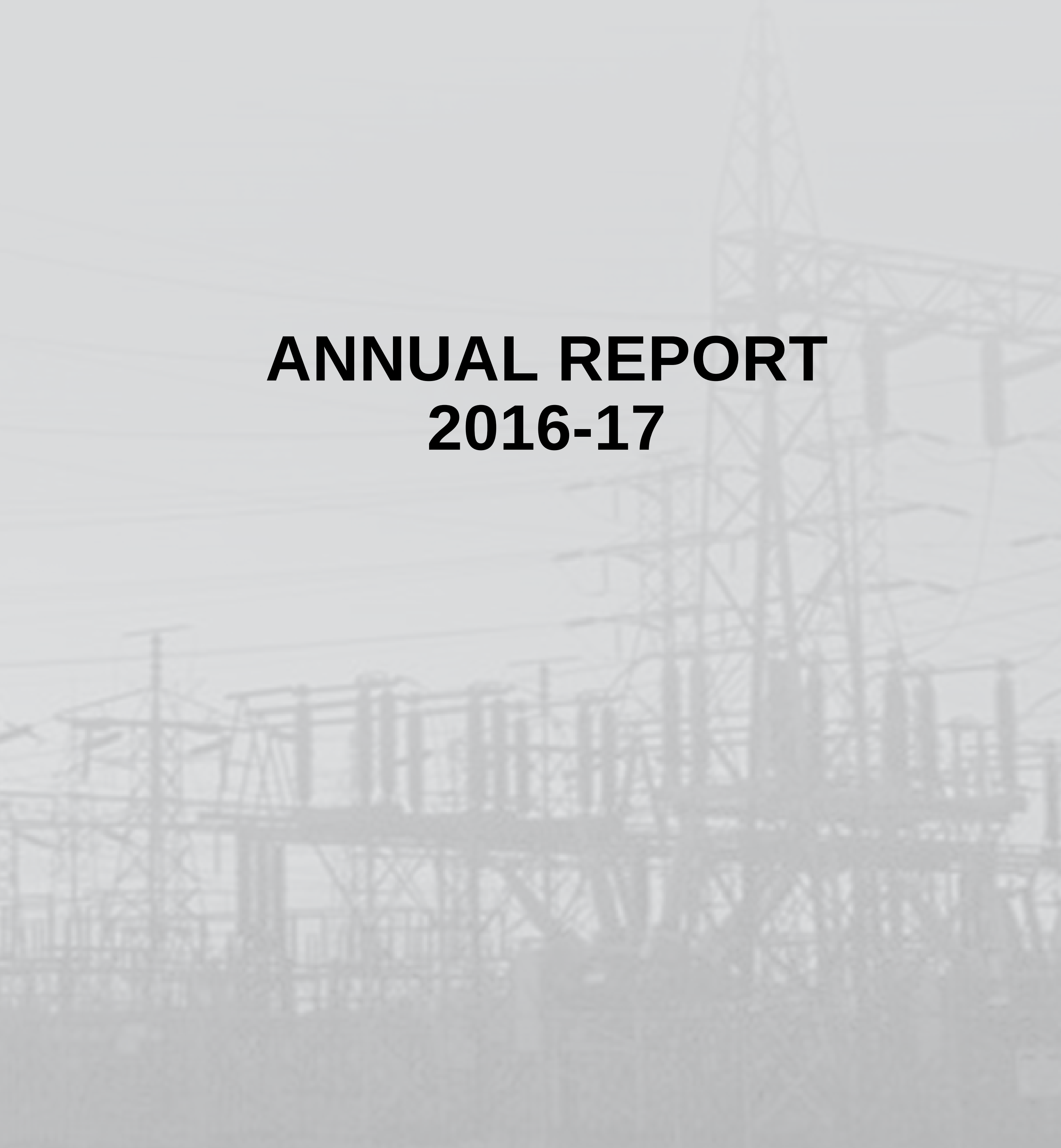
For **JYOTI STRUCTURES LIMITED**
(Company under Corporate Insolvency Resolution Process)

Sd/-
VandanaGarg
Insolvency Professional
IBBI/IPA-001/IP-P00025/2016-17/10058

Place: Mumbai
Date : 21/02/2019

JYOTI STRUCTURES LIMITED

ANNUAL REPORT
2016-17



BOARD OF DIRECTORS

S. D. Kshirsagar	Chairman
K. R. Thakur	Whole-time Director
R. C. Rawal	Independent Director
Jyotsna Jamkhandi	Non-Executive Director
Kalpesh Kikani	Non-executive Director (Resigned on June 23, 2017)
S. H. Mirchandani	Non-executive Director (Resigned on August 24, 2016)
V. M. Kaul Independent	Director (Resigned on October 24, 2016)

RESOLUTION PROFESSIONAL
Ms. Vandana Garg
IP Registartion no :IBBI/IPA-001/IP-P00025/2016-17/10058

COMPANY SECRETARY

L. H. Khilnani	(Resigned on May 31,2016)
Rajendra Rana	(Appointed on 01.06.16 & Resigned on December 12, 2016)
Sanjeevlata Samdani	(Appointed w.e.f. February 09, 2017 & *Resigned on May 18, 2018)

*Note: Owing to reasons such as on-going Corporate Insolvency Resolution Process,, Ms. Sanjeevlata Samdani's , Key Managerial Personnel, who resigned with Resignation Letter dated May 18, 2018, without serving notice period, handover of work/ details / relevant passwords, which has been refused to be accepted by Resolution Professional (in exercise of the powers of the Board of Directors by the Resolution Professional of Jyoti Structures Limited as per Section 17(1)(b) of Insolvency and Bankruptcy Code.

STATUTORY AUDITORS
M/s. R.M. Ajgaonkar & Associates,
Chartered Accountants

LEGAL ADVISORS
Bharucha & Partners

BANKERS
Allahabad Bank
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Corporation Bank
Dena Bank
EXIM Bank
ICICI Bank
IDBI Bank
Indian Bank
Indusind Bank
Standard Chartered Bank
State Bank of India
Syndicate Bank
UCO Bank
Union Bank of India
Vijaya Bank
Phoenix ARC Private Limited.
Assets Care & Reconstruction Enterprises Ltd.

REGISTERED OFFICE
Valecha Chambers, 6th Floor, New Link Road,
Andheri (West), Mumbai-400 053
Maharashtra State, India
Tel. : +91 22 4091 5000
Fax. : +91 22 4091 5014/15
Website : www.jsl.in
Email : investor@jsl.in

REGISTRARS & SHARE TRANSFER AGENTS
Big Share Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp.Vasant Oasis Makwana Road, Marol,
Andheri(East), Mumbai-400059, Maharashtra
Tel.: 91-22-62638200, Fax: 91-22-62638299
e-mail: info@bigshareonline.com

42nd ANNUAL GENERAL MEETING

Day	:	Wednesday
Date	:	27th February, 2019
Time	:	11.30 a.m.
Venue	:	Raheja's Banquet Hall, The Classique Club, New Link Road, Behind Infinity Mall, Andheri West, Mumbai-400053 Maharashtra

CONTENTS

DIRECTORS' REPORT

Dear Members,

In exercise of the powers of the Board of Directors by the Resolution Professional of Jyoti Structures Limited (the Company) as per Section 17(1)(b) of Insolvency and Bankruptcy Code, 2016, hereby present the Forty-Second Annual Report on business and operations of the Company along with the Audited Statement of Accounts for the financial year ended March 31, 2017.

FINANCIAL RESULTS

Performance of the Company, on standalone basis, for the financial year ended March 31, 2017 is as summarized below:

(₹ in Crores)

Particulars	Year ended	
	31.3.2017	**31.3.2016**
Income from Operations	855.90	2513.44
Profit before Interest & Depreciation	**(589.91)**	**125.10**
Finance Cost	842.08	572.44
Depreciation and amortization expense (Net)	50.79	52.95
Profit / loss before Tax	**-1482.78**	**500.29**
Tax Expense	-0.04	0.54
Net Profit / loss after tax	**-1482.74**	**-500.83**

Notes: The above figures extracted from Standalone Financial Statements as per Indian Accounting Standards (Ind AS). For the purpose of transaction to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First - Time Adoption of Indian Accounting Standards, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA), vide its notification in the official Gazette dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) according to which, certain class of companies, which inter - alia included all listed companies whose accounting period begins on or after April 1, 2016, are required to comply with Ind AS. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. For Jyoti Structures Limited, Ind AS is applicable form April 1, 2016, with a transition date of April 1, 2015 and IGAAP as the previous GAAP.

Accordingly, Standalone and consolidated Financial Statements of the Company for the Financial Year 2016-17 have been prepared as per IND AS.

The following are the area which had an impact on account of transition to Ind AS:

Business combinations including recording of intangibles and deferred taxes and accounting for common control transactions.

- Fair Valuation of certain financial instruments.
- Employee costs pertaining to defined benefit obligations
- Discounting of certain long-term liabilities
- Share-based payments

The reconciliations and descriptions of the effect of the transition from IGAAP to Ind AS have been provided in the notes of accounts in the standalone and consolidated financial statements.

PERFORMANCE HIGHLIGHTS

At standalone level, the gross revenue from operations stood at ₹ 855.90 Crores, as compared to ₹ 2513.44 Crores in the previous year. The operating loss before tax stood at ₹ 589.82 Crores, as compared to operating loss before tax of ₹ 4375.98 Crores in the previous year. The net loss for the year stood at ₹ 1482.74 Crores, as compared to net loss of ₹ 500.83 Crores in the previous year.

At consolidated level, gross revenue from operations was placed at ₹ 903.43 Crores, as compared to ₹ 2763.96 Crores in the previous year. The net loss for the year stood at ₹ 1425.37 Crores, as compared to loss of ₹ 706.48 Crores in the previous year.

Exports of the Company amounted to ₹ 448.42 Crores (previous year ₹ 1361.91 Crores) representing about 52% of the net sales.

Supply of towers and structures declined to 9,740 MT as compared to 34,627 MT in the previous year.

Order backlog at the end of the year was at ₹ 1664.10 Crores as compared to ₹ 2700.64 Crores at the end of the previous year.

During the year under review, the company experienced various challenges including tight liquidity in execution of the projects. The Company took necessary and rigorous steps for closing old projects which impacted the margins due to cost associated with project closure.

TRANSFER TO RESERVES

Nil

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF YOUR COMPANY

There has been no change in the business of the Company. However, this is to bring to your notice that in June 2017, State Bank of India had made an application for commencement of Corporate Insolvency Resolution Process (“CIRP”) of Jyoti Structures Limited(“Company”) before the Hon’ble National Company Law Tribunal, Mumbai bench (“Hon’ble NCLT”). The Hon’ble NCLT vide its order dated July 4, 2017 allowed initiation of CIRP of the Company and Ms. Vandana Garg was appointed as the Interim Resolution Professional (“IRP”) for the Company. The appointment of Ms. Vandana Garg was confirmed/approved as the Resolution Professional (“RP”) of the Company by the Committee of Creditors w.e.f August 12, 2017. As per Section 17 of the Code, from the date of appointment of the IRP the management of affairs and powers of the board of directors of the Company were suspended and stood vested in the IRP/ RP.

Subsequently, the CIRP period of the Company was extended by a further period of 90 (ninety) days beyond the initial 180 (one hundred and eighty) days by the Hon’ble NCLT vide its order dated December 22, 2017. Further to this, the Hon’ble NCLT had pronounced an order on July 25, 2018 rejecting the application of the RP of the Company in respect of determination on the resolution plan proposed for the Company. Thereafter, the said order for rejection of the proposed resolution plan had been appealed before the Hon’ble National Company Law Appellate Tribunal (the “Hon’ble NCLAT”) by the resolution applicant, the employees of Company and a group of financial creditors through their separate applications. The Hon’ble NCLAT vide its order dated August 20, 2018, had stayed the passing of liquidation order by Hon’ble NCLT until further orders by the Hon’ble NCLAT in this matter and had directed the RP to continue running Company as going concern. The next date of hearing before the Hon’ble NCLAT in the matter is March 1, 2019.

DIVIDEND

In view of losses incurred during the period under review, the Board of Director does not recommend any dividend on the equity shares for the financial year ended March 31, 2017

SHARE CAPITAL AND LISTING OF SHARES

During the year under review, the authorized share capital of the Company was ₹ 85,00,00,000 (Rupees Eighty Five Crore only) divided into 30,00,00,000 (Thirty Crore) equity shares of ₹ 2/- (Rupees Two) each and 25,00,000 (Twenty Five Lac) preference shares of ₹ 100/- (Rupees One Hundred) only.

The paid up Share Capital of the Company as on 31st March, 2017 was ₹4,690.55 lacs and remained unchanged during the financial year under review.

SUBSIDIARY AND ASSOCIATE COMPANIES

In compliance with applicable provisions of Companies Act, 2013 ('Act'), a statement containing the salient features of the financial statements of the subsidiaries/ associates /joint ventures companies is provided in Form AOC-1 for the year ended March 31, 2017, is annexed and forms part of this report.

In accordance with Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website. The same are available for inspection by the members at the registered office of your Company during business hours on all working days except Saturdays upto the date of the Annual General Meeting**.** Any member desirous of obtaining a copy of the said financial statements may write to the Company at the registered office of the Company.

The audited consolidated financial statements prepared in accordance with the prescribed accounting standards, form part of this Annual Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

The following changes took place during the year:

Mr. Sanjay Mirchandani (DIN 00531110) and Mr. V. M. Kaul (DIN 00015245) ceased to be the Directors of the Company with effect from August 24, 2016 and October 24, 2016 respectively.

The Company has received declarations from all Independent Directors of the Company namely, Mr. S. D. Kshirsagar (DIN 00001266) and Mr. R. C. Rawal (DIN 02932427) confirming that they meet the criteria of independence as prescribed under section 149(6) of the Act and under regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Also, with reference to the clause 5(b) of Auditors Report as annexed herewith and forms part of this report, there have been delays in repayment of matured fixed deposits which has matured for repayment on or before the balance sheet date and were outstanding as at March 31, 2017 and in accordance to the provisions of Section 164(2)(b) of the Act, all the then existing directors (viz., Mr. Sadashiv Dattatraya Kshirsagar, Mr. Kanayo Ratanlal Thakur, Mr. Ramesh Chandra Rawal and Ms. Jyotsna Madhu Jamkhandi) considers to be disqualifies.

Further, Mr. Kanayo Ratanlal Thakur (DIN 00001270) retires by rotation. However, the re-appointment of Mr. Kanayo Ratanlal Thakur as director is not being considered since he is not eligible for reappointment pursuant to the provisions of Section 164 (2) (b) of the Companies Act, 2013.

Further, the tenure of Directorship of both the existing Independent Directors of the Company namely, Mr. Sadashiv Dattatraya Kshirsagar (DIN 00001266) and Mr. Ramesh Chandra Rawal (DIN 02932427) ceases / expires at the 42nd Annual General Meeting and they are not eligible to reappointed pursuant to the provision of Section 149 (11) of the Companies Act, 2013.

Mr. Rajendra Rana was appointed as Company Secretary w.e.f. June 01, 2016, in place of L. H. Khilnani who resigned as Company Secretary w.e.f. May 31, 2016. Further, Mrs. Sanjeevlata Samdani was appointed as Company Secretary and Compliance Officer with effect from February 09, 2017 in place of Mr. Rajendra Rana who was resigned w.e.f December 12, 2016

BOARD EVALUATION

In compliance with the Act and Listing Regulations, during the year under review, performance evaluation of the Board, the directors individually and Committees of the Board was carried out based on self-evaluation mechanism / assessment.

MEETINGS

During the year, seven (7) Board Meetings and four (4) Audit Committee Meetings were convened and held, details of which are given in the Corporate Governance Report forming part of this Annual Report The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

COMMITTEES OF THE BOARD

Your Company has several Committees and is in compliance with the requirements of the relevant provisions of applicable laws and statues. The details of the committee's along with their composition, number of meetings, terms of reference and attendance of members at the meetings are given in detail in the Corporate Governance Report which forms part of this Annual Report.

All the recommendations made by the Audit Committee were accepted by the Board during the financial year 2016-17.

REMUNERATION POLICY

The Company has a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and other employees. The policy also lays down criteria for selection and appointment of Board Members. The details of this policy are given in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

Your Directors have constituted Corporate Social Responsibility (CSR) Committee comprising Mr. Sadashiv Dattatraya Kshirsagar, as Chairman and Mr. Ramesh Chandra Rawal & Mr. Kanayo Ratanlal Thakur, as members.

The said Committee recommends to the Board, the CSR projects / activities to be undertaken by the Company, monitoring the implementation of framework of CSR Policy and recommending the amount to be spent on CSR activities.

On recommendation of CSR Committee, the Board of Directors of your Company has approved CSR Policy which may be accessed at the Company's website www.jsl.in

Consequent to losses, no expenditure has been incurred on CSR activities during the year.

The Annual Report on CSR containing the particulars specified in the Annexure I to the Companies (CSR Policy) Rules 2014 is annexed and forms part of this report.

RISK MANAGEMENT

Pursuant to the requirement of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 the Company has constituted a Risk Management Committee. The Risk Management Committee reviews the Company's risk management practices and activities from time to time. Details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board Report.

RELATED PARTY TRANSACTIONS

Your Company has formulated a policy on related party transaction which is also available on the Company's website www.jsl.in. All related party transactions during the financial year were on an arm's length basis and in the ordinary course of business. There were no transactions which were material and accordingly, no disclosure is made in respect of related party transactions. All Related Party Transactions are placed before the Audit Committee for approval in terms of requirement of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDITORS

Statutory Auditors

M/s. R. M. Ajgaonkar & Associates, Chartered Accountants, who was appointed as statutory Auditor of the Company to hold office upto conclusion of this ensuing Annual General Meeting, has resigned with effect from March 29, 2018.

Pursuant to the prior approval of Committee of Creditors/ Lenders at their meeting held on October 17, 2018, the Resolution Professional (in exercise of the powers of the Board of Directors by the Resolution Professional of Jyoti Structures Limited as per Section 17(1)(b) of Insolvency and Bankruptcy Code, 2016) at the meeting held on November 30, 2018, appointed, M/s. MKPS & Associates, (Membership No. 302014E), Chartered Accountants, as Statutory Auditors of the Company F.Y. 2017-18, to hold office from the conclusion of this Annual General Meeting (AGM) to the conclusion of the next AGM.

Further, the appointment of the statutory auditor is required to be placed before the members at the general meeting for ratification.Accordingly, a resolution seeking member's ratification for the aforesaid appointment is included at item 3 of the notice convening the Annual General Meeting

Further, the Company has received a letter from M/s. MKPS & Associates (Firm Registration No. 302014E), Chartered Accountants to the effect that their appointment, if made would be within the prescribed limits under Section 139 (1) of the Act, read together with Rule 4 of Companies (Audit and Auditors) Rules 2014.

M/s. R. M. Ajgaonkar & Associates, Statutory Auditors comments on your Company's accounts for the year ended 31st March, 2017 read with notes to financial statements are self-explanatory in the nature and do not require any explanation as per provisions of Section 134 (3)(f) of the Act.

Cost Auditors

The Company has appointed Mr. Narhar K. Nimkar, Cost Accountant, as the Cost Auditor to audit the cost accounts of the Company for the financial year 2017-18. As required under the Act, the remuneration payable to the Cost Auditor is required to be placed before the members at the general meeting for ratification. Accordingly, a resolution seeking member's ratification for the remuneration payable to Mr. Narhar K. Nimkar, Cost Accountant is included at item no. 5 of the notice convening the Annual General Meeting.

Secretarial Auditors

Pursuant to provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Surjan Singh Rauthan, Practicing Company Secretary (Membership No. 4807), as the Secretarial Auditor of the Company for the year ended 31st March, 2017. Report of Secretarial Auditors is annexed and forms part of this report as Annexure II.

Branch Auditors

Members will also be requested to pass a resolution (vide Item No.4 of the Notice) authorizing the Resolution Professional / Board to appoint Branch Auditors for the purpose of auditing the accounts maintained at the Branch Offices of the Company abroad.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in form MGT 9, as required under Section 92 of the Act, are annexed and forms part of this report as Annexure III.

FIXED DEPOSITS

During the financial year under review, the Company has not accepted any fixed deposits. The Company has been paying the interest and repaying the deposits, in accordance with the terms and conditions of the fixed deposit accepted under Companies Act, 1956 prior April 2016, However, due to financial constraints, the Company was unable to repay the fixed deposits and interest thereon on due dates post since April 2016.

Further pursuant to public announcement issued by the Interim Resolution Professional("IRP")/Resolution Professional ("RP")calling upon the stakeholders for submission of proof of their claims, fixed deposit holders filed a consolidated claim with the IRP/RP and the same has been admitted by the IRP/RP after due verification.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees or investments covered under the provisions of Section 186 of the Act are given in notes to the standalone financial statements forming part of the Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197 of the Act and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed and forms part of this report as Annexure IV.

Details of employee remuneration as required under provisions of section 197(12) of the Act and Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection by the members at the registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting and shall be made available to any shareholder on request.

DISCLOSURE REQUIREMENTS

As per relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report with auditor's certificate thereon and Management Discussion and Analysis are attached, which form part of this Annual Report.

All Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2016-17. A declaration to this effect signed by the Resolution Professional of the Company is contained in this annual report.

INTERNAL CONTROL SYSTEM

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis, which forms part of this Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place Policy on Prevention of sexual harassment in line with the requirements of 'The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013'. The Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. During the year, no complaints were reported.

EMPLOYEES STOCK OPTION SCHEME

No stock options granted and all the option lapsed during the year under Employees Stock Option Scheme and Scheme closed during the year.

TECHNOLOGY ABSORPTION, CONSERVATION OF ENERGY & FOREIGN EXCHANGE EARNINGS & OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed and form part of this report as Annexure V.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 134 (3) (c) of the Companies Act, 2013, Directors confirm that:

i applicable Accounting Standards have been followed in the preparation of annual accounts for the year ended March 31, 2017 and that there are no material departures;

ii such accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2017 and of the loss of your Company for the year ended on that date;

iii proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

iv the annual accounts have been prepared on a going concern basis;

v Except points referred in page 53 of Auditors Report as annexed and forms the part of Annual report, the internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and were operating effectively;

vi proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Management hereby take this opportunity to thank the Shareholders, Financial Institutions, Banks, Customers, Suppliers, Regulators and Government Authorities - Central, State & Local.

The Management also wish to place on record their appreciation of the employees at all levels for their hard work, dedication and commitment.

For **Jyoti Structures Limited**
(Company under Corporate Insolvency Resolution Process)

Vandana Garg
Insolvency Professional
IBBI/IPA-001/IP-P00025/2016-17/10058

Mumbai;
November 30, 2018

Annexure I

Annual Report on Corporate Social Responsibility
[Pursuant to Companies (Corporate Social Responsibility Policy)Rules,2014]

1	Brief outline of the Company's CSR Policy,including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	The Company has framed a Corporate Social Responsibility(CSR) Policy in compliance with the provisions of the Companies Act,2013 and the same is placed on the company's website and the weblink for the same is www.jsl.in. A gist of programs that the Company can undertake under the CSR Policy is mentioned below: (i) promoting education,enhancing vocational skills with emphasis on training and technical development; (ii) promoting healthcare,sanitation and infrastructure development; (iii) promoting environmental sustainability with conservation of natural resources; (iv) promoting sports,cultural programs in consultation with communities and cultures with which we work.
2	The Composition of the CSR Committee	The Board of Directors of your Company has constituted the Corporate Social Responsibility Committee of Directors. CSR Committee is formed as per the applicable laws of the Companies Act,2013 and the Committee is responsible for the implementation/ monitoring and review of the policy and various projects/ activities undertaken under the policy. The Members of the CSR Committee are: a) Mr. S.D. Kshirsagar,Chairman b) Mr. R. C. Rawal, Member c) Mr. K.R. Thakur
3	Average net profit of the company f or last three Financial Years	Negative
4	Prescribed CSR Expenditure(two percent of the amount as in item 3 above)	Nil
5	Details of CSR spent during the financial year i. Total amount to be spent for the financial year: ii. Amount unspent, if any: iii. Manner in which the amount spent during the financial year:	Nil
6	In case the company has failed to spend two percent of the average net profit of the last three financial years or any part there of, the company shall provide the reasons for not spending the amount in its Board Report	The Company has incurred losses during the preceding three Financial year in aggregate. Hence, the company is not eligible to spend any amount towards CSR initiatives.
7	Responsibility statement of CSR Committee	Consequent to losses, no expenditure has been incurred on CSR activities during the year.

For **Jyoti Structures Limited**
(Company under Corporate Insolvency Resolution Process)

Vandana Garg
Insolvency Professional
IBBI/IPA-001/IP-P00025/2016-17/10058

Mumbai;
November 30, 2018

Annexure II

Secretarial Audit Report

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Jyoti Structures Limited
(CIN: L45200MH1974PLC017494)
Valecha Chambers, 6th floor,
New Link Road, Andheri (West)
Mumbai-400053.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practiced by Jyoti Structures Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2017 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period ended on 31st March, 2017 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 1992/ 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. During the Audit period the Company has not delisted any Securities, hence provisions of The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009 are not applicable

h. During the Audit Period the Company has not bought back any Securities, hence provisions of The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 are not applicable,

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by The Institute of Company Secretaries of India

ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015

iii) The Listing agreements entered into by the Company with the Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE).

We have also examined compliance with the applicable Laws, Acts, Rules.. Regulations, Guidelines, Standards, etc., complied by the following subsidiaries of the Company:

a) JSL Corporate Services Ltd; (CIN: U65923MH1993PLC075210) and

b) Jyoti Energy Ltd. (CIN U40108MH2001PLC132635)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, and Listing Agreement etc. to the extent applicable as mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following applicable specifically to the company:

a) Industrial Laws;

b) Labour laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;

c) Conservation of Foreign Exchange and Prevention of Smuggling Activities etc;

d) Labour Welfare Act of respective states;

e) Acts prescribed under Environmental Protection;

f) Acts as prescribed under Direct Tax and Indirect Tax;

g) Hazardous and Other Wastes (Management and Transboundary Movement) Rules 2016;

h) Local Laws as applicable to various offices and plants;

During the period under review the Company has complied with the provisions of the above referred Act, Rules, Regulations. Guidelines: Standards, etc, as mentioned above except;

a) Non-deposit of employers and employee’s contribution to Provident Fund Authorities,

b) The below table indicate a summary of the contribution made to the Employee Insurance Corporation

Name of Plant	**Contribution made for the months of**	**Delay in deposit of contribution**	**Non-deposit of contribution for the months of**
Nashik Plant - I	April 2016 - January 2017	Yes	February and March 2017
Nashik Plant - II	April 2016 - January 2017	Yes	March 2017
Raipur Plant	April - January 2016	Yes	January 2017 - March 2017

c) The Company has not filled the annual return under the Minimum Wages Act 1948 for the Nashik Plants.

d) During the year 25 employees relieved from all the plants of the Company and are eligible for Gratuity and the same is payable to the employees under the provisions of Payment of Gratuity Act. 1972.

e) The Company has not filed the necessary returns and records for the Raipur Plant under the Employment Exchanges (Compulsory Notification Of Vacancies) Act, 1959.

f) The Company delayed in repayment of matured Fixed Deposits

g) The Company has defaulted in repayment of loans to Banks, Financial Institutions and dues to Debenture holders.

We further report that the Company has been utilizing the credit available for the payment of Service Tax as a part of GS transition.

We further report that the Company has not deposited the Profession tax with the authorities since there are dues of the company which are pending from the government and the company is in process to file the application with the authorities for settling of the Profession Tax against the dues which are pending,

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except Rotational Directors.. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act,

The Company is in continuous default in compliance with the requirement of section 203 of The Companies Act, 2013 in relation to the appointment of Chief Financial Officer (CFO) from the previous reporting period_

Adequate notice is given to all directors to schedule the Board Meetings, agenda and Detailed Notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting,

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the board of Directors or committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the site and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year, the Company has not undertaken event/ action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **S. S. Rauthan & Associates**
Company Secretaries
Firm Registration No, :S1999MH026900

Surjan Singh Rauthan
Proprietor
FCS No 4807 COP No 3233

Place: Mumbai
Date 28th July, 2017

Note: This Report is to be read with my letter annexed as Annexure 'A' which forms an integral part of this report.

ANNEXURE A TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

The Members Jyoti Structures Limited
(CIN: L45200MH1974PLC017494)
Valecha Chambers, 6th Floor,
New Link Road, Andheri (West),
Mumbai-400053.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to make a report based on the secretarial records produced for our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We be that the processes and practices we followed provide a reasonable basis for our report,

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. We have obtained the Management's Representation about the compliances of laws, rules, regulations and happenings of events, wherever required.

5. Compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.

6. This Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **S. S. Rauthan & Associates Company Secretaries**
Firm Registration No. S1999MH026900

Surjan Singh Rauthan
Proprietor
FCS No. 4807 COP N. 3233

Place: Murnbai
Date: 28th July, 2017

Annexure III

Form MGT9

Extract of Annual Return
As on the financial year ended 31st March, 2017
[Pursuant to Section92(3) of the Companies Act, 2013 and Rule12(1) of the Companies (Management and Administration)Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L45200MH1974PLC017494
ii)	Registration Date	27th May, 1974
iii)	Name of Company	Jyoti Structures Limited
iv)	Category / Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
v)	Address of the Registered Office and contact details	Jyoti Structures Limited Valecha Chambers, 6th Floor, New Link Road, Andheri (West), Mumbai 400 053 Maharashtra, India Phone: +91 22 4091 5000; Fax: +91 22 4091 5014/15 Website:www.jsl.in; Email: investor@jsl.in
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar & Transfer Agents (RTA),if any:-	Bigshare Services Private Limited 1ST Floor Bharat Tin Works Building, Makwana Road, Marol Andheri (East), Mumbai 400059 Tel: +91 22 2847 0652 / 4043 0200 Fax: +91 22 2847 5207; Email: bss@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company:

Sn.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Power Transmission and Distribution Business	351	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sn.	Name &Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	JSL Corporate Services Limited Valecha Chambers, 6th Floor, New Link Road, Andheri (West) Mumbai 400053	U65923MH1993PLC075210	Subsidiary	100%	2(87)
2	Jyoti Energy Limited Valecha Chambers, 6th Floor, New Link Road, Andheri (West) Mumbai 400 053	U40108MH2001PLC132635	Subsidiary	100%	2(87)
3	Jyoti International INC. 2711,Centreville Road, Suite 400, Wilmington, New Castle, Delaware, United States of America 19808	Foreign Company	Subsidiary	100%	2(87)
4	Jyoti Americas LLC 3575, Pollok Drive, Conroe, Texas, United States of America 77303	Foreign Company	Subsidiary	100%	2(87)

Sn.	Name &Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
5	Jyoti Structures Canada Limited 220 – 75655 – 132nd Street,Surrey BC V3W1K5, Canada	Foreign Company	Subsidiary	100%	2(87)
6	Jyoti Structures FZE Office No.TPOFCB0612, Jebel Ali, Dubai, United Arab Emirates	Foreign Company	Subsidiary	100%	2(87)
7	Jyoti Structures Nigeria Ltd. 15, Adol House, Cipm Avenue, Alausa Ikeja, Lagos, Nigeria	Foreign Company	Subsidiary	100%	2(87)
8	Jyoti Structures Kenya Ltd. Hevea Court, 15 Eldama Ravine Road, Off Peponi Road, P.O. Box 10161-00100, Westlands, Nairobi, Kenya	Foreign Company	Subsidiary	100%	2(87)
9	Jyoti Structures Africa (Pty.) Ltd. 57, Wessel Road, Chelsea Office Park, Block D, Rivonia–2128 P.O. Box 418, Glen vista - 2058, Johannesburg	Foreign Company	Subsidiary	70%	2(87)
10	Jyoti Structures Namibia (Pty.) Ltd. 108 Andimba Toivoya Toivo Str., Windhoek, Namibia, Postal Address: P. O. Box 40412, Windhoek, Namibia	Foreign Company	Subsidiary	70%	2(87)
11	Lauren Jyoti Private Limited Valecha Chambers, 6th Floor, New Link Road,Andheri West, Mumbai 400053	U45200MH2011FTC215114	Associate	50%	2(6)
12	Gulf Jyoti International LLC Plot No. 597-653, Dubai Investment Park, P.O.Box 211154, Dubai, UAE	Foreign Company	Associate	30%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	*No. of Shares held at the beginning of the year [As on 01-April-2016]				No. of Shares held at the end of the year [As on31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,47,04,701	-	1,47,04,701	13.43	14181351	-	14181351	12.95	(0.48)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) StateGovt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,13,51,085	-	1,13,51,085	10.36	5919685	-	5919685	5.40	(4.96)

e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	**2,60,55,786**	**-**	**2,60,55,786**	**23.79**	**20101036**	**-**	**20101036**	**18.35**	**(5.44)**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2016]				No. of Shares held at the end of the year [As on31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,69,86,439	-	1,69,86,439	15.51	9236688	-	9236688	8.43	(7.08)
b) Banks / FI	23,94,603	-	23,94,603	2.19	4432063	-	4432063	4.05	(1.86)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	209412	250	209662	0.19	136	250	386	0.20	(0.19)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify) Foreign Portfolio Investors	9000	-	9000	0.01	-	-	-	-	(0.01)
Sub-total(B)(1):-	**1,95,99,454**	**250**	**1,95,99,704**	**17.89**	**13668887**	**250**	**13669137**	**12.48**	**(5.41)**
2.Non-Institutions									
a) Bodies Corp.	82,52,234	11,005	8263239	8.05	8759803	11,005	8770808	8.01	(0.46)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,89,32,867	5,56,687	3,94,89,554	36.05	47883331	537052	48420383	44.21	8.15
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	74,62,754	-	74,62,754	6.81	9906385	-	9906385	9.04	2.23
c) Others(specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	77,72,834	-	77,72,834	7.10	7876260	-	7876260	7.19	0.09
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	8,41,514	-	8,41,514	0.77	772671	-	772671	0.71	(0.06)
Trusts					-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-

Qualifiied Foreign Investor	42325	-	42325	0.04	11030	-	11030	0.01	(0.03)
Sub-total(B)(2):-	**6,33,04,528**	**5,67,692**	**6,38,72,220**	**58.32**	**75209480**	**548057**	**75757537**	**69.17**	**10.85**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	8,29,03,982	5,67,942	8,34,71,924	76.21	88878367	548307	89426674	81.65	5.44
C. Shares held by Custodian for GDRs &ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total(A+B+C)	**10,89,59,768**	**5,67,942**	**10,95,27,710**	**100.00**	**10,89,79403**	**5,48307**	**10,95,27,710**	**100.00**	**0.00**

Note: Shareholding pattern as on 1-4-2016 is changed as compared to shareholding pattern as on 31-03-2016 mentioned in 2015-16 Annual Report, as per information received from Registrar and Share Transfer Agent.

ii) Shareholding of Promoters

SN.	Shareholder's Name	Share holding at the beginning of the year [As on 31st March, 2016]			Share holding at the end of the year [As on 31st March, 2017]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Kanayo R Thakur	36,55,973	3.34	3.34	36,55,973	3.34	3.34	-
2	Prakash Thakur	49,42,488	4.51	4.51	49,42,488	4.51	4.51	-
3	Raj K Thakur	24,82,605	2.27	2.27	24,82,605	2.27	2.27	-
4	Harish Mirchandani	2,00,000	0.18	0.00	-	-	-	(0.18)
5	Sanjay Mirchandani	4,70,000	0.43	0.00	4,50,815	0.42	0.00	-
6	Neeta Mirchandani	5,00,000	0.46	0.00	5,00,000	0.46	0.00	-
7	Kishore Mirchandani	4,76,255	0.43	0.00	4,76,255	0.43	0.00	-
8	Vijay Mirchandani	4,25,800	0.39	0.00	4,25,800	0.39	0.00	-
9	Seema Mirchandani	4,50,000	0.41	0.00	4,50,000	0.41	0.00	-
10	Madanlal Valecha	3,94,975	0.36	0.00	3,94,975	0.36	0.00	-
11	Gopaldas L. Valecha	1,60,000	0.15	0.00	1,60,000	0.15	0.00	-
12	Bela Valecha	1,92,750	0.18	0.00	-	-	-	-
13	Naresh Valecha	74000	0.07	0.00	-	-	0.00	-
14	Deepak Valecha	61,200	0.06	0.00	4600	0.42	0.00	(0.0517)
15	Mohini Valecha	70,935	0.06	0.00	70,935	0.06	0.00	-
16	Rajesh Valecha	57,300	0.05	0.00	57,300	0.05	0.00	-
17	Roopa Valecha	54,250	0.05	0.00	54,250	0.05	0.00	
18	VarshaValecha	36,170	0.03	0.00	36,170	0.03	0.00	-
19	Surya India Fingrowth Pvt. Ltd.	58,60,320	5.35	1.77	58,60,320	5.35	5.24	-
20	Valecha Infrastructure Ltd.	54,31,400	4.96	4.96	-	-	-	(4.96)
21	Val-mir Constructions Pvt. Ltd.	59,365	0.05	0.00	59,365	0.05	0.00	-

Note:

i) Shares held in multiple folios are combined

ii) Change in number of shares held by the promoter is due to market sell.

iii) **Change in Promoters' Shareholdings**

Particulars	Shareholding at the beginning of the year [Ason31st March, 2016]		Cumulative Shareholding during the year [As on 31st March, 2017]	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Deepak Valecha				
At the beginning of the year:	61200	0.06	61200	0.06
Sold during the year	-		4600	0.00
At the end of the year	**61200**	**0.06**	**56600**	**0.06**
Valecha Infrastructure Ltd				
At the beginning of the year:	5431400	4.96	5431400	4.96
Sold during the year	-	0.00	(5431400)	(4.96)
At the end of the year	**5431400**	**4.96**	**-**	**-**
Bela Madanlal Valecha				
At the beginning of the year:	192750	0.18	192750	0.18
Sold during the year	-	0.00	(192750)	(0.18)
At the end of the year	**192750**	**0.18**	**-**	**-**
Naresh Valecha				
At the beginning of the year:	74000	0.07	74000	0.07
Sold during the year	-	-	(74000)	(0.07)
At the end of the year	**74000**	**0.07**	**-**	**-**
Harish C Mirchandani				
At the beginning of the year:	200000	0.18	200000	0.18
Sold during the year	-	-	(200000)	(0.18)
At the end of the year	**200000**	**0.18**	**-**	**-**

iv) **Shareholding Pattern of top ten Shareholders:**
(other than Directors, Promoters and Holders of GDRs and ADRs)

SN	Name of Shareholders	Shareholding at the beginning of the year [As on 01 April, 2016]		Shareholding at the end of the year [As on31stMarch, 2017]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	IDFC Sterling Equity Fund	34,91,651	3.19	-	-
2	HDFC Trustee Company Limited– HDFC Infrastructure Fund	37,34,000	3.41	-	-
3	HDFC Trustee Company Limited–HDFC Prudence Fund	37,34,000	3.41	37,34,000	3.41
4	UTI Infrastructure Fund	3550000	3.24	3250000	2.97
5	Mohan Doulatram Asnani	17,87,500	1.63	17,87,500	1.63
6	HDFC Trustee Company Ltd. A/c.–HDFC Childrens' Gift Fund – Investment Plan	14,29,200	1.30	14,29,200	1.30
7	L&T Mutual Fund Trustee Ltd.–L&T Business Cycle Fund	8,23,488	0.75	8,23,488	0.75
8	Mukesh Raghumal Chetwani	12,88,015	1.18	12,88,015	1.18

SN	Name of Shareholders	Shareholding at the beginning of the year [As on 01 April, 2016]		Shareholding at the end of the year [As on31st March, 2017]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Bina Mohan Asnani	12,71,115	1.16	12,71,115	1.16
10	LIC of India Market Plus – 1 Growth Fund	11,76,664	1.07	11,76,664	1.07
11	Yes Bank Limited	-	-	1857154	1.70
12	Motilal Oswal Financial Services LTD – Collateral Account	-	-	679004	0.62

v) **Shareholding of Directors and Key Managerial Personnel:**

SN.	Name of the Director / KMP	*Shareholding at the beginning of the year [As on 1st April, 2016]		Shareholding at the end of the year [As on 31st March, 2017]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. K. R. Thakur, Whole-time Director	3655973	3.34	36,55,973	3.34
2	Mr. Sanjay Mirchandani, Director #	470000	0.43	450815	0.41

Ceased to be a Director with effect from 24th August, 2016

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4399.5	3.76	8.73	4412.33
ii) Interest due but not paid	454.83	0.50	0.27	455.60
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	4854.69	4.25	9.00	4867.93
Change in Indebtedness during the financial year				
*Addition	1249.54	0.46	0.20	1250.20
* Reduction	27.27	1.10	0.15	28.52
Net Change	1222.27	(0.64)	0.05	1221.68
Indebtedness at the end of the financial year				
i) Principal Amount	4773.12	2.66	8.58	4784.35
ii) Interest due but not paid	1303.83	0.96	0.47	1305.26
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	6076.95	3.61	9.05	6089.62

Note:

*i) Net of opening and closing balance.

ii) Addition Includes interest on Loan

*iii) Includes exchange difference.

iv) Total in debtness includes long term and short term borrowings.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/Manager
	Name of Managerial Personnel	**K. R. Thakur**
1	Gross salary	
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961	19425000
	(b) Value of perquisites u/s 17(2) Income-taxAct, 1961	336426
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify	-
5	Others(PF contribution)	1332000
	Total	**20925213**

B. Remuneration to other directors

Name ofDirector	Sitting fees	Commission	Total compensation
Non Executive Directors			
Jyotsna Jamkhandi	2,40,000	Nil	2,40,000
Total(I)	**2,40,000**	**Nil**	**2,40,000**
Independent Directors			
S.D. Kshirsagar	2,20,000	Nil	2,20,000
R. C. Rawal	1,45,000	Nil	1,45,000
V.M. Kaul	80,000	Nil	80,000
Total(II)	4,45,000	**Nil**	4,45,000
Grand Total(I+II)	6,85,000	**Nil**	6,85,000

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		L.H. Khilnani, Company Secretary- Sr. VP(From 1/4/2016 till 10/10/ **2016)**	Rajendra Rana- Company Secretary- Dy General Manager (1/06/2016- 12/12/2016)	Sanjeevlata Samdani- Dy General Manager (23.01.2017 till 31/03/2017
1	Gross salary			
	(a) Salary as per provisions contained insection17(1) of the Income-taxAct,1961	4236159	1451069	330719
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	17071	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	
4	Commission			-
	- as % of profit	-	-	-
	others, specify…	-	-	-
5	Others(PF contribution &Medical reimbursement)	178221	76262	-
	Total	**4431451**	**1527358**	**330719**

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Not applicable				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	Not applicable				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	Not applicable				
Punishment					
Compounding					

For **Jyoti Structures Limited**
(Company under Corporate Insolvency Resolution Process)

Vandana Garg
Insolvency Professional
IBBI/IPA-001/IP-P00025/2016-17/10058

Mumbai;
November 30, 2018

Annexure IV

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act,2013 read with Rule5(1) of Companies

(Appointment & Remuneration of Managerial Personnel) Rules, 2014

a. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17, the percentage increase in remuneration of Chief Executive Officer,Chief Financial Officer and other Executive Directors and Company Secretary during the financial year 2016-17

Sr	Name of Director /Key Managerial Personnel (KMP)	Designation	From	To	Remuneration of Director/ KMP for FY 2016-17 (₹. in Crore)	% in crease in Remuneration inFY2016-17	Ratio of remuneration of each director To median remuneration of employees	Comparision of remuneration of the KMP against performance of the company
1	K.R. Thakur	Whole time Director	1/4/2016	31/3/2017	2.09	9%	54.71	During FY 2016-17, loss before tax was ₹ 1 482.79 crore and loss after tax and Other Comprehensive income was ₹ 1,484.78 crore
2	L.H. Khilnani	Company Secretary	1/4/2016	10/10/2016	0.44	Not Applicable	Not Applicable	
3	Rajendra Rana	Company Secretary	1/06/2016	12/12/2016	0.15	Not Applicable	Not Applicable	-
4	Sanjeevlata Samdani	Company Secretary	09/02/2017	31/03/2017	0.3	Not Applicable	Not Applicable	-

b. In the financial year, there was an increase of 6% in the median remuneration of employees.

c. There were 964 permanent employees on the rolls of the Company as on 31st March 2017

d. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was 13% and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

In view of loss incurred during the year, increase in remuneration and Company performance is not comparable. The increase in remuneration is determined on the basis of remuneration prevailing in the industry.

e. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company

For **Jyoti Structures Limited**
(Company under Corporate Insolvency Resolution Process)

Vandana Garg
Insolvency Professional
IBBI/IPA-001/IP-P00025/2016-17/10058

Mumbai;
November 30, 2018

Annexure V

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings& Outgo

(A) *Conservation of energy:

i. The steps taken on conservation of energy:

The Company constantly endeavors to achieve energy conservation in its products by adopting energy efficient products. From the project inception stage, through design and execution, to post-occupancy, we constantly work with internal and external teams to meet the Energy Performance.

ii. Steps taken by the Company for utilizing alternative sources of energy:

The Company undertakes various measures to conserve energy by using energy efficient lighting systems, electric transmissions etc.

iii. Capital investment on energy conservation equipment's:

The Company continues to make project level investments for reduction in consumption of energy. However, capital investment on energy conservation equipments cannot be quantified

B. *Technology Absorption

i. Specified Areas in which R&D is carried out by the Company: R&D carried out for usage of Induction Furnaces for Bending of material.

ii. Benefits derived as a result of the above R&D: From above R&D efforts,there is reduction of heating time and saving of costly fuel i.e. fossil oil. It has also eliminated smoke emission.

iii. Future plans of action: The Company is exploring possibilities to have additional Induction Heating Furnaces.

iv. Expenditure on R&D: Capital Expenditure on R&D is not quantifiable.

C. Foreign exchange earnings and Outgo

(₹ in Lacs)

Sr. No.	Particulars	2016-17	2015-16
i)	**Earnings in Foreign Currency:** Export of goods /services (including deemed exports and sales through export house)		
	At FOB Price	**44,191.36**	1,35,138.81
	At Invoice Value(Designing &testing charges)	**548.34**	797.68
	Rent of Equipments	**102.31**	254.84
	Interest from Subsidiaries	**946.90**	1,394.04
ii)	**Expenditure in Foreign Currency:** Expenses of overseas projects (including foreign taxes)	**49,119.36**	84,175.73
	Interest	**551.36**	212.80
	Professional Fees	**5.64**	9.32
	Others	**168.60**	57.47

* **Note:** Owing to reasons such as on-going Corporate Insolvency Resolution Process, interrupted operations, absenteeism and non-co-operation of employees, financial constraints and non-operative ERP systems and limited information available with Resolution Professional and/or her team, the Resolution Professional is providing information as disclosed in the above mentioned balance sheet.

For **Jyoti Structures Limited**
(Company under Corporate Insolvency Resolution Process)

Vandana Garg
Insolvency Professional
IBBI/IPA-001/IP-P00025/2016-17/10058

Mumbai;
November 30, 2018

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance philosophy of your Company stems from its belief that Corporate Governance is a key element in improving efficiency as well as enhancing investor confidence. The Company is committed to practice sound governance principles and believe that good governance is an ongoing process. The Company is guided by core principles of governance like integrity, fairness, equity, transparency, accountability, disclosures, commitment to values and compliances to enhance the value for stakeholders' viz. customers, shareholders, employees, lenders, vendors including society of which the Company is a part. The Company is committed to achieve and maintain the highest standard of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

However, in June 2017, State Bank of India had made an application for commencement of Corporate Insolvency Resolution Process ("CIRP") of Jyoti Structures Limited("Company") before the Hon'ble National Company Law Tribunal, Mumbai bench ("Hon'ble NCLT"). The Hon'ble NCLT vide its order dated July 4, 2017 allowed initiation of CIRP of the Company and Ms. Vandana Garg was appointed as the Interim Resolution Professional ("IRP") for the Company. The appointment of Ms. Vandana Garg was confirmed/approved as the Resolution Professional ("RP") of the Company by the Committee of Creditors w.e.f August 12, 2017. As per Section 17 of the Code, from the date of appointment of the IRP the management of affairs and powers of the board of directors of the Company were suspended and stood vested in the IRP/ RP.

BOARD OF DIRECTORS

As on March 31, 2017, the Board of the Company comprised of 4 (Four) directors, with 2 (Two) independent directors, 1 (One) non-executive director and 1(one) whole-time director including a women director. The Chairman is an independent director. Composition of Board of Directors of the Company except Rotational Directors is governed by the Companies Act, 2013 (Act) and is in conformity with the stipulation laid down in the code of Corporate Governance prescribed by SEBI through Listing Regulations of the Stock Exchanges.

In keeping with the commitment of the management towards principles of integrity and transparency in business operations for good corporate governance, your Company's policy is to have an appropriate blend of executive, non-executive and independent directors to maintain independence of the Board, and to separate the Board's functions of governance and management.

The Board consists of eminent persons with considerable professional expertise and experience in finance, legal, commercial, business administration and other related fields, who, not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board. The Board's role, functions, responsibilities and accountability are clearly defined. The day-to day management of the Company is entrusted with the senior management personnel of the Company and is headed by the Whole-time Director and/or CEO who functions under the overall supervision, direction and control of the Board of Directors. The Board reviews and approves the strategy and oversees the actions and results of management to ensure that long term objectives of enhancing stakeholder's value are achieved.

None of the Director of the Company is on the Board of more than 7 listed companies as an Independent Director. Further, none of the Director of the Company is acting as a Whole-time Director of any listed Company as well as Independent Director, in more than 3 listed companies. All Directors have confirmed that they are not members of more than 10 Committees and do not act as the Chairman of more than 5 Committees across all the companies in which they are Directors. The necessary disclosures regarding Committee positions have been made by all the Directors.

The Whole-time Director and/or Chief Executive Officer are responsible for corporate strategy and planning. The senior management personnel heading respective divisions are responsible for day-to-day operations.

The Board of Directors meets at least once in a quarter and the maximum time gap between two consecutive meetings did not exceed 120 days. The Company has duly complied with provisions of Secretarial Standards on Board Meetings with respect to convening of Board Meetings during the year.

During the year ended March 31, 2017, the Board met 7 (seven) times on May 30, 2016, August 25, 2016, September 28, 2016, November 25, 2016, December 14, 2016 , February 02, 2017 and February 09, 2017.

Details of number of Board meetings attended by Directors, attendance at AGM, number of other directorships / committee memberships held by them during the year ended March 31, 2017 are tabulated below:

Sr. No.	Name of Director	Category	No. of Board Meetings		Attendance at last AGM	No. of other directorships	Membership / Chairmanship of Committees of other Companies #
			Held during the F. Y.	Attended			
1	S. D. Kshirsagar	Independent/ Chairman	7	7	Yes	Nil	Nil
2	Jyotsna Jamkhandi	Non-executive	7	6	No	Nil	Nil
3	Kalpesh Kikani	Non-executive	7	4	No	3	Nil
4	R. C. Rawal	Independent	7	6	No	Nil	Nil
5	S. H. Mirchandani[1]	Non-executive	7	0	N.A.	Nil	Nil
6	Vijay Mohan Kaul[1]	Independent	7	3	Yes	1	1
7	K. R. Thakur	Executive	7	6	Yes	0	Nil

Notes:

1. The Directorships held by Directors mentioned above, do not include Alternate Directorship and Directorship in Foreign Companies, Private Companies and Section 8 Companies.

2. In accordance with relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships of only the Audit Committees and Shareholders/Investors Grievance Committee in all Public Limited Companies (excluding Jyoti Structures Limited) have been considered.

3. During the year under review, Mr. Sanjay Mirchandani (DIN 00531110), and Mr. V. M. Kaul (DIN 00015245) ceased to be the Directors of the Company with effect from August 24, 2016 and October 24, 2016 respectively

COMMITTEES OF THE BOARD

The Board has constituted various committees to focus on critical functions of the Company and also for smooth and efficient business operations. The Committees meet at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. The minutes of the meetings of all committees are placed before the Board for discussion/noting/ratification.

During the year, the Board had 6 Committees, viz.

i. Audit Committee

ii. Stakeholders Relationship Committee

iii. Nomination and Remuneration Committee

iv. Corporate Social Responsibility Committee

v. Risk Management Committee

vi. Executive Committee

i. Audit Committee

The Company has constituted an Audit Committee in the year 2000. Scope of activities of the Audit Committee is in conformity with the requirements of the erstwhile Listing Agreement, Schedule II Part C of the Listing Regulations and Section 177 of the Companies Act, 2013. Terms of reference of Audit Committee broadly includes various matters in conformity with statutory guidelines including the following:

i. recommendation for appointment, remuneration and terms of appointment of auditors of the company;

ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;

iii. examination of the financial statement and the auditors' report thereon;

iv. approval or any subsequent modification of transactions of the company with related parties;

v. scrutiny of inter-corporate loans and investments;

vi. valuation of undertakings or assets of the company, wherever it is necessary;

vii. evaluation of internal financial controls and risk management systems;

viii. monitoring the end use of funds raised through public offers and related matters.

The Company continued to derive immense benefits from deliberations of the Audit Committee. The Committee comprises of Independent Directors and eminent professionals having vast experience and knowledge in accounts, finance and principles of good governance. Minutes of each audit committee meeting are placed and discussed in meetings of the Board.

a. During the financial year under review, four meetings of the Committee were held on the following dates: May 30, 2016, August 25, 2016, December 14, 2016, and February 09, 2017.

b. Composition of the Audit Committee and the details of meetings attended by the members of the Audit Committee as on March 31, 2017, are given below:

Name of the Director	Designation	Category	No. of meetings during the year 2016-17	
			Held	Attended
S. D. Kshirsagar	Chairman	Independent	4	4
R. C. Rawal	Member	Independent	4	4
K.R.Thakur	Member	Executive	4	1
V. M. Kaul[1]	Member	Independent	4	2

[1]Mr. V. M. Kaul ceased to be a Director of the Company with effect from October 24, 2016.

Audit Committee meetings are also attended by CEO, Sr. Vice President (Internal Audit and Risk Management), Vice President (Internal Audit & Financial Control), Accounts Head and representative of Auditors. Mr. V.M. Kaul was present at 41st Annual General Meeting of the Company held on September 28, 2016 to attend and reply to the shareholders queries.

ii. Stakeholders Relationship Committee

The composition of Stakeholders' Relationship Committee and the terms of reference comply with the requirement of the erstwhile Listing Agreement, the Listing Regulations and with the provisions of Section

178 of the Companies Act, 2013. The Committee comprises of Mr. S. D. Kshirsagar, Chairman, Ms. Jyotsna Jamkhandi, Member and Mr. K. R. Thakur, Member.

a. Composition of the Stakeholders Relationship Committee and the details of meetings attended by the members of the Stakeholders Relationship Committee as on March 31, 2017, are given below:

Name of the Director	Designation	Category	No. of meetings during the year 2016-17	
			Held	Attended
S. D. Kshirsagar	Chairman	Independent	9	9
K.R. Thakur	Member	Executive	9	9
Jyotsna Jamkhandi	Member	Non-Executive	9	0

b. The primary responsibility of the Committee is to redress investor's grievance and to improve relationship with stakeholders, approves share transfers and transmission, issue of duplicate certificates and oversight of all matters connected with securities issued by the company. The Committee oversees performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investors' service. As on March 31, 2017, no instruments of share transfer were pending. The terms of reference of the Committee includes the following:

i. transfer, transmission, issue of duplicate certificate or receipt, dematerialization, rematerialization, consolidation, sub-division and or dealing with all matters connected with the securities issued by the company;

ii. redressal of shareholders, debenture holders, deposit holders, investors and other security holders grievances;

iii. performance and service standards of the Registrar and Share Transfer Agents of the company; and

iv. implementation and compliance of all provisions of applicable security laws, rules, guidelines and regulations including listing agreements, codes and standards.

During the year under review, the Company has received 7 investor complaints mainly pertaining to non-receipt of annual report and dividend warrants and the same have been redressed to their satisfaction.

c. Compliance Certificate :

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.

iii. Nomination & Remuneration Committee

The composition of the Nomination and Remuneration Committee (NRC) is in compliance with the requirements of 178 of the Act, the erstwhile Listing Agreement and Regulation 19(1) of the Listing Regulations:

a. Brief description of Terms of Reference

1. to identify persons who are qualified to become directors and who may be appointed in key managerial / senior management personnel and to recommend to the Board their appointment and removal;

2. to formulate and recommend to the Board nomination process including criteria for independence of director, compensation plans, policies and programs of the Company as they may affect the directors and key managerial / senior management personnel.

3. to oversee executive succession plans.

4. to develop and recommend to the board of directors for its approval an annual self-evaluation

process of the board and its committees. The committee shall oversee the annual self-evaluations.

5. to assess, evaluate and monitor directors and key managerial / senior management personnel performance and recommend compensation package including share incentive plans; and

6. to recommend director indemnification including insurance protection against risk of personal liability to the extent permitted by law.

The Committee comprises of Mr. R.C.Rawal, Chairman (since December 14, 2016), Mr. V. M. Kaul, Chairman (up to October 24, 2016), Mr. S. D. Kshirsagar, Member and Mr. Kalpesh Kikani, Member.

Composition of the Nomination and Remuneration Committee (NRC) and the details of meetings attended by the members of the NRC as on March 31, 2017, are given below:

Name of the Director	Designation	Category	No. of meetings during the year 2016-17	
			Held	Attended
V.M. Kaul#	Chairman	Independent	1	1
S. D. Kshirsagar	Member	Independent	1	1
Mr. Kalpesh Kikani	Member	Non-Executive	1	1
Mr. R.C. Rawal	Chairman (since December 14, 2016)	Independent	0	0

1. Note: Mr. V. M. Kaul ceased to be a Director of the Company with effect from October 24, 2016.

2. Mr. R.C. Rawal appointed as chairman of Nomination and Remuneration Committee since December 14, 2016

This Committee also acts as a ‘Compensation Committee’ for the purpose of Employee Stock Option Scheme.

Remuneration Policy:

I. Remuneration to Managing Director (MD) / Whole-time Director (WTD) / Executive Director (ED)

a. The remuneration to be paid to MD / WTD / ED will be determined by Nomination and Remuneration Committee (NRC) and recommended to the Board for approval. The remuneration shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

b. The remuneration shall be evaluated based on performance indicators like key responsibility areas / goals / deliverables, benchmark against peer group in size and complexity.

c. The total remuneration may be combination of fixed, variable components, long term incentives and severance benefit in accordance with legal framework.

d. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its MD / WTD / ED in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

e. Provisions for excess remuneration: If any MD / WTD / ED draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

II. Remuneration to Non-Executive / Independent Directors:

a. Independent Directors (ID) and Non-Independent Non- Executive Directors (NED) may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.

b. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

c. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors.

d. The NEDs shall be eligible for remuneration of such professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services.

III. Remuneration to Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs):

The remuneration to be paid to the KMPs and SMPs, shall be recommended by the NRC considering relevant qualification, experience, performance of the individual as well as the prevailing market conditions and in accordance with Company's remuneration structure. The remuneration may be combination of fixed and variable component.

iv. Corporate Social Responsibility Committee

Pursuant to section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) Committee was constituted on 29th May, 2013 which comprises of Mr. S. D. Kshirsagar, Chairman, Mr. R. C. Rawal, Member and Mr. K.R.Thakur (since December 14, 2016), Member. Primary responsibility of the Committee is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy'.

Terms of Reference of CSR Committee broadly include:

a) to recommend the amount of expenditure to be incurred on CSR activities;

b) monitor implementation of CSR activities; and

c) report details of CSR activities undertaken by the Company

v. Risk Management Committee

Pursuant to the provisions of Listing Regulations, Risk Management Committee was constituted on 9th February, 2015. The Committees prime responsibility is to assist the Board in its oversight of the Company's management to element key risks, including strategic, financial, operational and compliance risks. The Committee comprises of Mr. R.C. Rawal, Chairman (since December 14, 2016), Mr. V. M. Kaul, Chairman (up to October 24, 2016), Mr. S. D. Kshirsagar, Member and Mr. K. R. Thakur, Member. Terms of reference of Risk Management Committee include but shall not be limited to:

i. assist the board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the risk policy; and

ii. developing risk management policy and risk management system / framework for the Company.

vi. Executive Committee

Executive Committee has the authority to exercise powers of the Board of Directors between the Board meetings except the powers reserved for the Board or the shareholders under the Act.

The Committee comprises of Mr. S. D. Kshirsagar, Chairman, and Mr. K. R. Thakur, Member.

Independent Directors Meeting

Pursuant to Schedule IV of the Act and the Rules made thereunder and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year under review, Independent Directors met on May 30, 2017 inter alia, to discuss:

a. evaluation of performance of non-independent directors and the Board of Directors as a whole; and

b. evaluation of the content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present for this meeting.

INFORMATION PLACED BEFORE THE BOARD

All the information that is required to be made available to the Directors in terms of relevant provisions of the SEBI (Listing Obligations Disclosure Requirement) Regulations, 2015 and the Act, so far as applicable to the Company, is made available to the Board.

SUBSIDIARY COMPANIES

None of the subsidiary companies is covered under the term “material non-listed Indian subsidiary company”.

Minutes of Board Meetings of subsidiary companies are placed before the Board of Directors of the Company on regular basis thereby bringing to their attention all significant transactions and arrangements entered into by the subsidiary companies.

GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 001, as per details below:

Date	Time	Details of Special Resolutions
September 22, 2014	3.00 P.M	Appointment of Mr. Ashok Goyal as a Director and a Joint Managing Director of the Company, including payment of remuneration
		Issue and allotment of 77,00,000 equity shares of face value of ₹ 2 each and / or warrants to Surya India Fingrowth Pvt. Ltd., a promoter group company by way of a preferential issue
		Issue of Non-Convertible Debentures on private placement basis such that total amount shall not exceed ₹ 200 crore
September 26, 2015	3.00 P.M	Waiver from recovery of excess remuneration paid to Mr. Santosh Nayak, Managing Director for the period from 1st April 2014 to 10th December 2014
		Waiver from recovery of excess remuneration paid to Mr. K. R. Thakur, Whole-time Director during the financial year 2014-15
		Variation in terms of remuneration of Mr. K. R. Thakur, Whole-time Director
		Amendment to JSL Employees Stock Option Scheme 2011
September 28, 2016	3.00 P.M	N.A.

Resolutions passed through postal ballot last year nil

DISCLOSURES

1. Materially Significant Related Party Transactions

There are no transactions of material nature other than reported under "Related Party Disclosures" that have been entered into by the Company with the promoters, directors, their relatives and the management and in any Company in which they are interested and that may have potential conflict with the interest of the Company.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.

The Company has formulated a policy on dealing with Related Party Transactions. The policy is available on the website of the Company www.jsl.in

2. Instances of Non-Compliance:

There were delay in compliance with respect to filing of financial results, shareholding pattern, reconciliation of share capital and statement of investor complaints as on December 31, 2016 in terms of SEBI Listing Regulations, caused due to delay in realizing timely payments to intermidiataries like depositories and transfer agents. Consequently, there were penalties imposed on the Company by the Stock Exchanges.

3. Whistle Blower Policy:

The Company has a vigil mechanism to report genuine concerns, if any. The same has been posted on the website of the Company www.jsl.in. No employee has been denied access to the Audit Committee.

4. All mandatory requirements as per Listing Regulations have been complied with by the Company, except:

- The Company is in continuous default in compliance with the requirement of Section 203 of the Companies Act, 2013 in relation to the appointment of Chief Financial Officer from the previous reporting period

5. Policy for determining 'material' subsidiaries

The Company has formulated a policy for determining 'material' subsidiaries; such policy has been disclosed on the Company's website www.jsl.in

6. Familiarization programme for Independent Directors

The Company has familiarized its Independent Directors' regarding the Company, their roles, rights, responsibilities and liabilities in the Company. Presentations are made by senior managers to the Independent Directors covering nature of Industry, business model, business performance and operations, opportunities available etc. The Details of such Familiarization programme for Independent Directors has been disclosed on the Company's website www.jsl.in

7. Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

8. The Company has also complied with certain non-mandatory requirements prescribed in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. The Company has complied with the requirements specified in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) of listing regulations.

10. Certificate from Whole-time Director in terms of regulation 17(8) of Listing Regulations for the financial year ended 31st March, 2017 was placed before the Board of Directors of the Company and forms part of this report.

RECONCILATION OF SHARE CAPITAL REPORT

A qualified practicing Company Secretary carried out audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Audit confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

MEANS OF COMMUNICATION

The Company has furnished financial results on quarterly / half yearly / annual basis to the Stock Exchanges, where the shares of the Company are listed, as per the format prescribed and within the stipulated time period under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The results are published in Economic Times and Maharashtra Times.

The Company's website www.jsl.in contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Company's Annual report is also available in a downloadable form.

The Company has promptly reported all material information including declaration of quarterly financial results; press releases etc. to all Stock Exchanges where shares of the Company are listed. Such information is also simultaneously displayed on the Company's website www.jsl.in. The financial results, quarterly and annual results and other statutory information were communicated to the shareholders by way of advertisement in Economic Times and Maharashtra Times as per listing requirements of Stock Exchanges.

Reminders for unclaimed dividend are sent to the shareholders periodically every year.

All periodical compliance filings like shareholding pattern, corporate governance report among others are also filed electronically on the web based application designed for corporates by the Stock Exchanges where the equity shares of the Company are listed.

Management Discussion & Analysis Report forms part of Directors' Report.

The Ministry of Corporate Affairs vide its Circular No. 18/2011 dated 29.04.2011 has allowed paperless compliance by companies under the Companies Act, 1956 through electronic mode. To enable your Company to support the Green Initiative in the Corporate Governance adopted by the Ministry of Corporate Affairs we request the members to register their email address with the Company or with the concerned depository.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the same is hosted on the Company's website www.jsl.in. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by Whole-time Director has been obtained and is enclosed at the end of this report.

JSL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has instituted a mechanism to avoid insider trading and abusive self-dealing. In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has established a code to restrict insider trading activities by Directors and designated employees.

SHAREHOLDERS' INFORMATION

A. Annual General Meeting

Day, Date and Time **:**	Wednesday, February 27, 2019 at 11.30 a.m.
Venue **:**	Raheja's Banquet Hall, The Classique Club, New Link Road, Behind Infinity Mall, Andheri West, Mumbai, Maharashtra 400053

B. Financial Calendar : April to March (financial year)

First Quarter Results - 2nd week of August

Second Quarter Results - 2nd week of November

Third Quarter Results - 2nd week of February

Annual Audited Results - 4th week of May

C. Listing at Stock Exchanges:

Name of Stock Exchange	ISIN No.	Stock Code No.	Code on Screen
The Bombay Stock Exchange Limited	INE197A01024	513250	JYOTISTRUC
The National Stock Exchange of India Ltd.		-	JYOTISTRUC

The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2017-18.

D. Market Price Data:

MONTH	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April – 16	11.78	10.45	11.8	10.4
May – 16	12.20	8.30	12.15	8.25
June – 16	10.90	8.30	10.95	8.35
July – 16	16.31	9.99	16.30	10.05
Aug – 16	14.67	11.15	14.65	11.10
Sept – 16	15.25	11.50	15.20	10.80
Oct – 16	14.48	12.15	14.40	12.10
Nov – 16	14.05	9.85	14.00	9.80
Dec – 16	12.09	9.11	12.15	9.10
Jan – 17	11.10	9.53	11.10	9.45
Feb – 17	10.25	8.95	10.30	9.00
Mar - 17	9.62	7.98	9.60	7.95

E. Registrar and Share Transfer Agent

Shareholders should address their correspondence to the Registrar and Share Transfer Agents of the Company at the following address:

Big Share Services Private Limited
(Unit- Jyoti Structures Ltd.)
1st Floor, Bharat Tin Works Building,
Opp.Vasant Oasis Makwana Road
Marol, Andheri(East)
Mumbai-400059, Maharashtra
Tel.: 91-22-62638200
Fax: 91-22-62638299
e-mail: info@bigshareonline.com

Share Transfer System

The Company's equity shares which are in compulsory dematerialized (demat) form are transferable through the depository system. Equity shares in physical form are processed by the Registrar and Share Transfer Agents, Bigshare Services Private Limited and approved by the Stakeholder Relationship Committee of the Board of the Company, which meets at regular intervals.

F. Distribution of shareholding and shareholding pattern as of March 31, 2017

Distribution of Shareholding

Range			No. of shareholders	% of shareholdings	Shares held in each class (in ₹)	% of shares
1	-	5,000	47624	91.68	41354322	18.88
5,001	-	10,000	2222	4.28	16695304	7.62
10,001	-	20,000	1095	2.11	16488828	7.53
20,001	-	30,000	328	0.63	8336988	3.81
30,001	-	40,000	195	0.38	7080380	3.23
40,001	-	50,000	108	0.21	4936652	2.25
50,001	-	1,00,000	205	0.39	14931284	6.82
1,00,001 and above			171	0.32	109231662	49.86
Total			**51948**	**100.00**	**21,90,55,420**	**100.00**

Shareholding Pattern as on March 31, 2017

Category of shareholders	No. of Shares	% of shares
Promoters - Individuals - Bodies Corporate	2,01,01,036	18.35
Other Bodies Corporate	87,70,808	8.01
NRIs / FIIs	78,76,646	7.19
Financial Institutions/Banks/Mutual Fund	1,36,68,751	12.48
Indian Public	581,49,564	53.80
Total	**10,85,66,805**	**100.00**

G. Dematerialization of Shares

As on March 31, 2017, 99.50% of the total equity share capital of the Company is held in dematerialized form with NSDL and CDSL and the rest in physical form.

H. Outstanding GDRs/ADRs/Warrants or any convertible instruments

There are no outstanding GDRs/ADRs/Warrants.

I.	**Plant Locations** **Nasik Factory (Plant - I):**		**Nasik Factory (Plant - II):**		**Raipur Factory:**
	52A/53A, “D” Road, M.I.D.C., Satpur, Nasik - 422 007 (Maharashtra) Tel : +91 253 2201 700 / 800 Fax :+91 253 2351 134		E-60/61, “D” Road, M.I.D.C., Satpur, Nasik - 422 007 (Maharashtra) Tel : +91 253 6603 225 / 227 Fax :+91 253 6603 226		Plot No. 1037/1046, Sarora Ring Road, Near Wool Worth, Urla Industrial Area, Raipur - 493 221 (Chhattisgarh) Tel : +91 771 4213 100 / 101; Fax: +91 771 2324 767 / 2325 567
J.	**Tower Testing Station:** Ghoti, Igatpuri, Dist - Nasik - 422 002 Maharashtra. Tel : +91 2553 282 211 Fax :+91 2553 282 212	**K.**	**Training Centre:** “Gurukul”, Plot No. H-37, Shivaji Nagar, M.I.D.C., Satpur, Nasik - 422 007 Maharashtra. Tel. : +91 253 2350 099	**L.**	**Address for Correspondence:** Jyoti Structures Limited Valecha Chambers, 6th Floor, New Link Road, Andheri (West), Mumbai 400053 Tel No: +91 22 4091 5000 Fax No: +91 22 4091 5014/15 E-mail: investor@jsl.in

DECLARATION – CODE OF CONDUCT

All Board Members and senior management personnel have, for the year ended March 31, 2017, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered into with the Stock Exchanges.

For **Jyoti Structures Limited**

K. R. Thakur
Whole-time Director
DIN: 00001270

Mumbai,
May 30, 2017

CERTIFICATE

The Board of Directors
Jyoti Structures Limited

Dear Sirs,

I, K. R. Thakur, Whole-time Director, certify that

a. I have reviewed the financial statements and cash flow statement for the year ended 31st March, 2017 and to the best of my knowledge and belief:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
b. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2017 are fraudulent, illegal or violative of the company's code of conduct.
c. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
d. I have indicated to the Auditors and the Audit Committee that:
   i. Significant changes in internal control over financial reporting during the year under reference;
   ii. significant change in accounting policies during the financial year 31st March, 2017 and that the same have been disclosed in the notes to the financial statements; and
   iii. instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Jyoti Structures Limited**

K. R. Thakur
Whole-time Director
DIN: 00001270

Mumbai,
May 30, 2017

Certificate of Compliance from Auditors

CERTIFICATE

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

We have examined the compliance of conditions of Corporate Governance by Jyoti Structures Limited, for the year ended March 31, 2017 as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(“Listing Regulations”)

The Compliance of conditions of Corporate Governance is the responsibility of the Company’s Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for special purposes (Revised 2016) issued by Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information , and other Assurances and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses(b) to (i) of sub- regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Listing Regulations, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted affairs of the Company.

For **R. M. Ajgaonkar & Associates**
Firm Registration No. 117247W
Chartered Accountants

Komal Sevak
Partner
Membership No. 143685
Mumbai; May 30, 2017

MANAGEMENT DISCUSSION & ANALYSIS

The Company

Jyoti Structures Limited (the Company or JSL) is engaged in manufacturing of transmission line towers, sub-station structures, tall antenna towers / masts and railway electrification structures. In addition, JSL is also a leading player in Turnkey / EPC projects involving survey, foundation, designing, fabrication, erection and stringing activities of extra high voltage transmission lines and procurement of major bought out items, supply of lattice and pipe type structures, civil works, erection, testing and commissioning of switchyard / substations and distribution networks, both in India and overseas.

The Company is headquartered at Mumbai and has three manufacturing plants in India: two at Nashik in Maharashtra and one in Raipur in Chhattisgarh. The Indian plants are capable of making prototypes, fabricating and galvanising transmission towers and structures upto 110,000 metric tonnes p.a. (MTPA) The Company has a state-of-the-art Research and Development Centre at Village Ghoti, Tal. Igatpuri, Dist. Nasik spanning over 202,350 sq. meters, where towers up to 1,200 kV DC with maximum base dimensions of 26 meters X 26 meters and height up to 85 metres can be tested. Moreover, through its fully owned US subsidiary, Jyoti Americas LLC, the Company has an additional manufacturing capacity of 50,000 MTPA, catering mainly to the North and South American markets

JSL has been a preferred partner for equipment supply and turnkey solutions to premier Indian utilities such as Power Grid Corporation of India Limited (PGCIL) and National Thermal Power Corporation (NTPC), as well as numerous private and public sector utilities. Over a period of time, JSL has developed a global presence in over forty countries.

JSL has executed over 800 projects and served for the customers in 55 countries. Some of the esteem customers of JSL are Balfour Beaty (UK), Hydro Quebec (Canada), Isolux (USA), Power Grid (India), DEWA (Dubai), EEPCO (Ethiopia), Kahramma (Qatar), SNC Lvalin (Canada), Enel Power (Italy), KEPCO (Korea), STEG (Tunisia), ESKOM(South Africa), MHEW (Oman), UETCL (Uganda), NAMPOWER (Namibia), United Group (Australia), and SDG&E(USA)

In June 2017, State Bank of India had made an application for commencement of Corporate Insolvency Resolution Process (“CIRP”) of Jyoti Structures Limited(“Company”) before the Hon’ble National Company Law Tribunal, Mumbai bench (“Hon’ble NCLT”). The Hon’ble NCLT vide its order dated July 4, 2017 allowed initiation of CIRP of the Company and Ms. Vandana Garg was appointed as the Interim Resolution Professional (“IRP”) for the Company. The appointment of Ms. Vandana Garg was confirmed/approved as the Resolution Professional (“RP”) of the Company by the Committee of Creditors w.e.f August 12, 2017. As per Section 17 of the Code, from the date of appointment of the IRP the management of affairs and powers of the board of directors of the Company were suspended and stood vested in the IRP/ RP.

Subsequently, the CIRP period of the Company was extended by a further period of 90 (ninety) days beyond the initial 180 (one hundred and eighty) days by the Hon’ble NCLT vide its order dated December 22, 2017. Further to this, the Hon’ble NCLT had pronounced an order on July 25, 2018 rejecting the application of the RP of the Company in respect of determination on the resolution plan proposed for the Company. Thereafter, the said order for rejection of the proposed resolution plan has been appealed before the Hon’ble National Company Law Appellate Tribunal (the “Hon’ble NCLAT”) by the resolution applicant, the employees of Company and a group of financial creditors through their separate applications. The Hon’ble NCLAT vide its order dated August 20, 2018, had stayed the passing of liquidation order by Hon’ble NCLT until further orders by the Hon’ble NCLAT in this matter and has directed the RP to continue running Company as going concern. The next date of hearing before the Hon'ble NCLAT in the matter is March 1, 2019.

Industry Overview

The electricity sector in India is growing at rapid pace. During the year 2017-18 (Up to 30.11.2017), the Peak Demand is about 164.1 GW and the Installed Capacity is 330.8 GW with generation mix of Thermal (66.2%), Hydro (13.6%), Renewable 18.2%) and Nuclear (2.0%).

Electricity sector in India is growing at rapid pace. During the current year 2018-19 (Up to 30th September 2018), the Peak Demand is about 175.5 GW and the Installed Capacity is 344.7 GW with generation mix of Thermal (64.3%), Hydro (13.2%), Renewable 20.5%) and Nuclear (2.0%).

During the year 2017-18, total ex-bus energy supplied increased by 6% over the previous year and the peak met increased by 2%. The energy requirement registered a growth of 6.2% during the year against the projected growth of 7.6% and peak demand registered a growth of 3% against the projected growth of 6%.

The Energy Sector in India is experiencing a tremendous growth, the Electricity generation capacity is growing at a CAGR of around 6% whereas the growth in Transmission and Distribution sector is growing at 5.5% over the past few years. The 12th five-year plan emphasizes on developing all major components of Power Supply Value Chain through Integrated Power Development Program with an objective of providing electricity to all villages. The investments made are mainly directed towards the development of Ultra Mega Solar Power Projects along with investments in Transmission and Distribution systems and equipment.

The investment opportunities will be UDS 300 billion in power generation, USD 110 billion in transmission and around USD 190 billion in the Distribution sector.

The Central Electricity Authority (CEA) has pegged energy and peak power surplus at 4.6 % & 2.5 % respectively, this fiscal, indicating that India will be power surplus country in 2018-19. A power sector expert said that India is a power surplus state because its installed generation capacity is around 344 GW against the peak demand for not more than 170 GW so far.

CEA promotes and assists in timely completion of transmission projects for improving and augmenting the power system in the country. During the year 2017-18, 23119 CKm of Transmission lines has been laid down 86193 MVA of Transformation capacity has been commissioned. The inter-regional power transmission capacity has increased from 75 GW to 86 GW during the year 2017-18.

The power sector in India has achieved a capacity addition of 9.505 GW in conventional power and 11.778 GW of Renewable power during the year 2017-18 raising the installed generation capacity to around 344 GW as on 31.03.2018 comprising of 223 GW of Thermal, 45 GW of Hydro, 7 GW of nuclear and 69 GW of Renewables. The total electricity supplied in the country during 2017-18 was of the order of 1205 BU and the peak demand met was 161 GW. The anticipated availability of 1398.7 BU energy during the year 2018-19 is based on the generation program of 1265 BU in respect of conventional generation sources.

Government of India has launched Pradhan Mantri Sahaj Bijli Har Ghar Yojana – **'Saubhagya'** on 11th October 2017 for providing last mile connectivity and electricity connections to all households in rural and urban areas. During the year 2017-18, 40.46 lacs of households have been electrified. Further, 99.94% of the inhabited villages in the country have been electrified by end of 2017-18. Smart meters which enable two-way communication between the meter and central system for efficient accounting and control of electricity, have been introduced in the Indian Distribution sector.

An extensive network of transmission lines has been developed over the years for evacuating power produced by different electricity generating stations and distributing the same to the consumers. The nominal Extra High Voltage lines in vogue are ± 800 kV HVDC & 765 kV, 400 kV, 230/220 kV, 110 kV and 66 kV AC lines.

The capacity of transmission system of 220 kV and above voltage levels, in the country as on 30th September 2018 was 4,00,902 ckm of transmission lines and 8,58,908 MVA of transformation capacity of Substations. Further, as on 30th September 2018, the total transmission capacity of the inter-regional links is 86,450 MW.

As on 28 April 2018, 12 days ahead of the set target, all Indian villages were electrified. India's Ministry of Power launched Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) as one of its flagship programme with the objective of providing round the clock power to the rural areas. It focuses on reforms in rural power sector by separation of feeder lines (rural households & agricultural) and strengthening of transmission and distribution infrastructure. The earlier scheme for rural electrification viz. Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) has been subsumed in the new scheme as its rural electrification component.

As of 10 October 2018, 158.43 million rural households are provided with electricity, which is 92% of the 172 million total rural households

1. Source: Central Electricity Authority (CEA); Load Generation Balance Report (LGBR) 2017-18

2. Source: Ministry of Power Website

3. Source: http://timesofindia.indiatimes.com/articleshow/65278058.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Challenges and Strategy

The transmission line segment is poised for rapid growth during the Twelfth Five-year Plan period; however, the industry does face certain long-term challenges. Some of them are listed below3:

Right of Way and Environment Clearances: Right of Way (ROW) poses a significant challenge in the transmission line sector, both in India and overseas (where your Company has major projects under execution). Delays in obtaining ROW and environmental clearances often delay projects for considerable periods of time, causing cost and time overruns.

Manpower Shortage: It is generally acknowledged that specialised talent for the construction sector is in short supply. Unfortunately, the talent pipeline is also quite meagre, as potential candidates have sought alternative, better paying careers. Organisations such as your Company have faced people shortages in Project Management, Contract Management, Engineering and Survey.

Complexity of Terrain: A large part of future transmission line activity is expected to be in the North-Eastern states as Government of India pushes for its 'power for all' objectives. Construction in these areas is especially complex, given the lack of overall infrastructure combined with hilly and inhospitable terrain conditions, which pose considerable challenges to timely project execution.

In addition to the sectoral challenges detailed above, your Company has, over the past few years, faced other challenges as well.

In 2016-17, the company has faced significant limitation in present systems, sub-optimal utilisation of SAP, manual records & reporting are potentially prone to errors. Based on various internal factors, external competition, financial position, market sentiments, limited decision making, lack of competent personnel, absence of CFO, delays in execution of contracts, non-payment of salaries, loss of reputation, absence of efficient monitoring mechanism & ongoing attrition in the company

Risk Management and Internal Control

As an organisation with a major focus on execution of transmission line, rural electrification and sub-station projects, JSL is exposed to various strategic and operational risks associated with turnkey projects. Some of the risks that the Company is exposed to include cost and time overruns in projects, delay in getting ROW clearances, delays in payments by customers, commodity price and currency fluctuation risks, economic and political risks in the countries where JSL executes projects, etc.

Moreover, in its current scenario, the Company is also exposed to significant interest rate risk on account of its outstanding debt obligations. Due to operational reasons and losses incurred during the previous years, JSL has been facing a liquidity crisis; consequently, there have been delays in execution of various projects due to want of funding. This has resulted in invocation of some Bank Guarantees (a financial risk) as well as some customers paying directly to the creditors of the Company (a reputational risk).

The Company has now embarked on a path to improve upon its risk identification and risk mitigation methodologies. A new function for Risk Management has been set up in JSL, which works closely with the Internal Audit team to identify risks even before the Company bids for projects; it then proactively monitors the change in the level and type of risks during the course of project execution. Simultaneously, the Company in the process of developing a more robust Enterprise Risk Management Framework and Policy with its concomitant organisation structure and processes. This will enable JSL to proactively identify and mitigate both strategic and operational risks. Along with the Risk Management function, the Company is also in the process of setting up Company-level and SBU-level Risk Management Committees under the overall guidance of the Risk Management Committee (RMC) of the Board of Directors.

JSL has in place effective systems safeguarding the assets and interest of the Company and ensuring compliance with relevant laws and regulations. Your Company, through its Internal Audit Department, carries out periodic audits at all locations and functions based on a plan approved by the Audit Committee, with an objective to bring out systemic deviations to Internal Control procedures and risky behaviour at the operational level. The observations arising out of the audits are periodically reviewed and compliance ensured. The summary of the Internal Audit observations and status of implementation are submitted to the Audit Committee every quarter for its review and concerns, if any, are reported to the Board. The Company's internal control systems are supplemented by an extensive audit programme conducted by external auditors.

The management is also responsible for establishing and maintaining **internal financial controls** based on Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI, which includes the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act

It is expected that with the conjunction of the new Risk Management organization and the Internal Audit function, a more robust, proactive and preventative risk culture shall prevail in the organization.

Segment-wise performance and outcome

The Company is in the business of execution of projects relating to power transmission and distribution and hence operates in a single business segment. Performance of the Company has been dealt with in the Director's Report.

Human Resource

The Company currently employs about over 1,000 employees in all categories. JSL focuses on providing its human assets an employee - friendly environment and culture and career growth opportunities. To that effect, it also conducts periodic training programmes, both through internal and external faculties, for up-skilling and career development.

JSL maintains cordial relations with its employees; there have been no Industrial Relations dispute in the Company during the year ended 31st March 2017.

Cautionary Statement

Statements in the "Management Discussion and Analysis" section may be forward looking and are stated as required by applicable laws and regulations. Actual results may vary materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on these forward-looking statements.

For and on behalf of the Board
S. D. Kshirsagar
Chairman
DIN : 00001266

Mumbai; 30th November, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of Jyoti Structures Limited

Report on the Standalone Ind-AS Financial Statements

We were engaged to audit the accompanying standalone Ind-AS financial statements of Jyoti Structures Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branches located at Bhutan (I & II), Bangladesh, Kenya, Tanzania, Tajikistan, Georgia, South Africa, Rwanda, Tunisia and Uganda and financial statements certified by the management of the Company's branches located at Kuwait, Dubai and Egypt (hereinafter referred to as 'standalone Ind-AS financial statements').

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind-AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the standalone Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind-AS financial statements based on conducting our audit in accordance with the Standards on Auditing under Section 143(10) of the Act.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind-AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS financial statements.

Based on the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

(a) With reference to clause 25 of note no. 37 to the standalone financial statements, no provision is made for performance guarantees given by the Company and encashed by customers in current and earlier years amounting to ₹ 14,728.18 lakhs (P.Y. 1,823.01 lakhs). We are informed that the Company will be initiating arbitration in respect of encashment of these guarantees and it is hopeful of recovering this money from the customers. We are unable to comment on the recoverability of this amount and the corresponding impact on ‘Total Comprehensive Income’ for the year and on Retained Earnings.

(b) As mentioned in clause 29 of note no. 37 to the standalone financial statements, the Company has, for the year ended 31st March 2017 and for earlier years, not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to cumulative ₹ 10,494.28 lakhs (P.Y. 3929.79 lakhs), since the management is of the opinion that the banks have charged excessive interest and the excess interest will be waived by the banks. We are unable to comment on the impact of the same on ‘Total Comprehensive Income’ for the year and on Retained Earnings.

(c) As mentioned in clause 9 of note no. 37 to the standalone financial statements, the Company has invested an amount of ₹ 6,000.65 lakhs in the equity shares of its wholly owned subsidiary Company, namely Jyoti International Inc. (JII). As on 31st March 2017, the Company has also advanced loan of ₹ 7,752.98 lakhs (P.Y. ₹ 7,647.53 lakhs) to JII. The financial statements of that Company as on 31st March 2017 are not made available to us. As per the last audited financial statements made available for the year ended on 31st March 2016, the net worth of that Company is fully eroded. Though the Company has provided for impairment in the value of the investment, no provision is made for the outstanding amounts as the management is optimistic of turning around the business of that Company. We are unable to comment on the ultimate recoverability of the same.

(d) As mentioned in clause 9 of note no. 37 to the standalone financial statements, the Company has advanced loan of ₹ 804.16 lakhs (P.Y. ₹ 802.43 lakhs) to one of its step-down subsidiary Company namely Jyoti Americas LLC and other outstanding amounts from it are ₹ 5,627.33 lakhs (P.Y. ₹ 4,739.27 lakhs). Due to the losses incurred, the net worth of the concerned step-down subsidiary is fully eroded as on 31st March 2016. However, no provision for the loan or the other outstanding amounts is made as the management is optimistic about turning around the business of that Company. We are unable to comment on the ultimate recoverability of the same.

(e) As mentioned in clause 11 of note no. 37 to the standalone financial statements, the Company has made investment of ₹ 419/- in the equity shares of its subsidiary Company, namely Jyoti Structures Africa (Pty) limited (JSAPL). As on 31st March 2017, the Company has also advanced loan of ₹ 3,053.55 lakhs (P.Y. ₹ 2,819.71 lakhs) to JSAPL and the outstanding credit to that Company is ₹ 2,816.83 lakhs (P.Y. ₹ 3,026.60 lakhs). Due to the losses incurred, the net worth of that Company is fully eroded on that date. With the infusion of new orders in the group company, Jyoti Structures Africa (Pty) Ltd. (JSAL) the company has earned a profit of ₹ 261.06 lakhs (P.Y ₹ (706.94) Lakhs) during the year ended 31st March 2017. However, no provision for diminution in the value of the said investment or no provision for other outstanding amounts is made as the management is optimistic of turning around the business of that Company. We are unable to comment on the ultimate recoverability of the same.

(f) The Company has in the past given corporate guarantees of ₹ 48,925.59 lakhs (USD 7,55,00,000) for a subsidiary Company and a step-down subsidiary Company for loans taken from the lenders by the respective companies. The normal business operations of the said companies have been temporarily discontinued. The liability of these corporate guarantees, if invoked by lenders, has not been ascertained and the same is not provided for.

(g) Total trade receivables of the Company as at 31st March 2017 are ₹ 4,33,169.55 lakhs (P.Y. ₹ 4,58,131.95 lakhs). In the absence of balance confirmations of ₹ 3,02,776.16 lakhs from some of these trade receivables, we are unable to comment whether any provision or adjustment is required against the same.

(h) As mentioned in clause 24 of note no. 37 to the standalone financial statements, the Company is facing a financial crunch due to losses incurred and inadequate liquidity, which has resulted into delays in implementing contracted projects during the year. For the year ended 31st March 2017, the Company has made a total provision of ₹ 1,600 lakhs (including ₹ 300 lakhs during the year) for any liability that may arise from delay in execution of these projects, which in the view of the management would be adequate. In the absence of any independent evaluation of the progress of these projects and delays, if any, we are unable to comment on the adequacy of the provision.

(i) For the year ended 31st March 2017, the Company has incurred losses of ₹ 1,48,485.92 lakhs and as on 31st March 2017 has a negative net worth of ₹ 1,38,381.48 lakhs. Further, the Company's total liabilities exceed its total assets by ₹ 6,84,962.87 lakhs. On account of its operational and financial position, the Company has delayed payments to various parties and dues to statutory authorities and interest on such delays is not determined. These factors might impact the aspect of going concern.

Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

(a) The financial statements/financial information of the three branches, namely, Kuwait, Dubai and Egypt were not audited by any auditors, but certified by the management. These financial statements reflecting total assets of ₹ 3,072.10 lakhs as at 31st March 2017 and total revenues of ₹ 23,456.73 lakhs for the year ended on that date, were included in these standalone financial statements.

(b) We draw attention to clause 31 of note no. 34 to the standalone Ind-AS financial statements. In August 2013, Jyoti Americas LLC (subsidiary of the Jyoti International Inc) has issued subordinated debt of USD 1,30,00,000 and preferred stock Series A of USD 1,00,00,000. In April 2014, the company issued additional 47 shares of Series A preferred stock, at USD 4,00,000 per share, for additional gross proceeds of USD 1,88,00,000. Cumulative dividend accrues on these preferred stocks of Series A, on a daily basis at the rate of 0.01% per year on the original purchase price, per share.

Jyoti Americas LLC has a contingent liability of USD 3,47,00,000 for above mentioned preferred stock variable return along with its accretion of USD 1,14,53,076 for the year ended 31st March 2016.

As per preferred stock agreement, that company and the Jyoti Structures Limited, planned to settle the variable return due on 28th August, 2016 through the issuance of common stock of Jyoti Structures Limited. However, the parties have not exercised the right; hence the same has not been accounted for.

(c) We draw attention to clause 12 of note no. 34 to the standalone financial statements, remuneration paid to the Managing Director and Whole-Time Director of the Company for the year ended 31st March 2015 and 31st March 2016 are higher by ₹ 43.04 lakhs and ₹ 48.83 lakhs respectively than the limits specified under Schedule V to the Act and approved by the members. An application made by the Company to the Ministry of Corporate Affairs (MCA) for waiver of excess remuneration for the year ended 31st March 2015 has been rejected. The Company has shown the excess amounts for these years as recoverable from the concerned Managing Director and Whole-Time Director. As informed to us, the management is taking steps.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements/financial information of eleven branches included in the standalone Ind-AS financial statements of the Company, whose financial statements / financial information reflect total assets of ₹ 732.36 lakhs as at 31st March 2017 and total revenue of ₹ 12,631.80 lakhs for the year ended on that date. These financial statements have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches is based solely on the report of such branch auditors.

The financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April, 2015 included in these standalone financial statements, are based on the previously issued statutory financial statements for the years ended 31st March 2016 and 31st March 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed a modified opinion dated 30th May, 2016 and 30th May, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind-AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the 'Annexure A' a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143(3) of the Act, we report that:

   (a) As described in the Basis for Disclaimer of Opinion paragraph, we have sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

   (c) The reports on the accounts of the branch offices of the Company audited under section143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;

   (d) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to comment whether the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us;

   (e) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid standalone Ind-AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

   (f) The matter described in the Basis for Disclaimer of Opinion paragraph above, i n our opinion, may have an adverse effect on the functioning of the Company;

   (g) On the basis of the written representations received from the directors of the Company as on 31st March 2017 taken on record by the Board of Directors of the Company, the directors of the company are not disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

   (h) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph above;

   (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';

   (j) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (i) due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind-AS financial statements – Refer clause 3 of note no. 37 to the standalone Ind-AS financial statements;

(ii) due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer clause 23 and 24 of note no. 37 to the standalone Ind-AS financial statements;

(iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

(iv) the Company has provided requisite disclosures in its standalone Ind-AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management - Refer clause 28 of note no. 37 to the standalone Ind-AS financial statements.

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants
Firm’s Registration Number: 117247W

KOMAL SEVAK
Partner
Membership Number: 143685

Place: Mumbai
Date: 30th May, 2017

ANNEXURE 'A' TO AUDITORS' REPORT

Re: Jyoti Structures Limited

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2017:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) As explained to us, these fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the Company and nature of its assets. The frequency of physical verification is reasonable. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the relevant records of the Company, we report that the title deeds of immovable properties are held in the name of the Company.

2) The inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As explained to us, the discrepancies noticed on verification of inventories have been properly dealt with in the books of accounts.

3) As informed to us, the Company has granted both interest free and interest rate lower than the prevailing market rates unsecured loans to parties, which are covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). In our opinion and according to the information and explanations given to us:

(a) The terms and conditions of the grant of such loans may be prejudicial to the Company's interest.

(b) The loans are given either at zero interest rates or rates lower than prevailing market rates. The schedule for repayment of principal and payment of interest has not been stipulated. However, the principal amounts are repaid as and when demanded.

(c) There are no amounts which are overdue for more than ninety days of such unsecured loans.

4) As per the information and explanations given to us and on the basis of records examined by us, we are of the opinion that the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, guarantees and securities given and investments made.

5) In our opinion and according to the information and explanations given to us the Company has not accepted any deposit during the year. The Company has generally complied with the directives issued by Reserve Bank of India and provisions of section 73 to 76 and other relevant provisions of the Act, and the rules framed there under, as applicable, except as stated hereunder:

a) The deposits required to be maintained during the year as per section 73(2)(c) of the Act, read with proviso to Rule 13 of the Companies (Acceptance of Deposits) Rules, 2014, which have been utilised by the Company for repayment to the deposit holders; and

b) There have been delays in repayment of matured fixed deposits which had matured for repayment on or before the balance sheet date and were outstanding as at 31st March, 2017.

As per the information and explanation given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal against the Company in respect of the deposits.

6) We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

7) a) According to the records of the Company and as per the information given to us, the Company is regular in depositing undisputed statutory dues of sales tax, duty of customs, duty of excise, cess and other statutory dues with the appropriate authorities, wherever applicable during the year. However, deposits of provident fund, employees' state insurance, income tax, service tax, value added tax and octroi are not regular.

As per the information and explanations given to us and the records examined by us, the details of undisputed statutory dues which are outstanding as on the last day of the concerned financial year for more than six months from the date they become payable are as under:-

(₹ in lacs)

Sr. No.	Particulars	Amount Due
i)	Provident Fund and Employee's State Insurance	1,018.72
ii)	Octroi/Entry Tax	77.95
iii)	Income Tax	2,267.52
iv)	Income Tax – Tax Deducted at Source	767.63
v)	Service tax	3.01

b) As explained to us and according to the records of the Company, the outstanding disputed statutory dues on account of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax are as follows:-

Sr. No.	Type of the Statute	Nature of Dues	Amount (₹ in Lacs)	Financial year to which the amount relates	Forum where dispute is pending
i)	Sales Tax	Tax and Interest	32.68	Various years between 1995-96 to 1998-99	Appellate Tribunal
ii)	Entry Tax	Tax and Interest	18.86	2004-05 and 2005-06	Appellate Tribunal
iii)	Commercial Tax	Tax and Interest	70.34	2006-07	Revision Board
iv)	Sales Tax	Tax and Interest	81.71	2009-10	Appellate Tribunal
v)	Sales Tax	Tax and Interest	103.77	2011-12	Appellate Tribunal
vi)	Income tax	Tax and Interest	75.48	2005-06	Income Tax Appellate Tribunal
vii)	Income tax	Tax and Interest	54.70	2005-06	Commissioner of Income Tax (Appeals)
viii)	Income tax	Tax and Interest	229.11	2006-07	Commissioner of Income Tax (Appeals)
ix)	Income tax	Tax and Interest	62.03	2010-11	Income Tax Appellate Tribunal
x)	Income tax	Tax and Interest	4,169.44	2011-12	Income Tax Appellate Tribunal
xi)	Income tax	Tax and Interest	456.24	2012-13	Dispute Resolution Panel
xii)	Income tax	Tax and Interest	674.18	2013-14	Commissioner of Income Tax (Appeals)

8) According to the information and explanations given to us and based on the documents and records examined by us, in our opinion, the Company has defaulted in repayment of loans to Banks, Financial Institutions and dues to Debenture Holders. The details of the same are as follows:

(₹ in Lacs)

Sr No		Particulars	Period of Default	Amount of Default as on 31st March, 2017
a)		Banks - Repayment of Principal and Interest:		
	i)	Allahabad Bank	Various dates from June, 2015 to March, 2017	8,144.39
	ii)	Bank of India	Various dates from June, 2015 to March, 2017	41,688.48
	iii)	Bank of Maharashtra	Various dates from June, 2015 to March, 2017	11,751.37
	iv)	Central Bank of India	Various dates from June, 2015 to March, 2017	12,137.18
	v)	Canara Bank	Various dates from June, 2015 to March, 2017	13,890.26
	vi)	Corporation Bank	Various dates from June, 2015 to March, 2017	18,998.58
	vii)	Dena bank	Various dates from May, 2015 to March, 2017	18,126.36
	viii)	ICICI Bank	Various dates from June, 2015 to March, 2017	27,167.71
	ix)	IDBI Bank	Various dates from June, 2015 to March, 2017	39,925.80
	x)	Indian Bank	Various dates from June, 2015 to March, 2017	24,699.16
	xi)	Indusind Bank	Various dates from June, 2015 to March, 2017	847.32
	xii)	State Bank of Hyderabad	Various dates from June, 2015 to March, 2017	26,071.13
	xiii)	State Bank of India	Various dates from June, 2015 to March, 2017	95,152.14
	xiv)	South Indian Bank	Various dates from June, 2015 to March, 2017	14,171.76
	xv)	Syndicate bank	Various dates from June, 2015 to March, 2017	8,329.18
	xvi)	Union Bank of India	Various dates from June, 2015 to March, 2017	18,877.07
	xvii)	UCO bank	Various dates from June, 2015 to March, 2017	19,392.97
	xviii)	Vijaya bank	Various dates from June, 2015 to March, 2017	13,836.88
	xix)	Standard Chartered Bank	Various dates from April, 2014 to March, 2017	21,349.99
	xx)	DBS Bank	Various dates from April, 2014 to March, 2017	13,072.12
	xxi)	EXIM bank	Various dates from June, 2015 to March, 2017	16,703.81
	xxii)	DBS bank (ECB Loan)	Various dates from September, 2014 to March, 2017	5,335.00
b)		Financial Institutions - Repayment of Principal:		
	i)	TATA Capital Financial Services Limited	Various dates from June, 2015 to March, 2017	1,998.99
	ii)	Mahindra & Mahindra Financial Services Limited	Various dates from June, 2015 to March, 2017	558.07
	iii)	Reliance Capital Limited	Various dates from June, 2015 to March, 2017	229.00
c)		Debenture holders - Payment of Principal and Interest	Various Dates from January, 2016 to March,2017	2,456.00

9) According to the information and explanations given to us and on the basis of examination of the relevant records, prima facie, it appears that the term loans are applied for the purpose for which they are obtained.

10) According to information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.

13) According to the information and explanations given to us and on the basis of our examination of relevant records of the Company, we report that all transactions with the related parties are in compliance with section 177 and 188 of the Act, and the details have been disclosed in the financial statements etc., as required by the applicable accounting standard.

14) As per the information and explanations given to us and based on our examination of relevant records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

15) As per the information and explanations given to us and based on our examination of relevant records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.

16) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants
Firm's Registration Number: 117247W

KOMAL SEVAK
Partner
Membership Number: 143685

Place: Mumbai
Date: 30th May, 2017

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JYOTI STRUCTURES LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

We have audited the internal financial controls over financial reporting of Jyoti Structures Limited ('the Company') as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

QUALIFIED OPINION

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2017:

a) The Company is not having a full-fledged ERP system to manage different operational activities. Accordingly, many of the operations, which would have been taken care by the system, require manual intervention and to that extent there are limitations in control system and processes.

b) The Company needs to strengthen controls to ensure correct and complete accounting by conducting reconciliations between SAP postings and physical documents as well as entries posted vis-à-vis trackers maintained.

The discrepancies noticed due to the above weaknesses, were, however, rectified by the year end with manual intervention.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/ possible effects of material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2017 standalone financial statements of the Company, and these material weaknesses can affect our opinion on the standalone financial statements of the Company.

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants
Firm Registration No.117247W

KOMAL SEVAK
Partner
Membership No. 143685

Place: Mumbai
Date: 30th May, 2017

BALANCE SHEET AS AT 31ST MARCH 2017

			Note	As at 31/Mar/2017 ₹ in Lacs	As at 31/Mar/2016 ₹ in Lacs	As at 1/Apr/2015 ₹ in Lacs
ASSETS						
1)	**NON CURRENT ASSETS**					
	a)	Property, Plant and Equipment	1	**10,771.93**	15,361.04	18,983.69
	b)	Capital Work-in-Progress		**36.15**	31.88	14.68
	c)	Goodwill	1.1	**-**	-	-
	d)	Other Intangible Assets	1.1	**508.96**	792.15	1,054.18
	e)	Investment in Subsidiaries and Joint Venture	2	**2,314.81**	8,632.60	8,632.60
				13,631.85	24,817.67	28,685.15
	f)	Financial Assets				
		i) Investment	3	**43.13**	37.21	37.60
		ii) Trade Receivables	4	**35,078.41**	38,385.99	31,774.92
		iii) Other Financial Assets	5	**576.36**	617.91	655.72
				35,697.90	39,041.11	32,468.24
	h)	Other Non-current Assets	6	**-**	-	5.93
	TOTAL NON CURRENT ASSETS			**49,329.75**	63,858.78	61,159.32
2)	**CURRENT ASSETS**					
	a)	Inventories	7	**10,997.95**	20,506.18	24,928.82
	b)	Financial Assets				
		i) Trade Receivables	8	**3,98,091.24**	4,19,745.96	3,30,240.14
		ii) Cash and Cash Equivalents	9	**2,515.06**	2,480.52	6,038.19
		iii) Bank Balances other than (ii) above	10	**713.83**	1,170.75	969.09
		iv) Other Current Financial Assets	11	**58,076.01**	52,898.21	38,830.69
				4,59,396.14	4,76,295.44	3,76,078.11
	c)	Other Current Assets	12	**26,857.55**	37,254.51	50,870.72
	TOTAL CURRENT ASSETS			**4,97,251.64**	5,34,056.13	4,51,877.65
TOTAL				**5,46,581.39**	5,97,914.91	5,13,036.97
EQUITY AND LIABILITIES						
1)	**EQUITY**					
	a)	Equity Share Capital	13	**2,190.55**	2,190.55	2,190.55
	b)	Other Equity	14	**-1,40,572.03**	8,284.46	59,995.93
	TOTAL EQUITY			**-1,38,381.48**	10,475.01	62,186.48
2)	**LIABILITIES**					
A	NON CURRENT LIABILITIES					
	a)	FINANCIAL LIABILITIES				
		i) Long Term Borrowings	15	**2,907.57**	66,404.94	130,284.28
		ii) Other Financial Liabilities	16	**113.61**	10,970.17	10,604.75
				3,021.18	77,375.11	140,889.03
	b)	Other Non-Current liabilities	17	**-**	2,471.62	9,104.28
	c)	Long Term Provisions	18	**1,320.55**	1,208.21	936.62
	d)	Deferred Tax Liabilities (Net)	19	**33.37**	12.93	12.93
	TOTAL NON CURRENT LIABILITIES			**4,375.10**	81,067.87	1,50,942.86
B	CURRENT LIABILITIES					
	a)	Financial Liabilities				
		i) Short Term Borrowings	20	**3,20,758.21**	2,97,145.18	87,620.12
		ii) Trade Payables	21	**42,050.62**	44,840.73	128,923.41
		iii) Other Current Financial Liabilities	22	**2,11,237.48**	1,26,959.07	50,723.46
				5,74,046.31	4,68,944.98	2,67,266.99
	b)	Other Current Liabilities	23	**1,05,962.13**	36,041.82	30,857.94
	c)	Short Term Provisions	24	**579.33**	446.33	294.46
	d)	Current tax liabilities (Net)	25	**-**	938.90	1,488.24
	TOTAL CURRENT LIABILITIES			**6,80,587.77**	5,06,372.03	2,99,907.63
TOTAL				**5,46,581.39**	5,97,914.91	5,13,036.97
Significant Accounting Policies			36			
Other Notes to Financial Statements			37			

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached
For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number 143685
Mumbai; 30th May, 2017

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director
DIN: 00001270

S. D. KSHIRSAGAR
Chairman
DIN: 00001266

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

		Note	YEAR Ended 31/Mar/2017 ₹ in Lacs	Year Ended 31/Mar/2016 ₹ in Lacs
CONTINUING OPERATIONS				
I	**INCOME**			
	Revenue from Operations (Gross)	26	**85,589.66**	251,344.28
	Other Income	27	**1,939.17**	7,964.72
	Total Revenue		**87,528.83**	259,309.00
II	EXPENSES			
	Cost of Materials Consumed	28	**46,716.39**	1,75,710.38
	Excise Duty Paid	29	**624.37**	2,100.84
	Erection and Sub-contracting Expense	30	**31,121.41**	33,167.06
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	31	**8,725.07**	2,816.79
	Employee Benefits Expense	32	**10,407.31**	10,317.23
	Finance Costs	33	**84,207.93**	57,244.41
	Depreciation and Amortization Expense (Net)	34	**5,079.48**	5,294.73
	Other Expenses	35	**48,925.75**	22,687.05
	TOTAL EXPENSES		**2,35,807.71**	3,09,338.49
III	**Profit/(Loss) Before Tax (I-II)**		**-1,48,278.88**	-50,029.49
IV	**Tax Expense:**			
	Current Tax		**-**	53.98
	Deferred Tax (Net)		**-4.24**	-
			-4.24	53.98
V	Profit/(Loss) for the year (III-IV)		**-1,48,274.64**	-50,083.47
VI	Other Comprehensive income			
	A. Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		**-31.23**	205.04
	B. Items that will be reclassified to profit or loss			
	Remeasurement of MF Investment at fair value		**5.92**	-0.39
	Exchange (Loss)/Gain in translating the financial statements of foreign operations		**-256.72**	-1,259.07
	NPV of Deferred Liability		**8.29**	-13.22
			-211.28	-1,477.72
VII	**Total Comprehensive Income**		**-1,48,485.92**	-51,561.19
VI	Earnings Per Equity Share (In rupees)			
	[Nominal value of share ₹ 2]			
	1) Basic		**-135.38**	-45.73
	2) Diluted		**-135.38**	-45.73
	Significant Accounting Policies	36		
	Other Notes to Financial Statements	37		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number 143685
Mumbai; 30th May, 2017

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director
DIN: 00001270

S. D. KSHIRSAGAR
Chairman
DIN: 00001266

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

				Year Ended 31/Mar/2017 ₹ In Lacs	Year Ended 31/Mar/2016 ₹ In Lacs
I	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) Before Taxes		[A]	**-148,278.87**	-50,029.49
	ADJUSTMENTS FOR				
	i) Depreciation and Amortisation			**5,079.48**	5,294.73
	ii) Impairment of Investments			**6,500.65**	-
	iii) Interest Expense			**82,484.63**	54,415.95
	iv) (Gain)/Loss on Sale of Property, Plant and Equipment (Net)			**6.05**	-29.19
	v) Amortisation of Borrowings			**1,060.59**	1,366.82
	vi) Interest Received			**-1,836.87**	-2,679.50
	vii) Employee Compensation Expense - ESOS			**-**	7.03
	viii) Remeasurements of the defined benefit plans			**31.23**	-205.04
	ix) Exchange (Loss)/Gain in translating the financial statements of foreign operations			**-256.72**	-1,259.07
			[B]	**93,069.04**	56,911.73
	Operating Profit before Working Capital changes		[A+B] = [C]	**-55,209.83**	6,882.24
	ADJUSTMENTS FOR				
	i) Inventories			**9,508.23**	4,422.63
	ii) Trade Receivable & Other Receivable, financial assets, Other Current Assets			**16,667.80**	-85,930.88
	iii) Current Liabilities and Provisions			**56,416.31**	-83,748.29
			[D]	**82,592.34**	-165,256.54
	Cash Generated from Operations		[C+D] = [E]	**27,382.51**	-158,374.30
	i) Direct Taxes Paid (Net)			**-1,284.79**	-759.82
			[F]	**-1,284.79**	-759.82
	Net Cash (used in) / from Operating Activities	[I]	[E+F] = [G]	**26,097.72**	-159,134.12
II	**CASH FLOW FROM INVESTING ACTIVITIES**				
	i) Proceeds from Sale of Property, Plant and Equipment			**43.77**	57.82
	ii) Purchase of Property, Plant and Equipment [After adjustment of (Increase)/ Decrease in Capital Work-in-Progress]			**-261.26**	-1,455.88
	iii) Investment in a Subsidiary Company			**-182.87**	-
	iv) Interest Received			**1,836.87**	2,679.50
	v) Net Advances to Subsidiary Companies			**265.64**	-2,234.73
	vi) Net Advances to Companies other than Subsidiary Companies			**13,746.49**	-8,560.50
	Net Cash (used in) / from Investing Activities	[II]		**15,448.64**	-9,513.79
III	**CASH FLOW FROM FINANCING ACTIVITIES**				
	i) Proceeds from Issue of Equity Share (inclusive of Share Premium and after considering ESOS allotted to employees)			**-**	-0.82
	ii) Repayment of Non convertible Debentures			**-2.00**	-
	iii) Proceeds from Long Term Borrowings			**19,729.33**	16,701.96
	iv) Repayment of Long Term Borrowings			**-2,353.58**	-6,628.47
	v) Repayment of Asset Finance from Banks			**-9.43**	-22.86
	vi) Proceeds from Asset Finance from Financiers			**4.50**	-

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

			Year Ended 31/Mar/2017 ₹ In Lacs	Year Ended 31/Mar/2016 ₹ In Lacs
vii)	Net Increase/(Decrease) in Interest Free Sales Tax Deferral Loan		-	-14.25
viii)	Proceeds from Short Term Borrowings from banks		16,413.24	88,532.30
ix)	Dividend Distribution Tax Paid on Preference Share		-5.09	-
x)	Dividends on Pref Share Capital		-	-50.00
xi)	Dividend and Dividend Distribution Tax for earlier year		-3.95	-4.43
xii)	Interest Expense		-82,484.63	-54,415.95
Net Cash (used in) / from Financing Activities [III]			-48,711.61	44,097.48
Net Increase/(Decrease) in Cash and Cash Equivalents		[I + II + III]	-7,165.25	-124,550.43
Cash and Cash Equivalents at the beginning of the year			-201,287.43	-76,737.01
Cash and Cash Equivalents at the end of the year *			-208,452.68	-201,287.44

* Cash and Cash Equivalents comprise of :

Particulars			Year Ended 31/Mar/2017 ₹ In Lacs	Year Ended 31/Mar/2016 ₹ In Lacs
a)	Balances with Banks		2,182.40	2,406.23
b)	Fixed Deposit with original maturity for less than 3 months		310.00	-
c)	Cash On Hand		22.67	74.29
		Sub Total (A)	2,515.07	2,480.52
d)	Short Term Borrowings (Refer Note No. 20)		-320,758.21	-297,145.18
	Less: Loans other than Overdraft and Cash Credit		-109,790.46	-93,377.22
		Sub Total (B)	-210,967.75	-203,767.96
		Total (A+B)	-208,452.68	-201,287.44

As per our report attached
For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number 143685
Mumbai; 30th May, 2017

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director
DIN: 00001270

S. D. KSHIRSAGAR
Chairman
DIN: 00001266

1. The Statement of cash flow is prepared in accordance with the format prescribed as per Ind-AS 7
2. “Other non-cash items” includes excess provision written back, diminution of value of investment, materials written off and miscellaneous adjustments not affecting Cash Flow.
3. In Part-I of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-II and Part-III, figures in brackets indicate cash outflows.

STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2017

A. EQUITY SHARE CAPITAL (₹ in lacs)

	Amount
As at 1st April, 2015	2,190.55
Changes in Equity –	-
As at 31st March, 2016	2,190.55
Changes in Equity –	-
As at 31st March, 2017	2,190.55

B. OTHER EQUITY (₹ in lacs)

	Reserves & Surplus								Other Reserve		Total Equity	Others (Share Application Money)	Total
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Employee Stock Option Outstanding	Fixed Deposit Redemption Reserve	Retained Earnings	Currency Fluctuation Reserve	Equity instruments through Other Comprehensive Income			
Balance as at 1st April, 2015	**6.06**	**27,653.82**	**300.00**	**1,243.50**	**16,606.64**	**334.72**	**-**	**13,850.38**	**-**	**-**	**59,995.12**	**0.82**	**59,995.94**
Profit for the year	-	-	-	-	-	-	-	-50,083.47	-	-	-50,083.47	-	-50,083.47
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-1,477.72	-	-	-1,477.72	-	-1,477.72
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**		**-51,561.19**	**-**	**-**	**-51,561.19**	**-**	**-51,561.19**
(Excess)/Short Provision of Taxes for earlier year	-	-	-	-	-	-	-	-156.50	-	-	-156.50	-	-156.50
Addition / (Deletion) during the year	-	-	-	-	-	-	-	-	-	-	-	-0.82	-0.82
Share Issue Expenses	-	-	-	-	-	7.03	-	-	-	-	7.03	-	7.03
Balance as at 31st March, 2016	**6.06**	**27,653.82**	**300.00**	**1,243.50**	**16,606.64**	**341.75**	**-**	**-37,867.31**	**-**	**-**	**8,284.46**	**-**	**8,284.46**
	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-148,274.64	-	-	-148,274.64	-	-148,274.64
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-211.29	-	-	-211.29	-	-211.29
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-148,485.93**	**-**	**-**	**-148,485.93**	**-**	**-148,485.93**
(Excess)/Short Provision of Taxes for earlier year	-	-	-	-	-	-	-	-370.56	-	-	-370.56	-	-370.56
Transfer to Fixed deposit redemption reserve	-	-	-	-	-128.66	-	128.66	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	341.75	-341.75	-	-	-	-	-	-	-
Balance as at 31st March, 2017	**6.06**	**27,653.82**	**300.00**	**1,243.50**	**16,819.73**	**-**	**128.66**	**-186,723.80**	**-**	**-**	**-140,572.03**	**-**	**-140,572.03**

As per our report attached
For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number 143685
Mumbai; 30th May, 2017

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director
DIN: 00001270

S. D. KSHIRSAGAR
Chairman
DIN: 00001266

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Property, Plant and Equipment

(₹ in lacs)

1	Tangible assets	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Tools and Tackles	Furniture & Fixtures	Computer and Office Equipments	Vehicles	31 March 2017
Gross Carrying Value										
	As at 1 April 2015	112.02	223.70	2,893.75	20,041.90	7,613.09	748.49	1,772.54	6,281.38	39,686.87
	Additions	-	-	-	184.46	952.07	12.32	168.60	95.47	1,412.92
	Disposals	-	-	-	38.79	8.93	77.04	119.69	137.39	381.84
	As at 31 March 2016	112.02	223.70	2,893.75	20,187.57	8,556.23	683.77	1,821.45	6,239.46	40,717.95
	Additions	-	-	-	55.65	150.21	1.46	49.68	-	257.00
	Disposals	-	-	-	98.03	20.11	5.69	90.47	56.80	271.10
	As at 31 March 2017	112.02	223.70	2,893.75	20,145.19	8,686.33	679.54	1,780.66	6,182.66	40,703.85
Accumulated Depreciation										-
	As at 1 April 2015	-	24.45	890.45	11,440.40	3,612.72	534.27	1,411.52	2,789.37	20,703.18
	Charge for the year	-	3.79	75.72	1,750.90	2,208.07	48.84	151.80	767.82	5,006.94
	Disposals	-	-	-	38.28	8.93	77.04	118.55	110.41	353.21
	As at 31 March 2016	-	28.24	966.17	13,153.02	5,811.86	506.07	1,444.77	3,446.78	25,356.91
	Charge for the year	-	3.79	75.72	1,573.53	2,245.20	48.43	141.47	708.15	4,796.29
	Disposals	-	-	-	75.45	20.11	5.19	89.43	31.10	221.28
	As at 31 March 2017	-	32.03	1,041.89	14,651.10	8,036.95	549.31	1,496.81	4,123.83	29,931.92
Net Block										-
	As at 31 March 2016	112.02	195.46	1,927.58	7,034.55	2,744.37	177.70	376.68	2,792.68	15,361.04
	As at 31 March 2017	112.02	191.67	1,851.86	5,494.09	649.38	130.23	283.85	2,058.83	10,771.93

1.1	Intangible assets	Software	Goodwill on amalgamation	31 March 2017
Gross Carrying Value				
	As at 1 April 2015	2,201.24	301.12	2,502.36
	Additions	25.76	-	25.76
	Disposals	-	-	-
	As at 31 March 2016	2,227.00	301.12	2,528.12
	Additions	-	-	-
	Disposals	-	-	-
	As at 31 March 2017	2,227.00	301.12	2,528.12
Accumulated Depreciation				
	As at 1 April 2015	1,147.06	301.12	1,448.18
	Charge for the year	287.79	-	287.79
	Disposals	-	-	-
	As at 31 March 2016	1,434.85	301.12	1,735.97
	Charge for the year	283.19	-	283.19
	Disposals	-	-	-
	As at 31 March 2017	1,718.04	301.12	2,019.16
Net Block				
	As at 31 March 2016	792.15	-	792.15
	As at 31 March 2017	508.96	-	508.96

Note:

1 For assets given as security refer Standalone Balance Sheet Note No 15.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2. INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE	Subsidiary / Associate / Joint Venture	Face Value	No. of Shares / Units			Amount		
			31/Mar/2017	31/Mar/2016	1/Apr/2015	31/Mar/2017	31/Mar/2016	1/Apr/2015
			Nos	Nos	Nos	₹ in Lacs	₹ in Lacs	₹ in Lacs
Investment in Equity Instruments								
Unquoted, Fully paid-up - At Cost								
JSL Corporate Services Ltd. - Eq. Shares	Subsidiary	₹ 10 Each	**35,00,000**	35,00,000	35,00,000	**350.00**	350.00	350.00
Jyoti Energy Ltd. - Eq. Shares	Subsidiary	₹ 10 Each	**50,000.00**	50,000.00	50,000.00	**5.00**	5.00	5.00
Jyoti Structures Africa (pty.) Ltd. - Eq. Shares *	Subsidiary	Rand 1 Each	**70.00**	70.00	70.00	**-**	-	-
Jyoti International Inc. - Eq. Shares	Subsidiary	$ 0.01 Each	**100.00**	100.00	100.00	**6,000.65**	6,000.65	6,000.65
Less: Diminution of Investment #	Subsidiary					**-6,000.65**	-	-
Jyoti Structures FZE. - Eq Shares	Subsidiary	AED 10,00,000 Each	**2.00**	2.00	1.00	**317.04**	134.18	134.18
Gulf Jyoti International LLC - Eq. Shares	Joint Venture	AED 1000 Each	**12,930.00**	12,930.00	12,930.00	**1,642.77**	1,642.77	1,642.77
Lauren Jyoti Pvt Ltd. - Eq Shares	Joint Venture	₹ 10 Each	**50,00,000**	50,00,000	50,00,000	**500.00**	500.00	500.00
Less: Diminution of Investment ** #	Joint Venture					**-500.00**	-	-
						2,314.81	8,632.60	8,632.60

* Investment at the end of the year in Jyoti Structures Africa (Pty) Ltd. is ₹ 419/- (P.Y. ₹ 419/-)

** Provision for diminution of investment in Lauren Jyoti Pvt. Ltd. during the year is ₹ 4,99,99,900/-

Book value of Unquoted Investments is ₹ 2,314.81 Lacs (P.Y. ₹ 8,632.60 Lacs)

3. NON-CURRENT FINANCIAL ASSET - INVESTMENT	Others / Mutual Funds	Face Value	No. of Shares / Units			Amount		
			31/Mar/2017	31/Mar/2016	1/Apr/2015	31/Mar/2017	31/Mar/2016	1/Apr/2015
			Nos	Nos	Nos	₹ in Lacs	₹ in Lacs	₹ in Lacs
Investment in Equity Instruments								
Unquoted, Fully paid-up - At Cost								
Jankalyan Sahakari Bank Ltd. - Eq. Shares	Other	₹ 10 Each	**49,955.00**	49,955.00	49,955.00	5.00	5.00	5.00
						5.00	5.00	5.00
Investment in mutual fund								
Quoted, Fully paid-up - At fair value through other comprehensive income								
SBI Blue Chip Fund	Mutual Fund	₹ 10 Each	**20,000**	20,000	20,000	6.71	5.59	5.68
SBI Infrastructure Fund	Mutual Fund	₹ 10 Each	**50,000**	50,000	50,000	6.82	5.31	5.89
SBI Magnum Equity Fund	Mutual Fund	₹ 10 Each	**12,136**	12,136	12,136	10.44	8.83	9.15
UTI Bond Fund	Mutual Fund	₹ 10 Each	**28,352**	28,352	28,352	14.16	12.48	11.88
						38.13	32.21	32.60
TOTAL						43.13	37.21	37.60

Book value of Unquoted Investments is ₹ 5.00 Lacs (P.Y. ₹ 5.00 Lacs)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

4	NON CURRENT TRADE RECEIVABLES	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Unsecured, considered good			
	Trade Receivables	**35,078.41**	38,385.99	31,774.92
	TOTAL	**35,078.41**	38,385.99	31,774.92

5	OTHER NON CURRENT FINANCIAL ASSETS	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Unsecured and considered good			
	a) Security and Other Deposits	**547.43**	585.39	613.74
	b) Other Loans and Advances			
	Loans to Employees	**28.93**	32.52	41.98
	TOTAL	**576.36**	617.91	655.72

6	OTHER NON CURRENT ASSETS	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Unsecured and considered good			
	Capital Advances	**-**	-	5.93
	TOTAL	**-**	-	5.93

7	INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	a) Raw Materials			
	i) In Stock	**763.52**	1,062.62	1,764.49
	ii) In Transit	**-**	-	150.86
	b) Construction Materials at Site	**848.47**	1,257.58	1,984.29
	c) Semi Finished Goods	**296.88**	548.40	234.18
	d) Work-in-Progress	**7,960.59**	14,448.11	15,031.41
	e) Finished Goods	**891.24**	2,850.80	5,437.14
	f) Stores and Consumables	**191.23**	266.18	292.59
	g) Scrap	**46.02**	72.49	33.86
	TOTAL	**10,997.95**	20,506.18	24,928.82

8	TRADE RECEIVABLES	31/Mar/2017	31/Mar/2016	1/Apr/2015
	Unsecured, considered good	₹ in Lacs	₹ in Lacs	₹ in Lacs
	a) Trade Receivables (overdue more than six months)	**351,636.94**	355,103.15	184,676.23
	b) Other Trade Receivables	**46,454.30**	64,642.81	145,563.91
	TOTAL	**398,091.24**	419,745.96	330,240.14

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

9	CASH AND BANK BALANCES	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Cash and Cash Equivalents			
a)	Balances with Banks	**2,182.39**	2,406.23	5,274.95
b)	Fixed Deposit with original maturity for less than 3 months	**310.00**	-	700.00
c)	Cash On Hand	**22.67**	74.29	63.24
	TOTAL	**2,515.06**	2,480.52	6,038.19

10	BANK BALANCES OTHER THAN ABOVE	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Margin money with bank	**693.02**	1,145.99	939.91
b)	Unpaid Dividend Bank Balance *	**20.81**	24.76	29.18
	TOTAL	**713.83**	1,170.75	969.09

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2017. These amount shall be paid to the fund as an when they became due.

11	OTHER CURRENT FINANCIAL ASSETS	31/Mar/2017	31/Mar/2016	1/Apr/2015
	Unsecured and considered good	₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Loan and Advances to Related Parties [Note No. 37 (17)]	**30,922.62**	44,934.75	34,139.52
b)	Other Loans and Advances			
i)	Loans to Employees	**5.93**	7.72	9.10
ii)	Sundry Deposits	**264.58**	270.11	264.57
iii)	Claim Receivables	**14,839.46**	1,834.22	2,128.27
iv)	Interest Receivable	**10,494.28**	4,034.96	108.69
v)	Expenses Receivable and Other Advances	**1,549.14**	1,816.45	2,180.54
	TOTAL	**58,076.01**	52,898.21	38,830.69

12	OTHER CURRENT ASSETS	31/Mar/2017	31/Mar/2016	1/Apr/2015
	Unsecured and considered good	₹ in Lacs	₹ in Lacs	₹ in Lacs
i)	Prepaid Expenses	**1,804.88**	4,206.98	9,748.35
ii)	Balances With Statutory/Government Authorities	**10,552.67**	12,329.77	13,540.63
iii)	Advances to Supplier	**8,738.44**	13,754.50	14,659.25
iv)	Interest accrued but not due on ICD / Fixed Deposits	**519.81**	513.52	403.57
v)	Revenue accrued but not due	**5,241.75**	6,449.74	12,518.92
	TOTAL	**26,857.55**	37,254.51	50,870.72

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

13	SHARE CAPITAL		31/Mar/2017		31/Mar/2016		1/Apr/2015	
			Number	**₹ in Lacs**	**Number**	₹ in Lacs	Number	₹ in Lacs
	Authorised :							
	Equity Shares of ₹ 2/- each		**300,000,000**	**6,000.00**	**300,000,000**	6,000.00	175,000,000	3,500.00
			300,000,000	**6,000.00**	**300,000,000**	6,000.00	175,000,000	3,500.00
	Issued :							
	Equity Shares of ₹ 2/- each		**109,542,970**	**2,190.86**	**109,542,970**	2,190.86	109,542,970	2,190.86
			109,542,970	**2,190.86**	**109,542,970**	2,190.86	109,542,970	2,190.86
	Subscribed and Paid-up :							
	Equity Shares of ₹ 2/- each fully paid up		**109,527,710**	**2,190.55**	**109,527,710**	2,190.55	109,527,710	2,190.55
	TOTAL		**109,527,710**	**2,190.55**	**109,527,710**	2,190.55	109,527,710	2,190.55
a)	Movements in equity share capital							
	Equity Shares		**31/Mar/2017**		31/Mar/2016		1/Apr/2015	
			Number	**₹ in Lacs**	Number	₹ in Lacs	Number	₹ in Lacs
	At the beginning of the period		**109,527,710**	**2,190.55**	109,527,710	2,190.55	109,527,710	2,190.55
	Issued during the period - ESOS		**-**	**-**	-	-	-	-
	Issued during the period - QIP		**-**	**-**	-	-	-	-
	Outstanding at the end of the period		**109,527,710**	**2,190.55**	109,527,710	2,190.55	109,527,710	2,190.55
b)	Names of Equity shareholders holding more than 5 % shares							
			Number	**%**	Number	%	Number	%
	1)	IDFC Sterling Equity Fund	**-**		-		7,675,914	7.01%
	2)	HDFC Trustee Company Ltd. - HDFC Children Gift Fund - Investment Fund (Equity Shares)	**8,897,200**	**8.12%**	8,897,200	8.12%	-	
	3)	Surya India Fingrowth Pvt. Ltd.	**5,860,320**	**5.35%**	5,860,320	5.35%	5,860,320	5.35%
c)	Shares reserved for issue under options							
	Employee Stock Options Scheme (ESOS)							
	1)	Under ESOS 2005, eligible employee on grant of option & on vesting shall be entitled to apply for five equity shares of ₹ 2/- each at an exercise price of ₹ 17/- per equity share for each option.	**-**		519,750		519,750	
	2)	Under ESOS 2011, eligible employee on grant of option & on vesting shall be entitled to apply for equity shares of ₹ 2/- each at an exercise price of ₹ 25/- per equity share for each option.	**-**		2,500,000		2,500,000	
d)	The Company has equity shares having a par value of ₹ 2/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.							

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

14. OTHER EQUITY

(₹ in lakhs)

	Reserves & Surplus								Total Reserve	Others (Share Application Money)	Total Equity
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Employee Stock Option Outstanding	Fixed Deposit Redemption Reserve	Retained Earnings			
Balance as at 1st April, 2015	6.06	27,653.82	300.00	1,243.50	16,606.64	334.72	-	13,850.38	59,995.12	0.82	59,995.94
Profit for the year	-	-	-	-	-	-	-	-50,083.47	-50,083.47	-	-50,083.47
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-1,477.72	-1,477.72	-	-1,477.72
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-51,561.19**	**-51,561.19**	**-**	**-51,561.19**
(Excess)/Short Provision of Taxes for earlier year	-	-	-	-	-	-	-	-156.50	-156.50	-	-156.50
Transfer to Equity Share Capital	-	-	-	-	-	-	-	-	-	-0.82	-0.82
Share Issue Expenses	-	-	-	-	-	7.03	-	-	7.03	-	7.03
Balance as at 31st March, 2016	**6.06**	**27,653.82**	**300.00**	**1,243.50**	**16,606.64**	**341.75**	**-**	**-37,867.31**	**8,284.46**	**-**	**8,284.46**
Profit for the year	-	-	-	-	-	-	-	-1,48,274.64	-1,48,274.64	-	-1,48,274.64
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-211.29	-211.29	-	-211.29
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1,48,485.93**	**-1,48,485.93**	**-**	**-1,48,485.93**
(Excess)/Short Provision of Taxes for earlier year	-	-	-	-	-	-	-	-370.56	-370.56	-	-370.56
Transfer to Fixed deposit redemption reserve	-	-	-	-	-128.66	-	128.66	-	-	-	-
Transfer to general reserve	-	-	-	-	341.75	-341.75	-	-	-	-	-
Balance as at 31st March, 2017	**6.06**	**27,653.82**	**300.00**	**1,243.50**	**16,819.73**	**-**	**128.66**	**-186,723.80**	**-140,572.03**	**-**	**-1,40,572.03**

Nature of Reserve

Capital Reserve

Capital reserve is utilised in accordance with provision of the Act.

Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. These reserve is utilised in accordance with the provisions of the Act.

Capital Redemption Reserve

Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

Debenture Redemption Reserve

The company is required to create a debenture redemption reserve out profit of the which is available for the purpose of redemption of debentures.

General Reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes.

Fixed Deposit Redemption Reserve

The company is required to create a fixed deposit redemption reserve out general reserve of the which is available for the purpose of redemption of fixed deposit.

Employee Stock Option Outstanding

The value of the share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

15	FINANCIAL LIABILITIES - LONG TERM BORROWINGS		Non- Current			Current		
			31/ Mar/2017	31/ Mar/2016	1/Apr/2015	31/ Mar/2017	31/ Mar/2016	1/Apr/2015
			₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	Secured Loans							
		Non Convertible Debenture	2,907.57	3,286.32	3,890.65	2,044.99	1,646.26	1,020.00
		Term Loan						
		From Bank	-	59,432.78	122,464.56	195,405.15	117,797.28	37,311.05
		From Other	-	206.49	431.52	533.97	322.98	97.95
	TOTAL - A		2,907.57	62,925.59	126,786.73	197,984.11	119,766.52	38,429.00
	Unsecured Loans							
		Redeemable Preference Shares	-	3,479.35	3,157.43	3,834.09	-	-
		From Other						
		Others	-	-	-	265.62	375.63	1,224.27
		Deposits	-	-	340.12	857.76	872.65	6,064.75
	TOTAL - B		-	3,479.35	3,497.55	4,957.47	1,248.28	7,289.02
	Amount disclosed under the head “Other Current Financial Liabilities” (Note No. 22) (Refer a)					-202,941.58	-121,014.80	-45,718.02
	TOTAL - A + B		2,907.57	66,404.94	130,284.28	-	-	-

Nature of Securities for Secured Loan

Non-Convertible Debenture

a) ₹ 4,952.55 Lacs (P.Y. ₹ 4,932.58 Lacs) Secured by Mortgage over identified immovable property of the subsidiary company; Subservient charge on all moveable and immoveable properties of the company;

Term Loan

a) ₹ 4,673.34 Lacs (P.Y. ₹ 4,772.41 Lacs) Secured by i) first pari passu charge by hypothecation of moveable assets of the company and first pari passu charge on company’s immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurgh (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. ii) second charge on current assets of the company and iii) exclusive charge on specific machinery and equipments;

b) ₹ 1,57,104.58 Lacs (P.Y. ₹ 1,59,103.79 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

c) ₹ 1,315.09 Lacs (P.Y. ₹ 1,315.09 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

d) ₹ 23.21 Lacs (P.Y. ₹ 23.21 Lacs) Secured by hypothecation on specific Plant & Machinery.

e) ₹ 141.68 Lacs (P.Y. ₹ 141.68 Lacs) Primary Security : Secured by specific first charge on specific Plant & Machinery. Secondary Security : Secured by second charge on all fixed assets of the company present and future.

f) ₹ 10,960.00 Lacs (P.Y. ₹ 10,960.00 Lacs) (I) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims . (II) Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

g) ₹ 597.78 Lacs (P.Y. ₹ 593.28 Lacs) Secured by hypothecation on specific Plant & Machinery.

h) ₹ 1,300.00 Lacs (P.Y. ₹ 1,300.00 Lacs) Primary Security : Secured by specific first charge on specific Plant & Machinery. Secondary Security : Secured by second charge on all fixed assets of the company present and future.

i) ₹ 1,080.00 Lacs (P.Y. ₹ 1,080.00 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

j) ₹ 24.10 Lacs (PY. ₹ 155.23 Lacs) Secured by hypothecation of vehicles.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

k) The Company has preference shares having a par value of ₹ 100/- each. These shares carry dividend @ 1%. In the event of liquidation, the preference shareholders will have preference in repayment over equity shareholders.

l) Preference share will be redeemed at a premium

m) Names of preference shareholders holding more than 5 % shares

			Amount	Percentage
1)	Amtek India Limited		4,00,000	16.00%
2)	Amtek Auto Limited		4,50,000	18.00%
3)	Aarken Advisors Private Limited		4,50,000	18.00%
4)	Aryahi Buildwell Private Limited		4,75,000	19.00%
5)	Vishwas Marketing Services Private Limited		3,50,000	14.00%
6)	Mukund Motorparts Private Limited		3,75,000	15.00%
n)	The Company has defaulted in repayment of loans and interest in respect of the following:			
	Particulars	Period of Default	Principle ₹ in Lacs	Interest ₹ in Lacs
	Loan from Banks (Joint Lending Forum):	Various dates from May'15 to March'17	3,27,432.94	1,05,264.66
	Loan from Banks (Other than Joint Lending Forum):	Various dates from April'14 to March'17	19,845.57	14,576.54
	Non Convertible Debentures (NCD):	(Principle)From January'16 to March'17 Various dates from June'15 to March'17	1,408.00	1,048.00
	External Commercial Borrowings (ECB Loan):	Various dates from September'14 to March'17	4,673.00	662.00

	Maturity Profile 1-2 Years
Redemption of Secured Non Convertible Debentures are as below :	
7.00 % Debentures	2,700.00
14.00 % Debentures	207.57

16	OTHER FINANCIAL LIABILITIES	**31/Mar/2017**	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Trade Payables # *			
	a) Total outstanding dues of Micro, Small and Medium Enterprises	**-**	-	-
	b) Total outstanding dues of Creditors Other than MSME	**-**	10,819.29	10,439.35
	Others			
	a) Deferred Payment Liabilities	**113.61**	150.88	165.40
	TOTAL	**113.61**	**10,970.17**	**10,604.75**

#Amount payable beyond one year

* (Refer Note No. 37 (27) for details of due to Micro, Small and Medium Enterprises)

17	OTHER NON-CURRENT LIABILITIES	**31/Mar/2017**	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Advances received from Customers	**-**	2,471.62	9,104.28
	TOTAL	**-**	**2,471.62**	**9,104.28**

18	LONG TERM PROVISIONS	**31/Mar/2017**	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Provision for Gratuity	**697.50**	707.17	631.77
	Provision for Compensated Absences	**623.05**	501.04	304.85
	TOTAL	**1,320.55**	**1,208.21**	**936.62**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

19	DEFERRED TAX LIABILITIES (NET)	**Deferred Tax Liability/ (Asset) as at 31-Mar-2017**	Deferred Tax Liability/(Asset) as at 31-Mar-2016	Deferred Tax Liability/(Asset) as at 31-Mar-2015
	Deferred Tax Liabilities			
	On Account of Branches	**33.37**	12.93	12.93
	TOTAL	**33.37**	**12.93**	**12.93**

20	FINANCIAL LIABILITIES - SHORT TERM BORROWINGS	**31/Mar/2017**	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Secured Loan			
	Loans repayable on Demand			
	From Bank	**320,758.21**	297,145.18	87,620.12
	TOTAL	**320,758.21**	297,145.18	87,620.12

Secured Loan from Bank

₹ 3,20,758.21 Lacs (PY. ₹ 2,97,145.18 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

21	TRADE PAYABLES	**31/Mar/2017**	31/Mar/2016	1/Apr/2015
	Trade Payables (Including Acceptances) *	**₹ in Lacs**	₹ in Lacs	₹ in Lacs
a)	Total outstanding dues of Micro, Small and Medium Enterprises	**132.94**	177.42	115.88
b)	Total outstanding dues of Creditors Other than MSME	**41,917.68**	44,663.31	128,807.53
	TOTAL	**42,050.62**	44,840.73	128,923.41

* (Refer Note No. 37 (27) for details of due to Micro, Small and Medium Enterprises)

22	OTHER CURRENT FINANCIAL LIABILITIES	**31/Mar/2017**	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Current Maturities of Long Term Borrowings (Note No. 15)	**202,941.58**	121,014.79	45,718.01
b)	Deferred Payment Liabilities	**84.01**	55.03	41.54
c)	Unclaimed Dividend*	**20.81**	24.75	29.19
d)	Payable to Employees	**4,792.98**	2,807.13	2,120.68
e)	Audit fee Payable	**70.13**	72.05	13.69
f)	Expenses and other Payables	**3,327.97**	2,985.32	2,800.35
	TOTAL	**211,237.48**	126,959.07	50,723.46

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2017. These amount shall be paid to the fund as an when they became due.

23	OTHER CURRENT LIABILITIES			
		31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Interest Accrued	**87,631.14**	5,953.28	919.70
b)	Advances from Customers	**13,764.57**	27,125.84	27,476.97
c)	Statutory Liabilities	**4,566.42**	2,962.70	2,461.27
	TOTAL	**105,962.13**	36,041.82	30,857.94

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

24	SHORT TERM PROVISIONS	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	a) Provision for Employee Benefits	579.33	441.25	289.37
	b) Provision for Income Tax on Proposed Dividend	-	5.09	5.09
	TOTAL	579.33	446.34	294.46

25	CURRENT TAX LIABILITIES (NET)	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	a) Provision for Tax*	-	938.90	1,488.24
	TOTAL	-	938.90	1,488.24

* The Provision for Income Tax amounting to ₹ Nil (P.Y. ₹ 938.90 Lacs) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other adjustments.

26	REVENUE FROM OPERATIONS	31/Mar/2017	31/Mar/2016
		₹ in Lacs	₹ in Lacs
	a) Sale of Products	80,379.74	245,678.50
	b) Sale of Services	941.40	1,516.58
	c) Other Operating Revenues	4,268.52	4,149.19
	TOTAL	85,589.66	251,344.27

27	OTHER INCOME	31/Mar/2017	31/Mar/2016
		₹ in Lacs	₹ in Lacs
	Other Operating Income		
	i) Lease Rentals	102.31	254.84
	Other Income		
	i) Interest on Fixed Deposits	101.45	38.92
	ii) Interest on Others	1,735.42	2,640.58
	iii) Net Gain on Foreign Currency Transactions and Translation	-	5,030.39
	TOTAL	1,939.18	7,964.73

28	COST OF MATERIAL CONSUMED	31/Mar/2017	31/Mar/2016
		₹ in Lacs	₹ in Lacs
	Cost of Material Consumed*	46,716.39	175,710.38
	TOTAL	46,716.39	175,710.38

* Refer Note No. 37 (6)

29	EXCISE DUTY PAID	31/Mar/2017	31/Mar/2016
		₹ in Lacs	₹ in Lacs
	Excise duty Paid	624.37	2,100.84
	TOTAL	624.37	2,100.84

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		31/Mar/2017	31/Mar/2016
30	**ERECTION AND SUB-CONTRACTING EXPENSE**	**₹ in Lacs**	₹ in Lacs
a)	Construction Materials and Stores Consumed	**2,692.39**	5,421.22
b)	Sub-contracting Expenses	**26,215.44**	24,787.28
c)	Repairs to Construction Equipments/Machinery	**19.70**	37.05
d)	Construction Transportation Charges	**2,193.87**	2,921.52
	TOTAL	**31,121.40**	33,167.07

		31/Mar/2017	31/Mar/2016
31	**CHANGES IN INVENTORIES**	**₹ in Lacs**	₹ in Lacs
a)	(Increase)/ Decrease Finished Goods Stock	**1,959.56**	2,586.34
b)	(Increase)/ Decrease WIP/Semi Finished Goods Stock	**6,739.04**	269.07
c)	(Increase)/ Decrease Scrap Stock	**26.47**	-38.63
	TOTAL	**8,725.07**	2,816.78

		31/Mar/2017	31/Mar/2016
32	**EMPLOYEE BENEFITS EXPENSE**	**₹ in Lacs**	₹ in Lacs
a)	Salaries, Wages and Bonus, etc.	**9,122.62**	8,878.49
b)	Leave Encashment	**245.94**	346.99
c)	Employee Compensation Expense - ESOS	**-**	7.03
d)	Contribution to Provident and Other Fund	**813.43**	769.93
e)	Welfare Expenses	**225.32**	314.79
	TOTAL	**10,407.31**	10,317.23

		31/Mar/2017	31/Mar/2016
33	**FINANCE COSTS**	**₹ in Lacs**	₹ in Lacs
a)	Interest Expense	**82,484.63**	54,415.95
b)	Other Borrowing Costs	**1,904.44**	2,248.33
c)	Amortisation of Debenture issue Expenses	**21.98**	21.93
d)	Net (gain)/loss on foreign currency transactions and translation on borrowing cost	**-203.11**	558.20
	TOTAL	**84,207.94**	57,244.41

		31/Mar/2017	31/Mar/2016
34	**DEPRECIATION AND AMORTIZATION EXPENSE**	**₹ in Lacs**	₹ in Lacs
a)	Depreciation of Tangible Assets (Note No. 1)	**4,796.29**	5,006.94
b)	Amortization of Intangible Assets (Note No. 1)	**283.19**	287.79
	TOTAL	**5,079.48**	5,294.73

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

35	OTHER EXPENSES	31/Mar/2017	31/Mar/2016
		₹ in Lacs	₹ in Lacs
a)	Stores and Consumables	253.96	259.78
b)	Packing Materials	20.96	144.21
c)	Power and Fuel	416.01	614.20
d)	Conversion Expenses	367.90	944.69
e)	Service Charges	1,465.56	1,956.54
f)	Repairs to Plant and Machinery	117.73	177.77
g)	Repairs to Others	332.28	253.86
h)	Testing and Designing Expenses	14.93	188.23
i)	Excise Duty on Stocks (Net)	-126.16	-186.77
j)	Rent	39.53	61.60
k)	Rates and Taxes	4,328.19	1,579.63
l)	Insurance	452.51	614.72
m)	Travelling and Conveyance	1,079.64	1,251.08
n)	Postage, Telephone and Fax	207.22	272.01
o)	Printing and Stationery	97.97	137.32
p)	Professional and Legal Fees	1,307.55	2,145.12
q)	Directors' Sitting Fees	6.85	7.06
r)	Payment to auditors	176.18	129.36
s)	Net (gain)/loss on foreign currency transactions and translation	1,725.05	-
t)	License and Tender Fees	56.46	91.18
u)	Donations	0.08	0.30
v)	Freight Outward	3,363.21	4,070.48
w)	Brokerage and Commission	1,998.48	1,526.24
x)	Bank Charges	2,305.48	3,617.68
y)	(Gain)/Loss on Sale of Property, Plant and Equipment (Net)	6.05	-29.19
z)	BG Encashment	9,402.50	-
aa)	Bad Debts	11,523.56	2,213.64
ab)	Immigration Expenses	521.97	182.06
ac)	General Expenses	963.48	464.23
ad)	Impairment of Investments [Refer Note No 37 (9 & 10)	6,500.65	-
	TOTAL	**48,925.78**	22,687.03

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Company Background

Jyoti Structures Limited ('the Company' or 'JSL') is engaged in manufacturing of transmission line towers, sub-station structures, tall antenna towers / masts and railway electrification structures. In addition, JSL is also a leading player in Turnkey / EPC projects involving survey, foundation, designing, fabrication, erection and stringing activities of extra high voltage transmission lines and procurement of major bought out items, supply of lattice and pipe type structures, civil works, erection, testing and commissioning of switchyard / substations and distribution networks, both in India and overseas.

The Company is a public limited Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is located at Valecha Chambers, 6th Floor, New Link Road, Andheri (West), Mumbai – 400 053, India.

The Standalone Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 30th May, 2017.

1. Basis of Preparation of Financial Statements:

(i) Compliance with Ind AS:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements for the year ended 31st March, 2017 are the first the Company has prepared under Ind AS. For all period's upto and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2016 and the opening Balance Sheet as at 1st April, 2015 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in clause 1 of note no. 37.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the 'date of transition to Ind AS'.

(ii) Historical Cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

1. certain financial assets and liabilities that are measured at fair value;
2. defined benefit plans - plan assets measured at fair value.

(iii) Current non-current classification:

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the company for the purpose of current and non-current classification of assets and liabilities.

2. Key Accounting Estimates and Judgements:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates and assumptions affect the application of accounting policies and reported amount of assets and liabilities, the disclosures of contingent assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Appropriate changes in the accounting estimates are incorporated by the management, if actual results differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that has the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

a) Measurement of defined benefit obligations – Clause 8 of Note 37

b) Measurement and likelihood of occurrence of provisions and contingencies – Clause 3 of Note 37 and Note 18 and 24

c) Carrying value of exposure in Jyoti International Inc. and Lauren Jyoti Pvt. Ltd. - refer note 2

d) Estimation of current tax expenses and Payable – Clause 20 of Note 37

e) Estimates of useful lives and residual value of property, plant and equipment and intangible assets

f) Financial instruments

3. Revenue Recognition:

<u>Sale of goods and services:</u>

Revenue is recognized to the extent that the Company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the Company. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Company.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax and value added tax are excluded from revenue.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The stage of completion is determined by surveys of work performed and as per the terms of the contract. Sales/income are booked on the basis of running account bills based on completed work and are net of claims accepted. Escalations and other claims which are not acknowledged by customers are not taken into account.

<u>Other income</u>

Interest income is recognized on using effective interest method.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Rental income arising from operating leases on plant and machinery and vehicles is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

The insurance claims are accounted for on accrual basis based on fair estimation of sanctions by the insurance companies.

Income from export incentives are recognised on receipt basis.

4. Property, Plant and Equipment:

(i) Free hold land is carried at historical cost. All other items of property, plant and equipment are stated at cost of acquisition or construction, net of recoverable taxes including any cost attributable for bringing the asset to its working condition for its intended use and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any.

(ii) Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value as its deemed cost of all of its property, plant and equipment recognised as at 1st April 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

(iii) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iv) Tools and tackles having useful life of more than twelve months are capitalized as Property, Plant and Equipment.

(v) The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

(vi) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in line with revisions to accounting estimates.

(vii) The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

5. Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

6. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

7. Depreciation / Amortisation:

(a) Depreciation on tangible assets is provided on straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013, except as stated in (b) below.

(b) On the tangible assets of foreign branches, depreciation is provided on straight line method. The applicable rates are based on the local laws and practices of the respective countries, except where the rates of depreciation are less than as prescribed in schedule II of the Act, the depreciation is provided as per the rates prescribed in schedule II to the Act.

(c) The Company amortizes computer software using the straight-line method over the period of 6 years.

(d) Leasehold Land is amortised over the period of lease.

(e) Tools and tackles are amortised over their estimated useful life.

8. Inventories:

(a) Raw materials, Construction materials including steel, cement and others, Components and Stores and Spares are valued at lower of cost or net realisable value.

(b) Cost of inventories is determined by using the weighted average method.

(c) Material purchased for supply against specific contracts is valued at cost or net realisable value as per the contract, whichever is lower.

(d) Work-in-progress at site is valued at cost including material cost and attributable overheads. Provision is made when expected realisation is lesser than the carrying cost.

(e) Finished goods, black finished goods and work-in-progress are valued at cost or net realisable value, whichever is lower. Finished goods are valued inclusive of excise duty.

(f) Cost of black finished good, work-in-progress and finished goods comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity.

(g) Scrap is valued at net realisable value.

9. Fair value measurement

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

10. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Financial Assets

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

a) The Company's business model for managing the financial asset and

b) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost

ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Company's business model objective for managing the financial asset is to hold financial assets to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company (Refer clause 21 of Note 37). Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both the following conditions are met:

a. The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments (Refer clause 21 of Note 37). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss.

Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI (Refer clause 21 of Note 37). The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI.

On derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

<u>Derecognition:</u>

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Financial liabilities

Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Subsequent measurement:

All financial liabilities of the Company are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method or at FVTPL (Refer clause 21 of Note 37 for further details).

(a) Financial Liabilities at FVTPL:

A financial liability is classified at FVTPL if it is classified as held for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expenses, are recognized in Statement of Profit & Loss (including Other Comprehensive Income).

(b) Financial Liabilities at Amortised Cost:

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using EIR method.

Amortised cost is calculated by taking into account any discount premium and fees or costs that are integral part of the EIR. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

11. Investments in Subsidiaries and Joint Ventures:

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint ventures, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. 1st April, 2015.

12. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period to get ready for its intended use. All other borrowing costs are recognised as expenses in the period in which they are incurred.

13. Impairment of assets:

(a) Financial Assets:

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i) Trade receivables and lease receivables

ii) Financial assets measured at amortized cost (other than trade receivables and lease receivables)

iii) Financial assets measured at fair value through other comprehensive income (FVTOCI).

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

(b) Non-Financial Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets. If any such indication exists, then recoverable amount of the asset is estimated. An impairment loss, if any, is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

The impairment loss recognized in a prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

14. Foreign Currency:

The functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees.

(i) Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency of the company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Any income or expense on account of exchange difference, either on settlement or on translation, is recognised in Statement of Profit or Loss, except exchange difference arising from the translation of the items which are recognised in OCI.

(ii) Foreign Operations

(a) The assets and liabilities of foreign operations are translated into the functional currency at the rate prevailing at the end of the year. Income and expenditure are translated on the yearly average exchange rate prevailing during the year.

(b) From 1st April, 2015 onwards, the resultant exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

(c) When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal.

15. Excise Duty:

The excise duty in respect of closing inventory of finished goods is included as part of the inventory. The amount of Central Value Added Tax (CENVAT) credit in respect of materials consumed for sales is deducted from cost of materials consumed.

16. Leased Assets:

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

Assets given on operating lease are included in property, plant and equipment.

17. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, bank overdrafts and cash credits. Bank overdrafts and cash credits are shown within borrowings in current liabilities in the balance sheet.

18. Employees Benefits:

a) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

b) Long Term Employee Benefits:

I. Defined Contribution Plan:

The Company's contributions to provident fund are considered as defined contribution plans. The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

reporting period. If the contributions payable for services received from employees, before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit Plan:

The cost of providing defined benefits like Gratuity and Leave Encashment is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/ asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods. The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

19. Income Taxes:

(a) Current Tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from ‘profit before tax’ as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

(b) Deferred Tax:

Deferred tax arising on the timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(c) Minimum Alternate Tax (MAT):

MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal taxes during the specified period under the Income Tax Act, 1961. The Company reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(d) Current and deferred taxes are recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income. In this case, the tax is also recognized in Other Comprehensive Income.

20. Earnings Per Share:

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

21. Provisions and Contingencies:

a) A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

b) If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

c) A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

22. Employees Stock option Scheme:

Stock options granted to the employees of the company, under the Employees Stock Option Scheme are evaluated as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. Accordingly, excess of market value of the stock option, as on date of grant, over the exercise price of the option is recognised as deferred employee compensation and is charged to Statement of Profit and Loss as employee costs on straight line method over the vesting period of the options.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES

1. **FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS ('IND AS')**

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 01st April, 2016, with a transition date of 01st April, 2015. These Financial Statements for the year ended 31st March, 2017 are the first financial statements the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, 'First-time Adoption of Indian Accounting Standards.' Ind AS 101 requires that all Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2017, together with the comparative information as at and for the year ended 31st March, 2016 and the opening Ind AS Balance Sheet as at 1st April, 2015, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

A. Optional Exemptions availed

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application:

(i) **Business Combination**

The Company has elected to apply the requirements of Ind AS 103, 'Business Combinations' prospectively to business combinations on or after the date of transition (1st April, 2015). Pursuant to this exemption, goodwill arising from business combination has been stated at the carrying amount under previous GAAP.

(ii) **Deemed cost for property, plant and equipment and intangible assets**

The Company has opted Paragraph D7 AA and accordingly has elected to consider the carrying value of all its items of property, plant and equipment and intangible assets recognized in the financial statements prepared under Previous GAAP and use the same as its deemed cost on the date of transition to Ind AS.

(iii) **Investment in subsidiaries and joint ventures**

The Company has opted Paragraph D14 and D15 and accordingly the carrying amounts of the Company's investments in its subsidiary and associate companies as per the financial statements of the Company prepared under Previous GAAP, are considered as deemed cost for measuring such investments on the date of transition to Ind AS.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

(iv) **Share-based payment**

The Company has elected not to apply Ind AS 102 Share-Based Payment, to equity instruments that vested prior to the date of transition to Ind AS.

B. Applicable Mandatory Exceptions

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

(i) **Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies).

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

(ii) **Classification and measurement of financial assets**

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

(iii) **Derecognition of Financial Assets and Financial Liabilities**

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

C. Transition to Ind AS – Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Equity as at 01st April, 2015 (Transition Date)

II. A. Reconciliation of Equity as at 31st March, 2016

B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016

C. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016

III. Adjustments to Statement of Cash Flows for the year ended 31st March, 2016

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

I. **Reconciliation of Equity as at 01st April, 2015**

(Rs in Lakhs)

Particulars	Note	Previous GAAP	Effects of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	A	14,983.32	4,000.37	18,983.69
Capital work-in-progress		14.68	-	14.68
Intangible assets		1,054.18	-	1,054.18
Investment in Subsidiaries and Joint Venture		8,632.60	-	8,632.60
Financial assets :				
Investments	B	22.22	15.39	37.60
Trade Receivables		31,774.92	-	31,774.92
Other financial assets		655.72	-	655.72
Other Non-Current Assets		5.93	-	5.93
Total non-current assets [A]		57,143.56	4,015.75	61,159.32
Current assets				
Inventories	A	28,929.19	(4,000.37)	24,928.82
Financial assets :				
Investments		-	-	-
Trade receivables		3,30,240.14	-	3,30,240.14
Cash and cash equivalents		6,038.19	-	6,038.19
Bank Balances other than above		969.09	-	969.09
Other current financial assets		38,830.69	-	38,830.69
Other current assets		50,870.72	-	50,870.72
Total current assets [B]		4,55,878.02	(4,000.37)	4,51,877.65
Total Assets ([A] + [B])		5,13,021.59	15.39	5,13,036.97
EQUITY AND LIABILITIES				
Equity				
Equity share capital		2,190.55	-	2,190.55
Other equity	C, I	57,790.80	2,205.13	59,995.93
Total equity [C]		59,981.35	2,205.13	62,186.48
Non-current liabilities				
Financial liabilities				
Long Term Borrowings	D	1,32,407.02	(2,122.75)	1,30,284.28
Other financial liabilities	E	10,671.75	(67.00)	10,604.75
Deferred tax liabilities (net)		12.93	-	12.93
Long Term Provisions		936.62	-	936.62
Other non-current liabilities		9,104.28	-	9,104.28
Total non-current liabilities [D]		1,53,132.60	(2,189.75)	1,50,942.86
Current liabilities				
Financial liabilities				
Short Term Borrowings		87,620.12	-	87,620.12
Trade payables		1,28,923.41	-	1,28,923.41
Other current financial liabilities		50,723.46	-	50,723.46
Other current liabilities		30,857.94	-	30,857.94
Short Term Provisions		294.46	-	294.46
Current Tax Liabilities (Net)		1,488.24	-	1,488.24
Total current liabilities [E]		2,99,907.63	-	2,99,907.63
Total liabilities and equity ([C] + [D] + [E])		5,13,021.59	15.39	5,13,036.97

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

II. **A. Reconciliation of Equity as at 31st March, 2016**

(Rs in Lakhs)

Particulars	Note	Previous GAAP	Effects of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	A	12,616.67	2,744.37	15,361.04
Capital work-in-progress		31.89	-	31.89
Intangible assets		792.15	-	792.15
Investment in Subsidiaries and Joint Venture		8,632.60	-	8,632.60
Financial assets :				
Investments	B	22.22	14.99	37.21
Trade Receivables		38,385.99	-	38,385.99
Other financial assets		617.91	-	617.91
Total non-current assets [A]		**61,099.42**	**2,759.36**	**63,858.78**
Current assets				
Inventories	A	23,250.55	(2744.37)	20,506.18
Financial assets :				
Investments				
Trade receivables		4,19,745.96	-	4,19,745.96
Cash and cash equivalents		2,480.53	-	2,480.53
Bank Balances other than above		1,170.75	-	1,170.75
Other current financial assets		52,898.21	-	52,898.21
Other current assets		37,254.51	-	37,254.51
Total current assets [B]		5,36,800.50	(2744.37)	5,34,056.13
Total Assets ([A] + [B])		5,97,899.92	14.99	5,97,914.91
EQUITY AND LIABILITIES				
Equity				
Equity share capital		2,190.55	-	2,190.55
Other equity	C, I	7,459.76	824.70	8,284.46
Total equity [C]		9,620.22	824.70	10,475.01
Non-current liabilities				
Financial liabilities				
Long Term Borrowings	D	67,778.42	(1,373.48)	66,404.94
Other financial liabilities	E	11,023.95	(53.78)	10,970.17
Deferred tax liabilities (net)		12.93	-	12.93

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Long Term Provisions		1,208.20	-	1,208.20
Other non-current liabilities		2,471.62	-	2,471.62
Total non-current liabilities [D]		**82,495.12**	**(1,427.25)**	**81,067.86**
Current liabilities				
Financial liabilities				
Short Term Borrowings		2,97,145.18	-	2,97,145.18
Trade payables		44,840.73	-	44,840.73
Other current financial liabilities	D	1,26,341.52	617.55	1,26,959.07
Other current liabilities		36,041.82	-	36,041.82
Short Term Provisions		446.33	-	446.33
Current tax liabilities (net)		938.90	-	938.90
Total current liabilities [E]		5,05,754.49	617.55	5,06,372.04
Total liabilities and equity ([C] + [D] + [E])		**5,97,899.92**	**14.99**	**5,97,914.91**

II. **B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016**

(Rs in Lakhs)

Particulars	Note	Previous GAAP	Effects of transition to Ind AS	Ind AS
INCOME				
Revenue from operations	F	2,49,243.44	2,100.84	2,51,344.28
Other income	H	6,705.65	1,259.07	7,964.72
Total Income		2,55,949.09	3,359.92	2,59,309.00
EXPENSES				
Cost of Materials Consumed		1,75,710.38	-	1,75,710.38
Erection and Sub-contracting Expense	A	35,375.13	(2,208.06)	33,167.06
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		2,816.79	-	2,816.79
Employee Benefits Expense	G	10,522.27	(205.04)	10,317.23
Finance Costs	D	55,877.59	1,366.82	57,244.41
Depreciation and Amortization Expense	A, C	3,084.25	2,210.49	5,294.73
Excise Duty Paid	F	-	2,100.84	2,100.84
Other Expenses		22,687.05	-	22,687.05
Total expenses		3,06,073.44	3,265.05	3,09,338.49
Profit/(Loss) before tax		(50,124.35)	94.87	(50,029.49)
Tax expense				
Current tax		53.98	-	53.98
Deferred tax		-	-	-
Profit/(Loss) for the period [A]		(50,178.33)	94.87	(50,083.47)
Other comprehensive income	J			

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of the net defined benefit liability asset		-	205.04	205.04
Items that will be reclassified subsequently to profit or loss:				
Remeasurement of Investment at fair value		-	(0.39)	(0.39)
Exchange (Loss)/Gain in translating the financial statements of a foreign operation		-	(1,259.07)	(1,259.07)
Net Present Value of Deferred Liability		-	(13.22)	(13.22)
Total other comprehensive income, net of tax [B]		-	(1,477.72)	(1,477.72)
Total comprehensive income, for the period ([A] + [B])		(50,178.33)	(1,382.85)	(51,561.19)

II. C. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016

(₹ In Lakhs)

Particulars	Year ended 31st March, 2016
Net Profit/(Loss) under Previous GAAP	(50,178.33)
Revaluation Surplus	(2.43)
Remeasurement of defined benefit plans	205.04
Exchange Loss/(Gain) in translating the financial statements of a foreign operation	1,259.07
Others	(1,366.82)
Net Profit/(Loss) before Other Comprehensive Income	(50,083.47)
Other Comprehensive Income	(1,477.72)
Total Comprehensive Income as per Ind AS	(51,561.19)

III. Adjustments to Statement of Cash Flows

Under Ind AS, Cash Credits repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, cash credits were considered as part of borrowings and movements in bank overdrafts were shown as part of financing activities. Consequently, cash and cash equivalents have reduced by ₹ 2,03,767.96 Lakhs as at 31st March, 2016 (1st April 2015 – ₹ 82,775.20 Lakhs) and cash flows from financing activities for the year ended 31st March, 2016 have also reduced by ₹ 1,20,992.76 lakhs to the effect of the movements in cash credits.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Notes to reconciliations:

A. Property Plant & Equipment

As required under Ind AS, Tools and Tackles having useful life of more than 12 months, which were considered as inventory under previous GAAP, have now been considered as Property, Plant and Equipment. This has lead to an increase in depreciation of ₹ 2,208.06 lakhs for the year ended 31st March, 2016 and a reduction in erection and sub-contracting expense by that amount.

B. Fair Valuation of Investments

Under Previous GAAP, the mutual funds were measured at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, the Company has designated these investments at fair value through other comprehensive income (FVOCI). Accordingly, these investments are required to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of the instruments and the carrying value under Previous GAAP has been recognised in retained earnings. Fair value changes are recognised in other comprehensive income for the year ended 31st March, 2016.

C. Revaluation Reserve under Previous GAAP

The Company has elected cost model for its Property Plant & Equipment and thus, the revaluation surplus existing as on the transition date under Indian GAAP amounting to ₹ 35.16 lakhs have been derecognised in the retained earnings on the date of transition.

D. Borrowings

As required under the IND AS 109 transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method corresponding effect being in Long term borrowings and to the extent attributable to Current maturity of long term debts.

Under the previous GAAP, these transaction costs were charged to the profit and loss as and when incurred. Consequently, borrowings as at 31st March, 2016 have been reduced by ₹ 755.93 Lakhs (1st April, 2015- ₹ 2,122.75 Lakhs) with a corresponding adjustment to retained earnings resulting in increase in total equity. The loss under the previous GAAP for the year ended 31st March, 2016 has been increased by ₹ 1,366.82 Lakhs.

(This increase includes ₹ 321.92 Lakhs towards the amortised portion of premium payable on redemption of preference shares.)

E. Deferred Payment Liabilities

As per the requirements of Ind AS, Sales Tax deferrals have been discounted using the current borrowing rate.

F. Excise Duty

In the financial statements prepared under Previous GAAP, revenue from sale of products was presented net of excise duty. However, under Ind AS, revenue from sale of products includes excise duty. Excise duty expense amounting to ₹ 2,100.84 lakhs is presented separately on the face of the Statement of Profit

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

and Loss for the year ended 31st March, 2016.

The above changes do not affect equity as at date of transition to Ind AS, profit after tax for the year ended 31st March, 2016 and Equity as at 31st March, 2016.

G. Remeasurement of defined benefit plans

Both under Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised in other comprehensive income. Thus, employee benefits expense is reduced by ₹ 205.04 Lakhs and is recognised in other comprehensive income during the year ended 31st March, 2016.

H. Foreign Currency Translation to Other Comprehensive Income

As required under Ind AS, foreign currency translations on conversion of overseas branches are accounted through other comprehensive income.

I. Other Equity

Adjustments to Retained Earnings and Other Comprehensive Income have been made in accordance with Ind AS for the above-mentioned line items.

J. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

2. **Outstanding Contracts – Capital Account:**

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) are ₹ Nil (P. Y. ₹ Nil). Advances paid ₹ Nil (P. Y. ₹ Nil).

3. **Contingent Liabilities not provided for:**

(₹ In Lakhs)

Sr. No	Particulars	**2016-17**	2015-16
i)	Outstanding Bank Guarantee	**74,537.38**	1,25,958.18
ii)	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	**6,028.53**	4,878.41
iii)	Civil Suits	**101.22**	69.73
iv)	Corporate Guarantees	**67,311.07**	89,493.17

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

4. **Auditors Remuneration:**

(₹ In Lakhs)

Sr No	Particulars	2016-17	2015-16
i)	For Audit*	**30.10**	40.08
ii)	For Other Services*	**15.05**	5.73
iii)	For Branch Audit and Taxation Matters fees	**17.92**	24.27
Total		**63.07**	**70.07**

*Figures are exclusive of Service Tax.

5. **CIF Value of Imports (Direct):**

(₹ In Lakhs)

Sr No	Particulars	2016-17	2015-16
i)	Capital Goods	**Nil**	Nil
ii)	Raw Materials and Components	**18,926.90**	46,255.76
iii)	Spares and Others	**Nil**	Nil

6. **Value of Imported and Indigenous Raw Materials and Stores & Components Consumed:**

(₹ In Lakhs)

Particulars		2016-17		2015-16	
		%	Amount	%	Amount
a)	Raw Materials and Components				
	i) Imported	**18,926.90**	**40.51%**	46,255.76	26.33%
	ii) Indigenous	**27.789.48**	**59.49%**	1,29,454.62	73.67%
b)	Stores & Spares:				
	i) Imported	**Nil**	**Nil**	Nil	Nil
	ii) Indigenous	**253.96**	**100.00%**	259.78	100.00%

7. **Earnings and Expenditure in Foreign Currency:**

(₹ In Lakhs)

Sr No	Particulars	2016-17	2015-16
i)	Earnings in Foreign Currency: Export of goods/services (including deemed exports and sales through export house)		
	At FOB Price	**44,191.36**	1,35,138.81
	At Invoice Value (Designing & testing charges)	**548.34**	797.68
	Rent of Equipments	**102.31**	254.84
	Interest from Subsidiaries	**946.90**	1,394.04

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

ii)	Expenditure in Foreign Currency:		
	Expenses of overseas projects (Including foreign taxes)	**49,119.36**	84,175.73
	Interest	**551.36**	212.80
	Professional Fees	**5.64**	9.32
	Others	**168.60**	57.47

8. **Disclosure as required by Indian Accounting Standard 19 'Employee Benefits':**

Defined Contribution Plans:

a) Provident Fund

The Provident Fund is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

(₹ In Lakhs)

Sr No	Particulars	**2016-17**	2015-16
i)	Contribution to Provident Fund	**499.21**	463.02
ii)	Contribution to Other Fund	**73.44**	87.01

Defined Benefit Plans:

Gratuity and Leave Encashment

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

(In ₹ Lakhs)

Particulars	**Gratuity**		**Leave Encashment**	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Present value of obligation	1815.24	1,695.91	837.08	649.25
Fair value of plan assets	(752.44)	(695.70)	-	-
(Asset)/Liability recognised in the Balance Sheet	1,062.80	1,000.20	837.08	649.25

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

(In ₹ Lakhs)

Defined Benefit Obligation	**Gratuity**		**Leave Encashment**	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Opening Defined Benefit Obligation	**1,695.91**	1,459.25	649.25	401.32
Service cost for the year	**168.77**	164.81	133.03	184.97
Interest cost for the year	**122.11**	112.36	46.75	30.90
Actuarial losses (gains)	**(24.58)**	208.88	66.17	131.11
Benefits paid	**(146.96)**	(249.40)	(58.11)	(99.06)
Closing defined benefit obligation	**1,815.24**	1,695.91	837.08	649.25

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

(In ₹ Lakhs)

Fair Value of Plan Assets	Gratuity	
	2016-17	**2015-16**
Opening fair value of plan assets	**695.70**	634.58
Expected return	**50.09**	49.17
Actuarial gains and (losses)	**6.65**	3.85
Contributions by employer	**-**	8.10
Benefits paid	**-**	-
Closing balance of fund	**752.44**	695.70

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

(In ₹ Lakhs)

Gratuity	2016-17	2015-16
Current service cost	**168.77**	164.81
Net interest on net Defined Liability / (Asset)	**72.01**	63.19
Total	**240.78**	228.00

(In ₹ Lakhs)

Leave Encashment	2016-17	2015-16
Current service cost	133.03	184.97
Net interest on net Defined Liability / (Asset)	46.75	30.90
Actuarial (Gains) / Losses on Liability	66.17	131.11
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-
Expense recognised in Statement of Profit and Loss	245.94	346.99

D. Amounts recognised in Other Comprehensive Income:

(In ₹ Lakhs)

Gratuity	2016-17	2015-16
Actuarial (Gains) / Losses on Liability	(24.58)	208.88
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	(6.64)	(3.85)
Total	(31.23)	205.04

E. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefit plans at their fair value on the Balance Sheet date, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Principal Actuarial Assumptions	2016-17	2015-16
Discount rate	7.20%	7.70%
Expected return on plan assets	7.20%	7.20%
Annual increase in Salary costs	6.50%	7.00%
Attrition Rate	5%	5%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

B. Sensitivity Analysis

The Sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

(In ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Discount Rate:				
One percentage increase	1,693.09	1,577.10	778.38	600.52
One percentage decrease	1,955.62	1,832.90	905.44	706.38
Salary Escalation Rate:				
One percentage increase	1,955.20	1,832.49	905.23	706.21
One percentage decrease	1,691.26	1,575.32	777.50	599.80
Withdrawal Rate:				
One percentage increase	1,821.25	1,701.95	840.30	652.08
One percentage decrease	1,808.55	1,689.14	833.47	646.04

The above information is as per certificates of the Actuary.

OCI Presentation of defined benefit plan:

- Gratuity is in the nature of defined benefit plan, Re-measurement gains / (losses) on defined benefit plans is shown under OCI as items that will not be reclassified to profit or loss and also the income tax effect on the same.
- Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet:

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 does not require segregation of provision in current and non-current, however net defined liability/(Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

9. In its subsidiary company namely, Jyoti International Inc. due to the lower order book position and continued financial losses the management had decided to temporarily suspend all the operations of the company in the month of August 2016. Accordingly, the provisions are done for impairment in the value of investment of USD 1,29,89,999 equivalent to ₹ 6,000.65 Lakhs.

Since the operations were discontinued, the financials of the company are not available and hence not considered in the consolidated financial statements of the company.

Further, as at 31st March, 2017, considering the business outlook of that company, the management is of the opinion that these accumulated losses are temporary in nature and will be recovered in the next few years. Therefore, no provision for diminution in the value of the said loans and advances outstanding as at 31st March, 2017 of ₹ 7,752.98 Lakhs (P. Y. ₹ 7,647.53 Lakhs) to Jyoti International Inc. and ₹ 6,431.49 Lakhs (P.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Y. ₹ 5,541.71 Lakhs) to Jyoti Americas LLC, a wholly owned subsidiary of Jyoti International Inc. are made as the management is confident of turning around the business of that company in the near future.

10. Consequent to dispute with Lauren Engineers & Constructors Inc. JV partner, the financial statements for the last four years have not been adopted. The joint venture partners have mutually decided to resolve the issues within and legal cases were dropped. The joint venture partners have executed an M.O.U. for the same on 18th April, 2017. Based on the above, the Company has written off the amounts receivable from the JV partner in the statement of profit and loss during the financial year ended 31st March, 2017.

    Further, as per an agreement dated 18th April, 2017 between the JV partners, the Company has agreed to sell its investment in the said joint venture. Accordingly, the Company has provided for diminution in value of its investment in the joint venture in the financial statements for the year ended 31st March, 2017.

11. The Company has invested an amount of ₹ 419/- in the equity share capital of Jyoti Structures Africa (Pty) Limited (JS Africa), a subsidiary company. As on 31st March, 2017, the Company has also advanced loan of ₹ 3,053.55 Lakhs (P.Y. ₹ 2,819.71 Lakhs) to JS Africa and the outstanding credit to that company is ₹ 2,816.83 Lakhs (P. Y. ₹ 3,026.60 Lakhs) against advances and receivables. Though the net worth of the subsidiary has been eroded, the Company has not provided for diminution in value of investment of ₹ 419/- and no provision is made against outstanding loans and dues of the said company. Considering the business outlook of the subsidiary Company and the available orders in hand, the management is of the opinion that these accumulated losses of that company are temporary in nature and will be recovered in the near future.

12. In terms of appointment, the company has paid remuneration amounting to ₹ 209.25 Lakhs to Mr. K. R. Thakur, Whole-time Director for the year. The remuneration paid to Mr. Thakur is within the provisions of section 197 read with part II of Schedule V of Companies Act, 2013.

    Remuneration paid to the Managing Director and Whole Time director for the year ended 31st March, 2015 and 31st March, 2016 are higher by ₹ 43.04 Lakhs and ₹ 48.83 Lakhs respectively than the limits specified under Schedule V to the Act and approved by members. An application made by the Company to the Ministry of Corporate Affairs (MCA) for waiver of excess remuneration amounting to ₹ 43.04 lakhs for the year ended 31st March, 2015 has been rejected.

    The Company has shown the said excess amounts in Note No. 11 to the financial statements as an amount receivable and the amounts as mentioned is being held in trust by the whole-time director.

13. **Disclosures as required by Indian Accounting Standard 17 'Leases':**

    a) The Company has taken on leave and license/under operating leases the residential/office premises and warehouses, including furniture fittings therein as applicable and machinery. These lease arrangements range for a period between one and two years. All the lease arrangements are cancellable. Most of the leases are renewable for a further period on mutually agreed terms and also include escalation clauses.

(₹ In Lakhs)

Sr No	Particulars	2016-17	2015-16
1	Lease payments recognised in the Statement of Profit and Loss for the year	240.58	185.47
2	Future minimum payments under the agreements, which are non-cancellable. (All the lease agreements are cancellable)	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

b) The Company had entered into agreements for giving plant and machineries and other fixed assets under operating leases. These leases have terms of one to two years. Disclosures in respect of the said agreements are given below:

(₹ In Lakhs)

Sr No	Particulars	2016-17	2015-16
1	Lease income recognised in the Statement of Profit and Loss for the year	102.31	254.84
2	Future minimum lease receipt under the agreements, which are non-cancellable are as follows:		
	i) Not later than one year	-	-
	ii) Later than one year and not later than five years	-	-

The agreements provide for early termination by either party with a notice period which varies from fifteen days to three months and they contain a provision for their renewal.

14. **Disclosures as required by Indian Accounting Standard 24 – 'Related Party Disclosures':**

A. Relationships (During the year):

(a) Subsidiary of the Company (Extent of holding):

i. Jyoti Energy Ltd. (100%)

ii. JSL Corporate Services Ltd. (100%)

iii. Jyoti Structures Africa (Pty) Ltd. (70%)

iv. Jyoti International Inc. (100%)

v. Jyoti Americas LLC (100%)

vi. Jyoti Structures Canada Ltd. (100%)

vii. Jyoti Structures FZE (100%)

viii. Jyoti Structures Namibia (Pty) Ltd. (70%)

ix. Jyoti Structures Nigeria Ltd. (100%)

x. Jyoti Structures Kenya Ltd. (100%)

(b) Joint Ventures:

i. Gulf Jyoti International LLC (30%)

ii. Lauren Jyoti Pvt. Ltd. (50%)

(c) Key Management Personnel:

i. Mr. K. R. Thakur (Whole-time Director)

(d) Relatives of Director:

i. Jyoti Motiani (Daughter of Director)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

B. Transactions during the year:

The following transactions were carried out with the related parties in the ordinary course of business:

Sr. No.	Particulars	Type of Relationship	Related Party	2016-17 In ₹ Lakhs	2015-16 In ₹ Lakhs
1	Sale of Goods/ Services	(a)	(iii)	317.13	Nil
		(a)	(v)	Nil	1,924.26
		(a)	(viii)	Nil	8.23
		(b)	(i)	Nil	291.11
2	Lease Rentals	(b)	(i)	36.31	Nil
		(a)	(viii)	Nil	215.42
3	Interest on Fund Transfer and loan, Commission on Corporate Guarantee	(a)	(iii)	135.29	135.66
		(a)	(iv)	274.88	528.94
		(a)	(v)	141.45	272.75
		(a)	(vii)	2.98	3.10
		(b)	(i)	392.31	453.59
		(b)	(ii)	Nil	1,356.38
4	Purchase of Goods/ Services	(a)	(vii)	4,562.35	Nil
		(b)	(i)	18,431.93	28,932.57
		(a)	(x)	Nil	4,790.76
5	Remuneration paid	(c)	(i)	209.25	192.67
6	Salary Paid	(d)	(i)	28.55	25.80
7	Net amount given/ (taken) during the year	(a)	(v)	93.78	Nil
		(a)	(vii)	1,050.25	Nil
		(a)	(x)	599.60	Nil
8	Investment at the end of the year	(a)	(i)	5.00	5.00
		(a)	(ii)	350.00	350.00
		(a)	(iii)	0.00*	0.00*
		(a)	(iv)	Nil	6,000.65
		(a)	(vii)	317.04	134.18
		(b)	(i)	1,642.77	1,642.77
		(b)	(ii)	Nil	500.00
9	Outstanding balances [Net of receivables/ (payables)] at end of the year	(a)	(i)	41.68	41.46
		(a)	(ii)	(465.24)	(465.41)
		(a)	(iii)	5,870.38	5,846.31
		(a)	(iv)	7,752.98	7,647.53
		(a)	(v)	6,431.49	5,541.71
		(a)	(vii)	(725.14)	922.34
		(a)	(viii)	394.23	364.04
		(a)	(x)	(540.97)	(1,122.92)
		(b)	(i)	13,219.23	20,750.02
		(b)	(ii)	Nil	15,086.83
10	Corporate Guarantee given	(a)	(iv)	32,401.03	33,088.70
		(a)	(v)	16,524.52	32,096.04
		(b)	(i)	18,385.52	24,308.43

*Investment at the end of the year in Jyoti Structures Africa (Pty) Ltd. is ₹ 419/- (P. Y. ₹ 419/-)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Compensation of Key Management Personnel of the Company:

(In ₹ Lakhs)

Particulars	2016-17	2015-16
Short Term Employee Benefits	209.25	192.67
Post-Employment Benefits	-	-
Termination Benefits	-	-
Share-based payments	-	-
Total compensation paid to key management personnel	209.25	192.67

15. **Disclosures as required by Indian Accounting Standard 11 – 'Construction Contracts':**

(₹ In Lakhs)

Particulars	2016-17	2015-16
Contract revenue recognised during the year	30,972.31	40,475.97
Method used to determine the contract revenue recognised and the stage of completion of contracts in progress	Refer Note No.36(3)	
Disclosure in respect of contracts in progress as at the year-end: Aggregate amount of costs incurred and recognised profits (less recognised losses)	1,69,770.71	1,71,718.55
Advances received	6,906.50	12,707.21
Retentions receivable	21,970.54	16,804.40
Gross amount due from Customers (included under Note No. 8 Trade Receivables)	49,508.54	64,884.90

16. **Remittance in Foreign Currencies for Dividend:**

The Company has not declared Dividend for the year 2014-15, 2015-16 and 2016-17 and hence no remittance in Foreign Currencies on account of Dividend.

17. **Disclosure details of Loans Given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013:**

a) Loans given (in ₹ Lakhs)

Loans given to Subsidiaries	Year ended 31-Mar-2017	Maximum balance during the year	Year ended 31-Mar-2016	Maximum balance during previous year
Jyoti Structures FZE	40.15	67.69	67.69	67.69
Jyoti International Inc	6,574.48	6,574.48	6,568.44	6,568.44
Jyoti Americas LLC	804.16	804.16	802.44	802.44
Jyoti Structures Africa Pty. Ltd.	3,053.55	3,053.55	2,819.71	3,581.91
Total	10,472.34	10,499.88	10,258.28	11,020.48

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Loans given to Joint Venture	Year ended 31-Mar-2017	Maximum balance during the year	Year ended 31-Mar-2016	Maximum balance during previous year
Gulf Jyoti International LLC	7,565.29	7,565.29	7,480.48	8,053.93
Lauren Jyoti Pvt Ltd.	-	6,962.08	6,962.08	6,962.08
Total	7,565.29	14,527.36	14,442.56	15,016.01

All above loans have been given for business purposes.

b) Investments are shown under respective head. (Refer Note 2)

c) Corporate Guarantees given (in ₹ Lakhs)

Sr. No.	Name of Company	As at 31-Mar-2017	As at 31-Mar-2016
i)	Jyoti International Inc.	32,401.03	33,088.70
ii)	Jyoti Americas LLC	16,524.52	32,096.04
iii)	Gulf Jyoti International LLC	18,385.52	24,308.43

18. **Employees Stock Option Scheme:**

Under Jyoti Structures Limited Employees Stock Option Scheme 2005 (ESOS 2005) as amended, the Company is authorised to issue upto 5,00,000 (Five Lakhs) stock options convertible into 25,00,000 (Twenty Five Lakhs) Equity Shares of ₹ 2/- each to employees. A Compensation Committee has been constituted by the Board of Directors of the Company to administer the Scheme.

Each option is to be converted into 5 equity shares of ₹ 2/- each at an exercise price of ₹ 17/- per equity Share (being the exercise price adjusted after split of face value from ₹ 10/- to ₹ 2/-). Under the scheme, 30% of the options vest at the end of one year from the date of grant of options, 30% at the end of second year from the date of grant of options and the balance 40% at the end of third year from the date of grant of options.

The amount of ₹ Nil (P. Y. ₹ 7.03 Lakhs) debited to Employee Compensation Expense–ESOS account, represents the proportionate cost for the year and has been credited to the revenue account.

The amount of ₹ Nil (P. Y. ₹ 341.75 Lakhs) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

The balance un-amortized portion of ₹ Nil (P. Y. ₹ Nil) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

Sr No	Particulars	2016-17 (In Numbers)	2015-16 (In Numbers)
i)	Options granted and outstanding at the beginning of the year	1,03,950	1,03,950
ii)	Options granted during the year	-	-
iii)	Options lapsed and/or withdrawn during the year	1,03,950	-
iv)	Options exercised during the year against which shares were allotted	-	-
v)	Options granted and outstanding at the end of the year of which: - Options vested - Options yet to vest	 - -	 1,03,950 -

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

19. **Earnings Per Share (EPS):**

Sr. No.	Particulars	**2016-17**	2015-16
i)	Profit/(Loss) after Tax (Net of preference share dividend)(in ₹ Lakhs)	**(1,48,274.64)**	(50,083.47)
ii)	Weighted Average Number of Ordinary Shares for Basic Earnings per Share (In Nos.)	**10,95,27,710**	10,95,27,710
iii)	Add: Equity shares for no consideration arising on grant of stock options under ESOS	**-**	(69,305)
iv)	Weighted Average Number of Ordinary Shares for Diluted Earnings per Share (In Nos.)	**10,95,27,710**	10,94,58,405
v)	Nominal value of Ordinary Share	**₹ 2**	₹ 2
vi)	Basic Earnings Per Ordinary Share	**₹ (135.38)**	₹ (45.73)
vii)	Diluted Earnings Per Ordinary Share	**₹ (135.38)**	₹ (45.73)

20. **Income Taxes Expense:**

Tax Expense recognised in the Statement of Profit and Loss

(₹ In Lakhs)

Particulars	**Year ended 31st March, 2017**	**Year ended 31st March, 2016**
Current Tax		
Current Tax on taxable income for the year	**-**	53.98
Total current tax expense	**-**	53.98
Deferred Tax		
Deferred Tax charge/(credit)	**(3.95)**	(0.00)*
Total deferred income tax expense/(benefit)	**(3.95)**	(0.00)
Tax in respect of earlier years	**-**	-
Total Income Tax Expense	**(3.95)**	53.98

* Credit of Deferred Tax for the year ended 31st March, 2016 is ₹ 354/-

A. Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

(₹ In Lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Enacted income tax rate in India applicable to the Company	34.608%	34.608%
Profit/(Loss) before tax	(1,48,278.87)	(50,029.49)
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	-	-

For the year ended 31st March, 2016 and 31st March, 2017 the Company has incurred losses due to which no provision for tax was required for said years. The current tax expense appearing in the Statement of Profit and

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Loss is on account of tax liability of overseas branches.

B. The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

(₹ In Lakhs)

Particulars	As at 1st April, 2015 – Deferred Tax Asset/ (Liabilities)	(Credit)/ Charge in the Statement of Profit and Loss	As at 31st March, 2016 - Deferred Tax Asset/ (Liabilities)	(Credit)/ Charge in the Statement of Profit and Loss	As at 31st March, 2017 - Deferred Tax Asset/ (Liabilities)
On Account of Overseas Branches	(12.93)	(0.00)*	(12.93)	(20.44)	(33.37)
Total	(12.93)	(0.00)*	(12.93)	(20.44)	(33.37)

* Credit of Deferred Tax for the year ended 31st March, 2016 is ₹ 354/-

21. **Financial Instruments:**

1. Category-wise classification of Financial Instruments

(₹ In Lakhs)

Particulars	Note	Non-Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial assets measured at fair value through other comprehensive income (FVTOCI)							
-Investments in quoted Mutual Funds	3	38.13	32.21	32.60	-	-	-
Financial assets measured at amortised cost							
-Investment in unquoted Equity Instruments	3	5.00	5.00	5.00	-	-	-
-Trade Receivables	4 & 8	35,078.41	38,385.99	31,774.92	3,98,091.24	4,19,745.96	3,30,240.14
-Security and other deposits	5	547.43	585.39	613.74	-	-	-
-Loans to Employees	5 & 11	28.93	32.52	41.98	5.93	7.72	9.10
-Cash and Cash Equivalents	9	-	-	-	2,515.06	2,480.53	6,038.19
-Other Balances with Banks	10	-	-	-	713.83	1,170.75	969.09
-Loan to Related Parties	11	-	-	-	30,922.62	44,934.75	34,139.52

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Particulars	Note	Non-Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
-Sundry Deposits	11	-	-	-	264.58	270.11	264.58
-Claims Receivable	11	-	-	-	14,839.46	1,834.22	2,128.28
-Interest Receivable	11	-	-	-	10,494.28	4,034.96	10,868.65
-Expenses Receivable	11	-	-	-	1,549.15	1,816.45	2,180.54
Financial liabilities measured at fair value through other comprehensive income							
-Sales Tax Deferrals	16 & 22	113.61	150.88	165.40	84.01	55.03	41.54
Financial liabilities measured at amortised cost							
-Non-Convertible Debentures	15	2,907.57	3,286.32	3,890.65	2,044.99	1,646.26	1,020.00
-Term Loan	15	-	59,639.27	1,22,896.08	1,95,939.12	1,18,120.26	37,409.00
-Redeemable Preference Shares	15	-	3,479.35	3,157.43	3,834.09	-	-
-Unsecured Loans	22	-	-	-	265.62	375.63	1,224.27
-Deposits	15	-	-	340.12	857.76	872.65	6,064.75
-Loans Repayable on Demand	20	-	-	-	3,20,758.21	2,97,145.18	87,620.12
-Trade Payables (including acceptances)	16 & 21	-	10,819.29	10,439.35	42,050.62	44,840.73	1,28,923.41
-Unclaimed Dividend	22	-	-	-	20.81	24.75	29.19
-Payable to employees	22	-	-	-	4,792.98	2,807.13	2,120.68
-Payable towards Other Expenses	22	-	-	-	3,398.10	3,057.37	2,814.04

2. Fair Value Measurements

The fair value of financial instruments as referred to in the note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The categories used are as follows:

• Level 1: Quoted prices for identical instruments in an active market;

• Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

• Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

fair value calculations by category is summarized below:

As at 31st March, 2017:

(₹ In Lakhs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
-Investments in quoted Mutual Funds	38.13	38.13	-	-
Financial liabilities measured at fair value through other comprehensive income				
-Sales Tax Deferrals	197.62	-	-	197.62

As at 31st March, 2016:

(₹ In Lakhs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
-Investments in quoted Mutual Funds	32.21	32.21	-	-
Financial liabilities measured at fair value through other comprehensive income				
-Sales Tax Deferrals	205.91	-	-	205.91

As at 1st April, 2015:

(₹ In Lakhs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
-Investments in quoted Mutual Funds	32.60	32.60	-	-
Financial liabilities measured at fair value through other comprehensive income				
-Sales Tax Deferrals	206.94	-	-	206.94

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

3. Financial Risk Management – Objectives and Policies

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

with banks, loans, trade receivables and other receivables.

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Company formulated by the Risk Management Committee are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

A) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables and loans.

i) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point (bps) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

- Exposure to interest rate risk:

(₹ In Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total Borrowings	5,26,607.35	4,84,564.92	2,63,622.41
% of Borrowings out of above bearing variable rate of interest	60.37%	61.22%	31.74%

- Interest Rate Sensitivity:

A change of 50 bps in interest rates would have the following impact on loss before tax

(₹ In Lakhs)

	2016-17	2015-16
50 bps increase would increase the loss before tax by	1,589.52	1,483.23
50 bps decrease would decrease the loss before tax by	1,589.52	1,483.23

ii) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The Company has obtained foreign currency loans and has foreign currency trade payables and

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure, the Company does not enter into any forward exchange contract or into any derivative instruments for trading or speculative purposes.

Foreign Currency exposures that are unhedged as on 31st March, 2017 amount to ₹ 1,00,390.19 Lakhs (₹ 1,04,274.64 as on 31st March, 2016; ₹ 87,451.53 Lakhs as on 01st April, 2015)

The Company is mainly exposed to changes in USD, EUR and AED. The below table demonstrates the sensitivity to a 5% increase or decrease in the above mentioned currencies against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents the management's assessment of a reasonably possible change in the foreign exchange rates.

(₹ In Lakhs)

Particulars	2016-17		2015-16	
	5% Increase	**5% Decrease**	**5% Increase**	**5% Decrease**
USD	3,453.39	(3,453.39)	3,766.43	(3,766.43)
EUR	23.36	(23.36)	82.47	(82.47)
AED	1,036.98	(1,036.98)	1,118.32	(1,118.32)
(Increase)/Decrease in loss	4,513.72	(4,513.72)	4,967.22	(4,967.22)

iii) Other Price Risk:

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price.

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

At 31st March 2017, the investment in mutual funds amounts to ₹ 38.13 Lakhs (₹ 32.21 Lakhs as on 31st March, 2016; ₹ 32.60 Lakhs as on 1st April, 2015)

A 5% increase in market prices would have led to approximately an additional gain of ₹ 1.91 Lakhs in Other Comprehensive Income.

A 5% decrease in prices would have led to an equal but opposite effect.

B) **Credit Risk**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company.

To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Account Receivables:

(₹ In Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Not due	-	-	-
0-3 months	79,059.07	97,551.96	1,52,694.91
3-6 months	2,473.49	5,476.83	24,679.34
6-12 months	5,098.82	11,194.11	50,465.98
Beyond 12 months and less than 2 years	3,46,538.26	3,43,909.04	1,34,174.84
Total	4,33,169.65	4,58,131.94	3,62,015.07

Movement in provisions of doubtful debts:

(₹ In Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening provision	272.23	-
Add: Additional Provision made	-	272.23
Less: Provision reversed/written off	(272.23)	-
Closing provisions	-	272.23

C) **Liquidity Risk**

Liquidity Risk is defined as the risk that the Company will face in meeting its obligations associated with its financial liabilities. The processes and policies related to such risks are overseen by the management. The management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Maturity profile of financial liabilities:

(₹ In Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
As at 31st March, 2017			
Borrowings (Refer Note 15 & 20)	5,24,709.77	1,897.58	5,26,607.35
Trade Payables (Refer Note 21)	42,050.62	-	42,050.62
Other Financial Liabilities (Refer Note 16 & 22)	84.01	113.61	197.62
As at 31st March, 2016			
Borrowings (Refer Note 15 & 20)	4,18,159.98	66,404.94	4,84,564.92
Trade Payables (Refer Note 16 & 21)	44,840.73	10,819.29	55,660.02
Other Financial Liabilities (Refer Note 16 & 22)	55.03	150.88	205.91
As at 1st April, 2015			
Borrowings (Refer Note 15 & 20)	1,33,338.14	1,30,284.28	2,63,622.41
Trade Payables (Refer Note 16 & 21)	1,28,923.41	10,439.35	1,39,362.76
Other Financial Liabilities (Refer Note 16 & 22)	41.54	165.40	206.94

22. Engineering Procurement Construction (EPC) Contracts provide for levy of liquidity damages (LD) to the extent of 10% of the contract value for delay in execution of the contracts. As a trade practice, on completion of the contracts such delay is generally condoned by granting time extension. It is not possible to ascertain the quantum of the LD for the projects where execution is delayed, as the proposals for time extension are pending with the customers and in the past, time extensions have been granted in similar circumstances.

23. The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long-term contracts has been made in the books of accounts. The Company has not entered into a derivative contract during the year.

24. Inadequate working capital has put considerable financial pressure on the Company and in particular, on the cash flows delaying commissioning of most of the projects executed by the Company. The Company has made a total provision of ₹ 1,600 Lakhs (Including ₹ 300 lakhs during the year) (P.Y ₹ 1,300 Lakhs) for estimated losses in few projects on completion of these contracts. With the support of lenders and customers, the Company has been managing to execute the projects and the management is reasonably confident that the situation will improve with implementation of the proposed restructuring scheme.

25. During the year, Madhyanchal Vidyut Vitaran Nigam Ltd, Dakshinanchal Vidyut Vitaran Nigam Ltd, National Thermal Power Corporation Ltd and Power Grid Corporation of India Ltd have terminated the contracts and encashed the performance guarantees amounting to ₹ 14,728.18 Lakhs. As the execution of contract was delayed due to reasons beyond the control of the company, the Company has been advised to initiate dispute resolution in terms of the contract.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

26. The BG encashment done by various clients i.e. MP Madhya Kshetra Vidut Vitaran Company Ltd, PMC Projects Ltd, National Thermal Power Corporation Ltd and Power Grid Corporation of India Ltd have been charged to statement of profit & loss.

27. Trade Payable includes dues to micro and small enterprises to whom the Company owes amounts outstanding for more than 45 days. The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

The details are as follows:

(In ₹ Lakhs)

Sr. No.	Particulars	**2016-17**	2015-16
1)	The Principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	**261.64**	263.32
2)	The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	**Nil**	Nil
3)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**Nil**	Nil
4)	The amount of interest accrued and remaining unpaid at the end of each accounting year	**128.70**	85.90
5)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	**Nil**	Nil

28. **Disclosure on Specified Bank Notes (SBNs)**

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) date March 31,2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per notification is given below:

(In ₹ Lakhs)

Particulars	**SBNs***	**Other denomination notes**	**Total**
Closing cash in hand as on November 8, 2016	26.55	2.65	29.19
(+) Permitted receipts	0.20	6.88	7.06
(-) Permitted payments	0.32	8.69	9.00
(-) Amount deposited in Banks	26.43	0.01	26.43
Closing cash in hand as on December 30, 2016	__	0.83	0.83

The above balances include data strictly pertaining to Indian operations and do not include the overseas branches.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

For the purpose of this clause the term ‘Specified Bank Notes’ shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th November, 2016.

29. For the year ended 31st March, 2017 and for earlier years, the Company has not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to cumulative ₹ 10,494.28 Lakhs (P. Y. ₹ 3,929.79 Lakhs) since the management is of the opinion that the banks have charged excessive interest and the excess interest will be waived by banks in their proposed restructuring scheme.

30. The accumulated losses for the year ended 31st March, 2017 have resulted in erosion of net worth of the Company. The Company has not complied with terms and conditions of the restructuring scheme finalised during 2015, rendering it invalid for the year 2016-17. The lenders have informed the Company for initiating Strategic Debt Restructuring (SDR) as per RBI guidelines.

    Subsequently, as per the revised guidelines of RBI, lenders have decided to implement restructuring scheme out of SDR scheme. During the year, the Joint Lender Forum have called for expression of interest from new investors and few investors have submitted bids with the lenders. Since the process is not completed, the management is of the opinion that after fresh investment done by the new investor and on approval of Restructuring Agreement by banks, the Company will be able to return to profitability over the next few years. Hence, the financial statements have been prepared assuming that the Company and its subsidiaries will continue as a going concern. No adjustments are made in the financial statements that might result from the outcome of this uncertainty.

31. The subsidiary company viz. Jyoti International Inc. and the step down subsidiary company Jyoti Americas LLC have defaulted in honoring the terms of the debt agreement including dividend payable and repayment of loan with lender for following loans:

    a) Subordinated Debt: USD 1,30,00,000

    b) Preferred stock Series A of USD 1,00,00,000

    c) Additional Preferred stock Series A of USD 1,88,00,000

    Jyoti Americas LLC has a contingent liability of USD 3,47,00,000 for above mentioned preferred stock variable return along with its accretion as per the terms of preferred stock agreement.

    As per preferred stock agreement, lenders have not exercised their rights and claims for the settlement of the above debt through the issuance of common stock of Jyoti Structures Ltd, since its due date 28th August, 2016, till the end of current financial year. Accordingly, the Company has not recorded an obligation of USD 3,47,00,000 related to the preferred stock variable return as of 31st March, 2017.

32. The number of shares of Jyoti Structures Ltd. to be issued on settlement of the preference stock as referred to in Note No. 37(31) on the Maturity on 28th August, 2016, cannot be ascertained since the lenders have not invoked their rights on the due date and till 31st March 2017, and therefore, the dilutive effect of those shares on the Diluted EPS of the Company has not been considered.

33. Corporate Social Responsibility (CSR) - In view of losses incurred, expenditure on CSR is not applicable for the year ended as at 31st March, 2017.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

34. Cost of material consumed includes Bought-out materials purchased for supplies to customers under the contracts.

35. Previous year's figures have been re-arranged, re-grouped, re-calculated and re-classified, wherever necessary

The Notes referred to above form an integral part of the Statement of Accounts.

As per our report attached

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK	**SANJEEVLATA SAMDANI**	**K. R. THAKUR**	**S. D. KSHIRSAGAR**
Partner	Company Secretary	Whole-time Director	Chairman
Membership Number 143685		DIN: 00001270	DIN: 00001266
Mumbai; 30th May, 2017			

Statement Containing the salient features of the Finanical Statements of Subsidiaries (Pursuant to first proviso to sub-section (3)of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 Form AOC 1)"

Part "A" : Subsidiaries

(₹ in Lacs)

Sr No.	Name of Subsidiary Company	JSL Corporate Services Ltd.	Jyoti Energy Ltd.	Jyoti Structures Africa (Pty.) Ltd.		Jyoti Structures FZE	
	Percentage of Share holding	100%	100%	70%		100%	
	Reporting Currency	INR	INR	ZAR	INR	AED	INR
1	Capital	350.00	5.00	0.001	0.005	20.00	353.07
2	Reserves	138.01	(27.13)	(284.89)	(1,373.51)	353.99	6,249.09
3	Total Assets	488.96	31.09	1,050.76	5,065.92	723.92	12,779.58
4	Total Liabilities (excluding Capital and Reserves)	0.95	53.22	1,335.65	6,439.44	349.94	5,177.60
5	Details of Investment (except in case of Investment in the Subisidiaries)	-	-	-	-	-	-
6	Turnover	-	-	-	-	246.02	4,343.60
7	Profit before Taxation	(0.35)	(3.66)	634.20	3,057.61	19.47	343.71
8	Provision for Taxation	-	-	-	-	1.00	17.65
9	Profit after Taxation	(0.35)	(3.66)	634.20	3,057.61	20.47	361.36
10	Proposed Dividend	-	-	-	-	-	-

Notes:

i) Please refer to consolidated financial statement and notes appearing thereon.

ii) The Exchange Rate of ₹ 4.8212 is considered for conversion of South Africa Rand (ZAR) to Indian rupee & ` 17.6533 is considered for conversion of Arab Emirates Dirham (AED) to Indian rupee (INR).

iii) Jyoti Americas LLC and Jyoti Structures Canada Ltd are subsidiaries of Jyoti International Inc. Result of Jyoti International Inc are not available.

iv) Jyoti Structures Namibia (Pty) Ltd is subsidiary of Jyoti Structures FZE.

v) Jyoti Structures FZE are including their subsidiaries.

"Statement Containing the salient features of the Financial Statements of Joint Venture (Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 Form AOC 1)"

Part "B" - Joint Venture

(₹ in Lacs)

Sr. No.	Name of Joint Venture	Gulf Jyoti International LLC	Lauren Jyoti Pvt. Ltd.
	Reporting Currency	**INR**	**INR**
1	Latest audited Balance Sheet Date	31- Dec-2015	31-Mar-2013
2	Shares of Associate/Joint Ventures held by the company on the year end		
	No.	12,930	50,00,000.00
	Amount of Investment in Associates/Joint Venture	1,642.77	500.00
	Extend of Holding %	30%	50%
3	Description of how there is significant influence	JV	JV
4	Reason why the Associate/Joint Venture is not consolidated	Not Applicable	See note iii) below *
5	Networth attributable to Shareholding as per latest audited Balance Sheet	3,192.51	-
6	Profit / Loss for the year**		
	Considered in Consolidation	70.03	-
	Not Considered in Consolidation	163.41	-

Notes:

i) Please refer to consolidated financial statement and notes appearing thereon.

ii) In case of Gulf Jyoti International LLC the Exchange Rate ₹ 18.0175 is considered for conversion of Arab Emirates Dirham (AED) to Indian rupee (INR).

iii) * Financial Statement of Lauren Jyoti Pvt Ltd. for the year ended 31st March, 2014, 31st March, 2015 and 31st March, 2016 has not been approved by the Board of Directors of Joint Venture Company.

iv) ** Profit / Loss for the year is based on unaudited financial statements as on 31st March, 2016.

For and on behalf of the Board

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director

S. D. KSHIRSAGAR
Chairman

Mumbai; 30th May, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JYOTI STRUCTURES LIMITED

Report on the Consolidated Ind AS Financial Statements

We were engaged to audit the accompanying Consolidated Ind AS Financial Statements of Jyoti Structures Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Ind AS Financial Statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on conducting our audit in accordance with the Standards on Auditing under Section 143(10) of the Act.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated Ind-AS financial statements.

Based on the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

(a) In the absence of the audited financial statements or management certified accounts, for the year ended 31st March, 2017, of a subsidiary Company, namely Jyoti International Inc, its transactions for the year are not incorporated in the Consolidated Ind AS Financial Statements. However, based on the available audited financial statements of this subsidiary as on 31st March, 2016, the opening balance sheet has been incorporated in these Consolidated Ind AS Financial Statements.

(b) In the absence of the audited financial statements or management certified accounts, for the year ended 31st March, 2017, of a Joint Venture (JV), namely Gulf Jyoti International LLC, the share in the profit/losses of the said JV has not been included in the Consolidated Ind AS Financial Statements, and therefore the investment in the said JV has been stated at the same value as determined based on the management certified financial statements as on 31st March, 2016.

(c) Due to non-availability of financial statements of a JV, namely Lauren Jyoti Private Limited, for the year ended 31st March, 2017 as well for earlier financial years, these Consolidated Ind AS Financial Statements do not include the financial results of the said JV.

(d) The Holding Company has given corporate guarantees of ₹ 48,925.59 lakhs (USD 7,55,00,000) for Jyoti International Inc and its step-down subsidiary Jyoti America LLC for loans taken from the lenders by these respective companies. The normal business operations of these companies have been temporarily discontinued. The liability of these corporate guarantees, if invoked by lenders, has not been ascertained and the same is not provided for.

(e) As mentioned in clause 19 of note no. 37 to the Consolidated Ind AS Financial Statements, no provision is made for Performance guarantees given by the Holding company and encashed by customers in current and earlier years amounting to ₹ 14,728.18 lakhs (P.Y. 1,823.01 lakhs). We are informed that the Holding company will be initiating arbitration in respect of encashment of these guarantees and it is hopeful of recovering this money from the customers. We are unable to comment on the recoverability of this amount and the corresponding impact on ‘Total Comprehensive Income’ for the year and on Retained Earnings.

(f) As mentioned in clause 22 of note no. 37 to the Consolidated Ind AS Financial Statements, the Holding company has, for the year ended 31st March, 2017 and earlier years, not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to cumulative ₹ 10,494.28 lakhs (P.Y. 3929.79 lakhs), since the management is of the opinion that the banks have charged excessive interest and the excess interest will be waived by the banks. We are unable to comment on the impact of the same on ‘Total Comprehensive Income’ for the year and on Retained Earnings.

(g) Total trade receivables of the Holding company as at 31st March, 2017 is ₹ 4,33,169.55 lakhs (P.Y. ₹ 4,58,131.95 lakhs). In the absence of balance confirmations for ₹ 3,02,776.16 lakhs from some of these trade receivables, we are unable to comment whether any provision or adjustment is required against the same. (Refer clause 32 of note no. 37)

(h) As mentioned in clause 16 of note no. 37 to the Consolidated Ind AS Financial Statements, the Group is facing financial problems due to losses incurred and inadequate liquidity, which has resulted into delays in implementing contracted projects during the year. The Group has made a total provision of ₹ 1,600 lakhs (including ₹ 300 lakhs during the year) for any liability that may arise from delay in execution of these projects, which in the view of the management would be adequate. In the absence of any independent evaluation of the progress of these projects and delays, if any, we are unable to comment on the adequacy of the provision.

(i) For the year ended 31st March, 2017, the Group has incurred losses of ₹ 142,917.91 lakhs and as on 31st March, 2017 has a negative net worth of ₹ 169,966.43 lakhs. Further, the Group’s total liabilities exceed its total assets by ₹ 2,08,461.64 lakhs. On account of its operational and financial position, the Company has delayed payments to various parties and dues to statutory authorities and interest on such delays is not determined. These factors might impact the aspect of going concern.

Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

(a) The financial statements/financial information of the three branches were not audited by any auditors, but certified by the management. These financial statements reflecting total assets of ₹ 3,072.10 lakhs as at 31st March, 2017 and total revenues of ₹ 23,456.73 lakhs for the year ended on that date are included in these Consolidated Ind AS Financial Statements.

(b) We draw attention to clause 27 of note no. 37 to the Consolidated Ind AS Financial Statements, remuneration paid to the Managing Director and Whole-Time Director of the Holding company included in the Group for the year ended 31st March, 2015 and 31st March, 2016 are higher by ₹ 43.04 lakhs and ₹ 48.83 lakhs respectively than the limits specified under Schedule V to the Act and approved by the members. An application made by the Holding company to the Ministry of Corporate Affairs (MCA) for waiver excess remuneration for the years ended 31st March, 2015 has been rejected. The Holding Company has shown the excess amounts for these years as recoverable from the concerned Managing Director and Whole-Time Director. As informed to us, the management is taking steps.

(c) We draw attention to clause 25 of note no. 37 to the Consolidated Ind AS Financial Statements. In August 2013, Jyoti International Inc., a subsidiary company, has issued subordinated debt of USD 1,30,00,000 and preferred stock Series A of USD 1,00,00,000. In April 2014, the company issued additional 47 shares of Series A preferred stock, at USD 4,00,000 per share, for additional gross proceeds of USD 1,88,00,000. Cumulative dividend accrues on these preferred stocks of Series A, on a daily basis at the rate of 0.01% per year on the original purchase price, per share.

The said subsidiary company has a contingent liability of USD 3,47,00,000 for above mentioned preferred stock variable return along with its accretion of USD 1,14,53,076 for the year ended 31st March, 2016.

As per preferred stock agreement, that Company and the Holding company, planned to settle the variable return due on 28th August, 2016 through the issuance of common stock of the Holding company. However, the parties have not exercised the right; hence the same has not been accounted for.

(d) In respect of subsidiaries the auditors have observed as under:

i) For year ended 31st March, 2017, a subsidiary Company had a profit of ₹ 261.06 lakhs (P.Y. loss ₹ 706.94 lakhs) and accumulated losses of ₹ 1,519.87lakhs as on 31st March, 2017. However, based on the expected orders and the business outlook of the subsidiary Company, the management is of the opinion that the accumulated losses are temporary in nature and will be recovered in the next couple of years. The shareholders of that Company have confirmed that the said Company will be able to continue as a going concern both to meet its liabilities as and when due and to carry on its business operations.

ii) In case of two subsidiary companies, the financial statements have been prepared assuming that the subsidiary companies will continue as going concern. The respective financial statements state that the Companies have accumulated losses and their respective net worth has been fully eroded. The Companies have incurred net cash losses during the current year, and the current liabilities exceeded their current assets as at the Balance Sheet date.

Other Matters

We did not audit the financial statements / financial information of eleven branches included in the Consolidated Ind AS Financial Statements of the Group, whose financial statements / financial information reflect total assets of ₹ 732.36 lakhs as at 31st March, 2017 and total revenue of ₹ 12,631.80 lakhs for the year ended on that date. These financial statements have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches is based solely on the report of such branch auditors.

We did not audit the financial statements / Consolidated Ind AS Financial Statements/ financial information of two subsidiaries (and their step-down subsidiaries) included in these Consolidated Ind AS Financial Statements, whose financial statements reflect total assets of ₹ 13,746.56 lakhs as at 31st March, 2017, total revenue of ₹ 8,110.66 lakhs, total net profit after tax of ₹46.10lakhs and total comprehensive income of (₹ 406.32) lakhs for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on these Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of such other auditors.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

The comparative financial information of the Group for the year ended 31st March, 2016 and the transition date opening balance sheet as at 1st April, 2015 included in these consolidated financial statements, are based on the previously issued statutory financial statements for the years ended 31st March, 2016 and 31st March, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an modified opinion dated 30th May, 2016 and 30th May, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to the have been audited by us.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143(3) of the Act, to the extent applicable, that:

(α) As described in the basis for Disclaimer of Opinion paragraph, we have sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Ind AS Financial Statements. The other auditors have sought and obtained all the information and explanations which to the best our knowledge and belief were necessary for the purpose of their audit of the subsidiaries;

(β) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law relating to preparation of the Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us. However, proper books of accounts as required by law have been kept by the subsidiary companies as specified in the report of other auditors;

(χ) The reports on the accounts of the branch offices of the Holding Company and its subsidiaries audited under section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;

(δ) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to comment whether the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us. However, the Balance Sheet, the Statement of Profit and Loss(including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity of the subsidiaries dealt with by this Report are in agreement with the relevant books of account maintained as specified in the report of other auditors;

(ε) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

(ϕ) The matter described in the Basis for Disclaimer of Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;

(γ) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and based on the report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group are disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(η) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph above;

(ι) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our Report in ‘Annexure A’, which is based on the auditors’ reports of the Holding company and subsidiary companies incorporated in India.

Our report expresses a qualified opinion on the Holding Company’s internal financial controls over financial reporting. However the auditors of subsidiaries express an unmodified opinion on the adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls.

(φ) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Group has disclosed the impact of pending litigations which would impact its financial position in the Consolidated Ind AS Financial Statements - Refer clause 3 of note no. 37 to the Consolidated Ind AS Financial Statements;

ii) due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Holding Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts (Refer clause 16 and 18 of note no. 37 to the Consolidated Ind AS Financial Statements). The auditors of subsidiary companies have stated in their report that they do not have any long term contracts including derivative contracts and hence has not made provision for such contracts;

iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India; and

iv) the Company has provided requisite disclosures in its Consolidated Ind AS Financial Statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and other auditors by the Management of the respective Group entities. Refer clause 29 of note no. 37 to the Consolidated Ind AS Financial Statements.

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants
Firm’s Registration Number: 117247W

KOMAL SEVAK
Partner
Membership Number: 143685

Place: Mumbai
Date: 30th May, 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JYOTI STRUCTURES LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of Jyoti Structures Limited (hereinafter referred to as 'the Holding Company') and its subsidiary companies, which are incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY OF INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Holding company and its subsidiary companies, which are incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding company and its subsidiary companies, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

QUALIFIED OPINION

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2017:

a) The Holding company is not having a full-fledged ERP system to manage different operational activities. Accordingly, many of the operations, which would have been taken care by the system, require manual intervention and to that extent there are limitations in control system and processes.

b) The Holding company needs to strengthen controls to ensure correct and complete accounting by conducting reconciliations between SAP postings, physical documents and trackers maintained.

The discrepancies noticed due to the above weaknesses, were, however, rectified by the year end with manual intervention.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/ possible effects of material weaknesses described above on the achievement of the objectives of the control criteria, the Holding company and its subsidiary companies, which are incorporated in India, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2017 consolidated financial statements of the Company, and these material weaknesses can affect our opinion on the consolidated financial statements of the Company.

For **R. M. AJAGONKAR & ASSOCIATES**
Chartered Accountants
Firm's Registration No.117247W

KOMAL SEVAK
Partner
Membership No. 143685

Place: Mumbai
Date: 30th May, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2017

	Note	**As at 31/Mar/2017 ₹ in Lacs**	As at 31/Mar/2016 ₹ in Lacs	As at 1/Apr/2015 ₹ in Lacs
ASSETS				
1) NON CURRENT ASSETS				
a) Property, Plant and Equipment	1	**35,122.34**	40,835.90	43,969.05
b) Capital Work-in-Progress		**2,636.63**	2,632.36	63.16
c) Goodwill	1.1	**7.71**	8.99	9.55
d) Other Intangible Assets	1.1	**755.71**	1,038.91	1,357.95
e) Investment accounted for using equity method	2	2,300.41	2,803.25	2,838.86
		40,822.80	47,319.41	48,238.57
f) Financial Assets				
i) Investment	3	**43.13**	37.21	37.60
ii) Trade Receivables	4	**35,078.41**	38,385.99	31,774.93
iii) Other Financial Assets	5	576.36	617.91	655.72
		35,697.90	39,041.11	32,468.25
g) Other Non-current Assets	6	**-**	-	5.93
h) Deferred Tax Assets (Net)	17	-	-	5,466.53
TOTAL NON CURRENT ASSETS		76,520.70	86,360.52	86,179.28
2) CURRENT ASSETS				
a) Inventories	7	**16,025.90**	25,445.70	33,529.29
b) Financial Assets				
i) Trade Receivables	8	**4,07,703.02**	4,28,269.46	3,34,287.35
ii) Cash and Cash Equivalents	9	**4,523.07**	4,895.94	10,597.20
iii) Bank Balances other than (ii) above	10	**713.83**	1,170.75	969.09
iv) Other Current Financial Assets	11	42,946.36	36,370.04	27,007.47
		4,55,886.28	4,70,706.19	3,72,861.11
c) Other Current Assets	12	**28,363.42**	38,872.92	52,693.57
d) Current Tax Asset (Net)]	12.1	0.58	0.58	0.58
TOTAL CURRENT ASSETS		5,00,276.18	5,35,025.39	4,59,084.55
TOTAL		5,76,796.88	6,21,385.91	5,45,263.83
EQUITY AND LIABILITIES				
1) EQUITY				
a) Equity Share Capital	13	**2,190.55**	2,190.55	2,190.55
b) Other Equity	14	-1,72,156.98	-28,942.77	38,225.31
Equity attributable to owners		**-1,69,966.43**	-26,752.22	40,415.86
c) Non controlling Interest		17,936.93	17,868.50	18,077.93
TOTAL EQUITY		**-1,52,029.50**	-8,883.72	58,493.79
2) LIABILITIES				
A NON CURRENT LIABILITIES				
a) FINANCIAL LIABILITIES				
i) Long Term Borrowings	15	**18,294.50**	81,791.82	1,39,982.08
ii) Other Financial Liabilities	16	455.39	10,970.17	10,604.75
		18,749.89	92,761.99	1,50,586.83
b) Other Non-Current liabilities	17	**-**	2,471.62	9,104.28
c) Long Term Provisions	18	**1,320.55**	1,208.21	936.62
d) Deferred Tax Liabilities (Net)	19	18.12	15.68	-
TOTAL NON CURRENT LIABILITIES		20,088.56	96,457.50	1,60,627.73
B CURRENT LIABILITIES				
a) Financial Liabilities				
i) Short Term Borrowings	20	**3,21,440.13**	2,98,405.02	90,472.47
ii) Trade Payables	21	**46,576.49**	48,116.10	1,31,083.59
iii) Other Current Financial Liabilities	22	2,19,511.78	1,34,971.17	65,408.80
		5,87,528.40	4,81,492.29	2,86,964.86
b) Other Current Liabilities	23	**1,20,577.70**	50,891.42	37,358.37
c) Short Term Provisions	24	**631.72**	487.01	320.98
d) Current tax liabilities (Net)	25	-	941.41	1,498.10
		1,21,209.42	52,319.84	39,177.45
TOTAL CURRENT LIABILITIES		7,08,737.82	5,33,812.13	3,26,142.31
TOTAL		5,76,796.88	6,21,385.91	5,45,263.83
Significant Accounting Policies	36			
Other Notes to Financial Statements	37			

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number 143685
Mumbai; 30th May, 2017

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director
DIN: 00001270

S. D. KSHIRSAGAR
Chairman
DIN: 00001266

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

		Note	YEAR Ended 31/Mar/2017 ₹ in Lacs	Year Ended 31/Mar/2016 ₹ in Lacs
CONTINUING OPERATIONS				
I	**INCOME**			
	Revenue from Operations (Gross)	26	**90,343.52**	2,76,396.30
	Other Income	27	**1,869.82**	6,887.94
	Total Revenue		**92,213.34**	**2,83,284.24**
II	**EXPENSES**			
	Cost of Materials Consumed	28	**48,115.46**	1,84,927.13
	Excise Duty Paid	29	**624.37**	2,100.84
	Erection and Sub-contracting Expense	30	**30,845.84**	38,260.34
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	31	**8,636.63**	3,897.11
	Employee Benefits Expense	32	**11,662.44**	18,268.26
	Finance Costs	33	**84,527.09**	63,427.31
	Depreciation and Amortization Expense (Net)	34	**6,332.75**	7,570.09
	Other Expenses	35	**44,028.19**	**29,908.29**
	TOTAL EXPENSES		**2,34,772.77**	**3,48,359.37**
III	**Loss Before Tax and Share in joint venture (I-II)**		**-1,42,559.43**	-65,075.13
IV	**Share of Joint Venture**			
	Share of Profit / (Loss) of Joint Venture		**-**	**-35.61**
V	**Loss Before Tax (III+IV)**		**-1,42,559.43**	-65,110.74
VI	**Tax Expense:**			
	Current Tax		**-**	55.74
	Deferred Tax (Net)		**-22.08**	**5,482.21**
			-22.08	5,537.95
VII	**Profit/(Loss) for the year (V-VI)**		**-1,42,537.35**	**-70,648.69**
VIII	**Other Comprehensive income**			
	A. Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		**-31.23**	205.04
	B. Items that will be reclassified to profit or loss			
	Remeasurement of MF Investment at fair value		**5.92**	-0.39
	Exchange (Loss)/Gain in translating the financial statements of foreign operations		**-357.56**	3,640.12
	NPV of Deferred Liability		**8.29**	**-13.22**
			-312.12	3,421.47
IX	**Total Comprehensive Income (VII + VIII)**		**-1,42,849.47**	**-67,227.22**
X	**Net Profit Attributable to**			
	Owner		**(1,42,605.78)**	(70,439.26)
	Non controlling Interest		**68.43**	-209.43
	Other Comprehensive income			
	Owner		**(312.12)**	3,421.47
	Non controlling Interest		**-**	-
	Total Comprehensive income			
	Owner		**(1,42,917.90)**	(67,017.79)
	Non controlling Interest		**68.43**	(209.43)
X	**Earnings Per Equity Share (In ₹)**			
	[Nominal value of share ₹ 2]			
	1) Basic		**₹ -130.2**	₹ -64.31
	2) Diluted		**₹ -130.2**	₹ -64.31
	Significant Accounting Policies	36		
	Other Notes to Financial Statements	37		

The Significant Accounting Policies and Notes referred to above form an integral part of Financial Statements.

As per our report attached

For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK	**SANJEEVLATA SAMDANI**	**K. R. THAKUR**	**S. D. KSHIRSAGAR**
Partner	Company Secretary	Whole-time Director	Chairman
Membership Number 143685		DIN: 00001270	DIN: 00001266
Mumbai; 30th May, 2017			

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

				Year Ended 31/Mar/2017 ₹ In Lacs	Year Ended 31/Mar/2016 ₹ In Lacs
I	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) Before Taxes		[A]	**-1,42,559.43**	-65,075.14
	ADJUSTMENTS FOR				
	i) Depreciation and Amortisation			**6,332.75**	7,570.09
	ii) Impairment of Investments			**502.83**	-
	iii) Interest Expense			**82,803.79**	59,980.42
	iv) (Gain)/Loss on Sale of Property, Plant and Equipment (Net)			**1.80**	-20.53
	v) Amortisation of Borrowings			**1,060.59**	1,366.82
	vi) Interest Received			**-1,726.65**	-1,818.13
	vii) Employee Compensation Expense - ESOS			**-**	7.03
	viii) Remeasurements of the defined benefit plans			**31.23**	-205.04
	ix) Currency rate adjustment in Fixed Assets			**37.28**	-1,637.79
	x) Exchange (Loss)/Gain in translating the financial statements of foreign operations			**-357.56**	3,640.12
			[B]	**88,686.06**	68,882.99
	Operating Profit before Working Capital changes		[A+B] = [C]	**-53,873.37**	3,807.85
	ADJUSTMENTS FOR				
	i) Inventories			**9,419.80**	8,083.59
	ii) Trade Receivable & Other Receivable, financial assets, Other Current Assets			**1,819.49**	-147,645.36
	iii) Current Liabilities and Provisions			**97,139.86**	-43,952.77
			[D]	**1,08,379.15**	-1,83,514.54
	Cash Generated from Operations		[C+D] = [E]	**54,505.78**	-1,79,706.69
	i) Direct Taxes Paid (Net)			**-1,287.30**	-768.21
			[F]	**-1,287.30**	-768.21
	Net Cash (used in) / from Operating Activities	[I]	[E+F] = [G]	**53,218.48**	-1,80,474.90
II	**CASH FLOW FROM INVESTING ACTIVITIES**				
	i) Proceeds from Sale of Property, Plant and Equipment			**68.14**	73.91
	ii) Purchase of Property, Plant and Equipment [After adjustment of (Increase)/ Decrease in Capital Work-in-Progress]			**-446.35**	-5,102.84
	iii) Interest Received			**1,726.65**	1,818.13
	iv) Net Advances to Companies other than Subsidiary Companies			**-12,530.94**	7,067.25
	Net Cash (used in) / from Investing Activities	[II]		**-11,182.50**	3,856.45
III	**CASH FLOW FROM FINANCING ACTIVITIES**				
	i) Proceeds from Issue of Equity Share			**-**	-0.82
	(inclusive of Share Premium and after considering ESOS allotted to employees)				
	ii) Repayment of Non convertible Debentures			**-2.00**	12,484.04
	iii) Proceeds from Long Term Borrowings			**19,729.38**	17,216.71
	iv) Repayment of Long Term Borrowings			**-2,353.58**	-6,643.32

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

			Year Ended 31/Mar/2017 ₹ In Lacs	Year Ended 31/Mar/2016 ₹ In Lacs
v)	Repayment of Asset Finance from Banks		**-9.43**	-22.86
vi)	Proceeds from Asset Finance from Financiers		**4.50**	-
vii)	Net Increase/(Decrease) in Interest Free Sales Tax Deferral Loan		**-**	-14.25
viii)	Proceeds from Short Term Borrowings from banks		**16,413.23**	88,532.30
ix)	Dividend Distribution Tax Paid on Preference Share		**-5.09**	-
x)	Dividends on Pref Share Capital		**-**	-50.00
xi)	Dividend and Dividend Distribution Tax for earlier year		**-3.95**	-4.43
xii)	Interest Expense		**-82,803.79**	-59,980.42
Net Cash (used in) / from Financing Activities [III]			**-49,030.73**	51,516.95
Net Increase/(Decrease) in Cash and Cash Equivalents		[I + II + III]	**-6,994.75**	-125,101.50
Cash and Cash Equivalents at the beginning of the year			**-2,00,131.85**	-75,030.35
Cash and Cash Equivalents at the end of the year *			**-2,07,126.60**	-2,00,131.85

* Cash and Cash Equivalents comprise of :

Particulars			Year Ended 31/Mar/2017 ₹ In Lacs	Year Ended 31/Mar/2016 ₹ In Lacs
a)	Balances with Banks		**4,184.47**	4,818.36
b)	Fixed Deposit with original maturity for less than 3 months		**310.00**	-
c)	Cash On Hand		**28.60**	77.58
		Sub Total (A)	**4,523.07**	4,895.94
d)	Short Term Borrowings (Refer Note No. 20)		**-3,21,440.13**	-2,98,405.02
	Less: Loans other than Overdraft and Cash Credit		**-1,09,790.46**	-93,377.23
		Sub Total (B)	**-2,11,649.67**	-2,05,027.79
		Total (A+B)	**-2,07,126.60**	-2,00,131.85

As per our report attached
For **R. M. AJGAONKAR & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number 143685
Mumbai; 30th May, 2017

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director
DIN: 00001270

S. D. KSHIRSAGAR
Chairman
DIN: 00001266

Note :

1 The Statement of cash flow is prepared in accordance with the format prescribed as per Ind-AS 7

2 “Other non-cash items” includes excess provision written back, diminution of value of investment, materials written off and miscellaneous adjustments not affecting Cash Flow.

3 In Part-I of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-II and Part-III, figures in brackets indicate cash outflows.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2017

A. EQUITY SHARE CAPITAL

	(₹ in lacs) Amount
As at 1st April, 2015	2,190.55
Changes in Equity –	-
As at 31st March, 2016	2,190.55
Changes in Equity –	-
As at 31st March, 2017	2,190.55

B. OTHER EQUITY

(₹ in lacs)

	Reserves & Surplus								Total Equity	Non Controlling Interest	Others (Share Application Money)	Total
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Employee Stock Option Outstanding	Fixed Deposit Redemption Reserve	Retained Earnings				
Balance as at 1st April, 2015	6.06	27,653.82	300.00	1,243.50	16,606.64	334.72	-	-7,920.25	38,224.49	-	0.82	38,225.31
Profit for the year	-	-	-	-	-	-	-	-70,648.70	-70,648.70	209.43	-	-70,439.27
Other Comprehensive Income for the year	-	-	-	-	-	-	-	3,421.48	3,421.48	-	-	3,421.48
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**		**-67,227.22**	**-67,227.22**	**209.43**	**-**	**-67,017.79**
(Excess)/Short Provision of Taxes for earlier year	-	-	-	-	-	-	-	-156.50	-156.50	-	-	-156.50
Addition / (Deletion) during the year	-	-	-	-	-	-	-	-	-	-	-0.82	-0.82
Share Issue Expenses	-	-	-	-	-	7.03	-	-	7.03	-	-	7.03
Balance as at 31st March, 2016	**6.06**	**27,653.82**	**300.00**	**1,243.50**	**16,606.64**	**341.75**	**-**	**-75,303.97**	**-29,152.20**	**209.43**	**-**	**-28,942.77**
									-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-142,537.35	-142,537.35	-68.43	-	-142,605.78
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-312.13	-312.13	-	-	-312.13
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-142,849.48**	**-142,849.48**	**-68.43**	**-**	**-142,917.91**
(Excess)/Short Provision of Taxes for earlier year	-	-	-	-	-	-	-	-296.30	-296.30	-	-	-296.30
Transfer to Fixed deposit redemption reserve	-	-	-	-	-128.66	-	128.66	-	-	-	-	-
Transfer to general reserve	-	-	-	-	341.75	-341.75	-	-	-	-	-	-
Balance as at 31st March, 2017	**6.06**	**27,653.82**	**300.00**	**1,243.50**	**16,819.73**	**-**	**128.66**	**-218,449.75**	**-172,297.98**	**141.00**	**-**	**-172,156.98**

As per our report attached

For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number 143685
Mumbai; 30th May, 2017

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director
DIN: 00001270

S. D. KSHIRSAGAR
Chairman
DIN: 00001266

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Property, Plant and Equipment

1 Tangible assets	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Tools and Tackles	Furniture & Fixtures	Computer and Office Equipments	Vehicles	31 March 2017 (₹ in lacs)
Gross Carrying Value									
As at 1 April 2015	2,497.73	223.70	11,712.72	33,890.21	10,045.92	1,016.05	2,044.69	6,589.08	68,020.10
Additions	139.94	-	548.87	1,983.30	1,085.48	27.78	188.18	130.71	4,104.26
Disposals	-	-	-	38.79	-	77.10	123.10	162.36	401.35
As at 31 March 2016	2,637.67	223.70	12,261.59	35,834.72	11,131.40	966.73	2,109.77	6,557.43	71,723.01
Additions	-	-	-	85.18	227.54	7.73	71.59	12.71	404.75
Disposals	-	-	-	98.03	20.11	5.69	90.47	82.69	296.99
As at 31 March 2017	2,637.67	223.70	12,261.59	35,821.87	11,338.83	968.77	2,090.89	6,487.45	71,830.77
Accumulated Depreciation									-
As at 1 April 2015	-	24.45	1,683.22	13,665.08	3,631.24	594.04	1,555.40	2,897.61	24,051.04
Charge for the year	-	3.79	408.09	2,953.08	2,707.47	83.35	224.65	803.63	7,184.06
Disposals	-	-	-	38.28	-	77.05	121.54	111.11	347.98
As at 31 March 2016	-	28.24	2,091.31	16,579.88	6,338.71	600.34	1,658.51	3,590.13	30,887.12
Charge for the year	-	3.79	76.15	1,596.39	3,426.05	55.15	152.41	738.42	6,048.36
Disposals	-	-	-	75.45	20.11	5.19	89.43	36.87	227.05
As at 31 March 2017	-	32.03	2,167.46	18,100.82	9,744.65	650.30	1,721.49	4,291.68	36,708.43
Net Block									-
As at 31 March 2016	2,637.67	195.46	10,170.28	19,254.84	4,792.69	366.39	451.26	2,967.30	40,835.89
As at 31 March 2017	2,637.67	191.67	10,094.13	17,721.05	1,594.18	318.47	369.40	2,195.77	35,122.34

1.1 Intangible assets	Software	Goodwill on amalgamation	31 March 2017
			(₹ in lacs)
Gross Carrying Value			
As at 1 April 2015	2,654.30	311.74	2,966.04
Additions	52.05	0.63	52.68
Disposals	-	-	-
As at 31 March 2016	2,706.35	312.37	3,018.72
Additions	0.13	-0.23	-0.10
Disposals	-	-	-
Transfer to assets held for sale	-	-	-
Other adjustments	-	-	-
As at 31 March 2017	2,706.48	312.14	3,018.62
Accumulated Depreciation			
As at 1 April 2015	1,296.34	302.19	1,598.53
Charge for the year	371.10	1.18	372.28
Disposals	-	-	-
As at 31 March 2016	1,667.44	303.37	1,970.81
Charge for the year	283.33	1.06	284.39
Disposals	-	-	-
As at 31 March 2017	1,950.77	304.43	2,255.20
Net Block			
As at 31 March 2016	1,038.91	9.00	1,047.91
As at 31 March 2017	755.71	7.71	763.42

Note:

1 For assets given as security refer Standalone Balance Sheet Note No 15.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2	INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE	Subsidiary / Associate / Joint Venture	Face Value	No. of Shares / Units			Amount		
				31/ Mar/2017	31/ Mar/2016	1/ Apr/2015	31/ Mar/2017	31/ Mar/2016	1/ Apr/2015
				Nos	Nos	Nos	₹ in Lacs	₹ in Lacs	₹ in Lacs
	Investment in Equity Instruments								
	Unquoted, Fully paid-up - At Cost								
	Jyoti International Inc. - Eq. Shares	Subsidiary	$ 0.01 Each	100.00	100.00	100.00	6,000.65	-	-
	Less: Diminution of Investment * #	Subsidiary					-6,000.65	-	-
	Gulf Jyoti International LLC - Eq. Shares	Joint Venture	AED 1000 Each	12,930.00	12,930.00	12,930.00	2,300.41	2,300.41	2,336.03
	Lauren Jyoti Pvt Ltd. - Eq Shares	Joint Venture	₹ 10 Each	50,00,000	50,00,000	50,00,000	500.00	500.00	500.00
	Less: Diminution of Investment ** #	Joint Venture					-500.00	-	-
	TAQA Jyoti Energy Ventures Private Limited	Other	₹ 10 Each	28,300.00	28,300.00	28,300.00	2.83	2.83	2.83
	Less: Diminution of Investment #	Other	₹ 10 Each				-2.83	-	-
							2,300.41	2,803.24	2,838.86

* Investment at the end of the year in Jyoti Structures Africa (Pty) Ltd. is ₹ 419/- (P.Y. ₹ 419/-)

** Provision for diminution of investment in Lauren Jyoti Pvt. Ltd. Is ₹ 4,99,99,900/-

\# Provision for diminution of Investment during the year FY 16-17 is ₹ 6,503.48 Lacs

Book value of Unquoted Investments is ₹ 2,314.81 Lacs (P.Y. ₹ 8,632.60 Lacs)

3	NON-CURRENT INVESTMENTS	Others / Mutual Funds	Face Value	No. of Shares / Units			Amount		
				31/ Mar/2017	31/ Mar/2016	1/ Apr/2015	31/ Mar/2017	31/ Mar/2016	1/ Apr/2015
				Nos	Nos	Nos	₹ in Lacs	₹ in Lacs	₹ in Lacs
	Investment in Equity Instruments								
	Unquoted, Fully paid-up - At Cost								
	Jankalyan Sahakari Bank Ltd. - Eq. Shares	Other	₹ 10 Each	49,955.00	49,955.00	49,955.00	5.00	5.00	5.00
							5.00	5.00	5.00
	Investment in mutual fund								
	Quoted, Fully paid-up - At fair value through other comprehensive income								
	SBI Blue Chip Fund	Mutual Fund	₹ 10 Each	20,000	20,000	20,000	6.71	5.59	5.68
	SBI Infrastructure Fund	Mutual Fund	₹ 10 Each	50,000	50,000	50,000	6.82	5.31	5.89
	SBI Magnum Equity Fund	Mutual Fund	₹ 10 Each	12,136	12,136	12,136	10.44	8.83	9.15
	UTI Bond Fund	Mutual Fund	₹ 10 Each	28,352	28,352	28,352	14.16	12.48	11.88
							38.13	32.21	32.60
	TOTAL						43.13	37.21	37.60

Book value of Unquoted Investments is ₹ 5.00 Lacs (P.Y. ₹ 5.00 Lacs)

Market value of Quoted Investments is ₹ 38.13 Lacs (P.Y. ₹ 32.21 Lacs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs	1/Apr/2015 ₹ in Lacs
4	**NON CURRENT TRADE RECEIVABLES**			
	Unsecured, considered good			
	Trade Receivables	**35,078.41**	38,385.99	31,774.93
	TOTAL	**35,078.41**	38,385.99	31,774.93

		31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs	1/Apr/2015 ₹ in Lacs
5	**OTHER NON CURRENT FINANCIAL ASSETS**			
	Unsecured and considered good			
	a) Security and Other Deposits	**547.43**	585.39	613.74
	b) Other Loans and Advances			
	Loans to Employees	**28.93**	32.52	41.98
	TOTAL	**576.36**	617.91	655.72

		31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs	1/Apr/2015 ₹ in Lacs
6	**OTHER NON CURRENT ASSETS**			
	Unsecured and considered good			
	Capital Advances	**-**	-	5.93
	TOTAL	**-**	-	5.93

		31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs	1/Apr/2015 ₹ in Lacs
7	**INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)**			
	a) Raw Materials			
	i) In Stock	**3,028.44**	3,327.54	4,462.60
	ii) In Transit	**-**	-	150.86
	b) Construction Materials at Site	**848.47**	1,257.58	1,984.29
	c) Semi Finished Goods	**296.88**	548.40	234.18
	d) Work-in-Progress	**8,715.34**	15,114.43	16,802.98
	e) Finished Goods	**2,861.10**	4,820.66	9,531.91
	f) Stores and Consumables	**229.65**	304.60	328.61
	g) Scrap	**46.02**	72.49	33.86
	TOTAL	**16,025.90**	25,445.70	33,529.29

		31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs	1/Apr/2015 ₹ in Lacs
8	**TRADE RECEIVABLES**			
	Unsecured, considered good			
	a) Trade Receivables (overdue more than six months)	**351,636.93**	355,103.15	184,676.23
	b) Other Trade Receivables	**56,066.09**	73,166.31	149,611.12
	TOTAL	**407,703.02**	428,269.46	334,287.35

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

9	CASH AND BANK BALANCES	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Cash and Cash Equivalents			
a)	Balances with Banks	**4,184.47**	4,818.36	9,828.50
b)	Fixed Deposit with original maturity for less than 3 months	**310.00**	-	700.00
c)	Cash in Hand	**28.60**	77.58	68.70
	TOTAL	**4,523.07**	4,895.94	10,597.20

10	BANK BALANCES OTHER THAN ABOVE	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Margin money with bank	**693.02**	1,145.99	939.91
b)	Unpaid Dividend Bank Balance *	**20.81**	24.76	29.18
	TOTAL	**713.83**	1,170.75	969.09

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2017. These amount shall be paid to the fund as an when they became due.

11	OTHER CURRENT FINANCIAL ASSETS	31/Mar/2017	31/Mar/2016	1/Apr/2015
	Unsecured and considered good	**₹ in Lacs**	₹ in Lacs	₹ in Lacs
a)	Loan and Advances to Related Parties [Note No. 37 (10)]	**13,243.09**	25,774.03	18,706.78
b)	Other Loans and Advances			
i)	Loans to Employees	**5.93**	7.72	9.10
ii)	Sundry Deposits	**391.12**	355.65	352.02
iii)	Claim Receivables	**17,200.30**	4,043.22	4,673.26
iv)	Interest Receivable	**10,494.28**	4,034.96	108.69
v)	Expenses Receivable and Other Advances	**1,611.64**	2,154.46	3,157.62
	TOTAL	**42,946.36**	36,370.04	27,007.47

12	OTHER CURRENT ASSETS	31/Mar/2017	31/Mar/2016	1/Apr/2015
	Unsecured and considered good	**₹ in Lacs**	₹ in Lacs	₹ in Lacs
i)	Prepaid Expenses	**2,184.29**	4,744.88	10,408.73
ii)	Balances With Statutory/Government Authorities	**10,638.20**	12,335.73	13,540.62
iii)	Advances to Supplier	**9,779.37**	14,829.05	15,821.73
iv)	Interest accrued but not due on ICD / Fixed Deposits	**519.81**	513.52	403.57
v)	Revenue accrued but not due	**5,241.75**	6,449.74	12,518.92
	TOTAL	**28,363.42**	38,872.92	52,693.57

12.1	CURRENT ASSET (TAX)	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Advance income-tax (net of provision for taxation)	**0.58**	0.58	0.58
	TOTAL	**0.58**	0.58	0.58

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

13	**SHARE CAPITAL**	**31/Mar/2017**		31/Mar/2016		1/Apr/2015	
		Number	**₹ in Lacs**	Number	₹ in Lacs	Number	₹ in Lacs
	Authorised :						
	Equity Shares of ₹ 2/- each	**300,000,000**	**6,000.00**	300,000,000	6,000.00	175,000,000	3,500.00
		300,000,000	**6,000.00**	300,000,000	6,000.00	175,000,000	3,500.00
	Issued :						
	Equity Shares of ₹ 2/- each	**109,542,970**	**2,190.86**	109,542,970	2,190.86	109,542,970	2,190.86
		109,542,970	**2,190.86**	109,542,970	2,190.86	109,542,970	2,190.86
	Subscribed and Paid-up :						
	Equity Shares of ₹ 2/- each fully paid up	**109,527,710**	**2,190.55**	109,527,710	2,190.55	109,527,710	2,190.55
	TOTAL	**109,527,710**	**2,190.55**	109,527,710	2,190.55	109,527,710	2,190.55
a)	Movements in equity share capital						
	Equity Shares	**31/Mar/2017**		31/Mar/2016		1/Apr/2015	
		Number	**₹ in Lacs**	Number	₹ in Lacs	Number	₹ in Lacs
	At the beginning of the period	**109,527,710**	**2,190.55**	109,527,710	2,190.55	109,527,710	2,190.55
	Issued during the period - ESOS	**-**	**-**	-	-	-	-
	Issued during the period - QIP	**-**	**-**	-	-	-	-
	Outstanding at the end of the period	**109,527,710**	**2,190.55**	109,527,710	2,190.55	109,527,710	2,190.55
b)	Names of Equity shareholders holding more than 5 % shares						
		Number	**%**	Number	%	Number	%
	1) IDFC Sterling Equity Fund	**-**		-		7,675,914	7.01%
	2) HDFC Trustee Company Ltd. - HDFC Children Gift Fund - Investment Fund (Equity Shares)	**8,897,200**	**8.12%**	8,897,200	8.12%	-	
	3) Surya India Fingrowth Pvt. Ltd.	**5,860,320**	**5.35%**	5,860,320	5.35%	5,860,320	5.35%
c)	Shares reserved for issue under options						
	Employee Stock Options Scheme (ESOS)						
	1) Under ESOS 2005, eligible employee on grant of option & on vesting shall be entitled to apply for five equity shares of ₹. 2/- each at an exercise price of ₹. 17/- per equity share for each option.	-		519,750		519,750	
	2) Under ESOS 2011, eligible employee on grant of option & on vesting shall be entitled to apply for equity shares of ₹ 2/- each at an exercise price of ₹. 25/- per equity share for each option.	-		2,500,000		2,500,000	
d)	The Company has equity shares having a par value of ₹ 2/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.						

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

14. OTHER EQUITY

(₹ in lakhs)

	Reserves & Surplus								Total Reserve	Non Controlling Interest	Others (Share Application Money)	Total Equity
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Employee Stock Option Outstanding	Fixed Deposit Redemption Reserve	Retained Earnings				
Balance as at 1st April, 2015	**6.06**	**27,653.82**	**300.00**	**1,243.50**	**16,606.64**	**334.72**	**-**	**-7,920.25**	**38,224.49**	**-**	**0.82**	**38,225.31**
Profit for the year	-	-	-	-	-	-	-	-70,648.70	-70,648.70	209.43	-	-70,439.27
Other Comprehensive Income for the year	-	-	-	-	-	-	-	3,421.48	3,421.48	-	-	3,421.48
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-67,227.22**	**-67,227.22**	**209.43**	**-**	**-67,017.79**
(Excess)/Short Provision of Taxes for earlier year	-	-	-	-	-	-	-	-156.50	-156.50	-	-	-156.50
Transfer to Equity Share Capital	-	-	-	-	-	-	-	-	-	-	-0.82	-0.82
Share Issue Expenses	-	-	-	-	-	7.03	-	-	7.03	-	-	7.03
Balance as at 31st March, 2016	6.06	27,653.82	300.00	1,243.50	16,606.64	341.75	-	-75,303.97	-29,152.20	209.43	-	-28,942.77
Profit for the year	-	-	-	-	-	-	-	-142,537.35	-142,537.35	-68.43	-	-142,605.78
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-312.13	-312.13	-	-	-312.13
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-142,849.48	-142,849.48	-68.43	-	-142,917.91
(Excess)/Short Provision of Taxes for earlier year	-	-	-	-	-	-	-	-296.30	-296.30	-	-	-296.30
Transfer to Fixed deposit redemption reserve	-	-	-	-	-128.66	-	128.66	-	-	-	-	-
Transfer to general reserve	-	-	-	-	341.75	-341.75	-	-	-	-	-	-
Balance as at 31st March, 2017	6.06	27,653.82	300.00	1,243.50	16,819.73	-	128.66	-218,449.75	-172,297.98	141.00	-	-172,156.98

Nature of Reserve

Capital Reserve

Capital reserve is utilised in accordance with provision of the Act.

Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. These reserve is utilised in accordance with the provisions of the Act.

Capital Redemption Reserve

Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

Debenture Redemption Reserve

The company is required to create a debenture redemption reserve out profit of the which is available for the purpose of redemption of debentures.

General Reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes.

Fixed Deposit Redemption Reserve

The company is required to create a fixed deposit redemption reserve out general reserve of the which is available for the purpose of redemption of fixed deposit.

Employee Stock Option Outstanding

The value of the share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

15	FINANCIAL LIABILITIES - LONG TERM BORROWINGS	Non- Current			Current		
		31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs	1/Apr/2015 ₹ in Lacs	31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs	1/Apr/2015 ₹ in Lacs
	Secured Loans						
	Non Convertible Debenture	**2,907.57**	3,286.32	3,890.65	**2,044.99**	1,646.26	1,020.00
	Term Loan						
	From Bank	**7.95**	59,440.68	122,490.53	**200,530.83**	122,942.56	39,205.04
	From Other	**15,378.98**	15,585.47	8,390.48	**2,022.96**	1,811.97	97.95
	TOTAL - A	**18,294.50**	78,312.47	134,771.66	**204,598.78**	126,400.79	40,322.99
	Unsecured Loans						
	Redeemable Preference Shares	**-**	3,479.35	3,157.43	**3,834.09**	-	-
	From Other						
	Others	**-**	-	1,712.87	**265.62**	375.63	8,094.53
	Deposits	**-**	-	340.12	**857.76**	872.65	6,064.75
	TOTAL - B	**-**	3,479.35	5,210.42	**4,957.47**	1,248.28	14,159.28
	Amount disclosed under the head “Other Current Financial Liabilities” (Note No. 22) (Refer a)				**-209,556.25**	-127,649.07	-54,482.27
	TOTAL - A + B	**18,294.50**	81,791.82	139,982.08	**-**	-	-

Nature of Securities for Secured Loan

Non-Convertible Debenture

a) ₹ 4,952.55 Lacs (P.Y. ₹ 4,932.58 Lacs) Secured by Mortgage over identified immovable property of the subsidiary company; Subservient charge on all moveable and immoveable properties of the company;

Term Loan

a) ₹ 4,673.34 Lacs (P.Y. ₹ 4,772.41 Lacs) Secured by i) first pari passu charge by hypothecation of moveable assets of the company and first pari passu charge on company’s immovable properties situated at M.I.D.C., Satpur Industrial Area, Nasik (Maharashtra), Raipur (Chhattisgarh) and Ghoti, Dist. Nasik (Maharashtra), Malvan, Dist. Sindhudurgh (Maharashtra), Flats and office premises situated at Andheri (W), Mumbai. ii) second charge on current assets of the company and iii) exclusive charge on specific machinery and equipments;

b) ₹ 1,57,104.58 Lacs (P.Y. ₹ 1,59,103.79 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

c) ₹ 1,315.09 Lacs (P.Y. ₹ 1,315.09 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

d) ₹ 23.21 Lacs (P.Y. ₹ 23.21 Lacs) Secured by hypothecation on specific Plant & Machinery.

e) ₹ 141.68 Lacs (P.Y. ₹ 141.68 Lacs) Primary Security : Secured by specific first charge on specific Plant & Machinery. Secondary Security : Secured by second charge on all fixed assets of the company present and future.

f) ₹ 10,960.00 Lacs (P.Y. ₹ 10,960.00 Lacs) (I) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims . (II) Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

g) ₹ 597.78 Lacs (P.Y. ₹ 593.28 Lacs) Secured by hypothecation on specific Plant & Machinery.

h) ₹ 1,300.00 Lacs (P.Y. ₹ 1,300.00 Lacs) Primary Security : Secured by specific first charge on specific Plant & Machinery. Secondary Security : Secured by second charge on all fixed assets of the company present and future.

i) ₹ 1,080.00 Lacs (P.Y. ₹ 1,080.00 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

j) ₹ 24.10 Lacs (PY. ₹ 155.23 Lacs) Secured by hypothecation of vehicles.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

k) ₹ 21,993.65 Lacs (PY ₹ 21,993.65 Lacs)Term Loan is secured by first priority liens on all property and equipment of Jyoti International Inc (present and future), including but not limited to, equipment, real estate, leases, and intangible assets and second lien on all current assets(present and future).

l) ₹ 7.95 Lacs (PY. ₹ 27.50 Lacs) Secured by hypothecation of vehicles in Jyoti Structures FZE.

m) The Company has preference shares having a par value of ₹ 100/- each. These shares carry dividend @ 1%. In the event of liquidation, the preference shareholders will have preference in repayment over equity shareholders.

n) Preference share will be redeemed at a premium

o) Names of preference shareholders holding more than 5 % shares

		No. of Shates	Percentage
1)	Amtek India Limited	400000	16%
2)	Amtek Auto Limited	450000	18%
3)	Aarken Advisors Private Limited	450000	18%
4)	Aryahi Buildwell Private Limited	475000	19%
5)	Vishwas Marketing Services Private Limited	350000	14%
6)	Mukund Motor parts Private Limited	375000	15%

n) The Company has defaulted in repayment of loans and interest in respect of the following :-

Particulars	Period of Default	Principle ₹ in Lacs	Interest ₹ in Lacs
Loan from Banks (Joint Lending Forum):	Various dates from May'15 to March'17	435,782.80	110,430.36
Loan from Banks (Other than Joint Lending Forum):	Various dates from April'14 to March'17	34,522.59	14,598.22
Non Convertible Debentures (NCD):	(Principle)From January'16 to March'17 Various dates from June'15 to March'17	1,408.00	1,048.35
External Commercial Borrowings (ECB Loan):	Various dates from September'14 to March'17	4,673.34	662.81

	Maturity Profile 1-2 Years
Maturity Profile of Secured Term Loans are as below :	
Term Loan	15,386.93
Redemption of Secured Non Convertible Debentures are as below:	
7.00 % Debentures	2,700.00
14.00 % Debentures	207.57

16 OTHER FINANCIAL LIABILITIES

	31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs	1/Apr/2015 ₹ in Lacs
Trade Payables # *			
a) Total outstanding dues of Micro, Small and Medium Enterprises	**-**	-	-
b) Total outstanding dues of Creditors Other than MSME	**341.78**	10,819.29	10,439.35
Others			
a) Deferred Payment Liabilities	**113.61**	150.88	165.40
TOTAL	**455.39**	10,970.17	10,604.75

#Amount payable beyond one year

* (Refer Note No. 37 (28) for details of due to Micro, Small and Medium Enterprises)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

17	OTHER NON-CURRENT LIABILITIES	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Advances received from Customers	-	2,471.62	9,104.28
	TOTAL	-	2,471.62	9,104.28

18	LONG TERM PROVISIONS	31/Mar/2017	31/Mar/2016	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Provision for Gratuity	697.50	707.17	631.77
	Provision for Compensated Absences	623.05	501.04	304.85
	TOTAL	1,320.55	1,208.21	936.62

19	DEFERRED TAX LIABILITIES (NET)	Deferred Tax Liability/(Asset) as at 31-Mar-2017	Deferred Tax Liability/(Asset) as at 31-Mar-2016	Deferred Tax Liability/(Asset) as at 31-Mar-2015
	Deferred Tax Liabilities			
	On Account of Branches	33.37	15.68	13.37
	Deferred Tax Assets			
	On Account of Subsidiaries	-15.25	-	-5,479.90
	TOTAL	18.12	15.68	-5,466.53

20	FINANCIAL LIABILITIES - SHORT TERM BORROWINGS	31/Mar/2017	31/Mar/2017	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Secured Loan			
	Loans repayable on Demand			
	From Bank	321,440.13	298,405.02	90,472.47
	From Others			
	TOTAL	321,440.13	298,405.02	90,472.47

Secured Loan from Bank

₹ 3,21,440.13 Lacs (PY. ₹ 2,98,405.02 Lacs) Primary Security : Secured by first charge on all present and future current assets, monies receivable and claims. Secondary Security : Secured by second charge on all fixed assets of the company, present and future.

21	TRADE PAYABLES	31/Mar/2017	31/Mar/2017	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Trade Payables (Including Acceptances) *			
	a) Total outstanding dues of Micro, Small and Medium Enterprises	132.94	177.42	115.88
	b) Total outstanding dues of Creditors Other than MSME	46,443.55	47,938.68	130,967.71
	TOTAL	46,576.49	48,116.10	131,083.59

* (Refer Note No. 37 (28) for details of due to Micro, Small and Medium Enterprises)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

22	OTHER CURRENT FINANCIAL LIABILITIES	31/Mar/2017	31/Mar/2017	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Current Maturities of Long Term Borrowings (Note No. 15)	**209,556.25**	127,649.07	54,482.27
b)	Deferred Payment Liabilities	**84.01**	55.03	41.54
c)	Unclaimed Dividend*	**20.81**	24.75	29.19
d)	Payable to Employees	**6,021.50**	3,897.42	3,204.10
e)	Audit fee Payable	**70.13**	72.05	13.69
f)	Expenses and other Payables	**3,759.08**	3,272.85	7,638.01
	TOTAL	**219,511.78**	134,971.17	65,408.80

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2017. These amount shall be paid to the fund as an when they became due.

23	OTHER CURRENT LIABILITIES	31/Mar/2017	31/Mar/2017	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Interest Accrued	**89,606.70**	7,928.84	1,238.80
b)	Advances from Customers	**18,949.28**	32,485.09	29,929.75
c)	Preferred Stock Accretion	**7,329.41**	7,329.41	3,417.44
c)	Statutory Liabilities	**4,692.31**	3,148.08	2,772.38
	TOTAL	**120,577.70**	50,891.42	37,358.37

24	SHORT TERM PROVISIONS	31/Mar/2017	31/Mar/2017	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Provision for Employee Benefits	**631.72**	481.92	315.89
b)	Provision for Income Tax on Proposed Dividend	**-**	5.09	5.09
	TOTAL	**631.72**	487.01	320.98

25	CURRENT TAX LIABILITIES (NET)	31/Mar/2017	31/Mar/2017	1/Apr/2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
a)	Provision for Tax*	**-**	941.41	1,498.10
	TOTAL	**-**	941.41	1,498.10

* The Provision for Income Tax amounting to ₹ Nil (P.Y. ₹ 941.41 Lacs) as stated in the Balance Sheet is net of Advance Tax, Tax Deducted at Source and other adjustments.

26	REVENUE FROM OPERATIONS	31/Mar/2017	31/Mar/2016
		₹ in Lacs	₹ in Lacs
a)	Sale of Products	**85,450.12**	267,989.80
b)	Sale of Services	**624.88**	3,139.06
c)	Other Operating Revenues	**4,268.52**	5,267.44
	TOTAL	**90,343.52**	276,396.30

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		31/Mar/2017	31/Mar/2016
27	**OTHER INCOME**	**₹ in Lacs**	₹ in Lacs
	Other Operating Income		
	i) Lease Rentals	**102.31**	39.42
	Other Income		
	i) Interest on Fixed Deposits	**126.00**	57.13
	ii) Interest on Others	**1,600.65**	1,761.00
	iii) Net Gain on Foreign Currency Transactions and Translation	**40.86**	5,030.39
	TOTAL	**1,869.82**	6,887.94

		31/Mar/2017	31/Mar/2016
28	**COST OF MATERIAL CONSUMED**	**₹ in Lacs**	₹ in Lacs
	Cost of Material Consumed*	**48,115.46**	184,927.13
	TOTAL	**48,115.46**	184,927.13

		31/Mar/2017	31/Mar/2016
29	**EXCISE DUTY PAID**	**₹ in Lacs**	₹ in Lacs
	Excise duty Paid	**624.37**	2,100.84
	TOTAL	**624.37**	2,100.84

		31/Mar/2017	31/Mar/2016
30	**ERECTION AND SUB-CONTRACTING EXPENSE**	**₹ in Lacs**	₹ in Lacs
	a) Construction Materials and Stores Consumed	**2,693.08**	5,421.22
	b) Sub-contracting Expenses	**25,696.41**	29,860.27
	c) Repairs to Construction Equipments/Machinery	**35.06**	37.05
	d) Construction Transportation Charges	**2,421.29**	2,941.80
	TOTAL	**30,845.84**	38,260.34

		31/Mar/2017	31/Mar/2016
31	**CHANGES IN INVENTORIES**	**₹ in Lacs**	₹ in Lacs
	a) (Increase)/ Decrease Finished Goods Stock	**1,959.56**	2,586.34
	b) (Increase)/ Decrease WIP/Semi Finished Goods Stock	**6,650.60**	1,349.40
	c) (Increase)/ Decrease Scrap Stock	**26.47**	-38.63
	TOTAL	**8,636.63**	3,897.11

		31/Mar/2017	31/Mar/2016
32	**EMPLOYEE BENEFITS EXPENSE**	**₹ in Lacs**	₹ in Lacs
	a) Salaries, Wages and Bonus, etc.	**10,343.63**	16,274.14
	b) Leave Encashment	**245.94**	346.99
	c) Employee Compensation Expense - ESOS	**-**	7.03
	d) Contribution to Provident and Other Fund	**835.47**	921.71
	e) Welfare Expenses	**237.40**	718.39
	TOTAL	**11,662.44**	18,268.26

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

			31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs
33	**FINANCE COSTS**			
	a)	Interest Expense	**82,618.34**	59,980.42
	b)	Other Borrowing Costs	**2,089.88**	2,866.76
	c)	Amortisation of Debenture issue Expenses	**21.98**	21.93
	d)	Net (gain)/loss on foreign currency transactions and translation on borrowing cost	**-203.11**	558.20
	TOTAL		**84,527.09**	63,427.31

			31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs
34	**DEPRECIATION AND AMORTIZATION EXPENSE**			
	a)	Depreciation of Tangible Assets (Note No. 1)	**6,048.37**	7,197.80
	b)	Amortization of Intangible Assets (Note No. 1)	**284.38**	372.29
	TOTAL		**6,332.75**	7,570.09

			31/Mar/2017 ₹ in Lacs	31/Mar/2016 ₹ in Lacs
35	**OTHER EXPENSES**			
	a)	Stores and Consumables	**253.96**	728.74
	b)	Packing Materials	**20.96**	349.32
	c)	Power and Fuel	**418.09**	796.38
	d)	Conversion Expenses	**367.90**	1,539.01
	e)	Service Charges	**1,465.56**	2,067.75
	f)	Repairs to Buildings	**-**	9.29
	g)	Repairs to Plant and Machinery	**117.73**	222.49
	h)	Repairs to Others	**334.29**	577.36
	i)	Testing and Designing Expenses	**14.93**	215.05
	j)	Excise Duty on Stocks (Net)	**-126.16**	-186.77
	k)	Rent	**78.60**	318.62
	l)	Rates and Taxes	**4,328.19**	2,025.90
	m)	Insurance	**468.06**	1,022.69
	n)	Travelling and Conveyance	**1,228.21**	1,516.02
	o)	Postage, Telephone and Fax	**249.65**	377.78
	p)	Printing and Stationery	**106.11**	171.34
	q)	Professional and Legal Fees	**1,322.46**	2,786.94
	r)	Directors' Sitting Fees	**6.85**	7.06
	s)	Payment to auditors	**178.74**	137.03
	t)	Net (gain)/loss on foreign currency transactions and translation	**2,030.52**	766.14
	u)	License and Tender Fees	**82.76**	141.44
	v)	Donations	**0.08**	0.30
	w)	Freight Outward	**3,363.21**	5,103.47
	x)	Brokerage and Commission	**2,004.37**	1,526.23
	y)	Bank Charges	**2,315.11**	4,088.12
	z)	(Gain)/Loss on Sale of Property, Plant and Equipment (Net)	**1.80**	-20.53
	aa)	BG Encashment	**9,402.50**	-
	ab)	Bad Debts	**11,577.64**	2,213.64
	ac)	Immigration Expenses	**535.22**	182.06
	ad)	General Expenses	**1,378.02**	1,225.42
	ae)	Impairment of Investment (Refer Note No 37 (7)	**502.83**	-
	TOTAL		**44,028.19**	29,908.29

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Group's Background

The consolidated financial statements comprise financial statements of Jyoti Structures Limited ('the Holding Company'), its subsidiaries and joint venture (collectively, 'the Group') for the year ended 31st March, 2017.

The Holding Company is a public limited Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is located at Valecha Chambers, 6th Floor, New Link Road, Andheri (West), Mumbai – 400 053, India.

The Group is engaged in manufacturing of transmission line towers, sub-station structures, tall antenna towers / masts and railway electrification structures. In addition, the group is also a leading player in Turnkey / EPC projects involving survey, foundation, designing, fabrication, erection and stringing activities of extra high voltage transmission lines and procurement of major bought out items, supply of lattice and pipe type structures, civil works, erection, testing and commissioning of switchyard / substations and distribution networks, both in India and overseas.

The Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 30th May, 2017.

1. Basis of Preparation of Financial Statements:

(i) Compliance with Ind AS

These Consolidated Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These Consolidated Financial statements for the year ended 31st March, 2017 are the first the Group has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Group prepared its Consolidated Financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The Consolidated Financial statements for the year ended 31st March, 2016 and the opening Balance Sheet as at 1st April, 2015 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in Note 37.

The Consolidated Financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Consolidated Financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the 'date of transition to Ind AS'.

(ii) Historical Cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

a. certain financial assets and liabilities that are measured at fair value;

b. defined benefit plans - plan assets measured at fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

(iii) Current non-current classification:

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the company for the purpose of current and non-current classification of assets and liabilities.

1. Basis of Consolidation

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding company, i.e., year ended on 31st March. When the end of the reporting period of the Holding Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

2. Principles of consolidation and equity accounting:

(a) The consolidated financial statements have been prepared in accordance with Ind AS 110 'Consolidated Financial Statements'. The percentage of ownership interest of the Holding Company in the Subsidiary Companies and the Joint Venture Companies as on 31st March, 2017 are as under:

Name of the Company	Percentage of Holding (%)	Country of Incorporation
Subsidiaries		
JSL corporate Services Ltd.	100	India
Jyoti Energy Ltd.	100	India
Jyoti Structures FZE	100	United Arab Emirates
Jyoti Structures Nigeria Ltd.	100	Nigeria
Jyoti Structures Kenya Ltd.	100	Kenya
Jyoti Structures Namibia (Pty) Ltd.	70	Namibia
Jyoti Structures Africa (Pty) Ltd.	70	South Africa
Jyoti International Inc	100	United States of America
Jyoti America LLC	100	United States of America
Jyoti Structures Canada Limited	100	Canada
Joint Venture Companies		
Gulf Jyoti International LLC	30	United Arab Emirates
GJIL Tunisie Sarl	49	United Arab Emirates
Lauren Jyoti Private Limited	50	India

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Notes:

(i) Jyoti Structures FZE holds 70% equity in subsidiary Company Jyoti Structures Namibia (Pty) Ltd.

(ii) Jyoti Structures Nigeria Ltd. and Jyoti Structures Kenya Ltd. are 100% subsidiaries of Jyoti Structures FZE.

(iii) Jyoti America LLC and Jyoti Structures Canada Limited are 100% subsidiaries of Jyoti International Inc.

(iv) Gulf Jyoti International LLC holds 49% in Joint Venture Company Gulf Tunisie Sarl.

(v) Gulf Jyoti International LLC and Lauren Jyoti Private Limited, the Joint Venture Companies, are not considered in consolidation due to the non-availability of audited financial statements or management certified accounts.

(vi) Jyoti International Inc, a Subsidiary Company, and its step-down subsidiaries have not been considered in consolidation due to the non-availability of audited financial statements or management certified accounts.

(b) Subsidiaries:

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group

The financial statements of the group companies are consolidated on a line-by-line basis. Intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group including unrealized gain/loss from such transactions are eliminated upon consolidation.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. Loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

(c) Joint Ventures:

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group’s share of the post-acquisition profits or losses of the investee in profit and loss, and the group’s share of other comprehensive income of the investee in other comprehensive income.

When the group’s share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains/losses on transactions between the group and its associates and joint ventures are eliminated to the extent of the group’s interest in these entities

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

3. Business Combinations

In accordance with Ind AS 101 ‘First Time Adoption of Indian Accounting Standards’, the Group has elected to apply the requirements of Ind AS 103 ‘Business Combinations’ prospectively to business combinations on or after the date of transition (1st April, 2015). Pursuant to this exemption, goodwill/capital reserve arising from business combination has been stated at carrying amount under Previous GAAP. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when the control is transferred to the Group. The consideration transferred for the business combinations is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment.

If business combination is achieved in stages, any previously held equity interest in the acquire is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI as appropriate.

Common Control

Business combinations involving entities that are ultimately controlled by the same party/parties before and after the business combination are considered as common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the controlling entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognize new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount if share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

4. Use of Judgements and Estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates and assumptions affect the application of accounting policies and reported amount of assets and liabilities, the disclosures of contingent assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Appropriate changes in the accounting estimates are incorporated by the management, if actual results differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that has the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

a) Measurement and likelihood of occurrence of provisions and contingencies - Note 18 and 24 and clause 3 of Note 37

b) Carrying value of exposure in Jyoti International Inc. and Lauren Jyoti Pvt Ltd. - refer note 2

c) Estimation of current tax expenses and Payable – Clause 14 of Note 37

d) Financial Instruments – Clause 15 of Note 37

e) Valuation of Inventories

5. Revenue Recognition:

Revenue is recognized to the extent that the Group has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the Group. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Group.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Group, on its own account. Amounts collected on behalf of third parties such as sales tax and value added tax are excluded from revenue.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The stage of completion is determined by surveys of work performed and as per the terms of the contract. Sales/income are booked based on running account bills based on completed work and are net of claims accepted. Escalations and other claims which are not acknowledged by customers are not considered.

<u>Other income</u>

Interest income is recognized on using effective interest method.

Rental income arising from operating leases on plant and machinery and vehicles is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

The insurance claims are accounted for on accrual basis based on fair estimation of sanctions by the insurance companies.

Income from export incentives are recognised on receipt basis.

6. Property, Plant & Equipment:

(i) Free hold land is carried at historical cost. All other items of property, plant and equipment are stated at cost of acquisition or construction, net of recoverable taxes including any cost attributable for bringing the asset to its working condition for its intended use and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

(ii) Transition to Ind AS:

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

(iii) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iv) Tools and tackles having useful life of more than 12 months are capitalized as Property, Plant and Equipment and accordingly depreciated over its useful life.

(v) The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

(vi) The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

7. Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

8. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

9. Depreciation / Amortisation:

(a) Depreciation on tangible assets is provided on straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013, except as stated in (b) below.

(b) On the tangible assets of foreign branches of the Holding Company, depreciation is provided on straight line method. The applicable rates are based on the local laws and practices of the respective countries, except where the rates of depreciation are less than as prescribed in schedule II of the Act, the depreciation is provided as per the rates prescribed in schedule II to the Act.

(c) The Group amortizes computer software using the straight-line method over the period of 6 years.

(d) Leasehold Land is amortised over the period of lease.

(e) Tools and tackles are amortised over their estimated useful life.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

10. Inventories:

(a) Raw materials, Construction materials including steel, cement and others, Components and Stores and Spares are valued at lower of cost or net realisable value.

(b) Cost of inventories is determined by using the weighted average method, except that of Jyoti Structures Africa (Pty) Ltd., in which case the same has been done on the first-in first-out (FIFO) basis.

(c) Material purchased for supply against specific contracts is valued at cost or net realisable value as per the contract, whichever is lower.

(d) Work-in-progress at site is valued at cost including material cost and attributable overheads. Provision is made when expected realisation is lesser than the carrying cost.

(e) Finished goods, black finished goods and work-in-progress are valued at cost or net realisable value, whichever is lower. Finished goods are valued inclusive of excise duty.

(f) Cost of black finished good, work-in-progress and finished goods comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity.

(g) Scrap is valued at net realisable value.

11. Fair value measurement

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

12. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement:

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

a) The Group’s business model for managing the financial asset and

b) The contractual cash flow characteristics of the financial asset.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Based on the above criteria, the Group classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost

ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Group's business model objective for managing the financial asset is to hold financial assets to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company (Refer clause 15 of Note 37 for further details). Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both the following conditions are met:

a. The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments (Refer clause 15 of Note 37 for further details). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss.

Further, the Group, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI (Refer clause 15 of Note 37 for further details). The Group has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

On derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Group may transfer such cumulative gain or loss into retained earnings within equity.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement:

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Subsequent measurement:

All financial liabilities of the Group are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method or at FVTPL (Refer clause 15 of Note 37 for further details).

(a) Financial Liabilities at FVTPL:

A financial liability is classified at FVTPL if it is classified as held for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expenses, are recognized in Consolidated Statement of Profit & Loss (including Other Comprehensive Income).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

(b) Financial Liabilities at Amortised Cost:

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using EIR method.

Amortised cost is calculated by taking into account any discount premium and fees or costs that are integral part of the EIR. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

13. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period to get ready for its intended use. All other borrowing costs are recognised as expenses in the period in which they are incurred.

14. Impairment of assets:

(a) Financial Assets:

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i) Trade receivables and lease receivables

ii) Financial assets measured at amortized cost (other than trade receivables and lease receivables)

iii) Financial assets measured at fair value through other comprehensive income (FVTOCI).

In case of trade receivables and lease receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

(b) <u>Non-Financial Assets</u>:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Group's assets. If any such indication exists, then recoverable amount of the asset is estimated. An impairment loss, if any, is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

The impairment loss recognized in a prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

15. Foreign Currency:

The functional currency of the Group is the Indian rupee. These financial statements are presented in Indian rupees i.e. the presentation currency.

(i) <u>Foreign Currency Transactions</u>

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Any income or expense on account of exchange difference, either on settlement or on translation, is recognised in Consolidated Statement of Profit or Loss, except exchange difference arising from the translation of the items which are recognised in OCI.

(ii) Foreign Operations

(a) The assets and liabilities of foreign operations are translated into the functional currency at the rate prevailing at the end of the year. Income and expenditure are translated on the yearly average exchange rate prevailing during the year.

(b) From 1st April, 2015 onwards, the resultant exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

(c) When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the Consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

16. Excise Duty:

The excise duty in respect of closing inventory of finished goods is included as part of the inventory. The amount of Central Value Added Tax (CENVAT) credit in respect of materials consumed for sales is deducted from cost of materials consumed.

17. Leased Assets:

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

Assets given on operating lease are included in property, plant and equipment.

18. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

For presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, bank overdrafts and cash credits. Bank overdrafts and cash credits are shown within borrowings in current liabilities in the balance sheet.

19. Employees Benefits:

a) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

b) Long Term Employee Benefits:

I. Defined Contribution Plan:

The Group's contribution to provident fund is considered as defined contribution plans. The Group recognizes contribution payable to a defined contribution plan as an expense in the Consolidated Statement of Profit and Loss in the financial year to which it relates. If the contributions payable for services received from employees, before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit Plan:

The cost of providing defined benefits like Gratuity and Leave Encashment is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Consolidated Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Consolidated Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Consolidated Statement of Profit and Loss in the subsequent periods. The Group presents the above liability/(asset) as current and non-current in the Consolidated Balance Sheet as per actuarial valuation by the independent actuary.

20. Income Taxes:

(a) Current Tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

(b) Deferred Tax:

Deferred tax arising on the timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 36 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(c) Minimum Alternate Tax (MAT):

MAT paid in a year is charged to the Consolidated Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal taxes during the specified period under the Income Tax Act, 1961. The Group reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

(d) Current and deferred taxes are recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income. In this case, the tax is also recognized in Other Comprehensive Income.

21. Earnings Per Share:

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

22. Provisions and Contingencies:

a) A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

b) If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

c) A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

23. Employee Stock Option Scheme:

Stock options granted to the employees of the Holding Company, under the Employees Stock Option Scheme are evaluated as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. Accordingly, excess of market value of the stock option, as on date of grant, over the exercise price of the option is recognised as deferred employee compensation and is charged to Statement of Profit and Loss as employee costs on straight line method over the vesting period of the options.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES

1. **FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS ('IND-AS')**

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. These consolidated financial statements for the year ended 31st March, 2017 are the first the Group has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Group prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, 'First-time Adoption of Indian Accounting Standards.' Ind AS 101 requires that all Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Group has prepared financial statements which comply with Ind AS for year ended 31st March, 2017, together with the comparative information as at and for the year ended 31st March, 2016 and the opening Ind AS Balance Sheet as at 1st April, 2015, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Group in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

A. **Optional Exemptions availed**

Ind AS 101 permits first-time adopter's certain exemptions from retrospective application of certain requirements under Ind AS. The Group has elected to apply the following optional exemptions from retrospective application:

(i) **Business Combination**

The group has elected to apply the requirements of Ind AS 103, 'Business Combinations' prospectively to business combinations on or after the date of transition (1st April, 2015). Pursuant to this exemption, goodwill arising from business combination has been stated at the carrying amount under previous GAAP.

(ii) **Deemed cost for property, plant and equipment and intangible assets**

The Group has opted Paragraph D7 AA and accordingly has elected to consider the carrying value of all its items of property, plant and equipment and intangible assets recognized in the financial statements prepared under Previous GAAP and use the same as its deemed cost on the date of transition to Ind AS.

(iii) **Share-based payment**

The Group has elected not to apply Ind AS 102 Share-Based Payment, to equity instruments that vested prior to the date of transition to Ind AS.

(iv) **Joint Ventures – Transition from proportionate consolidation to the Equity method**

As per Ind AS 101, when changing from proportionate consolidation method to equity method, an entity may measure its investment in a joint venture at the date of transition as the aggregate

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any goodwill arising from acquisition. The resultant amount is regarded as the deemed cost of the investment in the joint venture at initial recognition. The group has opted to avail this exemption.

(v) **Cumulative Translation Differences**

IND AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with IND AS 21 from the date a subsidiary was formed or acquired. The group elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

B. Applicable Mandatory Exceptions

The Group has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

(i) **Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies).

On assessment of the estimates made under the Previous GAAP financial statements, the Group has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Group for the relevant reporting dates reflecting conditions existing as at that date.

(ii) **Classification and measurement of financial assets**

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

(iii) **Non-Controlling Interests**

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.

C. Transition to Ind AS – Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Equity as at 01st April, 2015 (Transition Date)

II. A. Reconciliation of Equity as at 31st March, 2016

B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016

C. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

III. Adjustments to Statement of Cash Flows for the year ended 31st March, 2016

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with consolidated financial statements prepared under Ind AS.

I. **Reconciliation of Equity as at 1st April, 2015**

(₹ in Lakhs)

Particulars	Note	Previous GAAP	Share of Joint Venture *	Other Adjustments	Effects of transition to Ind AS	Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment	A	42,247.16	(4,670.16)	-	6,392.05	43,969.05
Capital work-in-progress		92.55	(29.38)	-	-	63.16
Goodwill		9.55	-	-	-	9.55
Intangible assets		1,362.01	(4.06)	-	-	1,357.95
Intangible Assets under development		116.81	(116.81)	-	-	-
Investment accounted for using Equity Method		502.83	-	-	2,336.03	2,838.86
Financial assets:						
Investments	B	22.22	-	-	15.39	37.60
Trade Receivables		31,774.92	-	-	-	31,774.92
Other financial assets		655.72	-	-	-	655.72
Deferred Tax Assets (Net)		5,466.53	-	-	-	5,466.53
Other non-current assets		5.93	-	-	-	5.93
Total non-current assets [A]		82,256.23	(4,820.41)	-	8,743.46	86,179.28
Current assets						
Inventories	A	44,966.00	(5,044.66)	-	(6,392.05)	33,529.29
Financial assets :						
Trade receivables		3,39,911.06	(5,865.03)	241.32	-	3,34,287.35
Cash and cash equivalents		13,443.23	(2,846.03)	-	-	10,597.20
Bank Balances other than above		969.09	-	-	-	969.09
Other financial assets		23,804.35	(2,133.14)	5,336.26	-	27,007.47
Current Tax Asset (Net)		0.58	-	-	-	0.58
Other current assets		52,583.70	-	109.87	-	52,693.57
Total current assets [B]		4,75,678.00	(15,888.86)	5,687.46	(6,392.05)	4,59,084.55
Total Assets ([A] + [B])		5,57,934.23	(20,709.27)	5,687.46	(6,392.05)	5,45,263.83
EQUITY AND LIABILITIES						
Equity						
Equity share capital		2,190.55	-	-	-	2,190.55
Other equity	C, J	36,457.57	(1,130.65)	-	2,898.39	38,225.31
Non-Controlling Interest	D	18,080.97	(3.04)	-	-	18,077.93
Total equity [C]		56,729.10	(1,130.69)	-	2,898.39	58,493.79
Non-current liabilities						
Financial liabilities						
Borrowings	E	1,45,078.03	(2,973.21)	-	(2,122.75)	1,39,982.08
Other financial liabilities	F	10,671.75	-	-	(67.00)	10,604.75
Provisions		1,114.83	(178.21)	-	-	936.62
Other non-current liabilities		9,708.07	(603.79)	-	-	9,104.28
Total non-current liabilities [D]		1,66,572.68	(3,755.21)	-	(2,189.75)	1,60,627.72
Current liabilities						
Financial liabilities						
Borrowings		92,785.96	(2,313.49)	-	-	90,472.47
Trade payables		1,33,676.54	(2,608.95)	15.99	-	1,31,083.59
Other financial liabilities		67,235.59	-	(1,826.79)	-	65,408.80
Other current liabilities		39,115.28	(3,997.92)	2,241.01	-	37,358.37
Provisions		320.98	-	-	-	320.98
Current Tax Liabilities (Net)		1,498.11	-	-	-	1,498.11
Total current liabilities [E]		3,34,632.45	(8,920.35)	430.21	-	3,26,142.31
Total liabilities and equity [C]+[D]+[E]		5,57,934.23	(13,809.26)	430.21	708.64	5,45,263.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

II. **A. Reconciliation of Equity as at 31st March, 2016**

(₹ in Lakhs)

Particulars	Note	Previous GAAP	Share of Joint Venture *	Other Adjustments	Effects of transition to Ind AS	Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment	A	41,474.00	(5,409.78)	-	4,771.67	40,835.90
Capital work-in-progress		2,711.23	(78.86)	-	-	2,632.37
Goodwill		8.99		-	-	8.99
Intangible assets		1,052.27	(13.37)	-	-	1,038.90
Intangible Assets under development		123.69	(123.69)	-	-	-
Investment accounted for using Equity Method		502.83	-	-	2,300.41	2,803.24
Financial assets :						
Investments	B	22.22	-	-	14.99	37.21
Trade Receivables		38,385.99	-	-	-	38,385.99
Other financial assets		617.91	-	-	-	617.91
Total non-current assets [A]		84,899.13	(5,625.69)	-	7,087.08	86,360.52
Current assets						
Inventories	A	34,229.78	(4,012.41)	-	(4,771.67)	25,445.70
Financial assets :						
Trade receivables		4,37,546.20	(9,276.75)	-	-	4,28,269.46
Cash and cash equivalents		5,971.36	(1,075.41)	-	-	4,895.95
Bank Balances other than above		1,170.75	-	-	-	1,170.75
Other financial assets		32,110.69	(1,055.63)	5,314.98	-	36,370.04
Current Tax Asset (Net)		0.58	-	-	-	0.58
Other current assets		42,135.06	(4,170.17)	908.03	-	38,872.92
Total current assets [B]		5,53,164.42	(19,590.37)	6,223.01	(4,771.67)	5,35,025.39
Total Assets ([A] + [B])		6,38,063.55	(25,216.06)	6,223.01	2,315.41	6,21,385.91
EQUITY AND LIABILITIES						
Equity						
Equity share capital		2,190.55	-	-	-	2,190.55
Other equity	C, J	(29,805.54)	(831.65)	-	1,694.43	(28,942.77)
Non-Controlling Interest	D	18,083.69	(3.11)	-	(212.08)	17,868.50
Total equity [C]		(9,531.30)	(834.76)	-	1,482.34	(8,883.71)
Non-current liabilities						
Financial liabilities						
Borrowings	E	86,832.58	(3,667.28)	-	(1,373.48)	81,791.82
Other financial liabilities	F	11,023.95	-	-	(53.78)	10,970.17
Deferred tax liabilities (net)		15.68	-	-	-	15.68
Provisions		1,444.29	(236.08)	-	-	1,208.20
Other non-current liabilities		2,200.08	271.53	-	-	2,471.62
Total non-current liabilities [D]		1,01,516.58	(3,631.83)	-	(1,427.25)	96,457.49

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Particulars	Note	Previous GAAP	Share of Joint Venture *	Other Adjustments	Effects of transition to Ind AS	Ind AS
Current liabilities						
Financial liabilities						
Borrowings		3,04,338.58	(5,933.55)	-	-	2,98,405.02
Trade payables		51,577.20	(3,873.60)	412.49	-	48,116.09
Other financial liabilities	E	1,34,964.18	-	(610.57)	617.55	1,34,971.16
Other current liabilities		53,769.89	(3,571.72)	693.26	-	50,891.42
Provisions		487.01	-	-	-	487.01
Current tax liabilities (net)		941.41	-	-	-	941.41
Total current liabilities [E]		5,46,078.27	(13,378.88)	495.19	617.55	5,33,812.13
Total liabilities and equity [C]+[D]+[E]		6,38,063.55	(17,845.47)	495.19	672.64	6,21,385.91

II. **B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016**

(₹ in Lakhs)

Particulars	Note	Previous GAAP	Share of Joint Venture *	Other Adjustments	Effects of transition to Ind AS	Ind AS
INCOME						
Revenue from operations	G	2,94,689.39	(20,498.33)	104.39	2,100.84	2,76,396.29
Other income	I	5,497.93	(5.15)	136.08	1,259.07	6,887.94
Total Income		3,00,187.32	(20,503.48)	240.47	3,359.92	2,83,284.23
EXPENSES						
Cost of Materials Consumed		1,97,052.77	(20,930.91)	8,805.27		1,84,927.13
Erection and Sub-contracting Expense	A	43,406.15	(2,427.08)	-	(2,718.73)	38,260.34
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		4,817.77	(920.66)	-		3,897.11
Employee Benefits Expense	H	19,669.75	(1,196.45)	-	(205.04)	18,268.26
Finance Costs	E	62,229.70	(169.21)	-	1,366.82	63,427.31
Depreciation and Amortization Expense	A, C	5,415.63	(566.70)	-	2,721.15	7,570.09
Excise Duty Paid	G	-	-	-	2,100.84	2,100.84
Other Expenses	I	32,489.52	(2,892.81)	-	311.59	29,908.29
Total expenses		3,65,081.28	(29,103.82)	8,805.27	3,576.54	3,48,359.37
Profit/(Loss) before tax and share in joint venture		(64,893.96)	8,600.34	(8,564.79)	(216.73)	(65,075.14)
Share of Profit/(Loss) of Joint Venture		-	-	-	(35.61)	(35.61)
Profit/(Loss) before tax		(64,893.96)	8,600.34	(8,564.79)	(252.34)	(65,110.75)
Tax expense						
Current tax		55.74	-	-	-	55.74
Deferred tax		5,482.21	-	-	-	5,482.21
Profit/(Loss) for the period		(70,431.91)	8,600.34	(8,564.79)	(252.34)	(70,648.70)
Other comprehensive income	K					
Items that will not be reclassified subsequently to profit or loss:						
Remeasurement of the net defined benefit liability asset		-	-	-	205.04	205.04

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Particulars	Note	Previous GAAP	Share of Joint Venture *	Other Adjustments	Effects of transition to Ind AS	Ind AS
Items that will be reclassified subsequently to profit or loss:						
Remeasurement of Investment at fair value		-	-	-	(0.39)	(0.39)
Exchange (Loss)/Gain in translating the financial statements of a foreign operation	I	-	-	-	3,640.12	3,640.12
Net Present Value of Deferred Liability		-	-	-	(13.22)	(13.22)
Total other comprehensive income, net of tax [B]		-	-	-	3,421.48	3,421.48
Total comprehensive income, for the period ([A] + [B])		(70,431.91)	8,600.34	(8,564.79)	3,169.14	(67,227.22)
Net Profit/(Loss) attributable to:						
Owners		(70,434.63)	-	-	-	(70,439.27)
Non-Controlling Interests	D	2.72	(0.07)	-	(212.08)	(209.43)
Other Comprehensive Income attributable to:						
Owners		-	-	-	3,421.48	3,421.48
Non-Controlling Interests		-	-	-	-	
Total Comprehensive Income attributable to:						
Owners		-	-	-	-	(67,017.79)
Non-Controlling Interests		-	-	-	-	(209.43)

***** As per para (10) of IND AS 28 Investments in Associates and Joint Ventures, Group has accounted equity method for Interest in Joint venture as at transition date. Accordingly, all assets and liabilities pertaining to Joint ventures which were consolidated line by line in previous accounting standards were excluded and balance difference between assets and liabilities pertains to Investment in Joint ventures accounted under previous GAAP.

II. C. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016

(₹ In Lakhs)

Particulars	Year ended 31st March, 2016
Net Profit/(Loss) under Previous GAAP	(70,434.63)
Revaluation Surplus	(2.43)
Remeasurement of defined benefit plans	205.04
Exchange Loss/(Gain) in translating the financial statements of a foreign operation	(3,640.12)
Others	3,223.44
Net Profit/(Loss) before Other Comprehensive Income	(70,648.70)
Other Comprehensive Income	3,421.48
Total Comprehensive Income as per Ind AS	(67,227.22)

III. **Adjustments to Statement of Cash Flows**

Under Ind AS, cash credits repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

statement of cash flows. Under previous GAAP, cash credits were considered as part of borrowings and movements in cash credits were shown as part of financing activities. Consequently, cash and cash equivalents have reduced by ₹ 2,13,124.03 lakhs as at 31st March, 2016 (1st April 2015 – ₹ 80,451.61 lakhs) and cash flows from financing activities for the year ended 31st March, 2016 have also reduced by ₹ 1,25,872.67 lakhs to the effect of the movements in cash credits.

Notes to Reconciliations

A. Property, Plant & Equipment

As required under Ind AS, Tools and Tackles having useful life of more than 12 months, which were considered as inventory under previous GAAP, have now been considered as Property, Plant and Equipment. This has lead to an increase in depreciation of ₹ 2,718.73 lakhs for the year ended 31st March, 2016, and reduction in erection and sub-contracting expenses by that amount.

B. Fair Valuation of Investments

Under Previous GAAP, the mutual funds were measured at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, the Group has designated these investments at fair value through other comprehensive income (FVOCI). Accordingly, these investments are required to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of the instruments and the carrying value under Previous GAAP has been recognised in retained earnings. Fair value changes are recognised in other comprehensive income for the year ended 31st March, 2016.

C. Revaluation Reserve under Previous GAAP

The Group has elected cost model for its Property Plant & Equipment and thus, the revaluation surplus existing as on the transition date under Indian GAAP amounting to ₹ 35.16 lakhs has been derecognised in the retained earnings on the date of transition.

D. Non-Controlling Interests

As per the requirements of Ind AS, the Group has attributed the loss to non-controlling interests having a deficit balance, prospectively from the transition date. This has led to a decrease in Non-Controlling interest by ₹ 212.08 Lakhs.

E. Borrowings

As required under the IND AS 109 transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method corresponding effect being in Long term borrowings and to the extent attributable to Current maturity of long term debts.

Under the previous GAAP, these transaction costs were charged to the profit and loss as and when incurred. Consequently, borrowings as at 31st March, 2016 have been reduced by ₹ 755.93 Lakhs (1st April, 2015- ₹ 2,122.75 Lakhs) with a corresponding adjustment to retained earnings resulting in increase in total equity. The loss under the previous GAAP for the year ended 31st March, 2016 has been increased by ₹ 1,366.82 Lakhs. (This increase includes ₹ 321.92 Lakhs towards the amortised portion of premium payable on redemption of preference shares.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

F. Deferred Payment Liabilities

As per the requirements of Ind AS, Sales Tax deferrals have been discounted using the current borrowing rate.

G. Excise Duty

In the financial statements prepared under Previous GAAP, revenue from sale of products was presented net of excise duty. However, under Ind AS, revenue from sale of products includes excise duty. Excise duty expense amounting to ₹ 2,100.84 lakhs is presented separately on the face of the Statement of Profit and Loss for the year ended 31st March, 2016.

The above changes do not affect equity as at date of transition to Ind AS, profit after tax for the year ended 31st March, 2016 and Equity as at 31st March, 2016.

H. Remeasurement of defined benefit plans

Both under Previous GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised in other comprehensive income. Thus, employee benefits expense is reduced by ₹ 205.04 Lakhs and is recognised in other comprehensive income during the year ended 31st March, 2016.

I. Foreign Currency Translation to Other Comprehensive Income

As required under Ind AS, foreign currency translations on conversion of overseas branches and subsidiaries are accounted through other comprehensive income.

J. Other Equity

Adjustments to Retained Earnings and Other Comprehensive Income have been made in accordance with Ind AS for the above-mentioned line items.

K. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

L. Joint Venture Impact

The group has investment in a Joint Venture Company. Under Previous GAAP, the group had proportionately consolidated its interest in these companies in the consolidated financial statements. On the date of transition, the Group has accounted for its interest in these companies using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amounts of assets and liabilities that the group had previously proportionately consolidated.

2. **Outstanding Contracts – Capital Account:**

Estimated amounts of contracts remaining to be executed on capital account and not provided for (Net of advances) are ₹ Nil (P. Y. ₹ Nil). Advances paid ₹ Nil (P. Y. ₹ Nil).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

3. **Contingent Liabilities not provided for:**

(₹ In Lakhs)

Sr. No	Particulars	2016-17	2015-16
1	Outstanding of Bank Guarantee	76,250.96	1,93,176.85
2	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	6,028.53	4,878.41
3	Civil Suits	101.22	69.73
4	Corporate Guarantees	78,392.23	1,00,734.28
5	Letter of Credit	-	9,047.71

4. In the absence of the audited financial statements or management certified accounts, for the year ended 31st March, 2017, of a Joint Venture (JV), the share in the profit/losses of the said JV has not been included in the Consolidated Financial Statements, and therefore the investment in the said JV has been stated at the same value as determined based on the management certified financial statements as on 31st March, 2016.

5. With the infusion of new orders in the group company, Jyoti Structures Africa (Pty) Ltd. (JSAL) the company has earned a profit of ₹ 261.06 Lakhs (P.Y ₹ (706.94) Lakhs) during the year ended 31st March, 2017. Based on the orders in hand and the business outlook of the JSAL, the management is of the opinion that, these accumulated losses are temporary in nature and will be recovered in the next couple of years. Hence, the consolidated financial statements have been prepared assuming that JSAL will continue as a going concern. No adjustments are, hence, made in the consolidated financial statements that might result from the outcome of the uncertainty.

6. Jyoti International Inc. and its subsidiaries (JII) have suffered recurring losses from its operations and have a net capital deficiency as at 31st March, 2017.

   Based on the expected orders and the business outlook of JII, the management is of the opinion that these losses are temporary in nature and will be recovered in the next couple of years. Due to the discontinued operations of the subsidiary, the financials are not available and hence have not been considered in the consolidated financial statements. However, based on the available audited financial statements of this subsidiary as on 31st March, 2016, the opening balance sheet has been incorporated in these consolidated financial statements.

7. Consequent to dispute with Lauren Engineers & Constructors Inc. JV partner, the financial statements for the last four years have not been adopted. The joint venture partners have decided to resolve the issues mutually and the legal cases were dropped. The joint venture partners have executed an M.O.U for the same on 18th April, 2017. Based on the above the Holding Company has written off the amounts receivable from the JV partner in the statement of profit and loss during the financial year ended 31st March, 2017.

   Further, as per an agreement dated 18th April, 2017 between the JV partners, the Holding Company has agreed to sell its investment in the said joint venture. Accordingly, the Holding Company has provided for diminution in value of its investment in the joint venture in the financial statements for the year ended 31st March, 2017.

8. **Disclosure as required by Indian Accounting Standard 19 'Employee Benefits':**

   Defined Contribution Plans:

   Provident Fund

   The Provident Fund is operated by the Regional Provident Fund Commissioner. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

The Group has recognized the following amounts in the Statement of Profit and Loss for the year:

(₹ In Lakhs)

Sr. No	Particulars	2016-17	2015-16
i)	Contribution to Provident Fund	499.21	463.02
ii)	Contribution to Other Fund	73.44	87.01

Defined Benefit Plans:

Gratuity and Leave Encashment

A. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

(In ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Present value of obligation	1815.24	1,695.91	837.08	649.25
Fair value of plan assets	(752.44)	(695.70)	-	-
(Asset)/Liability recognised in the Balance Sheet	1,062.80	1,000.20	837.08	649.25

B. Movements in Present Value of Obligation and Fair Value of Plan Assets

(In ₹ Lakhs)

Defined Benefit Obligation	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Opening Defined Benefit Obligation	1,695.91	1,459.25	649.25	401.32
Service cost for the year	168.77	164.81	133.03	184.97
Interest cost for the year	122.11	112.36	46.75	30.90
Actuarial losses (gains)	(24.58)	208.88	66.17	131.11
Benefits paid	(146.96)	(249.40)	(58.11)	(99.06)
Closing defined benefit obligation	1,815.24	1,695.91	837.08	649.25

(In ₹ Lakhs)

Fair Value of Plan Assets	Gratuity	
	2016-17	2015-16
Opening fair value of plan assets	695.70	634.58
Expected return	50.09	49.17
Actuarial gains and (losses)	6.65	3.85
Contributions by employer	-	8.10
Benefits paid	-	-
Closing balance of fund	752.44	695.70

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

(In ₹ Lakhs)

Gratuity	2016-17	2015-16
Current service cost	168.77	164.81
Net interest on net Defined Liability / (Asset)	72.01	63.19
Total	240.78	228.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

(In ₹ Lakhs)

Leave Encashment	2016-17	2015-16
Current service cost	133.03	184.97
Net interest on net Defined Liability / (Asset)	46.75	30.90
Actuarial (Gains) / Losses on Liability	66.17	131.11
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-
Expense recognised in Statement of Profit and Loss	245.94	346.99

Amounts recognised in Other Comprehensive Income:

(In ₹ Lakhs)

Gratuity	2016-17	2015-16
Actuarial (Gains) / Losses on Liability	(24.58)	208.88
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	(6.64)	(3.85)
Total	(31.23)	205.04

D. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefit plans at their fair value on the Balance Sheet date, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Principal Actuarial Assumptions	2016-17	2015-16
Discount rate	7.20%	7.70%
Expected return on plan assets	7.20%	7.20%
Annual increase in Salary costs	6.50%	7.00%
Attrition Rate	5%	5%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

E. Sensitivity Analysis

The Sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

(In ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Discount Rate:				
One percentage increase	1,693.09	1,577.10	778.38	600.52
One percentage decrease	1,955.62	1,832.90	905.44	706.38
Salary Escalation Rate:				
One percentage increase	1,955.20	1,832.49	905.23	706.21
One percentage decrease	1,691.26	1,575.32	777.50	599.80
Withdrawal Rate:				
One percentage increase	1,821.25	1,701.95	840.30	652.08
One percentage decrease	1,808.55	1,689.14	833.47	646.04

The above information is as per certificates of the Actuary.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

OCI Presentation of defined benefit plan:

- Gratuity is in the nature of defined benefit plan, Re-measurement gains / (losses) on defined benefit plans is shown under OCI as items that will not be reclassified to profit or loss and also the income tax effect on the same.
- Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet:

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 does not require segregation of provision in current and non-current, however net defined liability/(Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

9. **Disclosures as required by Indian Accounting Standard 17 – 'Leases'**

a) The Group has taken on leave and license/under operating leases the residential/office premises and warehouses, including furniture fittings therein as applicable and machinery. These lease arrangements range for a period between one and two years. All the lease arrangements are cancellable. Most of the leases are renewable for a further period on mutually agreed terms and also include escalation clauses.

(₹ In Lakhs)

Sr. No	Particulars	2016-17	2015-16
1	Lease payments recognised in the Statement of Profit and Loss for the year	342.71	272.94
2	Future minimum payments under the agreements, which are non-cancellable. (All the lease agreements are cancellable)	-	-

b) The Group had entered into agreements for giving plant and machineries and other fixed assets under operating leases. These leases have terms of one to two years. Disclosures in respect of the said agreements are given below:

(₹ In Lakhs)

Sr. No	Particulars	2016-17	2015-16
1	Lease income recognised in the Statement of Profit and Loss for the year	102.31	39.42
2	Future minimum lease receipt under the agreements, which are non-cancellable are as follows:		
	i) Not later than one year	Nil	Nil
	ii) Later than one year and not later than five years	Nil	Nil

The agreements provide for early termination by either party with a notice period which varies from fifteen days to three months and they contain a provision for their renewal.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

10. **Disclosures as required by Indian Accounting Standard 24, 'Related Party Disclosures'**

A. Relationships (during the year)

a) Key Management Personnel:

i) Mr. K. R. Thakur

ii) Mr. P. K. Thakur

b) Joint Venture:

i) Gulf Jyoti International LLC

ii) Lauren Jyoti Private Limited

c) Relative of Director:

i) Jyoti Motiani (Daughter of Director)

B. Transactions during the year:

The following transactions were carried out with the related parties in the ordinary course of business.

(₹ In Lakhs)

Sr. No.	Particulars	Type of Relationship	2016-17	2015-16
1	Remuneration Paid	a)	530.44/-	531.10
2	Purchase of Goods/Services	b)	18,431.93	20,545.62
3	Sale of Goods/Services	b)	-	39.81
4	Interest on Fund Transfer and loan, Commission earned on Corporate Guarantee.	b)	392.31	317.52
5	Investments at the end of the year	b)	2,300.41	2,800.41
6	Outstanding balance receivable/ (payable) at the end of the year.	b)	13,219.23	30,767.28
7	Salary Paid	c)	28.15	25.80

Compensation of Key Management Personnel of the Company:

(₹ In Lakhs)

Particulars	2016-17	2015-16
Short Term Employee Benefits	530.44	531.10
Post-Employment Benefits	-	-
Termination Benefits	-	-
Share-based payments	-	-
Total compensation paid to key management personnel	530.44	531.10

11. **Disclosures as required by Indian Accounting Standard 11 – 'Construction Contracts'**

(₹ In Lakhs)

Particulars	2016-17	2015-16
Contract revenue recognised during the year	47,794.53	44,261.10
Method used to determine the contract revenue recognized and the stage of completion of contracts in progress	Percentage Completion Method Ref Note no. 36(4)	
Disclosure in respect of contracts in progress as at the year-end: Aggregate amount of costs incurred and recognised profits (less recognised losses)	1,72,124.05	1,78,026.58
Advances received	6,906.50	12,881.74
Retentions receivable	22,160.22	16,901.23
Gross amount due from customers (Included under Note 8 - Trade Receivables)	50,177.61	74,402.64

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

12. **Employees Stock Option Scheme:**

Under Jyoti Structures Limited Employees Stock Option Scheme 2005 (ESOS 2005) as amended, the Holding Company is authorised to issue upto 5,00,000 (Five Lakhs) stock options, convertible into 25,00,000 (Twenty five lakhs) equity shares of ₹ 2/- each to employees. A Compensation Committee has been constituted by the Board of Directors of the Holding Company to administer the Scheme.

Each option is to be converted into 5 Equity shares of ₹ 2/- each at an exercise price of ₹ 17/- per equity share (being the exercise price adjusted after split of face value from ₹ 10/- to ₹ 2/-). Under the scheme, 30% of the options vest at the end of one year from the date of grant of options, 30% at the end of second year from the date of grant of options and the balance 40% at the end of third year from the date of grant of options.

The amount of ₹ Nil (P. Y. ₹ 7.03 Lakhs) debited to Employee Compensation Expense– ESOS account, represents the proportionate cost for the year and has been credited to the revenue account.

The amount of ₹ Nil (P. Y. ₹ 341.75 Lakhs) in Employee Stock Option outstanding account represents discounts on the options outstanding.

The balance unamortised portion of ₹ Nil (P. Y. ₹ Nil) being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

Sr. No.	Particulars	2016-17 (In Numbers)	2015-16 (In Numbers)
i)	Options granted and outstanding at the beginning of the year	**1,03,950**	1,03,950
ii)	Options granted during the year	**-**	-
iii)	Options lapsed and/or withdrawn during the year	**1,03,950**	-
iv)	Options exercised during the year against which shares were allotted	**-**	-
v)	Options granted and outstanding at the end of the year of which:- - Options vested - Options yet to vest	 **-** **-**	 1,03,950 -

13. **Earnings per Share (EPS)**

Sr. No.	Particulars	2016-17	2015-16
i)	Profit/(Loss) after Tax (Net of preference share dividend) (In ₹ lakhs)	**(1,42,605.79)**	(70,439.27)
ii)	Weighted Average Number of Ordinary Shares for Basic Earnings per Share (In No's)	**10,95,27,710**	10,95,27,710
iii)	Add: Equity shares for no consideration arising on grant of stock options under ESOS	**-**	(69,305)
iv)	Weighted Average Number of Ordinary Shares for Diluted Earnings per Share (In No's)	**10,95,27,710**	10,94,58,405
v)	Nominal Value of Ordinary Share	**₹ 2**	₹ 2
vi)	Basic Earnings Per Ordinary Share	**₹ (130.20)**	₹ (64.31)
vii)	Diluted Earnings Per Ordinary Share	**₹ (130.20)**	₹ (64.31)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

14. **Income Taxes Expense**

Tax Expense recognised in the Statement of Profit and Loss

(₹ In Lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Current Tax		
Current Tax on taxable income for the year	-	56.48
Total current tax expense	-	56.48
Deferred Tax		
Deferred Tax charge/(credit)	**(27.90)**	5,481.02
Total deferred income tax expense/(benefit)	**(27.90)**	5,481.02
Tax in respect of earlier years	-	-
Total Income Tax Expense	**(27.90)**	5,537.50

A. Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

(₹ In Lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Enacted income tax rate in India	**34.608%**	34.608%
Profit/(Loss) before tax	**(1,42,559.44)**	(65,075.15)
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	-	-

For the year ended 31st March, 2016 and 31st March, 2017 the Holding Company has incurred losses due to which no provision for tax was required for said years. The current tax expense appearing in the Statement of Profit and Loss is on account of tax liability of overseas branches and a foreign subsidiary.

B. The movement in deferred tax assets and liabilities during the year ended 31st March, 2016 and 31st March, 2017:

(₹ In Lakhs)

Particulars	As at 1st April, 2015 – Deferred Tax Asset/ (Liabilities)	(Credit)/ Charge in the Statement of Profit and Loss	As at 31st March, 2016 - Deferred Tax Asset/ (Liabilities)	(Credit)/ Charge in the Statement of Profit and Loss	As at 31st March, 2017 - Deferred Tax Asset/ (Liabilities)
On Account of Overseas Branches and Foreign Subsidiaries	5,466.53	5,482.21	(15.68)	(2.44)	(18.12)
Total	5,466.53	5,482.21	(15.68)	(2.44)	(18.12)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

15. **Financial Instruments**

1. Category-wise classification of Financial Instruments

(₹ In Lakhs)

Particulars	Note	Non-Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial assets measured at fair value through other comprehensive income (FVTOCI)							
-Investments in quoted Mutual Funds	3	**38.13**	32.21	32.60	-	-	-
Financial assets measured at amortised cost							
-Investment in unquoted Equity Instruments	3	**5.00**	5.00	5.00	-	-	-
-Trade Receivables	4 & 8	**35,078.41**	38,385.99	31,774.92	4,07,703.02	4,28,269.46	3,34,287.35
-Security and other deposits	5	**547.43**	585.39	613.74	-	-	-
-Loans to Employees	5 & 11	**28.93**	32.52	41.98	5.93	7.72	9.10
-Cash and Cash Equivalents	9	**-**	-	-	4,523.07	4,895.95	10,597.20
-Other Balances with Banks	10	**-**	-	-	713.83	1,170.75	969.09
-Loan to Related Parties	11	**-**	-	-	13,243.09	25,774.03	18,706.78
-Sundry Deposits	11	**-**	-	-	391.12	355.65	352.02
-Claims Receivable	11	**-**	-	-	17,200.30	4,043.21	4,673.26
-Interest Receivable	11	**-**	-	-	10,494.28	4,034.96	108.69
-Expenses Receivable	11	**-**	-	-	1,611.64	2,154.46	3,157.62
Financial liabilities measured at fair value through other comprehensive income							
-Sales Tax Deferrals	16 & 22	**113.61**	150.88	165.40	84.01	55.03	41.54
Financial liabilities measured at amortised cost							
-Non-Convertible Debentures	15	**2,907.57**	3,286.32	3,890.65	2,044.99	1,646.26	1,020.00
-Term Loan	15	**15,386.93**	75,026.15	1,30,881.01	2,02,553.79	1,24,754.53	39,302.99
-Redeemable Preference Shares	15	**-**	3,479.35	3,157.43	3,834.09	-	-
-Unsecured Loans	15	**-**	-	1,712.87	265.62	375.63	8,094.53
-Deposits	15	**-**	-	340.12	857.76	872.65	6,064.75
-Loans Repayable on Demand	20	**-**	-	-	3,21,440.13	2,98,405.03	90,472.47

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Particulars	Note	Non-Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
-Trade Payables (including acceptances)	16 & 21	**341.77**	10,819.28	10,439.35	46,576.49	48,116.09	1,31,083.59
-Unclaimed Dividend	22	**-**	-	-	20.81	24.75	29.19
-Payable to employees	22	**-**	-	-	6,021.50	3,897.42	3,204.10
-Payable towards Other Expenses	22	**-**	-	-	3,829.21	3,344.91	7,651.72

2. Fair Value Measurements

The fair value of financial instruments as referred to in the note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The categories used are as follows:

• Level 1: Quoted prices for identical instruments in an active market;

• Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

• Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

As at 31st March, 2017:

(₹ In Lakhs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
-Investments in quoted Mutual Funds	38.13	38.13	-	-
Financial liabilities measured at fair value through other comprehensive income				
-Sales Tax Deferrals	197.62	-	-	197.62

As at 31st March, 2016:

(₹ In Lakhs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
-Investments in quoted Mutual Funds	32.21	32.21	-	-
Financial liabilities measured at fair value through other comprehensive income				
-Sales Tax Deferrals	205.91	-	-	205.91

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

As at 1st April, 2015:

(₹ In Lakhs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
-Investments in quoted Mutual Funds	32.60	32.60	-	-
Financial liabilities measured at fair value through other comprehensive income				
-Sales Tax Deferrals	206.94	-	-	206.94

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

3. Financial Risk Management – Objectives and Policies

The Group's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Group formulated by the Risk Management Committee are established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables and loans.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point (bps) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Exposure to interest rate risk

(₹ In Lakhs)

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Total Borrowings	**5,49,290.88**	5,07,845.91	2,84,936.82
% of Borrowings out of above bearing variable rate of interest	**58.00%**	58.66%	29.37%

Interest Rate Sensitivity

A change of 50 bps in interest rates would have the following impact on profit before tax

(₹ In Lakhs)

	2016-17	2015-16
50 bps increase would increase the loss before tax by	**1,592.93**	1,489.53
50 bps decrease would decrease the loss before tax by	**1,592.93**	1,489.53

ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The Group has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure, the Group does not enter into any forward exchange contract or into any derivative instruments for trading or speculative purposes.

Foreign Currency exposures that are unhedged as on 31st March, 2017 amount to ₹ 87,410.59 Lakhs (₹ 90,629.82 as on 31st March, 2016)

The Group is mainly exposed to changes in USD, EUR and AED. The below table demonstrates the sensitivity to a 5% increase or decrease in the above-mentioned currencies against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents the management's assessment of a reasonably possible change in the foreign exchange rates.

(₹ In Lakhs)

Particulars	**2016-17**		2015-16	
	5% Increase	**5% Decrease**	5% Increase	5% Decrease
USD	**2,744.16**	**(2,744.16)**	3,106.96	(3,106.96)
EUR	**23.36**	**(23.36)**	82.47	(82.47)
AED	**1,342.78**	**(1,342.78)**	1,320.09	(1,320.09)
(Increase)/Decrease in loss	**4,110.30**	**(4,110.30)**	4,509.52	(4,509.52)

iii) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

The Group is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

At 31st March 2017, the investment in mutual funds amounts to ₹ 38.13 Lakhs (₹ 32.21 Lakhs as on 31st March, 2016;

₹ 32.60 Lakhs as on 1st April, 2015)

A 5% increase in market prices would have led to approximately an additional gain of ₹ 1.91 Lakhs in Other Comprehensive Income.

A 5% decrease in prices would have led to an equal but opposite effect.

B) Credit Risk

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Group.

To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Group measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Account Receivables*

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

(₹ In Lakhs)

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Not due	**366.21**	96.83	462.17
0-3 months	**80,020.20**	1,00,281.74	1,57,672.10
3-6 months	**2,473.64**	7,917.76	25,137.42
6-12 months	**5,098.67**	11,480.50	51,367.92
Beyond 12 months and less than 2 years	**3,53,128.80**	3,46,425.90	1,37,312.81
Total	**4,41,087.52**	4,66,202.73	3,71,952.42

* The ageing analysis of one subsidiary (Jyoti International Inc.) is not included as the data is not available.

Movement in provisions of doubtful debts

(₹ In Lakhs)

Particulars	**As at 31st March, 2017**	As at 31st March, 2016
Opening provision	**272.23**	-
Add: Additional Provision made	**-**	272.23
Less: Provision reversed/written off	**(272.23)**	-
Closing provisions	**-**	272.23

C) Liquidity Risk

Liquidity Risk is defined as the risk that the Group will face in meeting its obligations associated with its financial liabilities. The processes and policies related to such risks are overseen by the management. The management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities:

(₹ In Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
As at 31st March, 2017			
Borrowings (Refer Note 15 & 20)	5,30,996.39	18,294.50	5,49,290.89
Trade Payables (Refer Note 21)	46,576.49	341.77	46,918.26
Other Financial Liabilities (Refer Note 16 & 22)	84.01	113.61	197.62
As at 31st March, 2016			
Borrowings (Refer Note 15 & 20)	4,26,054.09	81,791.82	5,07,845.91
Trade Payables (Refer Note 21)	48,116.09	10,819.29	58,935.38
Other Financial Liabilities (Refer Note 16 & 22)	55.03	150.88	205.91
As at 1st April, 2015			
Borrowings (Refer Note 15 & 20)	1,44,954.75	1,39,982.08	2,84,936.83
Trade Payables (Refer Note 21)	1,31,083.59	10,439.35	1,41,522.94
Other Financial Liabilities (Refer Note 16 & 22)	41.54	165.40	206.94

16. Inadequate working capital has put considerable financial pressure on the Group and in particular, on the cash flows delaying commissioning of most of the projects executed by the Group. The Group has made a total provision of ₹ 1,600 Lakhs (including ₹ 300 Lakhs during the year) (P.Y. ₹ 1,300 Lakhs) for estimated losses in

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

few projects on completion of these contracts. With the support of lenders and customers, the Group has been managing to execute the projects and the management is reasonably confident that the situation will improve with implementation of the proposed restructuring scheme.

17. Engineering Procurement Construction (EPC) Contracts provide for levy of liquidity damages (LD) to the extent of 10% of the contract value for delay in execution of the contracts. As a trade practice, on completion of the contracts such delay is generally condoned by granting time extension. It is not possible to ascertain the quantum of the LD for the projects where execution is delayed, as the proposals for time extension are pending with the customers and in the past, time extension have been granted in similar circumstances.

18. The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long-term contracts has been made in the books of accounts. The Group has not entered into a derivative contract during the year.

19. During the year, Madhyanchal Vidyut Vitaran Nigam Ltd, Dakshinanchal Vidyut Vitaran Nigam Ltd, National Thermal Power Corporation Ltd and Power Grid Corporation of India Ltd have terminated the contracts and encashed the performance guarantees amounting to ₹ 14,728.46 Lakhs. As the execution of contract was delayed due to reasons beyond the control of the Holding Company, the Holding Company has been advised to initiate dispute resolution in terms of the contract.

20. The BG encashment done by various clients i.e. MP Madhya Kshetra Vidut Vitaran Company Ltd, PMC Projects Ltd, National Thermal Power Corporation Ltd and Power Grid Corporation of India Ltd have been charged to statement of profit & loss.

21. The accumulated losses for the year ended 31st March, 2017 have resulted in erosion of net worth of the Holding Company. The Holding Company has not complied with terms and conditions of the restructuring scheme finalised during 2015, rendering it invalid for the year 2016-17. The lenders have informed the Holding Company for initiating Strategic Debt Restructuring (SDR) as per RBI guidelines.

    Subsequently, as per the revised guidelines of RBI, lenders have decided to implement restructuring scheme out of SDR scheme. During the year, the Joint Lender Forum have called for expression of interest from new investors and few investors have submitted bids with the lenders. Since the process is not completed, the management is of the opinion that after fresh investment done by the new investor and on approval of Restructuring Agreement by banks, the Holding Company will be able to return to profitability over the next few years. Hence, the financial statements have been prepared assuming that the Holding Company will continue as a going concern. No adjustments are made in the financial statements that might result from the outcome of this uncertainty.

22. For the year ended 31st March, 2017 and for earlier years, the Holding Company has not provided a part of the interest on the outstanding loans as claimed by certain banks amounting to cumulative ₹ 10,494.29 Lakhs (P. Y. ₹ 3,929.79 Lakhs) since the management is of the opinion that the banks have charged excessive interest and the excess interest will be waived by banks in their proposed restructuring scheme.

23. Jyoti Structures Africa (Pty) Limited is currently involved in a legal dispute with its service provider KRB Electrical Engineering Services (Pty) Limited, Sanyati Civil Engineering and Construction (Pty) Ltd (Central)/ABSA as well as separate litigation with one of its former employees. At the year end, the management and their legal advisers have not been able to determine the extent of legal costs nor the outcome of the current proceedings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

24. The Group is operating in only one primary business segment of power transmission and distribution wherein it manufactures/deals in various components/equipment's and constructs infrastructure related to power transmission. As such there are no separate primary reportable or identifiable business segments.

Secondary Segment: Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located in India.
- Sales outside India include sales to customers located outside India.

Information pertaining to Secondary Segment:

Details of Segment Revenue:

(₹ In Lakhs)

Particulars	2016-17	2015-16
Sales within India	**40,873.93**	1,84,775.90
Sales outside India	**49,469.59**	91,620.39
Total	**90,343.52**	2,76,396.29

Details of carrying amount of Segment Assets by geographical locations:

(₹ In Lakhs)

Particulars	2016-17	2015-16
Within India	**4,86,711.76**	5,23,589.63
Outside India	**90,084.53**	97,795.70
Total	**5,76,796.29**	6,21,385.33

Total cost incurred during the period to acquire segment assets (fixed assets including intangible assets) that are expected to be used during more than one period:

(₹ In Lakhs)

Particulars	2016-17	2015-16
Within India	**24.66**	922.91
Outside India	**421.53**	4,174.40
Total	**446.19**	5,097.31

25. The subsidiary company viz. Jyoti International Inc. and the step down subsidiary company Jyoti Americas LLC have defaulted in honoring the terms of the debt agreement including dividend payable and repayment of loan with lender for following loans:

a) Subordinated Debt : USD 1,30,00,000

b) Preferred stock Series A of USD 1,00,00,000

c) Additional Preferred stock Series A of USD 1,88,00,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Jyoti International Inc. has a contingent liability of USD 3,47,00,000 for above mentioned preferred stock variable return along with its accretion as per the terms of preferred stock agreement.

As per preferred stock agreement, lenders have not exercised their rights and claims for the settlement of the above debt through the issuance of common stock of Jyoti Structures Ltd, since its due date 28th August, 2016, till the end of current financial year. Accordingly, the Holding Company has not recorded an obligation of USD 3,47,00,000 related to the preferred stock variable return as of 31st March, 2017.

26. The number of shares of Jyoti Structures Ltd. to be issued on settlement of the preference stock as referred to in Note No. 37(25) on the Maturity on 28th August, 2016, cannot be ascertained since the lenders have not invoked their rights on the due date and till 31st March 2017, and therefore, the dilutive effect of those shares on the Diluted EPS of Jyoti Structures Limited has not been considered.

27. In terms of appointment, the company has paid remuneration amounting to ₹ 209.25 Lakhs to Mr. K. R. Thakur, Whole-time Director for the year. The remuneration paid to Mr. Thakur is within the provisions of section 197 read with part II of Schedule V of Companies Act, 2013.

Remuneration paid to the Managing Director and Whole-time Director for the year ended 31st March, 2015 and 31st March, 2016 are higher by ₹ 43.04 Lakhs and ₹ 48.83 Lakhs respectively than the limits specified under Schedule V to the Act and approved by members. An application made by the Company to the Ministry of Corporate Affairs (MCA) for waiver of excess remuneration amounting to ₹ 43.04 lakhs for the year ended 31st March, 2015 has been rejected.

The Company has shown the said excess amounts in Note No. 11 to the financial statements as an amount receivable and the amount is being held in trust by the whole-time director.

28. Trade Payables include dues to micro and small enterprises to whom the Group owes amounts outstanding for more than 45 days. The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

The details are as follows:

(In ₹ Lakhs)

Sr.No.	Particulars	**2016-17**	2015-16
1)	The Principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	**261.64**	263.32
2)	The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	**Nil**	Nil
3)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**Nil**	Nil
4)	The amount of interest accrued and remaining unpaid at the end of each accounting year	**128.70**	85.90
5)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	**Nil**	Nil

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

29. **Disclosure on Specified Bank Notes (SBNs)**

During the year, the group had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) date March 31,2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per notification is given below :

(In ₹ Lakhs)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	26.55	2.69	29.24
(+) Permitted receipts	0.20	6.88	7.06
(-) Permitted payments	0.32	8.69	9.00
(-) Amount deposited in Banks	26.43	0.01	26.43
Closing cash in hand as on December 30, 2016	__	0.87	0.87

The above balances include data strictly pertaining to Indian operations and Indian Subsidiaries and do not include the overseas branches and subsidiaries.

For the purpose of this clause the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th November, 2016.

30. **Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/Associates/Joint Ventures**

	Name of the Entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount (₹ in Lakhs)	As % of Consolidated profit or loss	Amount (₹ in Lakhs)	As % of Consolidated other Compre-hensive Income	Amount (₹ in Lakhs)	As % of total Compre-hensive Income	Amount (₹ in Lakhs)
Parent:									
Jyoti Structures Limited		81.42 %	(1,38,381.48)	103.98 %	(1,48,274.64)	67.69 %	(211.29)	103.89 %	(1,48,485.92)
Subsidiaries:									
Indian									
1	JSL Corporate Services Ltd.	(0.29) %	488.01	0.00 %	(0.35)	0.00 %	-	0.00 %	(0.35)
2	Jyoti Energy Ltd.	0.01 %	(22.13)	0.00 %	(3.66)	0.00 %	-	0.00 %	(3.66)
Foreign									
1	Jyoti Structures Africa (Pty) Ltd.	0.94 %	(1,594.11)	(0.18)%	261.06	49.54 %	(154.63)	(0.02)%	106.44
2	Jyoti International Inc *	21.41 %	(36,383.18)	0.00 %	-	0.00 %	-	0.00 %	-
3	Jyoti Structures FZE	(3.50)%	5,940.86	0.15 %	(214.96)	80.64 %	(251.68)	0.32 %	(466.64)
Non-Controlling Interests in all subsidiaries		(10.55)%	17,936.93	0.05 %	(68.43)	0.00 %	-	0.00 %	-
Joint Ventures (Investment as per Equity Method)									
Foreign									
1	Gulf Jyoti International LLC	(1.35)%	2,300.41	0.00 %	-	0.00 %	-	0.00 %	-
Total Adjustment/Elimination for consolidation		11.92 %	(20,251.74)	(3.99)%	5,763.61	(97.87)%	305.47	(4.20)%	6,000.65
As per Consolidated Net Assets/Profit or Loss		100.00 %	(1,69,966.43)	100.00 %	(1,42,537.35)	100.00 %	(312.13)	100.00 %	(1,42,849.48)

* Note: The financials of the subsidiary company (Jyoti International Inc) of Jyoti Structures Ltd are not available and hence not considered in the consolidated results of the company. Refer Note No. 37(6) to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

31. **Interest in other entities:**

The Consolidated Financial Statements present the Consolidated Accounts of Jyoti Structures Limited with its following Subsidiaries and Joint Ventures:

Name	Country of Incorporation	Proportion of Ownership of Interest		
		As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
1) Subsidiaries				
Indian Subsidiaries:				
(a) Jyoti Energy Limited	India	100%	100%	100%
(b) JSL Corporate Services Limited	India	100%	100%	100%
Foreign Subsidiaries:				
(a) Jyoti Structures FZE	United Arab Emirates	100%	100%	100%
(b) Jyoti Structures Africa (Pty) Limited	South Africa	70%	70%	70%
(c) Jyoti International Inc*	United States of America	100%	100%	100%
(d) Jyoti Structures Kenya Limited #	Kenya	100%	100%	100%
(e) Jyoti Structures Nigeria Limited #	Nigeria	100%	100%	100%
(f) Jyoti Structures Namibia (Pty) Limited #	Namibia	70%	70%	70%
(g) Jyoti Americas LLC ^	United States of America	100%	100%	100%
(h) Jyoti Structures Canada Limited ^	Canada	100%	100%	100%
Joint Ventures				
(i) Gulf Jyoti International LLC*	United Arab Emirates	30%	30%	30%
(j) GJIL Tunisie Sarl @	United Arab Emirates	49%	49%	49%

** The financials of Jyoti International Inc and Gulf Jyoti International LLC have not been considered in the consolidated financial statements for the year ended 31st March, 2017 for reasons stated in Note No. 37(6) and Note No. 37(4) to Consolidated Financial Statements respectively.

\# Held by Jyoti Structures FZE

^ Held by Jyoti International Inc

@ Held by Gulf Jyoti International LLC

Summarised Financial Information

(₹ In Lakhs)

Particulars	Joint Venture Gulf Jyoti International LLC		
	As at 31st March, 2017*	As at 31st March, 2016	As at 01st April, 2015
(A) Non-Current Assets	-	5,625.69	4,820.41
(B) Current Assets			
i) Cash and Cash Equivalents	-	1,075.41	2,846.03
ii) Others	-	18,604.65	13,058.82
Total Current Assets	-	19,680.06	15,904.85
Total Assets [(A) + (B)]	-	25,305.76	20,725.27
(C) Non-Current Liabilities			

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

Particulars	Joint Venture Gulf Jyoti International LLC		
	As at 31st March, 2017*	As at 31st March, 2016	As at 01st April, 2015
i) Financial Liabilities	-	5,396.45	5,315.88
ii) Non-Financial liabilities	-	720.76	2,930.72
Total Non-Current Liabilities		6,117.20	8,246.60
(D) Current Liabilities			
i) Financial Liabilities	-	10,366.88	6,603.98
ii) Non-Financial liabilities	-	6,344.15	3,098.23
Total Current Liabilities	-	16,711.02	9,702.20
Total Liabilities [(C)+(D)]	-	22,828.22	17,948.80
Net Assets	-	2,477.53	2,776.47

*Refer Note 37(4) to consolidated financial statements

Summarised Performance

(₹ In Lakhs)

Particulars	Joint Venture Gulf Jyoti International LLC	
	2016-17*	2015-16
Revenue	-	29,308.75
Profit/(Loss) before Tax	-	(45.68)
Tax Expense	-	-
Profit/(Loss) after Tax	-	(45.68)
Other Comprehensive Income	-	10.13
Total Comprehensive Income	-	(35.55)
Depreciation and Amortisation	-	566.70
Interest Income	-	5.15
Interest Expense	-	305.29

* Refer Note 37(4) to consolidated financial statements

A) Reconciliation of Net Assets considered for consolidated financial statements to net asset as per joint venture financial statements

(₹ In Lakhs)

Particulars	Joint Venture Gulf Jyoti International LLC		
	As at 31st March, 2017*	As at 31st March, 2016	As at 01st April, 2015
Net Assets as per Entity's financials	-	2,477.53	2,776.47
Add/(Less): Consolidation Adjustments			
i) Dividend Distributed	-	-	-
ii) Others	-	(177.12)	(440.45)
Net Assets as per consolidated financial statements	-	2,300.41	2,336.02

* Refer Note 37(4) to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE - 37 OTHER NOTES (Contd.)

B) Reconciliation of Profit and Loss considered for consolidated financial statements to net asset as per joint venture financial statements

(₹ In Lakhs)

Particulars	Joint Venture	
	Gulf Jyoti International LLC	
	2016-17*	2015-16
Profit/(Loss) as per Entity's financials	-	(35.55)
Add/(Less): Consolidation Adjustments		
i) Dividend Distributed	-	-
ii) Others	-	(0.06)
Profit/(Loss) as per consolidated financial statements	-	(35.61)

* Refer Note 37(4) to consolidated financial statements

C) Movement of Investment using Equity Method

Interest in Joint Ventures

(₹ In Lakhs)

Particulars	As at 31st March, 2017*	As at 31st March, 2016
a) Gulf Jyoti International LLC		
Interest as at 01st April	2,300.41	2,336.02
Add/(Less): Share of profit/(loss) for the period	-	(35.61)
Add/(Less): Share of other comprehensive income for the period	-	-
Balance as at 31st March	2,300.41	2,300.41

*Refer Note 37(4) to consolidated financial statements

32. Total trade receivables of the Holding Company as at 31st March, 2017 are ₹ 4,33,169.55 lakhs (P. Y. ₹ 4,58,131.95 lakhs). In light of delays in realisation of aged trade receivables, the management of the said Company will review the receivables and will take proper action to recover the amounts.

33. Cost of material consumed includes Bought-out materials purchased for supplies to customers under the contracts.

34. Previous year's figures have been re-arranged, re-grouped, re-calculated and re-classified, wherever necessary.

The Notes referred to above form an integral part of the Statement of Accounts.
As per our report attached
For **R. M. AJGAONKAR & ASSOCIATES**

Chartered Accountants

For and on behalf of the Board

KOMAL SEVAK
Partner
Membership Number 143685
Mumbai; 30th May, 2017

SANJEEVLATA SAMDANI
Company Secretary

K. R. THAKUR
Whole-time Director
DIN: 00001270

S. D. KSHIRSAGAR
Chairman
DIN: 00001266

JYOTI STRUCTURES LIMITED

CIN NO.: L45200MH1974PLC017494

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