

# JYOTI STRUCTURES LIMITED

Annual Report  
2022-2023



## BOARD OF DIRECTORS

- 1. Dr. Rajendra Prasad Singh**  
Independent (Non-Executive) Director
- 2. Mr. Kannan Ramamirtham**  
Independent (Non-Executive) Director
- 3. Dr. Govind Prasad Saha**  
Independent (Non-Executive) Director
- 4. Mrs. Monica Akhil Chaturvedi**  
Independent (Non-executive) Director
- 5. Mr. Abhinav Rishi Angirish**  
Non-Executive Director
- 6. Mr. Mathew Cyriac**  
Non-Executive Director

## CHIEF EXECUTIVE OFFICER (CEO)

Mr. Abdul Hameed Khan, Chartered Accountant

## CHIEF FINANCIAL OFFICER (CFO)

Mr. Kumar V. Balan, Chartered Accountant

## COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Sonali K. Gaikwad

## STATUTORY AUDITORS

M/s G.P. Sharma & Co. LLP, Chartered Accountants

## BANKERS

State Bank of India  
Asset Care and Reconstruction Enterprises Ltd (ACRE)  
(DBS Bank)  
Bank of India  
Canara Bank  
Bank of Baroda  
ICICI Bank  
IDBI Bank  
Indian Bank  
Phoenix ARC (South Indian Bank )  
Standard Chartered Bank  
Union Bank of India  
Bank of Maharashtra  
Central bank of India  
DBS Bank India  
EXIM Bank  
Indusind Bank  
UCO Bank

## 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  
Email : [investor@jsl.co.in](mailto:investor@jsl.co.in)  
Website: [www.jyotisttructures.in](http://www.jyotisttructures.in)

## 48<sup>th</sup> ANNUAL GENERAL MEETING

Day : Friday  
Date : 21<sup>st</sup> July, 2023  
Time : 03: 00 P.M. through video Conferencing

## CONTENTS

	Page No.
Directors' Report .....	2
Corporate Governance Report .....	18
Management Discussions and Analysis .....	35
Auditors' Report .....	37
Balance Sheet .....	48
Statement of Profit and Loss .....	49
Cash Flow Statement .....	50
Notes to Financial Statements .....	52
Changes in Equity .....	58
Statement relating to subsidiary, joint venture and associate companies in Form AOC 1 .....	89
Consolidated Financial Statements .....	90

## REGISTRARS & SHARE TRANSFER AGENTS

Big Share Services Private Limited  
Office No S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400093.  
Tel: +91 22 62638200 | Fax: +91 22 62638299  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

## DIRECTORS' REPORT

Dear Members,

### JYOTI STRUCTURES LIMITED

The Directors have pleasure in presenting the 48th Annual Report on business and operations of the Company along with Standalone and Consolidated Audited Financial Statements for the year ended March 31, 2023.

### OVERVIEW OF THE COMPANY

The Board of Directors of the Company is submitting this report in compliance with the provisions of the Companies Act, 2013 read with rules and regulations framed thereunder ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

This Report was discussed in a meeting held with Key Managerial Personnel ("KMP") and thereafter taken on record by the Board.

### FINANCIAL RESULTS

Performance of the Company, on standalone basis, for the FY ended March 31, 2023 is as summarized below:

(In INR. Lacs)

Particulars	Financial Year Ended March 31, 2023	Financial Year Ended March 31, 2022
Income from Operations	23107.42	544.14
Profit before Interest and Depreciation	173.04	(3,556.37)
Financial Cost	37.80	-
Depreciation and Amortization (Net)	540.95	707.75
Profit / (Loss) before tax	(405.71)	(4264.12)
Tax Expenses	-	-
Profit/(Loss) after tax	(405.71)	(4264.12)

Note:

Previous period figures have been re-arranged, re-grouped, re-calculated and re-classified, wherever necessary.

### STATE OF COMPANY'S AFFAIRS

During the financial year under the review, the Company has secured two major contracts, which inter alia include Setting up several transmission lines in Madhya Pradesh, Khavda and Goa, turnkey design, supply and construction of 765 KW D.C Transmission Line and 400 KW D.C.Transmission Line, which are under execution.

The Company had filed Interlocutory Application before the Hon'ble NCLT, Mumbai Bench, seeking exclusion of timelines for various actions under the approved resolution plan. Further, the Company has filed an Appeal before the Hon'ble NCLAT, Delhi Bench, against the Oder passed by Hon'ble NCLT, Mumbai Bench regarding exclusion of timelines for various action under the approved resolution plan.

### MANAGEMENT DISCUSSION AND ANALYSIS

As required in terms of the SEBI LODR Regulations, the Management Discussion and Analysis is annexed to this Report and provides details on overall industry Structure and Developments during financial year under review.

### SECRETARIAL STANDARDS

Your Company has endeavored to follow applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings.

### CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of sub-section (3) of Section 129 of the Act and SEBI Listing Regulations, the Consolidated Financial Statements of the Company, including the financial details of its subsidiary companies, forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

### ROAD AHEAD

India has an installed power generation capacity of over 416 GW. In 2022-23, India consumed 1503.65 billion units which is a 9.4% rise over 2021-22. Consumption has grown at a steady clip each year since 2009-10 when it was 747 billion units. Power distribution companies suffer from a legacy of high transmission losses and inability to hike prices.

# JYOTI STRUCTURES LIMITED

The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. The government plans to establish renewable energy capacity of 500 GW by 2030.

## PERFORMANCE HIGHLIGHTS

At standalone level, the total income stood at INR 23107.42 Lacs during the FY 2022-2023, as compared to Rs. 544.14 Lacs in the previous year. The net loss before tax stood at INR 405.71 Lacs during the FY 2022-2023, as compared to net loss before tax of INR 4264.12 Lacs in the previous year

## TRANSFER TO RESERVES

In view of losses incurred by the Company during the Financial Year, no amount has been transferred to the General Reserve. Pursuant to implementation of Resolution Plan, the Company has restructured the capital and also has come up with issue of JSL Employee Stock Option Scheme 2021 ("JSL ESOS 2021").

## DIVIDEND

In view of losses incurred during the period under review, the Company does not recommend any dividend on the equity shares for the financial year ended March 31, 2023.

## SHARE CAPITAL AND LISTING OF SHARES

### ● AUTHORIZED SHARE CAPITAL

During the year under review, consequent to the approval of issuance of JSL ESOS 2021, the Company increased authorized share capital of the Company to INR.1,86,30,00,000/- (Rupees One Hundred Eighty-Six Crore Thirty Lacs only) of share capital comprising of (i) INR 1,47,30,00,000/- (Rupees One Hundred Forty-Seven Crore Thirty Lacs Only) equity share capital divided into 73,65,00,000 (Seventy-Three Crores Sixty-Five Lacs) equity shares of a face value of INR 2/- each; (ii) INR.25,00,00,000/- (Rupees Twenty-Five Crore only) of preference share capital divided into 25,00,000 (Twenty-Five Lacs only) preference shares of a face value of INR 100/- each; and (iii) INR 14,00,00,000/- (Rupees Fourteen Crore only) of preference share capital divided into 7,00,00,000 (Seven Crore only) preference shares of a face value of INR 2/- each.

The Paid-up Equity Share Capital of the Company as on March 31, 2023 was Rs. 126,90,55,420/- (Rupees One Hundred and Twenty-Six Crores, Ninety Lacs, Fifty-Five Thousand Four Hundred and Twenty only)

The equity shares of the Company are listed and traded in compulsory dematerialized form on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

## SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

As per Section 129 of the Act, if the Company has any subsidiary (ies) and associate company (ies), the Company along with its Standalone Financial Statements is required to provide Audited Consolidated Financial statements to its shareholders in the Annual General Meeting.

### Details of subsidiary, associate and joint venture of the Company as on March 31, 2023, are as follows:

In Standalone and Consolidated Financials, the company has included the figures / amounts for the year ended as on date in respect of its Seven branches (management certified) at Bhutan, Kenya, Tanzania, Georgia, Tunisia, South Africa and Uganda; The figures of three branches namely Dubai, Egypt, Kuwait are prior to March 2018 in absence of requisite detail. The financial statements include the assets, liabilities, income and expenditure in respect of fourteen branches.

The Consolidated Financial Statements include the following Subsidiary companies:

No.	Subsidiaries (including step down subsidiaries)	%	Audited/Management Certified	Country
1	JSL Corporate Services Ltd.	100	Audited	India
2	Jyoti Energy Ltd.	100	Audited	India
3	Jyoti Structures FZE	100	Management Certified	United Emirates
4	Jyoti Structures Nigeria Ltd.	100		Nigeria
5	Jyoti Structures Kenya Ltd.	100		Kenya
6	Jyoti Structures Namibia (Pty) Ltd.	70		Namibia
7	Jyoti Structures Africa (Pty) Ltd.	70		South Africa

The Consolidated Financial Statement does not includes the results of the following entities in absence of requisite details:

No.	Subsidiaries (including step down subsidiaries)	%	Country
1	Jyoti International Inc	100	United States of America
2	Jyoti America LLC	100	United States of America
3	Jyoti Structures Canada Limited	100	Canada
<b>Joint Venture Companies</b>			
1	Gulf Jyoti International LLC	30	United Arab Emirates
2	GJIL Tunisia Sarl	49	Tunisia

In compliance with applicable provisions of the 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, 2023, is annexed and forms part of this Report.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents are available on the website of the Company <http://jyotisttructures.in/investor.html>.

The Audited Standalone and Consolidated Financial Statements are prepared in accordance with the prescribed accounting standards, forms part of this Report.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- Composition of the Board**

The Board was constituted with following 6(Six) directors:

S No.	Name of Director	Designation
1	Dr. Rajendra Prasad Singh	Chairman, Independent Director
2	Mr. Kannan Ramamirtham	Independent Director
3	Mr. Mathew Cyriac	Non- Executive Director
4	Mr. Abhinav Rishi Angirish	Non- Executive Director
5	Dr. Govind Prasad Saha	Independent Director
6	Mrs. Monica Akhil Chaturvedi	Independent Director

- Retire by Rotation on the Board of Directors of the Company**

During the period under review, none of the Directors would retire by rotation at the ensuing Annual General Meeting.

#### **Key Managerial Personnel (KMP)**

S No.	Name of Key Managerial Personnel	Designation
1	Mr. Abdul Hameed Khan	Chief Executive Officer
2	Mr. Kumar Balan	Chief Financial Officer
3	Ms. Sonali K Gaikwad	Company Secretary & Compliance Officer
4	Mr. A P Padmakumar	Chief Operating Officer (International Business)
5	Mr. Rajesh Kumar Singh	Chief Operating Officer (Domestic Business)

#### **STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received the necessary declaration from each independent director who are part of Board confirming that he/she meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 read with the schedules, rules made thereunder and Regulation 16(1) (b) of the Listing Regulations.

#### **PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS**

One of the Key responsibilities and role casted on the Board is to monitor and evaluate the performance of the Board, Committees and Directors.

The Company is in process of preparing a policy containing, inter alia the criteria for performance evaluation of the Board, its Committees and Individual Directors.



## MEETINGS OF THE BOARD

8 meetings of the Board of Directors were held on May 9, 2022, May 30, 2022, August 12, 2022, September 6, 2022, November 11, 2022, December 12, 2022, January 12, 2023 & February 13, 2023 during the year under review.

## COMMITTEES OF THE BOARD

3 meetings of Nomination and Remuneration Committee were held on May 9, 2022, June 14, 2022 & September 6, 2023.

5 meetings of Audit Committee were held on May 30, 2022, August 12, 2022, September 6, 2022, November 10, 2022 & February 13, 2023.

3 meetings of Stakeholders Relationship Committee were held on May 30, 2022, September 6, 2022, November 10, 2022.

One meeting of each Independent Director and Risk Management Committee meeting were held on March 23, 2023.

The intervening gap between the Meetings was within the period prescribed under the Act and SEBI LODR.

For attendance and other details please refer the Corporate Governance Report, which forms part of the Annual Report 2022-2023.

## REMUNERATION POLICY

Pursuant to Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the Policy on appointment of Board Members including criteria for determining qualifications, positive attributes, independence of a director and the details of this policy are given in the Corporate Governance Report which forms part of this Annual Report.

The Details pertaining to remuneration paid to the Key Managerial Personnel is provided under **Annexure I**.

The Company is in process of preparing a policy containing in relation to remuneration of Key Managerial Personnel and other employees.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the requirements of sub-section (12) of Section 197 of the Act read with sub-rule (1) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the disclosures pertaining to the remuneration and other details is not applicable, as no remuneration has been paid to Directors in FY 2022-2023, therefore it is not applicable for the current period.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

The details of Contract or arrangements entered into by Company with related parties referred to in Section 188 of the Act, including certain arm's length transaction under third proviso thereto for the financial year under scrutiny forms part of the Balance Sheet.

## CORPORATE SOCIAL RESPONSIBILITY

Please take note that as the Company does not have net profits during any 3 previous financial years therefore provisions of Section 135 of the Act is not applicable.

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

The Company's Policy on CSR is available on the Company's website [www.jyotisttructures.in](http://www.jyotisttructures.in).

## RISK MANAGEMENT

The Company is engaged in Engineering, Procurement and Construction ("EPC") business and is exposed to various risks in the areas it operates. The risk management mechanism forms an integral part of the business planning and review cycle of the Company and it is designed to provide reasonable assurances that goals are achieved by integrating management control into daily operations, by ensuring compliance with legal requirements and by safeguarding the integrity of the Company's financial reporting and its related disclosures. The identification, analysis and putting in place the process for mitigation of these risks is an ongoing process.

The Risk Management Committee of Directors constituted by the Board inter alia reviews Enterprise Risk Management functions of the Company and is responsible for framing, implementing, monitoring and reviewing Risk Management framework of the Company.

The Company is in process of preparing Risk Management Policy for the purpose of risk minimization and anticipation in case of future potential risks.

### **RELATED PARTY TRANSACTIONS**

With reference to Section 134(3) (h) of the Companies Act, 2013, all contracts and arrangements with related parties except one transaction under Section 188(1) of the Companies Act, 2013 entered by your Company during the year under review, were in the ordinary course of business and on an arm's length basis.

Related party transactions during April 1, 2022 to March 31, 2023 are reported in financial statements of the Company.

The Company's policy on related party transaction which is available on the Company's website [www.jyotisttructures.in](http://www.jyotisttructures.in).

### **AUDIT REPORTS AND AUDITORS**

#### **Audit Reports**

The Auditors' Report for 2023 does not contain any qualification, reservation, or adverse remark. The Report is enclosed with the Financial statements in this Integrated Annual Report.

The Secretarial Auditors' Report for 2023 does not contain any qualification, reservation, or adverse remark. The Secretarial Auditors' Report is enclosed as **Annexure III** to the Board's report, which forms part of this Integrated Annual Report.

#### **Statutory Auditors**

Pursuant to the provisions of the Section 139 of the Act and the Rules made, M/s. G.P. Sharma & Company, LLP, Chartered Accountants were appointed as Statutory Auditor for a period of 1 (one) year, i.e., FY 2022-2023. The appointment and remuneration of Statutory Auditor has been duly approved by the Board and the lenders.

#### **Cost Auditors**

Since the Company is not falling under the threshold limit of Cost Audit, hence, Cost Audit is not applicable for the financial year 2022-2023.

#### **Secretarial Auditors**

Pursuant to provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has re-appointed M/s. Sandeep Dubey & Associates as the Secretarial Auditor of the Company for the year ended March 31, 2023. The Secretarial Audit Report furnished by M/s. Sandeep Dubey & Associates for the financial year 2023 is annexed as **Annexure III** to this report. The Secretarial Audit Report furnished by M/s. Sandeep Dubey & Associates contains some observations that are self-explanatory and need no further comments.

### **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return for the F.Y. 2022-2023 is available on the Company's Website i.e. [www.jyotisttructures.in](http://www.jyotisttructures.in).

### **FIXED DEPOSITS**

During the year, Company has neither accepted nor renewed any new fixed deposits.

### **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.

### **TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)**

During the year, the Company has transferred as per the requirement of the Act, unclaimed dividend amounts to Investor Education and Protection Fund.

### **CORPORATE GOVERNANCE**

The Company has complied with the corporate governance requirements (to the extent possible, instances of non-compliances as pointed in the secretarial audit report) under the Act and as stipulated under the SEBI LODR Regulations. Management's Discussion and Analysis, Corporate Governance Report, together with Auditors' Certificate on compliance with the conditions of Corporate Governance as laid down are enclosed, which form part of this Annual Report.

### **INTERNAL CONTROL SYSTEM**

The Company has adequate system of internal controls in place. The Company has aligned its internal controls with the requirements of Act. The Company has adopted Internal control is the policies and procedures 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. The Company is committed to ensuring an effective Internal Control environment that will help in preventing and detecting errors and irregularities, thus ensuring security of Company's assets and efficiency of operations. The Company has an internal control mechanism which is commensurate with the size and complexity of business and aligned with evolving business needs. This is demonstrated through various means including, but not limited to Code of Conduct together with the Whistle Blower Policy.

Periodically, the Audit Committee takes cognizance of the significant risk assessment processes, audit plans, reported observations, recommendations and adequacy of Internal Controls and provides directions and guidance including external benchmarking of best practices for further action, if any. Extensive use of technology ensures robustness and integrity of financial reporting and internal controls, allows optimal use and protection of assets, facilitates accurate and timely compilation of financial statements and management reports and ensures compliance with statutory laws, regulations and company policies.

## **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

In accordance with the provisions stated in Section 177 of the Act and Rules framed thereunder read with Regulation 22 of the Listing Regulations, your Company has a vigil mechanism policy named Vigil Mechanism Policy (VMP) to deal with instances of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy is explained in the Corporate Governance Report

## **CODE OF CONDUCT**

The Company has a code of conduct for Board Members and Senior Management Personnel and vigil mechanism ('Whistle Blower Policy').

## **DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company believes in providing a safe and harassment free workplace for every women employee working with your Company. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has a zero tolerance for sexual harassment at workplace and, therefore it is also endeavoring for preparing a policy in this respect. The said policy would be in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

During the year under review, no complaints were reported.

## **OCCUPATIONAL HEALTH & SAFETY AND ENVIRONMENTAL POLICY**

For your Company safety, health and well-being of its employees and people working for it is of utmost importance. Your Company strives to take care of environment and for sustainable business development and continues to develop and implement environmental management system to measure, control and reduce the environmental impact. Company's operations are in compliance with all applicable regulations.

The Company has stringently followed the stipulated guidelines for the prevention of further spread of highly contagious COVID 19 and ensured safe working atmosphere for employees and other stakeholders.

## **EMPLOYEES STOCK OPTION SCHEME**

The Company obtained In-principle Approval from Bombay Stock Exchange ("BSE") on July 1, 2022 and National Stock Exchange ("NSE") on April 27, 2023 respectively.

The Company is in process of granting letters to eligible employees.

## **SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

## **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report, which forms part of this Integrated Annual Report.

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

The information on conservation of energy, technology absorption is annexed and forms part of this Report as **Annexure IV**.

In the current financial year there were no foreign exchange earnings and outgo.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 134 (3) (c) of the Act, Board of Directors confirms that:

- i applicable Accounting Standards have been followed in the preparation of annual accounts for the year ended March 31, 2023 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, 2023 and of the loss of your Company for the year ended on that date;
- iii to the extent possible 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.

**ACKNOWLEDGEMENTS**

We place on record our sincere appreciation of the valuable cooperation and support received at all times by the Company from its bankers, other stakeholders, concerned Government Departments, other authorities, its channel partners, employees and shareholders.

**For Jyoti Structures Limited**

**Date : 22nd June, 2023**

**Place : Mumbai**

sd/-

**Dr. Rajendra Prasad Singh**  
**Chairperson & Independent Director**  
**DIN:00004812**

## **Annexure I to the Directors' Report**

Details pertaining to Remuneration as required under Section 197(12) of the Act read with Rule 5(1) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

No Remuneration was paid to Directors in the FY 2022-2023

### **Key Management Personnel:**

1. Ms. Sonali Gaikwad (Company Secretary) Salary Paid INR 7.86 Lacs.
2. Mr. Abdul Hameed Khan (CEO) Salary Paid INR 34.32 Lacs.
3. Mr. Kumar Balan (CFO ) – Salary Paid INR 25.57 Lacs.

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

**For Jyoti Structures Limited**

**Date : 22nd June, 2023**

**Place : Mumbai**

sd/-  
**Dr. Rajendra Prasad Singh**  
**Chairperson & Independent Director**  
**DIN:00004812**

**Annexure II to the Directors'  
Report 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 programs	The Company has framed a Corporate Social Responsibility (CSR) Policy in compliance with the provisions of the Act and the same is placed on the company website and the web link for the same is <a href="http://www.jyotisttructures.in">www.jyotisttructures.in</a> . A gist of programs that the Company can undertake under the CSR Policy is mentioned below: <ul style="list-style-type: none"> <li>(i) promoting education, enhancing vocational skills with emphasis on training and technical development;</li> <li>(ii) promoting health care, sanitation and infrastructure development;</li> <li>(iii) promoting environmental sustainability with conservation of natural resources;</li> <li>(iv) promoting sports, cultural programs in consultation with communities and cultures with which we work.</li> </ul>
2	The Composition of the CSR Committee	The Company has been incurring losses for more than three years, hence contribution to CSR is not applicable
3	Average net profit of the Company any FY	Negative
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Not Applicable
5	Details of CSR spent during the FY <ul style="list-style-type: none"> <li>i. Total amount to be spent for the FY:</li> <li>ii. Amount unspent, if any:</li> </ul> Manner in which the amount spent during the FY:	Not Applicable
6	In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report	Not Applicable
7	Responsibility statement of CSR Committee	The Company has been incurring losses for more than three years, hence contribution to CSR is not applicable

**For Jyoti Structures Limited**

**Date : 22nd June, 2023  
Place : Mumbai**

sd/-  
**Dr. Rajendra Prasad Singh**  
Chairperson & Independent Director  
DIN:00004812

**Annexure III to the Directors' Report**  
**SECRETARIAL AUDIT REPORT**  
**FORM NO. MR – 3**  
**FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration personnel Rule, 2014)]

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Jyoti Structures Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

**Brief of the Company:**

**Approved Resolution Plan - Interlocutory Application**

The resolution plan submitted by the successful resolution applicant was approved by Hon'ble NCLT vide its order dated March 27, 2019. The erstwhile Resolution Professional (ER) was managing the Company till November 9, 2021. Thereafter the ERP handed over the control of the management & company to the successful resolution applicant and the new management of the company is running the company and implementing the approved resolution plan.

Interlocutory Application has been filed by the Company before the Hon'ble NCLT, Mumbai Bench, seeking exclusion of timelines for various actions under the Approved Resolution Plan on account of delay by MIDC for giving approval for execution of Tripartite Agreement and non-release of non- fund-based limits by the lenders. The Hon'ble NCLT has not passed any order till date.

Based on my verification of books, papers, minute books, form 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended March 31, 2023, 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.

I have examined the books, papers, minute books, form and returns filed and other records maintained by the company for the financial year ended on March 31, 2023 according to the provisions of :-

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (3) The Depository Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) 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;
- (5) The following Regulation and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act') :-
  - 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, 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;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **-Not applicable to the Company during the Audit period.**
  - f. The Securities and Exchange Board of India (Registration to an Issue and Share Transfer Agents) Regulation, 1993, regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **- Not applicable to the Company during the Audit period.**

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable to the Company during the Audit period.**
- (6) The Factories Act, 1948 and Industrial law applicable to the Company: - Based on the report of Mr. Sudhir Kumar Kasargod, Government Recognized Safety Auditor, Certificate No. S.A.C No. K-008/2020, he has taken the latest standard for safety measure as IS:14489 and also obtained the necessary license for factory operation.

Factories Act 1948 is applicable to this unit. Under these provisions the status of the safety and emergency preparedness level has to be periodically examined by internal experts as well as external agency.

Unit has to maintain detailed Material Safety Data (MSDS) as per Rule 73 M of MFR, 1963.

Medical examination of workers to be carried out every year by certifying surgeon & fitness of every worker to be preserved in form no.7.

Testing of Lifting tools and tackles and Air receivers is applicable as per Rule 62 & 63 and 65(4) of MFR, 1963 to be maintained.

These obligations will be fulfilled to a great extent if the recommendations made in the safety audit report are fulfilled

**I have also examined Compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to Board (“SS-1”) and General Meetings (“SS-2”)
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange(s) and National Stock Exchange’s, if applicable.

**Our Observations are as follow:**

As per the information and documentation provided to me, the company shall pay the outstanding amount (principal as well as interest) to the debentures holders (NCD) as per resolution plan approved by the Hon’ble NCLT.

Further, the company shall also repay the defaulted amount of deposit as per the approved Resolution plan.

**Constitution of Committees:**

We observed that the company has properly constituted three committees namely Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

List of e-forms required to be filed for financial year under review period: The details are mentioned in **Annexure I**.

**Section 135- Corporate Social Responsibility Committee:**

Corporate Social Responsibility Committee is not required to be constituted as per the provisions of Companies Act, 2013.

**Section 173- Board meetings:**

The company has complied with the provisions of the section 173 of the Act and as well as complied with SEBI LODR, 2015. Company has conducted eight Board meetings as mentioned below.

Board Meeting		Audit Committee	Remuneration Committee	Stakeholders Committee
Sr. No.	Date	Date	Date	Date
1	09/05/2022	30/05/2022	09/05/2022	30/05/2022
2	30/05/2022	12/08/2022	14/06/2022	06/09/2022
3	12/08/2022	06/09/2022	06/09/2023	10/11/2022
4	06/09/2022	10/11/2022	23/03/2023	
5	11/11/2022	13/02/2023		
6	12/12/2022			
7	12/01/2023			
8	13/02/2023			

**Non-Compliances/delay in compliances under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and other Corporate Laws:**



## JYOTI STRUCTURES LIMITED

During the period under review, the Company has following non-compliances/delay in compliances of the Regulation of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

- i. Regulation 7(3)- Compliance certificate certifying maintaining physical and electronic transfer facility (to be submitted within one month from the end of the financial year).

Period	Submission with BSE	Submission with NSE	Delay/Non-compliances
April 22-March 23	11/04/2023	11/04/2023	No

- ii. Regulation 13(3)- Statement of Investor Complaints (to be submitted within 21 days from the quarter end).

Quarter	Submission with BSE	Submission with NSE	Delay/Non-compliances
Apr-Jun 2022	08/07/2022	08/07/2022	No
Jul-Sep 2022	11/10/2022	11/10/2022	No
Oct-Dec 2022	07/01/2023	07/01/2023	No
Jan-Mar 2023	11/04/2023	11/04/2023	No

- iii. Regulation 21 – Risk Management Committee is constituted and composition is as per the SEBI regulations. As per information provided by the management of the company, Risk management policy is pending before the Board of Directors for approval and during the review period the meeting of risk management committee was held on 23Rd March 2023.

- iv. Regulation 27(2) – Corporate Governance (to be submitted within 21 days from the quarter end).

Quarter	Submission with BSE	Submission with NSE	Delay/Non-compliances
Apr-Jun 2022	15/07/2022	15/07/2022	No
Jul-Sep 2022	14/10/2022	14/10/2022	No
Oct-Dec 2022	14/01/2023	14/01/2023	No
Jan-Mar 2023	21/04/2023	21/04/2023	No

- v. Regulation 31 – Shareholding Pattern (to be submitted within 21 days from quarter end).

Quarter	Submission with BSE	Submission with NSE	Delay/Non- compliances
Apr-Jun 2022	06/07/2022	06/07/2022	No
Jul-Sep 2022	13/10/2022	13/10/2022	No
Oct-Dec 2022	16/01/2023	16/01/2023	No
Jan-Mar 2023	15/04/2023	15/04/2023	No

- vi. Regulation 33 – **Financial Results** (to be submitted within 45 days from the quarter end and in case of the Annual Financial Result within 60 days from the end of financial year).

Quarter	Submission with BSE& NSE	Delay/Non-compliances
Apr-Jun 2022	12/08/2022	12/08/2022
Jul-Sep 2022	11/11/2022	11/11/2022
Oct-Dec 2022	13/02/2023	13/02/2023
Jan-Mar 2023 (Annual Accounts)	29/05/2023	29/05/2023

- vii. **Regulation 40(9) – Certificate from Practicing Company Secretary/Chartered Accountants in respect of delivery of Share Certificates within prescribed period from the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies (to be submitted within one month of the end of each half of the financial year).**

Half year ended	Submission with BSE	Delay/Non- compliances
April 2022-March 2023	10/04/2023	10/04/2023

**Non-compliances/delay in Compliances under Securities and Exchange Board (Depositories Participants) Regulations, 1996;**

- viii. Regulation 76 of Securities and Exchange Board (Depositories Participants) Regulations, 2018 (Reconciliation of Share Capital Audit Report to be submitted within 30 days from quarter end);

Quarter	Submission with BSE	Submission with NSE	Delay/Non-compliances
Apr-Jun 2022	13/07/2022	13/07/2022	No
Jul-Sep 2022	11/10/2022	11/10/2022	No
Oct-Dec 2022	11/01/2023	11/01/2023	No
Jan-Mar 2023	15/04/2023	15/04/2023	No

**Non-compliances/delay in Compliances under Securities and Exchange Board (Depositories Participants) Regulations, 2018.**

- ix. Compliance certificate under Regulation 74(5) Securities and Exchange Board (Depositories Participants) Regulations, 2018 (quarterly compliance within 15 days from end of quarter)

Quarter	Submission with BSE	Submission with NSE	Delay/Non-compliances
Apr-Jun 2022	08/04/2022	08/04/2022	No
Jul-Sep 2022	07/10/2022	07/10/2022	No
Oct-Dec 2022	07/01/2023	07/01/2023	No
Jan-Mar 2023	10/04/2023	10/04/2023	No

**Non-compliances/delay in Compliances under Foreign Exchange Management Act, 1999:**

- a) Filing of Annual Return on Foreign Liabilities and Assets (FLA) on due date;

As per the information and explanation provided to me, the Company has wholly owned subsidiary (WOS) outside India. The Company also disclosed financial data of Indian Subsidiaries Company in consolidated financial statements.

Audited financial statements of the overseas subsidiaries as mentioned below are not available as at reporting date. Consequently, we are unable to comment upon the impact, if any, on impairment of Investments. The Management believes that impairment is not required at the reporting date. We have relied on Management Representation regarding the same.

- b) Industrial Laws;  
c) Labour laws and other incidental laws;  
d) Conservation, of Foreign Exchange and Prevention of Smuggling Activities etc.;  
e) Acts prescribed under Environmental Protection;  
f) Acts as prescribed under Direct Tax and Indirect Tax;  
g) Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016;  
h) Local Laws as applicable to various offices and plants;

**Compliance of Secretarial standards in accordance with section 118 (10) of Companies Act, 2013.**

- a. During the period under review the company has complied with requirements of Secretarial standard I with respect to the Board meetings for preparation of notice, agenda, notes on agenda, preparation of minutes.  
b. During the period under review the Company has complied with the requirements of Secretarial Standard II with respect to the Annual General meetings for preparation of notices, agenda, explanatory statements.

**During the period under review the following events took place under the approved resolution Plan:**

- a. Further we also noted that, the company has issued 7,00,00,000 Compulsorily Convertible Preference Share have been issued to Aion and Apollo Group at Rs. 4/- per share.  
b. The Company has amended its Memorandum of Association by increasing its Authorized Share capital as under:  
i) For the purpose of JSL ESOS, 2021: From Rs.1,41,00,00,000/- (Rupees One Hundred Forty-One Crore only) equity share capital divided into 70,50,00,000 (Seventy Crores Fifty Lakhs) equity shares of a face value of Rs. 2/- each to Rs. 1,47,30,00,000/- (Rupees One Hundred Forty-Seven Crore Thirty Lakhs Only) equity share capital divided into 73,65,00,000 (Seventy-Three Crore Sixty-Five Lakhs) equity shares of a face value

## JYOTI STRUCTURES LIMITED

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of Rs. 2/- each; ranking pari-passu in all respect with the existing Equity Shares of the Company; which inter alia includes equity shares and preference shares, by passing the Special Resolution dated April 22, 2022,

- c. The Company obtained In-principal Approval from Bombay Stock Exchange (“BSE”) on July 1, 2022 and National Stock Exchange (“NSE”) on April 27, 2023 respectively in terms of Company is in process to issue some securities through Employee Stock Option Scheme in accordance with the provisions of applicable sections of the Companies act and rules.

During the year, company has to transferred unclaimed dividend amounting to Rs. 17.7 Lacs to Investor Education and Protection Fund, I found that company has filed the e-form IEPF -2 with Registrar of Companies and in process to comply with this provision.

I further report that audited financial statements of Overseas Subsidiaries (Including step down subsidiaries), Joint Ventures are not available as at reporting date. Consequently, we are unable to comment upon the impact if any, on impairment of balances of dues form related party and transaction executed with related party under the Companies Act 2013. The Management believes that impairment is not required at the reporting date and the balances are recoverable in full. We have relied on Management Representation regarding the same. Details are mentioned in financial statements.

I further report that, company is in process of allotment of securities under “JSL Employee Stock Option Scheme - 2021” (“JSL ESOS– 2021”) scheme, under the scheme to create, grant, issue, offer and allot to the present and / or future permanent employees of the Company, whether working in India or outside India not more than 5% of Total paid up capital of the Company i.e. 3,17,26,386 (Three Crores Seventeen Lakhs Twenty Six Thousand Three Hundred and Eighty Six ) stock options convertible into equal number of equity shares of the Company of face value of Rs. 2/- each under the JSL Employee Stock Option Scheme – 2021. Company has obtained In Principal Approvals from respective stock exchanges.

I observe that two Independent Directors have attained the age of 75 years, accordingly shareholders’ approval is being obtained on the ensuing Annual General Meeting.

I further report that 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.

As per minutes of the meetings duly recorded and signed by the Chairman, the decisions were unanimous and no dissenting views have been recorded.

I further report that during the audit period there were no specific events/actions in pursuance of the above laws, rules, regulations, guidelines, etc., having a major bearing on the Company’s affairs.

**For Sandeep Dubey & Associates**  
(Practicing Company Secretary)

sd/-

**Sandeep A. Dubey**

Partner

Membership No.:47940

COP No.: 17902

**Date:** 21st June 2023

**Place:** Mumbai

**Annexure A to Secretarial Audit Report**

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

Our report of even date is to be read along with this letter.

- a. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b. I have followed the audit practices and processes as applicable to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
- d. Wherever required, I have obtained the management representation about the compliance of Laws, Rules and Regulations and happening of events, etc.
- e. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
- f. In preparing the report, I have relied on the correctness and accuracy of the information provided to me orally and in writing by on behalf of the Company.
- g. The 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 Sandeep Dubey & Associate**  
(Practicing Company Secretary)

sd/-  
**Sandeep A. Dubey**  
ACS No.: 47940  
COP No.: 17902  
**Place:** Mumbai  
**Date:** 21st June 2023

**Annexure IV to the Directors' Report**

**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 endeavored to achieve energy conservation in its products by adopting energy efficient products. The Company undertook various measures to conserve energy by using energy efficient lighting systems, electric transmissions etc.

**B. Technology Absorption**

**Research & Development ("R&D")**

**I. Specific areas in which R&D is carried out by the Company**

Since the Company has started its operations in November 2021 and manufacturing activity was not started in FY 2022-2023, no R&D was carried out by the company.

**II. Benefits derived as a result of the above R&D**

Not Applicable for the reasons as stated in para no I

**III. Information regarding imported technology (imported during the last 3 years reckoned from the beginning of the financial year) is furnished**

- i. Technology imported: No technology has been imported in the last 3 years
- ii. Year of import: Not Applicable
- iii. Has the technology been fully absorbed? Not Applicable
- iv. If not fully absorbed, areas where this has not taken place, reasons hereof and future plans of action: Not Applicable

**IV. Expenditure on R&D**

- i. Capital: Nil
- ii. Recurring: ' NIL
- iii. Total: ' NIL

Total R&D expenditure as a percentage of total turnover Not Applicable.

Sr. No.	Particulars	2022-23	2021-22
<b>I</b>	<b>Earnings in Foreign Currency</b>		
	Export of goods /services (including deemed exports and sales through export house)	-	-
	At FOB Price	-	-
	At Invoice Value (Designing &testing charges)	-	-
	Rent of Equipment	-	-
	Interest from Subsidiaries	-	-
<b>II</b>	<b>Expenditure in Foreign Currency</b>		
	Expenses of overseas projects (including foreign taxes)	-	-
	Interest	-	-
	Professional Fees	-	-
	Others	-	-

**For Jyoti Structures Limited**

Date : 22nd June, 2023  
Place : Mumbai

sd/-  
**Dr. Rajendra Prasad Singh**  
Chairperson & Independent Director  
DIN:00004812



## CORPORATE GOVERNANCE REPORT

In accordance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') the details of compliance by the Company with the norms on Corporate Governance are as under:

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance refers to, but not limited to, a set of laws, regulations and good practices & systems that enable an organization to perform efficiently and ethically to generate long-term wealth and create value for all its stakeholders. Sound governance practices and responsible corporate behaviour contribute to superior long term performance of organizations. Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders through ethically driven business process. The Company should be guided by core principles of governance like honesty, impartiality, transparency, responsibility, revelations, assurance to values and compliances to heighten the value for stakeholders viz., customers, shareholders, employees, lenders, vendors including society of which the Company is a part. The Company should believe that all its actions must serve the underlying objective of enhancing overall shareholder value on a sustained basis.

We are committed to make continuous efforts to adopt and adhere to the best practices of Corporate Governance. Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are managed in a manner which ensures accountability, transparency and fairness in all its transactions in the widest sense. We believe that every Corporate Strategy needs to be dynamic, vibrant and responsive to the changing economic scenario and flexible enough to absorb environmental and fiscal fluctuations. This has always been the guiding philosophy in the Company and will continue to be so in future, as we continue to perceive Corporate Governance as an upward moving target that we collectively strive towards achieving.

### OVERVIEW OF COMPANY'S MANAGEMENT

The Company is a professionally managed organization headed by Mr. Abdul Hameed Khan, CEO, who reports to the Board of Directors consisting of eminent personalities in their respective fields. During the year the company has also appointed Mr. Rajesh Kumar Singh as Chief Operating Officer for Domestic Operations. Mr. Padmakumar has been appointed as Chief Operating Officer for International business.

### BOARD OF DIRECTORS

On November 9, 2021, control of the Company was transferred by the Erstwhile Resolution Professional to the newly constituted board led by Chairman.

The Board of our Company consists of persons with considerable professional expertise and experience in technical, commercial, legal, finance, business administration and other related fields. Our Company's Board represents diversity in terms of various parameters including academic qualifications, technical expertise, regional and industry knowledge, experience etc.,

### COMPOSITION OF BOARD

The Board of the Company is broad-based and consists of prominent professionals. The Company is managed by the Board of Directors in co-ordination with the management team.

As on March 31, 2023, the Board comprises of six (6) Directors. The Board has combination of highly qualified directors out of total six (6) Directors, two (2) are Non-executive Non Independent directors, three (3) are Non- executive Independent directors and one (1) is Women Non-executive Independent director. The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013. Independent Directors play an important role in deliberations at the Board level, bring with them their extensive experience in various fields including banking, finance, law, administration and policy, and contribute significantly to Board committees.

### Meetings and Attendance

During the year, following are the dates of eight meeting of Board of Directors

S No.	Date of Meeting
1.	09/05/2022
2.	30/05/2022
3.	12/08/2022
4.	06/09/2022
5.	11/11/2022
6.	12/12/2022
7.	12/01/2023
8.	13/02/2023

## JYOTI STRUCTURES LIMITED

During the financial year, following are dates of Committee meetings

**\* Nomination and Remuneration Committee**

S No.	Date of Meeting
1.	09/05/2022
2.	14/06/2022
3.	06/09/2022

**\* Audit Committee**

S No.	Date of Meeting
1.	30/05/2022
2.	12/08/2022
3.	06/09/2022
4.	10/11/2022
5.	13/02/2023

**\* Stakeholders Relationship Committee**

S No.	Date of Meeting
1.	30/05/2022
2.	06/09/2022
3.	10/11/2022

**\* Independent Director and Risk Management Committee**

S No.	Date of Meeting
1.	23/03/2023

Agenda papers are sent electronically to the directors, well in advance, before the meetings. Draft minutes of the board and committee meetings are circulated to the directors of the Company for their comments and thereafter, noted by the board/committees at the next meeting.

Details of attendance of each of Director at number of Board meetings and Previous Annual General Meetings ("AGM") attended by them during the year ended March 31, 2023, are tabulated below:

S. No.	Name of Director & Designation	DIN	No. of Board Meetings held during 2022-2023		Attendance at last 47th AGM	Sitting Fees Paid INR.
			Held during their tenure	Attended		
<b>Non-executive Director &amp; Independent Director</b>						
1	Dr. Rajendra Prasad Singh	00004812	8	8	Yes	1,60,000
2	Mr. Kannan Ramamirtham	00227980	8	7	Yes	1,40,000
3	Dr. Govind Prasad Saha	09256986	8	8	-	1,60,000
4	Mrs. Monica Akhil Chaturvedi	02193359	8	8	Yes	1,60,000
<b>Non-executive Director &amp; Non - Independent Director</b>						
5	Mr. Mathew Cyriac	01903606	8	6	Yes	1,20,000
6	Mr. Abhinav Rishi Angirish	01323243	8	8	-	1,60,000

**CONTINUATION OF DR. RAJENDRA PRASAD SINGH AS DIRECTOR OF THE COMPANY**

Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") provides that no listed company shall appoint or continue the directorship of any person as Non-executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is disclosed in the explanatory statement annexed to the Notice for such appointment.

As per approved resolution plan, Dr. Rajendra Prasad Singh was appointed as a Non-executive Independent Director on the Board of the Company for a period of three years and the same was approved by the Members of the Company at their Annual General Meeting held on February 2, 2021.

Dr. Singh has attained the age of 75 years on 17.07.2022 and his appointment as approved by the Members of the Company is valid up to February 2, 2024. Accordingly, to comply with the provisions of Regulations 17(1A) of the SEBI LODR Regulations, Company is seeking approval of the Members through Special Resolution.

#### **CONTINUATION OF DR. GOVIND PRASAD SAHA AS DIRECTOR OF THE COMPANY**

Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") provides that no listed company shall appoint or continue the directorship of any person as Non-executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is disclosed in the explanatory statement annexed to the Notice for such appointment.

As per approved resolution plan, Dr. Govind Prasad Saha was appointed as a Non-executive Independent Director on the Board of the Company for a period of three years and the same was approved by the Members of the Company at their Annual General Meeting held on September 13, 2021.

Dr. Saha has attained the age of 75 years on 06.12.2022 and his appointment as approved by the Members of the Company is valid up to September 13, 2024. Accordingly, to comply with the provisions of Regulations 17(1A) of the SEBI LODR Regulations, Company is seeking approval of the Members through Special Resolution.

#### **INDEPENDENT DIRECTORS**

- **Selection and appointment of Independent Directors**

Considering the requirement of skill set on the Board, profiles of eminent people having independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment as Independent Directors on the Board. The Committee, inter-alia, considers the qualification, positive attributes, area of expertise and number of Directorships and Memberships/ Chairmanships held in various committees of other companies by such persons and recommends their appointments to the Board for its decision.

- **Declaration by Independent Directors**

All the independent directors have submitted a declaration that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an independent judgment and without any external influence.

- **Information placed before the Board**

The Board has complete access to all company related information. All the requisite information, in terms of Regulation 17 (7) read with Schedule II Part A of the Listing Regulations are placed before the Board for its consideration, besides such other information/details which are considered necessary to facilitate meaningful and focused deliberations on issues concerning the Company and to take decisions in an informed and efficient manner.

- **Code of Conduct**

The conduct of the Board Members and Senior Management Personnel is regulated by the Code of Conduct for Board Members and Senior Management Personnel, as approved and adopted by the Board of Directors of the Company. All the Non Independent Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct for the financial year ended 31st March, 2023 and a declaration to this effect, duly signed by Chief Executive Officer and Chief Financial Officer is annexed and forms part of this report.

- **Evaluation of Board, its committees and Individual Directors:**

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of executive/ non - executive/ independent directors through peer-evaluation excluding the director being evaluated. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the Board, as a whole and its various committees.

The performance of the Board is evaluated after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning etc. The performance of the Committees is evaluated after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings etc.

## JYOTI STRUCTURES LIMITED

The performance of the individual directors is evaluated on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

### BOARD COMMITTEES

To provide detailed and necessary assistance in the Company's matters, the Board has constituted five committees. The Board has a defined set of guidelines and an established framework for conducting the meetings of the said Committees.

The following Committees of the Board have been reconstituted with effect from November 9, 2021:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee
- d. Risk Management Committee
- e. Revival Committee

#### a. Audit Committee

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, the Company is required to constitute an Audit Committee.

#### Composition of Audit Committee

S No.	Name of Directors	Designation of Director
1	Mr. Kannan Ramamirtham*	Chairperson
2	Dr. Govind Prasad Saha	Member
3	Mr. Mathew Cyriac	Member

\* Mr. Kannan Ramamirtham resigned from the Audit Committee w.e.f. 29.05.2023. Mrs. Monica Chaturvedi was appointed as member of the Audit Committee.

#### Meeting of Audit Committee

During the period under review, following meeting of the Audit committee of the Company was held:

S No.	Date of Meeting
1.	30/05/2022
2.	12/08/2022
3.	06/09/2022
4.	10/11/2022
5.	13/02/2023

#### Role of Audit Committee

The Role of Audit Committee shall include the following in brief:

- Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommend to the Board, the appointment, re-appointment, remuneration and terms of appointment of auditors of the Company and, if required, their replacement or removal.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Review with the management, the annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
  - o matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of sub section 5 of Section 134 of the Act;
  - o Changes, if any, in accounting policies and practices, and reasons for the same;
  - o major accounting entries involving estimates based on the exercise of judgment by management;
  - o significant adjustments made in the financial statements arising out of audit findings;

- o compliance with listing and other legal requirements relating to financial statements;
- o disclosure of any related party transactions; and
- o modified opinions in the draft audit report.
- Review with the management, the quarterly financial statements before submission to the Board for approval.
- Review of management discussion and analysis of financial condition and results of operations.
- Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter.
- Review the quarterly statement of deviation(s) including report of monitoring agency, if applicable, in terms of Regulation 32(1) of the Listing Regulations, being submitted to the Stock Exchange(s).
- Approval or any subsequent modification, ratification of transactions of the Company with related parties including review of statement of significant related party transactions submitted by the management and granting of omnibus approval for related party transactions proposed to be entered by the Company.
- Review statement of related party transactions including details of related party transactions entered pursuant to grant of omnibus approval on a quarterly basis.
- Review financial statements, in particular the investments made by the Company's unlisted subsidiaries.
- Review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing or such other limit as may be prescribed from time to time.
- Evaluation of internal financial controls and risk management systems.
- Review with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Review internal audit reports relating to internal control weaknesses and discussion with internal auditors regarding any significant findings and follow up thereon.
- Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.
- Carry out all the functions as may be entrusted (i) by the Board of Directors, from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations).

**b. Nomination and Remuneration Committee**

The Nomination & Remuneration Committee comprises of non-executive Directors, majority of whom are independent.

**Composition of Nomination and Remuneration Committee**

S No.	Name of Director	Designation of Director
1	Mrs. Monica Akhil Chaturvedi	Chairperson
2	Mr. Kannan Ramamirtham*	Member
3	Mr. Abhinav Rishi Angirish	Member

\* Mr.Kannan Ramamirtham resigned from the Nomination and Remuneration Committee w.e.f. 29.05.2023. Dr. Govind Prasad Saha was appointed as member of the Audit Committee.



## Meeting of Nomination and Remuneration Committee

During the period under review, following meeting of the NRC committee of the Company was held:

S No.	Date of Meeting
1.	09/05/2022
2.	14/06/2022
3.	06/09/2022

### The Role of Nomination and Remuneration Committee shall include the following in brief:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees.
- Identify persons who are qualified to become Directors and recommend their appointment to the Board.
- Recommend to the Board, appointment and removal of KMPs or SMPs in accordance with the criteria laid down.
- Recommend to the Board, remuneration payable to Directors, KMPs and SMPs in accordance with the Nomination and Remuneration Policy.
- Formulate the criteria for effective evaluation of performance of Board of Directors, its Committees and individual Directors, to be carried out either by the Board or by NRC or through an independent external agency and review its implementation and compliance.
- Determine whether to extend or continue the term of appointment of the independent Director, based on the report of performance evaluation of independent Directors.
- Devise a policy on diversity of Board of Directors.
- Opine whether the Director possess the requisite qualification, as required under Section 197(4)(b).
- Carry out functions as may be entrusted (i) by the Board of Directors from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013 (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as may be amended from time to time.

### c. Stakeholders Relationship Committee

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, 2023, no instruments of share transfer were pending.

#### Composition of Stakeholders Relationship Committee:

S No.	Name of Director	Designation of Director
1	Mr. Mathew Cyriac	Chairperson
2	Mr. Kannan Ramamirtham	Member
3	Mr. Abhinav Rishi Angirish	Member

### Meeting of Stakeholders Relationship Committee

During the period under review, following meeting of the SRC committee of the Company was held:

S No.	Date of Meeting
1.	30/05/2022
2.	06/09/2022
3.	10/11/2022

The terms of reference of the Committee includes the following:

- Consider and resolve the grievances of the security holders inter alia consisting of shareholders, debenture-holders, deposit holders, etc of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review measures taken for effective exercise of voting rights by shareholders.
- Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Consider and approve issue of duplicate share certificates in lieu of those lost or destroyed.
- Approve and/or reject the transfer or transmission of securities of the Company and authorise the Compliance officer and /or the Registrar & Share Transfer Agent of the Company for the same.
- Issue of duplicate certificates, Remat Share Certificates, and certificates to be issued in accordance with Sub-rule 3 of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time.
- Oversee compliances in respect of transfer of unclaimed amounts and shares to and from the Investor Education and Protection Fund.
- Carry out all the functions as may be entrusted (i) the Board of Directors from time to time; and (ii) by virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as amended from time to time.

**Composition of Stakeholders Relationship Committee:**

Number of complaints pending on April 1, 2022	Nil
Number of complaints received during the year	2
Number of complaints redressed during the year	2
Number of complaints pending on March 31, 2022	Nil

**Details of Compliance Officer**

Ms. Sonali K. Gaikwad, Company Secretary

**d. Risk Management Committee**

Pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, the Company is required to constitute a Risk Management Committee of the Board.

**Composition of Risk Management Committee:**

S No.	Name of Director	Designation of Director
1	Dr. Rajendra Prasad Singh	Chairperson
2	Mr. Kannan Ramamirtham*	Member
3	Dr. Govind Prasad Saha	Member
4	Mrs. Monica Akhil Chaturvedi	Member

\* Mr. Kannan Ramamirtham resigned from the Audit Committee w.e.f. 29.05.2023.

**Meeting of Risk Management Committee**

During the period under review, following meeting of the Risk Management Committee of the Company was held:

S No.	Date of Meeting
1	23/03/2023

**Terms of reference of Risk Management Committee include but shall not be limited to:**

- Formulate a Risk Management Framework and/or Risk Management Policy and recommend the said framework and/or Policy and any amendments thereto to the Board for its approval.
- Ensure that appropriate methodology, processes and systems are in place to monitor, evaluate and report risks associated with the business of the Company.

## JYOTI STRUCTURES LIMITED

- Review the adequacy of the existing measures to mitigate risks covering various functions of the Company.
- Evaluate and approve new risks and the mitigation measures that may be recommended by the Risk Manager(s) in respect of any function and review the action taken for its implementation on an ongoing basis.
- Evaluate and ensure that appropriate processes and systems are in place to monitor, evaluate and report cyber security risks associated with the business of the Corporation and to review the adequacy of the existing measures to mitigate the said risk.
- The Committee shall perform such other functions as may be required under the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, any other applicable laws and various circulars issued by the regulatory authorities thereof, as amended from time to time.

### e. Revival Committee

The company to fulfill all its commitments as per the approved Resolution Plan, a Revival Committee (RC) was formed. In view of the stringent requirements, it was considered essential to make sustained efforts for revival and closely monitor the implementation of the approved resolution plan. Also in case of slippages, promptly take remedial steps to keep the implementation on track. A Revival Committee (RC) for the company was formed with the following members for the above purposes.

1. Mr. Kanayo R. Thakur
2. Mr. Prakash K. Thakur
3. Mr. I. C. Jaiswal
4. Incumbent CEO of the Company

The committee will report to the board and act as an interface between the Board and the company management. The committee will submit a quarterly report to the Board. It is also proposed that articles of association be amended, with the approval of shareholders, to incorporate the constitution and working of the revival committee.

### GENERAL BODY MEETINGS

#### Annual General Meetings

The details of the AGM held in the last three years are as tabulated below:

Financial Year	Venue	Date and Day	Time
2022-2023	Through Video Conferencing/OAVM mode at Registered office	April 22, 2022	11:00 A. M.
	Through Video Conferencing/OAVM mode at Registered office	September 30, 2022	11:00 A. M.
2021-2022	Through Video Conferencing/OAVM mode at Registered office	June 15, 2021	11:00 A. M.
	Through Video Conferencing/OAVM mode at Registered office	September 13, 2021	11:00 A. M.
2020-2021	Through Video Conferencing/OAVM mode at Registered office	February 2, 2021	11:00 A. M.
	Through Video Conferencing/OAVM mode at Registered office	February 5, 2021	11:00 A. M.

The details of Special Resolutions passed in the Annual General Meetings held in the last 3 years are as tabulated below:

Financial Year	Subject
2022-2023	Six Resolutions were passed
2021-2022	No Special resolution was passed
2020-2021	No Special resolution was passed

#### Extra-Ordinary General Meetings:

Financial Year	Venue	Date and Day	Time
2022-2023	Through Video Conferencing/OAVM mode at Registered Office	April 22, 2022	11:00 A.M.

## 48<sup>th</sup> Annual Report 2022-2023

The details of Special Resolutions to be passed in the financial year 2022-2023 are as tabulated below:

Financial Year	Subject
2022-2023	<p>Three Special resolutions to be passed.</p> <ol style="list-style-type: none"> <li>1. Revised terms of the engagement of Dr. Rajendra Prasad Singh as Non- Executive Independent Director (2 times)</li> <li>2. Amendment in Article of Association (2 times)</li> <li>3. Adoption of Memorandum of Association</li> <li>4. Approval of Employee Stock Option Scheme of the Company</li> </ol>

### POSTAL BALLOT

During the year under report, no resolution was passed through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing of resolution through Postal Ballot.

### POLICY FOR PRESERVATION OF DOCUMENTS

Your Company, prior to the commencement of CIRP, had implemented a policy in regard to document retention, prescribing the manner of retaining the Company's documents and the time period up to which certain documents are to be retained, as mandated under Regulation 9 of the SEBI Listing Regulations. The policy is available on your Company's website [www.jyotisttructures.in](http://www.jyotisttructures.in).

### RELATED PARTY TRANSACTIONS

Related Party Transactions are provided under notes forming part of the financial statements of the company.

During the year, the Company had entered into transaction by way of payment made to Dr. Rajendra Prasad Singh, Independent Non-Executive Director for which approval of members by special resolution had been obtained on September 30, 2022.

Related party transactions during April 1, 2022 to March 31, 2023 are reported in financial statements of the Company.

### INSTANCES OF NON-COMPLIANCE

During the F.Y. 2021-22, the Company delayed compliances under the various regulations of SEBI LODR due to irregular payment to various authorities as the Company was under the control of ERP.

The Company has complied with all the regulations of SEBI LODR till March, 2022, except Regulation 33 which pertains to Financial Result.

The Company has complied with all the regulations of SEBI LODR for financial year ending March 31, 2023.

As per the Resolution Plan approved by Hon'ble NCLT, all penalties imposed on or otherwise applicable to the Company for offences/ non-compliances committed by the Company and/or events related to the Company which have arisen prior to the approval of the final resolution plan by the Hon'ble NCLT will be waived on and from the date of the approval of the Final Resolution Plan by the Hon'ble NCLT.

### COMPLIANCE REPORTED TO BSE & NSE AS PER SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015 DURING THE PERIOD.

Sr. No.	Regulations of SEBI (LODR), Regulations, 2015	Quarter	Due date	Filing date
1	PCS Certificate U/R 40(9)	March, 2023	April 30, 2023	Filed on NSE & BSE as on April 10, 2023
2	Compliance Certificate U/R 7(3)	March ,2023	April 30, 2023	Filed on NSE & BSE as on April 11, 2023
3	Investor Grievance Report U/R 13(3)	June, 2022	July 21, 2022	Filed on NSE & BSE as on July 8, 2022
		September, 2022	October 21, 2022	Filed on NSE & BSE as on October 11, 2022
		December, 2022	January 21, 2022	Filed on NSE & BSE as on January 7, 2023
		March, 2023	April 21, 2023	Filed on NSE & BSE as on April 11, 2023

## JYOTI STRUCTURES LIMITED

Sr. No.	Regulations of SEBI (LODR), Regulations, 2015	Quarter	Due date	Filing date
4	Shareholding Pattern U/R 31	June, 2022	July 21, 2022	Filed on NSE & BSE as on July 6, 2022
		September, 2022	October 21, 2022	Filed on NSE & BSE as on October 13, 2022
		December, 2022	January 21, 2023	Filed on NSE & BSE as on January 16, 2023
		March, 2023	April 21, 2023	Filed on NSE & BSE as on April 15, 2023
5	Corporate Governance U/R 27(2)	June, 2022	July 21, 2022	Filed on NSE & BSE as on July 15, 2022
		September, 2022	October 21, 2022	Filed on NSE & BSE as on October 14, 2022
		December, 2022	January 21, 2023	Filed on NSE & BSE as on January 14, 2023
		March, 2023	April 21, 2023	Filed on NSE & BSE as on April 21, 2023
6	Financial Results U/R 33	June, 2022	August 14, 2022	Filed on NSE & BSE as on August 12, 2022
		September, 2022	November 14, 2022	Filed on NSE & BSE as on November 11, 2022
		December, 2022	February 14, 2023	Filed on NSE & BSE as on February 13, 2023
		March, 2023	May 30, 2023	Filed on NSE & BSE as on May 29, 2023
7	Secretarial Audit Report U/R 24A	March, 2023	May 30, 2023	Filed on NSE & BSE as on May 18, 2023

### SEBI (Depository Participant) Regulations, 2018

Sr. No.	Regulations of SEBI (LODR), Regulations, 2015	Quarter	Due date	Filing date
1	Reconciliation of Share Capital Audit Report as per regulation 76 SEBI (DP) Regulation, 2018	June, 2022	July 30, 2022	Filed on NSE & BSE as on July 13, 2022
		September, 2022	October 30, 2022	Filed on NSE & BSE as on October 11, 2022
		December, 2022	January 30, 2023	Filed on NSE & BSE as on January 11, 2023
		March, 2023	April 30, 2023	Filed on NSE & BSE as on April 15, 2023
2	Compliance Certificate in the matter of Regulation 74 (5)	June, 2022	July 30, 2022	Filed on NSE & BSE as on July 8, 2022
		September, 2022	October 30, 2022	Filed on NSE & BSE as on October 7, 2022
		December, 2022	January 30, 2023	Filed on NSE & BSE as on January 7, 2023
		March, 2023	April 30, 2023	Filed on NSE & BSE as on April 10, 2023

### **MANAGEMENT DISCUSSION AND ANALYSIS**

As part of the Director's Report or as an addition thereto, a Management Discussion and Analysis Report forms part of the Annual Report to the shareholders. This Management Discussion & Analysis Report includes discussion on the following matters within the limits set by the Company's competitive position:

- Economic Overview
- Company's Business Overview
- Quality Control
- Risks and Concerns
- Opportunities and Threats
- Achievement

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In accordance with the provisions stated in Section 177 of the Act and Rules framed thereunder read with Regulation 22 of the Listing Regulations, your Company has a vigil mechanism policy named Vigil Mechanism Policy (VMP) to deal with instances of fraud and mismanagement, if any. The details of the Vigil Mechanism/ Whistle Blower Policy is posted on the website of your Company at [www.jyotisttructures.in](http://www.jyotisttructures.in).

### **RECONCILIATION 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 are 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 basis to the Stock Exchanges, where the shares of the Company are listed, as per the format prescribed under Regulation 33 of the SEBI LODR.

### **SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES)**

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

The Company's website [www.jyotisttructures.in](http://www.jyotisttructures.in) contains a separate dedicated section 'Investor Relations' where shareholders information is available.

The Company has promptly reported all material information including declaration of quarterly financial results etc. to all Stock Exchanges where shares of the Company are listed. Such information is also displayed on the Company's website [www.jyotisttructures.in](http://www.jyotisttructures.in). As when adopted the financial results, quarterly and annual results and other statutory information were communicated to the shareholders by way of advertisement newspapers as per listing requirements of Stock Exchanges.

### **Quarterly Results**

The Company has furnished financial results on quarterly / half yearly basis to the Stock Exchanges, where the shares of the Company are listed, as per the format prescribed under Regulation 33 of the SEBI LODR.

### **Annual Report**

The Annual Report containing inter-alia Audited Financial Statements, Consolidated Financial Statements, Report to the Shareholders, Management Discussion and Analysis Report (MDAR), Auditors' Report and other important information, is circulated to members and others entitled thereto. The Annual Report is displayed on the Company's website ([www.jyotisttructures.in](http://www.jyotisttructures.in)).

### **NSE Electronic Application Processing System (NEAPS)**

NEAPS is a web-based application designed by NSE for Corporates. All periodical compliance filings like financial results, shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

### **BSE Corporate Compliance & Listing Centre (the 'Listing Centre')**

BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like financial results, shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.



## WEBSITE

The Company's website is updated with the help of services of an external agency. All the material information together with financials are being uploaded on Company's website on regular basis.

## 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

#### 48th Annual General Meeting for the Financial Year 2022-23

Day	:	Friday
Date	:	21 <sup>st</sup> July, 2023
Time	:	03: 00 P.M. through Video Conferencing

### B. Financial Calendar

Details of announcement of Quarterly Financial Results during the year 2022-23 are as under :

Standalone & Consolidated Financial Results	Announced on
1st Quarter ended 30/06/2022	12/08/2022
2nd Quarter ended 30/09/2022	11/11/2022
3rd Quarter ended 31/12/2022	13/02/2023
4th Quarter ended 31/03/2023	29/05/2023

**Date of Book Closure : July 14, 2023 to July, 21, 2023**

### C. Listing at Stock Exchanges

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

### D. Annual Fee

Payment of Listing Fee: The Annual Listing fee for the financial year 2022-2023, as applicable to the Company has been paid to BSE and NSE.

**E. Stock Market Price Data:**

The High and low of the Share Price of the Company during each month of the Financial Year 2022- 2023 at BSE and NSE were as under:

MONTH	BSE		NSE	
	HIGH	LOW	HIGH	LOW
April -22	22.55	18.80	22.25	19.00
May -22	21.00	14.85	20.35	15.30
June -22	18.90	12.65	18.451	12.60
July -22	19.30	15.00	19.55	15.30
Aug -22	17.75	15.25	17.75	15.20
Sept -22	20.40	16.95	20.45	16.70
Oct -22	17.60	13.30	17.80	13.35
Nov -22	16.44	11.40	16.25	11.10
Dec -22	17.68	12.87	17.80	12.90
Jan -23	12.23	7.74	11.50	7.90
Feb -23	10.15	6.45	10.05	6.50
Mar -23	7.55	5.23	7.60	5.15

**F. Registrar and Share Transfer Agent**

Shareholders should address their correspondence to the Registrar and Share Transfer Agents appointed by the Company. The details of it are as follows:

**Name & Address: Big Share Services Private Limited (Unit- Jyoti Structures Ltd.)**

Office No S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai -400093.  
Tel Free No.: 91-22-62638200  
Fax: 91-22-62638299  
e-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**Share Transfer System**

The Board has delegated the authority for approving transfer, transmission, splitting, consolidation, dematerialization, rematerialisation etc. of the Company's securities to the Stakeholders' Relationship Committee of the Board as the case may be. 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, Big Share Services Private Limited.

**G. Distribution of shareholding and shareholding pattern as of March 31, 2023**

As per the information received from the RTA for the quarter and the year ended March 31, 2023, the Distribution of Shareholding Pattern are as follows:

SHAREHOLDING RANGE	NUMBER OF SHAREHOLDERS	% TO TOTAL	SHARES	% TO TOTAL
1 - 500	29200	64.1068	4828449	0.761
501 - 1000	5763	12.6523	4935736	0.7779
1001 - 2000	3656	8.0265	5870364	0.9252
2001 - 3000	1565	3.4359	4097888	0.6458
3001 - 4000	765	1.6795	2809127	0.4427
4001 - 5000	904	1.9847	4366332	0.6881
5001 - 10000	1509	3.3129	11776393	1.8559
10001 and above	2187	4.8014	595843421	93.9035
<b>TOTAL</b>	<b>45549</b>	<b>100.0000</b>	<b>634527710</b>	<b>100.0000</b>

# JYOTI STRUCTURES LIMITED

## Shareholding Pattern as on March 31, 2023

Category of shareholders	No. of Shares	% of shares
Promoters – Individuals- Bodies Corporate	0	-
Other Bodies Corporate	14, 47,89,313	22.82
NRIs / FIIs	25,38,680	0.40
Financial Institutions/Banks/Mutual Fund	9,88,80,001	15.58
Indian Public	38,83,19,716	61.20
<b>Total</b>	<b>63,45,27,710</b>	<b>100</b>

### H. Dematerialization of Shares

The Company's shares are compulsorily traded in dematerialized form and are admitted in both the Depositories in India- National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's shares are liquid and are actively traded on the Stock Exchanges. As per the information received from the RTA for the quarter and the year ended March 31, 2023, 99.92 % of the total equity share capital of the Company is held in dematerialized form with NSDL and CDSL and the rest in physical form.

### I. Outstanding GDR/ADR/Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity

The Company has not issued any GDRs/ADRs/Warrants or Convertible Instruments during the year under report.

J Plant Locations			
	<b>Nasik Factory (Plant-I)</b> 52A/53A, "D" Road, M.I.D.C., Satpur, Nasik - 422 007 (Maharashtra) Tel: +91 253 2201 700 / 800	<b>Nasik Factory (Plant-II)</b> "D" Road, M.I.D.C., Satpur, Nasik-422007(Maharashtra) Tel:+91 2536603225/227	<b>Raipur Factory</b> Plot No. 1037/1046, Sarora Ring Road, Near Wool Worth, Urla Industrial Area, Raipur-493221 (Chhattisgarh)
K Tower Testing Station	L Training Centre	M	Address for Correspondence
Ghoti, Igatpuri, Dist.-Nasik-422002 Maharashtra. Tel: +91 2553 282 211 Fax: +91 2553 282 212	"Gurukul",Plot No.H-37, Shivaji Nagar, M.I.D.C., Satpur, Nasik-422007 Maharashtra. Tel.: +91 253 2350 099		Jyoti Structures Limited Valecha Chambers, 6 Floor, New Link Road, Andheri (West), Mumbai - 400053 TelNo: +91 22 4091 5000

## DECLARATION – CODE OF CONDUCT

Pursuant to Regulation 34(3) read with Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Abdul Hameed Khan, Chief Executive Officer Jyoti Structures Limited ("Company"), hereby declare that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2023.

**For, Jyoti Structures Limited**

**Date : 22nd June, 2023**  
**Place : Mumbai**

sd/-  
**Abdul Hameed Khan**  
**Chief Executive Officer**

**STATUTORY COMPLIANCE CERTIFICATE**

To  
The Board of Directors Jyoti Structure Limited Valecha Chambers  
6th Floor, New Link Road Oshiwara Andheri (West) Mumbai -400053

Dear Sir/Madam,

We hereby certify that

- a) We have reviewed Audited financial results (Standalone & Consolidated) for the quarter and year ended March 31, 2023 and that to the best of our 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 and accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and year ended March 31, 2023, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) That we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed, from time to time, to the Auditors and the Audit Committee, operation of such internal controls and that such further improvement in design & structure are being made to meet the growing requirements of business.
- e) We have indicated to the auditors and the Audit committee:
- i. significant changes in internal control including internal financial controls over financial reporting during the quarter and year ended March 31, 2023, if any;
  - ii. significant changes in accounting policies during the quarter and year ended March 31, 2023 and that the same have been disclosed in the notes to the financial results, if any; and
  - iii. instances, if any, of significant fraud of which we 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 Structure Limited**

sd/-  
**Abdul Hameed Khan**  
**Chief Executive Officer**  
**PAN No: AJPPK3193A**

sd/-  
**Kumar V. Balan**  
**Chief Financial Officer**  
**PAN No: AEAPB4078D**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s Jyoti Structures Limited** having **CIN: L45200MH1974PLC017494** and registered office at Valecha Chambers, 6th Floor, New Link Road, Oshiwara, Andheri (West) Mumbai -400053 (hereinafter referred to as 'the Company'), produced to me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the officers of the Company, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31/03/2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Sandeep Dubey & Associates  
(Practicing Company Secretary)**

Sd/-  
**Sandeep Dubey**  
**Partner**  
**Membership No.:47940**  
**COP No.: 17902**  
**UDIN: A047940D000856143**

**Date: 22nd June, 2023**  
**Place: Mumbai**

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

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

I have examined the compliance of conditions of Corporate Governance by **M/s. Jyoti Structures Limited** for the year ended on 31/03/2023, pursuant to Regulation of 15(2) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was carried out in accordance with the guidance note on certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further 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 the affairs of the Company.

**For Sandeep Dubey & Associates  
(Practicing Company Secretary)**

Sd/-  
**Sandeep Dubey**  
**Partner**  
**Membership No.:47940**  
**COP No.: 17902**  
**UDIN: A047940D000856792**

**Date: 22nd June, 2023**  
**Place: Mumbai**



## MANAGEMENT DISCUSSION AND ANALYSIS

### Overview

Power sector is one of the critical elements of any nation's economic development and it will play an important role to make India a developed nation. Universal access to affordable power in a sustainable manner has been the guiding principle for the Power sector. Power sector will play a key role to address the challenges related to climate change and meet the various commitments made by India at the global forum, India is reducing its dependence on fossil based energy and shifting to cleaner and renewable energy sources.

Transmission towers and conductors play major role in power transfer. To meet the growing demand for power in urban, industrial and rural areas there is a need for transfer of huge quantum of power from generating stations. The growing concerns about environmental impact of transmission line construction and protest against siting of towers added with the requirement of reducing tower material, necessitates new tower designs needing reduced right of way and slimmer structures. Development of high temperature electrical conductors for transmission lines is essential for bulk power transfer. The challenges are to reduce the transmission losses, increase the power transmission on the existing lines and the development of more efficient conductors for new lines. The development of efficient power transmission system has a major impact in the future of transmission systems and is a priority.

With the increase in economic activity, the demand for power in India is also increasing. India has witnessed electricity demand increased at CAGR of around 4.1 % during the last decade and it is projected that electricity demand will grow at CAGR of 7.18 % (as per 20th EPS Report) for next five years.

In May 2023, The Central Electricity Authority has notified the National Electricity Plan which gives a very optimistic future for power transmission sector.

Government, in the past years had taken various initiatives to transform the country from power deficit to power surplus nation which includes increasing the share of renewable energy in the overall capacity mix, connecting the whole nation into one grid, strengthening the distribution system and achieving universal household electrification.

India has witnessed a phenomenal growth in the Power Sector in terms of electricity generation, capacity addition as well as development in Transmission and Distribution (T&D) systems over the last decade. This has been possible with the introduction of enabling policies and regulatory changes favourable for a competitive environment encouraging growth. Measures like participation of the private investment in the Power Sector, adoption of state-of-the-art technologies, thrust on improvement in the efficiency of the existing plants and setting-up of new plants with improved efficiency have acted as catalysts to the growth of the Sector. Concerted efforts have also rendered improvement in electricity connectivity within the country and also with the neighbouring countries for cross border transmission of electricity.

The Government of India has paid higher attention on supply of electricity at an affordable price, and to deliver it in an efficient and sustainable manner to the consumers without causing adverse impact on the environment.

Over the years the installed capacity of Power Plants (Utilities) has increased to 3,99,496 MW as on 31.03.2022 and has further increased to 4,10,339 MW as on 31.12.2022, from a meagre 1362 MW in 1947. The electricity generation increased from about 5.1 Billion units in 1950 to 1491.9 BU (including imports) in the year 2021-22. Regional grids have been integrated into a single national grid thereby providing free flow of power from one corner of the country to another through strong inter regional AC and HVDC links. As a result, the peak demand (MW) not met as well as energy (MU) not supplied have registered steady decline on all India basis. The peak power deficit during 2021-22 has been 1.2 % and Energy Deficit has been 0.4 % only. This marginal shortage seen is on account of reasons other than unavailability of Generation Capacity. India has made the massive strides towards renewable energy sources and exhibited a remarkable increase in RE sources installed capacity. The contribution of RE sources (including Large Hydro) to the installed capacity has increased from 5.8% in 2006-07 to 39 % in 2021-22 till 31.03.2022 and further increased to 41% as on 31.12.2022 and its energy contribution in the total generation has increased to 21.54 % in 2021-22 from 1.5 % in 2006-07.

### Risks

Some of the risks that the management visualizes are as follows:

- Land Acquisition
- Spike in prices of raw materials like steel, zinc, etc.
- Environment and Forest issues
- Rehabilitation & Resettlement
- Natural Calamities
- Law & order problem & Local issues

- Contractual problems
- Geological uncertainties
- Difficult Terrain & Poor Accessibility
- Funds constraints with Contractor
- Force Majeure Risk
- Inter-state issues
- Court / NGT / NCLT Cases.

### **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 Jyoti Structures Limited**

sd/-  
**Dr. Rajendra Prasad Singh**  
**Chairperson & Independent Director**  
**DIN:00004812**

**Date:22nd June, 2023**

**Place: Mumbai**

**Independent Auditor's Report**

**To the Members of Jyoti Structures Limited**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Jyoti Structures Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income and the Cash Flow Statement for the year then ended, Statement of changes in Equity and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities' for the Audit of the standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Key Audit Matter**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p><b>Financial impacts arising out of Approved Resolution Plan implemented with effect from November 09, 2021</b></p> <ul style="list-style-type: none"> <li>● Pursuant to the Company effectuating of certain steps under the Approved Resolution Plan, the impact is reflected in March 2022 Financials. Reliance was placed Management Representation regarding the existence and valuation of all the Assets (viz. Fixed Assets, Investments, Trade Receivables, Stock, Bank Accounts, Other Assets, and Receivable from Related Parties) &amp; Liabilities (viz. Provisions, Borrowings, Statutory &amp; Other Liabilities) post the Implementation. <b>Kindly refer Annexure A.</b></li> </ul>	<p>Our audit work included, but was not restricted to, performing the following procedures:</p> <ul style="list-style-type: none"> <li>● We have reviewed the extracts of resolution plan submitted by the Resolution Applicant and the NCLT order passed and ascertained the due dates of repayments to various stakeholders. A key extract from the Resolution Plan is reproduced below:</li> <li>● Extract of Section VII – Other Stipulations for the Final Resolution Plan (Refer Clause B) :                             <ul style="list-style-type: none"> <li>● “B. The Company will need roll-over of BG/LC Limits as described in paragraph C.2 (b) of Section I and paragraph F of section VI. This will ensure growth of revenue and margins. Which are crucial for meeting debt repayment commitments. BG limits will be allowed to be used as LCs as per the business needs. No fresh limits are being sought.”</li> </ul> </li> <li>● Interlocutory Application has been filed by the Company before the Hon'ble NCLT, Mumbai Bench, seeking exclusion of timelines for various actions under the Approved Resolution Plan on account of delay by MIDC for giving approval execution of tripartite agreement and non-release of Non Fund based limits by the lenders. The Hon'ble NCLT has been not passed any order till date.</li> <li>● We also reviewed the appropriateness of presentation of these events in the financial statements.</li> </ul>

**Emphasis Of Matter**

- **Trade Receivables**

The Company has initiated reconciliation process with Trade Receivables totaling to Rs. 1,99,043.44 Lacs (Previous Year Rs. 1,89,123.42 Lacs) constituting 87.10 % of the Total Assets to determine the continuation of contracts, details of work in progress with age, stage of completion, progress billing, disputed and undisputed dues. The reconciliation is under process. The Company has made a provision of Rs. 150 Lacs (Previous Year Rs. 600 Lacs) totaling to Rs. 750 Lacs as at March 31, 2023 as provision for estimated credit loss. We have relied on the Management Representations on the carrying amounts and provision for expected credit loss as at March 31, 2023.

- **Overseas Branches**

The Standalone Financial Statements include out of the total fourteen branches

A Unaudited Management reported amounts for the year ended March 31, 2023 of the seven branches.

The financial statements include the assets, liabilities, income and expenditure in respect of branches are subject to changes on completion of audit. In the absence of details, we are unable to comment on the impact, it may have on the standalone financial statements. We have relied on the information provided by the Company.

A summary table is reproduced below of the seven branches.

Particulars	Branches (Rs. in Lacs)
Total Income	-
Total Expenditure	-211.65
Other Comprehensive Income	-1.28
Total Profit/(Loss) including Other Comprehensive Income	-212.93
Total Assets	8,181.30
Fixed Assets	36.87
Trade Receivable	6,734.92
Bank Balances	50.55
Inventories	280.02
Balances from Revenue Authorities	1,078.94
Other Assets	-
Total Liabilities	8,394.23
Sundry Creditors	-
Statutory Liabilities	1,907.27
Other Liabilities	6,486.96

B. During the year, the Company has written off Assets and Liabilities pertaining to the Seven Branches resulting in Loss of Rs. 30.81 Lacs in Statement of Profit and Loss.

- **Overseas Subsidiaries**

Audited financial statements of the overseas subsidiaries as mentioned below are not available as at reporting date. Consequently, we are unable to comment upon the impact if any, on impairment of Investments. The Management believes that impairment is not required at the reporting date. We have relied on Management Representation regarding the same.

Particulars	Amount
Jyoti Projects FZE	Rs. 317.04 Lacs
Jyoti Structures Africa (Pty.) Limited	Rs. 419/-

## JYOTI STRUCTURES LIMITED

### ● Related Parties Dues

Dues from related parties as shown below. Audited financial statements of Overseas Subsidiaries (Including step down subsidiaries), Joint Ventures are not available as at reporting date. Consequently, we are unable to comment upon the impact if any, on impairment of balances. The Management believes that impairment is not required at the reporting date and the balances are recoverable in full. We have relied on Management Representation regarding the same.

Particulars	Amount (in Lacs)
<b>Indian Subsidiaries:</b>	
Jyoti Energy Limited	43.88
JSL Corporate Services Limited	(463.09)
<b>Overseas Subsidiaries (Including Step Down Subsidiaries) :</b>	
Jyoti Structures FZE	(1,600.18)
JSL FZE Namibia	420.73
JSL FZE Nigeria	30.54
Jyoti Structures Africa (Pty.) Limited	5,971.03
Jyoti Structures Kenya Ltd.	(238.42)
<b>Joint Ventures</b>	
Gulf Jyoti International LLC	819.19

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Financial Statements

The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Companies(Indian Accounting Standards) Rules, 2015 as amended. 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; design, implementation and maintenance of adequate internal financial controls, that are 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

*Board of Directors including the Chief Executive Officer are also responsible for overseeing the Company's financial reporting process.*

### Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31 March, 2023 and is therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the 'Order'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we give in the **Annexure B**, a statement on the matters specified in the paragraph 3 and 4 of the order, which is subject to the possible effect of the matters described in the Basis for Key Audit Matter and Emphasis of Matter section above.
2. As required by Section 143 (3) of the Act, we report that, subject to the possible effect of the matters described in the Key Audit Matter and Emphasis of Matter section above:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.;
  - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended
  - e) on the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;



- f) 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 C**; and
- g) The Company has paid/ provided for managerial remuneration in accordance with the provisions of and as per the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No 34 (1) to the financial statements.
  - ii. the Company has not entered on long-term contracts including derivative contracts, accordingly the question of making provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any does not arise.
  - iii. Unclaimed dividend amounting to Rs. 17.70 Lacs required to be transferred to Investor Education and Protection Fund by the company during the year has not been transferred as at the date of this report.– Refer Note No 34 (28) to the financial statements.
  - iv.
    - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities including foreign entities ('intermediaries') with the understanding whether recorded in writing or otherwise that the intermediaries shall whether directly or indirectly lend or invest in any other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee or security or the like on behalf of the Ultimate Beneficiaries;
    - b. The Management has represented to the best of its knowledge and belief no funds have been received by the Company from any person or the entities including foreign entities (Funding Parties) with the understanding whether recorded in writing or otherwise that the Company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding parties (Ultimate Beneficiaries') or provide any guarantee or security or the like on behalf of the Ultimate Beneficiaries
    - c. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has to their notice that has caused them to believe that the representations under sub clause a and b contain any material misstatements.
  - v. The Company has not declared any dividend during the year under review.
  - vi. The effective date of feature of recording audit trail ('edit log') facility in accounting software for maintaining its books of accounts & the audit trail feature has been deferred till April 01, 2023. Hence the same is not being commented upon.

**For G. P Sharma & Co LLP.**

Chartered Accountants

Firm's registration number: 100957W/W100247

sd/-

**CA Utkarsh Sharma**

Partner

Membership number: 147906

UDIN: 23147906BGUNSE8404

Place: Mumbai

Date: 29th May 2023

**Annexure A - Corporate Insolvency Resolution Process <CIRP> – Resolution Plan**

We draw your attention to the following impact of Resolution Plan’s Implementation as determined by us basis the extracts of Resolution Plan submitted to us for the Previous Year (FY 2021-22)

- a. **Equity:-** The Company has issued 4,250 Lacs equity shares at Rs. 4 per share totalling to Rs. 17,000 Lacs to Resolution Plan’s Investors. Further, Assenting Secured Financial Creditors have been issued 1,000 Lacs shares at Rs. 4 per share totalling to Rs. 4,000 Lacs in order to convert portion of their debt.
- b. **Compulsory Convertible Preference Shares :-** 700 Lacs Compulsorily Convertible Preference Shares have been issued to Aion and Apollo Group at Rs 4 per share.
- c. **Non Convertible Debentures & Restatement:-** Assenting Secured Financial Creditors have been issued Non-Convertible Debentures and the face value of the Debentures is Rs. 1,48,332 Lacs as on November 09, 2021.

Following Restatement has been done by the Company: -

<b>Particulars</b>	<b>Restated Amount (Rs in Lacs)</b>
Assenting Financial Creditors (Face Value of NCD as on 9th Nov 21)	1,48,332
Dissenting Financial Creditors	20,275
Unsecured Financial Creditors	1,000
Workmen & Other Employee Dues	14,700
Operational Creditors	11,500
Statutory Liabilities	1,100

Pursuant to the above, the Company has transferred the balance outstanding liabilities to Retained Earnings as “Resolution Plan Recast”.

- d. **Overseas Branches:-** The Company has written back certain liabilities of the overseas branches as per the Resolution Plan and is in midst of determining the existence, and valuation of its assets of all the branches.

**For G P Sharma & Co LLP.**

Chartered Accountants

Firm’s registration number: 100957W/W100247

sd/-

**CA Utkarsh Sharma**

Partner

Membership number: 147906

UDIN: 23147906BGUNSE8404

Place: Mumbai

Date: 29th May, 2023

**Annexure – B to the Independent Auditors’ Report**

The Annexure referred to in Independent Auditors’ Report to the members of the Company (excluding Branches and subject to the possible effect of the matters described in the Emphasis of Matter section above and Key Audit Matters) on the financial statements for the year ended 31 March 2023, we report that:

- i. In respect of fixed assets, according to the information and explanation given to us:
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative and situation of Property Plant & Equipment.  
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - b) According to the information and explanation given to us, the Company has a regular program of physical verification of its Property Plant & Equipment by which Property Plant & Equipment are verified in reasonable intervals. In accordance with this program, certain Property Plant & Equipment were verified during the year and no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
  - d) The Company has not revalued its Property, Plant and Equipment or Intangible assets during the year ended 31st March, 2023.
  - e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. In respect of inventories:
  - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
  - b) According to the information and explanation given to us & pursuant to the implementation of Approved Resolution Plan on November 09, 2021, the Company has not been sanctioned working capital limits in excess of Rs. 5,00.00 Lacs, in aggregate, from banks or financial institutions, based on security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is Not Applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and granted unsecured loans to companies in earlier years, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership and other parties.
  - a) Based on the audit procedures carried out by us and as per the information and explanations given to us the Company has made investments and provided loans, as below:

Particulars	Investments (Rs. In Lacs)	Loans (Rs. In Lacs)
Aggregate amount granted during the year-		
Subsidiaries	NIL	NIL
Others	NIL	NIL
Balance outstanding as at balance sheet date (Net of Provisions)		
Subsidiaries	667.04	4,164.48
Others	-	819.19

- b) As informed to us by the Company, in respect of the aforesaid investments and loans, the terms and conditions under which such loans were granted, investments were made are not prejudicial to the Company’s interest.
- c) As informed to us by the Company, the schedule of repayment of principal and payment of interest has been stipulated and no repayments have become due to the Company.
- d) As informed to us by the Company, with respect to the aforesaid loans, there is no amount which is overdue for more than ninety days.

- e) As informed to us by the Company, there were no loans which fell due during the year and were renewed or extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- f) As informed to us by the Company, no loans were granted during the year, including to related parties under Section 2(76) of the Act, which are repayable on demand or where no schedule for repayment of principal and interest has been stipulated by the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has complied with Sections 185 and 186 of the Companies Act, 2013 (“the Act”).
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act from the public. Thus, Clause (v) of Para 3 of the Order is not applicable to the Company.
- vi. We have been informed by the Company that maintenance of cost records is Not Applicable on account of turnover thresholds during the immediately preceding financial year (FY 2021-22) under sub-section (1) of section 148 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(vi) of the Order are not applicable to the company
- vii. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues\* have been subsumed into Goods and Services Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident fund, Employees’ State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues\* have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts\* payable in respect of Goods and Services Tax, Provident fund, Employees’ State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues\* were in arrears as at 31st March 2023 for a period of more than six months from the date they became payable are mention below. Statutory Liabilities (excluding Branches) amounting to Rs. 35,00.00 Lacs will be dealt as per the Resolution Plan.

\* Excludes Statutory Dues of the Branches

- (b) According to the information and explanations given to us, the details of statutory dues which have not been deposited on account of any dispute as on 31st March 2023 and which are repayable as per Approved Resolution Plan (Refer Note 34 (2) the amount payable is 42% of the below mentioned amounts).

Sr. No.	Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Financial year to which the amount relates	Forum where dispute is pending
1	Sales Tax	Tax & Interest	32.68	Various years from 1995-96 to 1998-99	Commercial Tax Tribunal, Cuttack, Odhisha
2	Entry Tax	Tax & Interest	18.86	Various years from 2004-05 to 2005-06	Commercial Tax Appellate Authority, Agra, UP
3	Commercial Tax	Tax & Interest	70.34	2006-07	West Bengal Commercial Tax, Appellate Board, Kolkata
4	Sales Tax	Tax & Interest	81.71	2009-10	Commercial Tax Appellate Authority, Srinagar, J&K
5	Sales Tax	Tax & Interest	103.77	2011-12	Commercial Tax Appellate Authority, Emakulam, Kerela
6	Sales Tax	Tax & Interest	1,650.93	Various years from 2005-06 to 2007-08	Maharashtra Sales Tax Tribunal, Mumbai
7	TDSWCT	Tax & Interest	27,564.58	Various years from 2010-11 to 2014-15	Madras High Court, Chennai
8	Excise	Tax & Interest	1,581.41	Various years from 2010-11 to 2014-15	CESTAT
9	Income Tax	Tax & Interest	1,197.00	Various years upto 2017 18	Income Tax Appellate Tribunal
	<b>Total</b>		<b>32,301.28</b>		
	Contingent Liability @ 42%		13,566.54		

## JYOTI STRUCTURES LIMITED

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The aforesaid details are based solely on the details made available by the company which could not be independently verified. There are high pitched assessments made under the Income Tax Act, 1961 which are disputed by the Company by filing appeals before appropriate appellate authority. The amounts are not reflected in the above table.

viii. As per the information and explanation given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- ix. (a) According to the information and explanation given to us, the timelines for repayment of loan & borrowings under the resolution plan have been affected on account of delay by MIDC for execution of tri-patriate agreement and non release of Non Fund based limits by the lenders. The Company has filed an Interlocutory Application before the Hon'ble NCLT, Mumbai Bench, seeking exclusion of timelines for various actions (including the timelines for payments) under the Approved Resolution Plan. The order of Hon'ble NCLT is pending till date.
- (b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or any other lender during the year.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, the requirement to report on clause 3(ix)© of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of Para 3 of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements under "Note 34 (12): Related Party Disclosure" as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

- (b) The Company has not has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Accordingly, the requirement to report on clause 3(xvi)© of the Order is not applicable to the Company
  - (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii. The company has not incurred cash losses in the current financial year. Cash Loss in the immediately preceding financial year amounting to Rs.2,956.37 Lacs\*.
- \* Cash Loss equals Profit After Tax add Depreciation/Amortization and Provision for Expected Credit Loss.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 34 (26) to the financial statements, ageing and expected dates of realization of financial assets, and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention (subject to Key Audit Matter and Emphasis of Matter section above), which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our examination of the financial statements of the Company the provisions of Section 135 of the Act is Not Applicable to the Company and hence, the requirement to report on clause 3(xx) of the Order is Not Applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For G P Sharma & Co LLP.**  
**Chartered Accountants**  
**Firm's registration number: 100957W/W100247**

sd/-  
**CA Utkarsh Sharma**  
**Partner**  
**Membership number: 147906**  
**UDIN: 23147906BGUNSE8404**

Place: Mumbai  
Date: 29th May, 2023



## **Annexure – C to the Independent Auditor’s Report**

### **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’)** excluding the Branches as of 31 March 2023 in conjunction with our audit of the 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 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 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 Companies Act, 2013.

#### **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 on Audit of Internal Financial Controls over Financial Reporting (‘Guidance Note’) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 auditor’s judgment, 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 audit 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 authorizations of 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 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.

#### **Opinion**

In our opinion, the Company excluding Branches has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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 on Audit of Internal Financial Controls over Financial Reporting issued by ICAI, which is subject to the possible effect of the matters described in the Basis for Emphasis of Matter section above.

#### **For GP Sharma & Co LLP.**

Chartered Accountants

Firm’s registration number: 100957W/W100247

sd/-

**CA Utkarsh Sharma**

Partner

Membership number: 147906

UDIN: 23147906BGUNSE8404

Place: Mumbai

Date: 29th May, 2023

**STANDALONE BALANCE SHEET AS AT MARCH 31, 2023**

Particulars	Note	As at 31/Mar/2023 Rs. in Lacs	As at 31/Mar/2022 Rs. in Lacs
<b>ASSETS</b>			
<b>1) NON CURRENT ASSETS</b>			
a) Property, Plant and Equipment	1	3,140.50	2,642.26
b) Intangible Assets	1.1	9.18	9.05
		<b>3,149.68</b>	<b>2,651.30</b>
<b>c) Financial Assets</b>			
i) Investment in Subsidiaries and Joint Venture	2	667.04	667.04
ii) Investments	3	68.00	65.17
iii) Other Financial Assets	4	408.47	499.80
		<b>1,143.51</b>	<b>1,232.01</b>
<b>TOTAL NON CURRENT ASSETS</b>		<b>4,293.19</b>	<b>3,883.31</b>
<b>2) CURRENT ASSETS</b>			
a) Inventories	5	7,261.22	2,469.12
<b>b) Financial Assets</b>			
i) Trade Receivables	6	199,043.44	189,123.42
ii) Cash and Cash Equivalents	7	3,030.50	8,354.18
iii) Bank Balances other than (ii) above	8	163.14	156.86
iv) Other Current Financial Assets	9	6,911.43	6,199.86
v) Current Tax Assets (Net)	10	264.48	478.58
		<b>209,412.99</b>	<b>204,312.90</b>
c) Other Current Assets	11	7,520.37	8,016.86
<b>TOTAL CURRENT ASSETS</b>		<b>224,194.58</b>	<b>214,798.87</b>
<b>TOTAL</b>		<b>228,487.77</b>	<b>218,682.18</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1) EQUITY</b>			
a) Equity Share Capital	12	12,690.55	12,690.55
b) Instruments Entirely Equity in Nature	13	2,800.00	2,800.00
c) Other Equity	14	(9,840.18)	2,566.73
<b>TOTAL EQUITY</b>		<b>5,650.37</b>	<b>18,057.28</b>
<b>2) LIABILITIES</b>			
<b>A NON CURRENT LIABILITIES</b>			
<b>a) FINANCIAL LIABILITIES</b>			
i) Long Term Borrowings	15	172,914.60	165,048.03
ii) Other Non Current Liabilities	16	15,843.00	22,337.00
iii) Long Term Provisions	17	86.45	13.44
iv) Deferred Tax Liabilities (Net)	18	-	-
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>188,844.05</b>	<b>187,398.47</b>
<b>B CURRENT LIABILITIES</b>			
<b>a) Financial Liabilities</b>			
i) Short Term Borrowings	19	7,366.34	4,000.00
ii) Trade Payables	20	12,414.63	5,614.75
iii) Other Current Financial Liabilities	21	7,252.61	2,995.58
		<b>27,033.58</b>	<b>12,610.33</b>
b) Other Current Liabilities	22	6,939.92	616.02
c) Short Term Provisions	23	19.85	0.07
<b>TOTAL CURRENT LIABILITIES</b>		<b>33,993.35</b>	<b>13,226.42</b>
<b>TOTAL</b>		<b>228,487.77</b>	<b>218,682.18</b>

Significant Accounting Policies 33  
Other Notes to Financial Statements 34

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

In terms of our report attached

For **G.P.SHARMA & CO.LLP**

Chartered Accountants

Firm Registration No: 109957W/W100247

sd/-

**Utkarsh Sharma**

Partner

Membership Number : 147906

Place : Mumbai

Date : 29th May, 2023

For and on behalf of the Board of Directors

sd/-

**Abdul Hameed Khan**  
Chief Executive Officer

sd/-

**Ramamirtham Kannan**  
Independent Director  
DIN : 00227980

sd/-

**Sonali K Gaikwad**  
Company Secretary

sd/-

**Kumar V Balan**  
Chief Financial Officer

sd/-

**Monica Akhil Chaturvedi**  
Independent Director  
DIN : 02193359

# JYOTI STRUCTURES LIMITED

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	Note	Year Ended 31/Mar/2023 Rs. in Lacs	Year Ended 31/Mar/2022 Rs. in Lacs
<b>I INCOME</b>			
Revenue from Operations	24	22,923.12	438.87
Other Income	25	184.30	105.27
<b>TOTAL INCOME</b>		<b>23,107.42</b>	<b>544.14</b>
<b>II EXPENSES</b>			
Cost of Materials Consumed	26	15,286.87	266.33
Changes in Inventories of Finished Goods & Work-in-Progress	27	(2,507.19)	436.34
Erection and Sub-contracting Expense	28	6,460.78	1,512.19
Employee Benefits Expense	29	2,560.99	435.17
Finance Costs	30	37.80	-
Depreciation and Amortization Expense	31	540.95	707.75
Other Expenses	32	1,132.93	1,450.48
<b>TOTAL EXPENSES</b>		<b>23,513.13</b>	<b>4,808.26</b>
<b>III Profit/(Loss) Before Tax (I-II)</b>		<b>(405.71)</b>	<b>(4,264.12)</b>
<b>IV Tax Expense:</b>			
Current Tax		-	-
<b>V Profit/(Loss) for the year (III-IV)</b>		<b>(405.71)</b>	<b>(4,264.12)</b>
<b>VI Other Comprehensive income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		(92.79)	(13.51)
<b>B. Items that will be reclassified to profit or loss</b>			
Remeasurement of MF Investment at fair value		2.83	9.44
<b>Total Other Comprehensive income</b>		<b>(89.95)</b>	<b>(4.07)</b>
<b>VII Total Comprehensive income for the year</b>		<b>(495.66)</b>	<b>(4,268.19)</b>
<b>VI Earnings Per Equity Share (In INR )</b> [Nominal value of share INR 2]			
1) Basic		INR -0.064	INR -1.35
2) Diluted		INR -0.058	INR -1.24
Significant Accounting Policies	33		
Other Notes to Financial Statements	34		

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

In terms of our report attached  
For **G.P.SHARMA & CO.LLP**  
Chartered Accountants  
Firm Registration No: 109957W/W100247

**sd/-**  
**Utkarsh Sharma**  
Partner  
Membership Number : 147906  
Place : Mumbai  
Date : 29th May, 2023

**For and on behalf of the Board of Directors**

<p><b>sd/-</b> <b>Abdul Hameed Khan</b> Chief Executive Officer</p>	<p><b>sd/-</b> <b>Ramamirtham Kannan</b> Independent Director DIN : 00227980</p>
<p><b>sd/-</b> <b>Sonali K Gaikwad</b> Company Secretary</p>	<p><b>sd/-</b> <b>Kumar V Balan</b> Chief Financial Officer</p>
	<p><b>sd/-</b> <b>Monica Akhil Chaturvedi</b> Independent Director DIN: 02193359</p>

**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023**

PARTICULARS		Year Ended 31/Mar/2023 Rs. in Lacs	Year Ended 31/Mar/2022 Rs. in Lacs
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) Before Taxes	[A]	(405.72)	(4,264.12)
<b>ADJUSTMENTS FOR:</b>			
i) Depreciation and Amortisation		540.95	707.75
ii) (Gain)/Loss on Sale of Property, Plant and Equipment (Net) / Loss on Asset Disposal		150.86	(1.43)
iii) Interest Received		(137.54)	(104.78)
iv) Finance Costs		37.80	-
v) Net (gain)/loss on foreign currency transactions and translation		(1,202.57)	(665.53)
vi) Remeasurements of the defined benefit plans		(92.79)	(13.51)
vii) Allowance for bad and doubtful debts (expected credit loss allowance) (Net of Bad debts Written Off )		150.00	600.00
	[B]	<u>(553.28)</u>	<u>522.50</u>
Operating Profit before Working Capital changes	[A+B] = [C]	<u>(959.00)</u>	<u>(3,741.62)</u>
<b>ADJUSTMENTS FOR :</b>			
i) Inventories; Trade Receivable & Other Receivable, financial assets, Other Current Assets		(13,620.15)	2,034.98
ii) Current Liabilities and Provisions		10,979.59	(8,247.52)
	[D]	<u>(2,640.56)</u>	<u>(6,212.54)</u>
Cash Generated from Operations	[C+D] = [E]	<u>(3,599.56)</u>	<u>(9,954.16)</u>
i) Income Taxes Paid		-	-
	[F]	<u>-</u>	<u>-</u>
<b>Net Cash (used in) / generated from Operating Activities [I]</b>	<b>[I] [E+F] = [G]</b>	<u><b>(3,599.56)</b></u>	<u><b>(9,954.16)</b></u>
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>			
i) Proceeds from Sale of Property, Plant and Equipment		41.92	-
ii) Capital expenditure on Property, Plant and Equipment & Intangible Assets [After adjustment of (Increase)/Decrease in Capital Work-in-Progress and advances for capital expenditure]		(1,232.11)	(122.40)
iii) Interest Received		137.54	104.78
<b>Net Cash (used in) / generated from Investing Activities [II]</b>		<u><b>(1,052.65)</b></u>	<u><b>(17.62)</b></u>

## JYOTI STRUCTURES LIMITED

PARTICULARS	Year Ended 31/Mar/2023 Rs. in Lacs	Year Ended 31/Mar/2022 Rs. in Lacs
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>		
i) Proceeds from Issue of Equity Share (inclusive of Share Premium)	-	17,000.00
ii) Repayment of Short Term Borrowings	(633.66)	
iii) Finance Costs Paid	(37.80)	-
<b>Net Cash (used in) / generated from Financing Activities</b>	<b>[III] (671.47)</b>	<b>17,000.00</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>[I + II + III] (5,323.68)</b>	<b>7,028.22</b>
Cash and Cash Equivalents at the beginning of the year	8,354.18	1,325.96
Cash and Cash Equivalents at the end of the year*	<b>3,030.50</b>	<b>8,354.18</b>
<b>*Cash and Cash Equivalents comprises of :</b>		
<b>Particulars</b>	<b>Year Ended 31/Mar/2023 Rs. in Lacs</b>	<b>Year Ended 31/Mar/2022 Rs. in Lacs</b>
a) Balances with Banks	3,030.32	8,353.56
b) Cash On Hand	0.18	0.62
<b>Total</b>	<b>3,030.50</b>	<b>8,354.18</b>

In terms of our report attached  
For **G.P.SHARMA & CO.LLP**  
Chartered Accountants  
Firm Registration No: 109957W/W100247

**sd/-**  
**Utkarsh Sharma**  
Partner  
Membership Number : 147906  
Place : Mumbai  
Date : 29th May, 2023

**For and on behalf of the Board of Directors**

**sd/-**  
**Abdul Hameed Khan**  
Chief Executive Officer

**sd/-**  
**Ramamirtham Kannan**  
Independent Director  
DIN : 00227980

**sd/-**  
**Sonali K Gaikwad**  
Company Secretary

**sd/-**  
**Kumar V Balan**  
Chief Financial Officer

**sd/-**  
**Monica Akhil Chaturvedi**  
Independent Director  
DIN: 02193359

Note :

1 The Statement of cash flow is prepared in accordance with the format prescribed as per Ind-AS 7

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**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 2023 (Rs. in Lacs)
	<b>Gross Carrying Value</b>									
	As at 01 April 2021	112.02	223.70	2,893.75	20,030.67	8,745.97	659.28	1,793.00	5,675.11	40,133.50
	Additions	-	-	-	47.16	27.00	-	40.67	-	114.84
	Disposals	-	-	-	-	-	-	14.71	-	14.71
	As at 31 March 2022	112.02	223.70	2,893.75	20,077.84	8,772.97	659.28	1,818.97	5,675.11	40,233.63
	Additions	-	-	-	442.42	718.90	5.89	57.74	5.26	1,230.21
	Disposals	-	-	-	1,423.24	-	102.78	255.86	187.89	1,969.77
	<b>As at 31 MARCH 2023</b>	<b>112.02</b>	<b>223.70</b>	<b>2,893.75</b>	<b>19,097.02</b>	<b>9,491.87</b>	<b>562.40</b>	<b>1,620.84</b>	<b>5,492.48</b>	<b>39,494.08</b>
	<b>Accumulated Depreciation</b>									
	As at 01 April 2021	-	47.20	1,344.99	19,006.30	8,737.86	631.47	1,737.74	5,393.11	36,898.67
	Charge for the year	-	3.79	75.72	447.68	8.50	10.05	6.03	155.64	707.41
	Disposals	-	-	-	-	-	-	14.71	-	14.71
	<b>As at 31 March 2022</b>	<b>-</b>	<b>50.99</b>	<b>1,420.71</b>	<b>19,453.99</b>	<b>8,746.36</b>	<b>641.51</b>	<b>1,729.07</b>	<b>5,548.75</b>	<b>37,591.37</b>
	Charge for the year	-	12.09	68.90	249.66	101.20	4.91	29.15	73.28	539.18
	Disposals	-	-	-	1,282.39	-	93.39	213.31	187.89	1,776.99
	<b>As at 31 MARCH 2023</b>	<b>-</b>	<b>63.08</b>	<b>1,489.61</b>	<b>18,421.25</b>	<b>8,847.55</b>	<b>553.03</b>	<b>1,544.91</b>	<b>5,434.14</b>	<b>36,353.57</b>
	<b>Net Block</b>									
	As at 31 March 2022	112.02	172.71	1,473.04	623.85	26.61	17.76	89.90	126.36	2,642.26
	<b>As at 31 MARCH 2023</b>	<b>112.02</b>	<b>160.62</b>	<b>1,404.15</b>	<b>675.76</b>	<b>644.32</b>	<b>9.37</b>	<b>75.94</b>	<b>58.34</b>	<b>3,140.50</b>

## JYOTI STRUCTURES LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

1.1 Intangible assets	Software	Goodwill on amalgamation	31 March 2023 (Rs. in Lacs)
<b>Gross Carrying Value</b>			
As at 01 April 2021	2,227.52	301.13	2,528.64
Additions	9.00	-	9.00
Disposals	-	-	-
As at 31 March 2022	2,236.52	301.13	2,537.64
Additions	1.90	-	1.90
Disposals	-	-	-
<b>As at 31 MARCH 2023</b>	<b>2,238.42</b>	<b>301.13</b>	<b>2,539.54</b>
<b>Accumulated Depreciation</b>			
<b>As at 01 April 2021</b>	<b>2,227.14</b>	<b>301.13</b>	<b>2,528.26</b>
Charge for the year	0.33	-	0.33
Disposals	-	-	-
<b>As at 31 March 2022</b>	<b>2,227.47</b>	<b>301.13</b>	<b>2,528.60</b>
Charge for the year	1.77	-	1.77
Disposals	-	-	-
<b>As at 31 MARCH 2023</b>	<b>2,229.24</b>	<b>301.13</b>	<b>2,530.37</b>
<b>Net Block</b>			
As at 31 March 2022	9.05	-	9.05
<b>As at 31 MARCH 2023</b>	<b>9.18</b>	<b>-</b>	<b>9.18</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

2 INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE	Subsidiary/ Joint Venture	Face Value	No. of Shares 31/Mar/2023 Nos	Amount 31/Mar/2023 Rs. in Lacs	No. of Shares 31/Mar/2022 Nos	Amount 31/Mar/2022 Rs. in Lacs
<b>Investment in Equity Instruments</b>						
<b>Unquoted, Fully paid-up - At Cost</b>						
JSL Corporate Services Ltd. - Eq. Shares	Subsidiary	INR 10 Each	35,00,000	350.00	35,00,000	350.00
Jyoti Energy Ltd. - Eq. Shares	Subsidiary	INR 10 Each	50,000	5.00	50,000	5.00
Less: Diminution of Investment <sup>2</sup>			-	(5.00)	-	(5.00)
Jyoti Structures Africa (pty.) Ltd. - Eq. Shares <sup>1</sup>	Subsidiary	Rand 1 Each	70	0.00	70	0.00
Jyoti International Inc. - Eq. Shares	Subsidiary	\$ 0.01 Each	100	6,000.65	100	-
Less: Diminution of Investment <sup>2</sup>			-	(6,000.65)	-	-
Jyoti Structures FZE. - Eq Shares <sup>4</sup>	Subsidiary	AED 10,00,000 Each	2	317.04	2	317.04
Gulf Jyoti International LLC - Eq. Shares <sup>3</sup>	Joint Venture	AED 1000 Each	12,930	1,642.77	12,930	1,642.77
Less: Diminution of Investment <sup>2</sup>			-	(1,642.77)	-	(1,642.77)
<b>TOTAL</b>				<b>667.04</b>		<b>667.04</b>

3 NON-CURRENT FINANCIAL ASSET - INVESTMENT	Equity Shares/ Mutual Funds	Face Value	No. of Shares 31/Mar/2023 Nos	Amount 31/Mar/2023 Rs. in Lacs	No. of Shares 31/Mar/2022 Nos	Amount 31/Mar/2022 Rs. in Lacs
<b>Investment in Equity Instruments</b>						
<b>Unquoted, Fully paid-up - At Cost</b>						
Jankalyan Sahakari Bank Ltd. - Eq. Shares	Face Value	INR 10 Each	49,955	5.00	49,955	5.00
			<b>49,955</b>	<b>5.00</b>	<b>49,955</b>	<b>5.00</b>
<b>Investment in mutual fund</b>						
<b>Quoted, Fully paid-up - At fair value through other comprehensive income</b>						
SBI Blue Chip Fund	Mutual Fund		20,000	12.35	20,000	12.03
SBI Infrastructure Fund	Mutual Fund		50,000	13.88	50,000	12.51
SBI Magnum Equity Fund	Mutual Fund		12,136	19.19	12,136	19.94
UTI Bond Fund	Mutual Fund		28,352	17.57	28,352	15.70
			<b>110,489</b>	<b>63.00</b>	<b>110,489</b>	<b>60.17</b>
<b>TOTAL</b>			<b>160,444</b>	<b>68.00</b>	<b>160,444</b>	<b>65.17</b>

## JYOTI STRUCTURES LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

4 OTHER NON CURRENT FINANCIAL ASSETS	31/Mar/2023 Rs. In Lacs	31/Mar/2022 Rs. In Lacs
Unsecured and considered good		
Security and Other Deposits	408.47	499.80
<b>TOTAL</b>	<b>408.47</b>	<b>499.80</b>

5 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE) *	31/Mar/2023 Rs. In Lacs	31/Mar/2022 Rs. In Lacs
a) Raw Materials		
In Stock	1,344.36	302.51
b) Construction Materials at Site	1,289.51	99.85
c) Semi Finished Goods	258.71	119.66
d) Work-in-Progress	3,069.10	1,895.81
e) Finished Goods	661.48	1.52
f) Stores and Consumables	64.26	45.53
g) Bought Out Components	545.53	-
h) Scrap	28.28	4.22
<b>TOTAL</b>	<b>7,261.22</b>	<b>2,469.12</b>

6 TRADE RECEIVABLES	31/Mar/2023 Rs. In Lacs	31/Mar/2022 Rs. In Lacs
<b>Unsecured</b>		
a) Considered good	199,793.44	189,723.42
b) Less Allowance for bad and doubtful receivables (expected credit loss allowance)	(750.00)	(600.00)
<b>TOTAL</b>	<b>199,043.44</b>	<b>189,123.42</b>

Trade Receivable are considered good as per management estimates.

7 CASH AND BANK BALANCES	31/Mar/2023 Rs. in Lacs	31/Mar/2022 Rs. in Lacs
<b>Cash and Cash Equivalents</b>		
a) Balances with Banks	623.12	2,853.56
b) Fixed Deposit with SBI	2,407.21	5,500.00
c) Cash On Hand	0.18	0.62
<b>TOTAL</b>	<b>3,030.50</b>	<b>8,354.18</b>

8 BANK BALANCES OTHER THAN ABOVE	31/Mar/2023 Rs. in Lacs	31/Mar/2022 Rs. in Lacs
a) Margin money with bank	144.95	138.67
b) Unpaid Dividend Bank Balance	18.19	18.19
<b>TOTAL</b>	<b>163.14</b>	<b>156.86</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

<b>9 OTHER CURRENT FINANCIAL ASSETS</b>	<b>31/Mar/2023</b> Rs. in Lacs	<b>31/Mar/2022</b> Rs. in Lacs
<b>Unsecured and considered good</b>		
a) Loan and Advances to Related Parties (net)	35,318.00	34,507.89
Less: Provision for Loans and Advances to related parties	(30,334.30)	(30,235.30)
b) Other Loans and Advances		
i) Loans / Imprest to Employees	30.11	32.31
ii) Sundry Deposits	208.00	269.58
iii) Deposits Others	37.83	0.67
iv) Expenses Receivable and Other Advances	1,651.80	1,624.72
<b>TOTAL</b>	<b>6,911.43</b>	<b>6,199.86</b>

<b>10 CURRENT TAX ASSETS (NET)</b>	<b>31/Mar/2023</b> Rs. in Lacs	<b>31/Mar/2022</b> Rs. in Lacs
Current Tax Asset (Net)	264.48	478.58
<b>TOTAL</b>	<b>264.48</b>	<b>478.58</b>

<b>11 OTHER CURRENT ASSETS</b>	<b>31/Mar/2023</b> Rs. in Lacs	<b>31/Mar/2022</b> Rs. in Lacs
<b>Unsecured and considered good</b>		
i) Prepaid Expenses	101.62	53.39
ii) Advances to Supplier	3,768.69	4,674.30
iii) Interest accrued	31.76	48.81
iv) Balance with statutory authorities	3,618.31	3,240.35
<b>TOTAL</b>	<b>7,520.37</b>	<b>8,016.86</b>

<b>12 SHARE CAPITAL</b>	<b>31/Mar/2023</b>		<b>31/Mar/2022</b>	
	<b>Number</b>	<b>Rs. In Lacs</b>	<b>Number</b>	<b>Rs. In Lacs</b>
<b>Authorised :</b>				
Equity Shares of INR 2/- each	7,365.00	14,730.00	7,050.00	14,100.00
Redeemable Preference Shares of INR 100/- each	25.00	2,500.00	25.00	2,500.00
Equity portion of CCPS	700.00	1,400.00	700.00	1,400.00
	<b>8,090.00</b>	<b>18,630.00</b>	<b>7,775.00</b>	<b>18,000.00</b>
<b>Issued :</b>				
Equity Shares of INR 2/- each	6,345.43	12,690.86	6,345.43	12,690.86
	<b>6,345.43</b>	<b>12,690.86</b>	<b>6,345.43</b>	<b>12,690.86</b>
<b>Subscribed and Paid-up :</b>				
Equity Shares of INR 2/- each fully paid up	6,345.28	12,690.55	6,345.28	12,690.55
<b>TOTAL</b>	<b>6,345.28</b>	<b>12,690.55</b>	<b>6,345.28</b>	<b>12,690.55</b>

## JYOTI STRUCTURES LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

<b>a) Movements in equity share capital</b>				
<b>Equity Shares</b>	<b>31/Mar/2023</b>		<b>31/Mar/2022</b>	
	<b>Number</b>	<b>Rs. In Lacs</b>	<b>Number</b>	<b>Rs. In Lacs</b>
At the beginning of the period	6,345.28	12,690.55	1,095.28	2,190.55
Issued during the period - Investor	-	-	4,250.00	8,500.00
Issued during the period - Banks	-	-	1,000.00	2,000.00
Outstanding at the end of the period	<b>6,345.28</b>	<b>12,690.55</b>	<b>6,345.28</b>	<b>12,690.55</b>

<b>13 Instruments Entirely Equity In Nature</b>	<b>31/Mar/2023</b>		<b>31/Mar/2022</b>	
	<b>Number</b>	<b>Rs. In Lacs</b>	<b>Number</b>	<b>Rs. In Lacs</b>
<b>Subscribed and Paid-up :</b>				
Compulsory Convertible Preference Shares of Rs. 4/- each	700.00	2,800.00	700.00	2,800.00
<b>TOTAL</b>	<b>700.00</b>	<b>2,800.00</b>	<b>700.00</b>	<b>2,800.00</b>

<b>a) Movements in Compulsory Convertible Preference Shares of Rs. 4/- each</b>				
<b>Compulsory Convertible Preference Shares</b>	<b>31/Mar/2023</b>		<b>31/Mar/2022</b>	
	<b>Number</b>	<b>Rs. In Lacs</b>	<b>Number</b>	<b>Rs. In Lacs</b>
At the beginning of the period	700.00	2,800.00	-	-
Issued during the period - AION / APOLLO	-	-	700.00	2,800.00
Outstanding at the end of the period	<b>700.00</b>	<b>2,800.00</b>	<b>700.00</b>	<b>2,800.00</b>

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**  
**14 OTHER EQUITY**

(Rs. in Lacs)

	Reserves & Surplus						Exchange difference on translating the financial statement	Total Reserve	Total Equity
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Debtenture Redemption Reserve	Retained Earnings				
<b>Balance as at 31st March, 2021</b>	<b>6.06</b>	<b>27,653.82</b>	<b>300.00</b>	<b>1,243.50</b>	<b>(1,183,193.66)</b>	<b>124.95</b>	<b>(1,153,865.33)</b>	<b>(1,153,865.33)</b>	
Resolution Plan Recast	-	-	-	-	877,237.22	-	877,237.22	877,237.22	
Write Back of Excess Provision of Doubtful Debits	-	-	-	-	73,959.88	-	73,959.88	73,959.88	
Changes During The Year	-	10,500.00	-	-	-	716.89	11,216.89	11,216.89	
Created on Issue of NCD's	-	-	-	181,337.86	-	-	181,337.86	181,337.86	
Transfer to Retained Earning	-	-	-	(1,243.50)	18,191.89	-	16,948.39	16,948.39	
Profit for the year	-	-	-	-	(4,264.11)	-	(4,264.11)	(4,264.11)	
Other Comprehensive Income for the year	-	-	-	-	(4.07)	-	(4.07)	(4.07)	
<b>Total</b>	<b>-</b>	<b>10,500.00</b>	<b>-</b>	<b>180,094.36</b>	<b>965,120.82</b>	<b>716.89</b>	<b>1,156,432.06</b>	<b>1,156,432.06</b>	
<b>Balance as at 31st March, 2022</b>	<b>6.06</b>	<b>38,153.82</b>	<b>300.00</b>	<b>181,337.86</b>	<b>(218,072.84)</b>	<b>841.84</b>	<b>2,566.73</b>	<b>2,566.73</b>	
Changes During The Year	-	-	-	-	-	(44.68)	(44.68)	(44.68)	
Changes in Remeasurement of NCD at NPV Fair Value	-	-	-	(11,866.57)	-	-	(11,866.57)	(11,866.57)	
Profit for the year	-	-	-	-	(405.72)	-	(405.72)	(405.72)	
Other Comprehensive Income for the year	-	-	-	-	(89.95)	-	(89.95)	(89.95)	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,866.57)</b>	<b>(495.67)</b>	<b>(44.68)</b>	<b>(12,406.92)</b>	<b>(12,406.92)</b>	
<b>Balance as at 31st March, 2023</b>	<b>6.06</b>	<b>38,153.82</b>	<b>300.00</b>	<b>169,471.29</b>	<b>(218,568.52)</b>	<b>797.16</b>	<b>(9,840.18)</b>	<b>(9,840.18)</b>	

## JYOTI STRUCTURES LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

<b>15 FINANCIAL LIABILITIES -LONG TERM BORROWINGS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Non Convertible Debenture	160,198.57	148,332.00
Financial Creditors	12,716.03	16,716.03
<b>TOTAL</b>	<b>172,914.60</b>	<b>165,048.03</b>

<b>16 OTHER NON-CURRENT LIABILITIES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Operational Creditors		
Trade Payable	6,000.00	9,494.00
Employee Dues	8,743.00	11,743.00
Statutory Liability	1,100.00	1,100.00
<b>TOTAL</b>	<b>15,843.00</b>	<b>22,337.00</b>

<b>17 LONG TERM PROVISIONS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Provision for Gratuity	46.57	13.44
Provision for Compensated Absences	39.88	-
<b>TOTAL</b>	<b>86.45</b>	<b>13.44</b>

<b>18 DEFERRED TAX LIABILITIES (NET)</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
<b>Deferred Tax Liabilities</b>		
On Account of Overseas Branches	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

<b>19 FINANCIAL LIABILITIES - SHORT TERM BORROWINGS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Loans repayable as per Approved Resolution Plan		
Financial Creditors	7,366.34	4,000.00
<b>TOTAL</b>	<b>7,366.34</b>	<b>4,000.00</b>

<b>20 TRADE PAYABLES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Trade Payables (Including Acceptances)		
a) Total outstanding dues of Micro and Small Enterprises	-	-
b) Total outstanding dues of Creditors Other than above	12,414.63	5,614.75
<b>TOTAL</b>	<b>12,414.63</b>	<b>5,614.75</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

<b>21 OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Unclaimed Dividend	17.70	17.70
b) Payable to Employees	6,424.82	2,935.88
c) Audit fee Payable	1.59	1.92
d) Expenses and other Payables	808.50	40.08
<b>TOTAL</b>	<b>7,252.61</b>	<b>2,995.58</b>

<b>22 OTHER CURRENT LIABILITIES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Advances from Customers	6,379.73	137.79
b) Statutory Liabilities	560.18	478.22
<b>TOTAL</b>	<b>6,939.92</b>	<b>616.02</b>

<b>23 SHORT TERM PROVISIONS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Provision for Gratuity	10.57	0.07
b) Provision for Compensated Absences	9.28	-
<b>TOTAL</b>	<b>19.85</b>	<b>0.07</b>

<b>24 REVENUE FROM OPERATIONS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Sale of Products	22,783.31	438.87
b) Other Operating Revenues	139.81	-
<b>TOTAL</b>	<b>22,923.12</b>	<b>438.87</b>

<b>25 OTHER INCOME</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Interest on Fixed Deposits	137.54	104.78
b) Other Miscellaneous Receipt	46.76	0.49
<b>TOTAL</b>	<b>184.30</b>	<b>105.27</b>

<b>26 COST OF MATERIAL CONSUMED</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Cost of Material Consumed	15,286.87	266.34
<b>TOTAL</b>	<b>15,286.87</b>	<b>266.34</b>



## JYOTI STRUCTURES LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

<b>27 CHANGES IN INVENTORIES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) (Increase)/ Decrease Finished Goods Stock	(1,060.90)	383.03
b) (Increase)/ Decrease WIP/Semi Finished Goods Stock	(1,446.30)	53.32
<b>TOTAL</b>	<b>(2,507.19)</b>	<b>436.34</b>

<b>28 ERECTION AND SUB-CONTRACTING EXPENSE</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Construction Materials and Stores Consumed	2,040.57	-
b) Sub-contracting Expenses	3,670.11	1,495.63
c) Repairs to Construction Equipments/Machinery	6.16	-
d) Construction Transportation Charges	743.95	16.56
<b>TOTAL</b>	<b>6,460.78</b>	<b>1,512.19</b>

<b>29 EMPLOYEE BENEFITS EXPENSE</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Salaries, Wages and Bonus, etc.	2,364.34	403.17
b) Leave Encashment	1.54	-
c) Gratuity Expenses	38.84	-
d) Contribution to Provident fund and Other Funds	80.57	4.85
e) Welfare Expenses	75.70	27.16
<b>TOTAL</b>	<b>2,560.99</b>	<b>435.17</b>

<b>30 FINANCE COSTS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Interest Expense	37.80	-
<b>TOTAL</b>	<b>37.80</b>	<b>-</b>

<b>31 DEPRECIATION AND AMORTIZATION EXPENSE</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Depreciation of Tangible Assets (Note No. 1)	539.18	707.41
b) Amortisation of Intangible Assets (Note No. 1.1)	1.77	0.33
<b>TOTAL</b>	<b>540.95</b>	<b>707.75</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

<b>32 OTHER EXPENSES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Power and Fuel	118.99	52.75
b) Repairs to Plant and Machinery & Others	135.81	6.14
c) Rent	1.80	2.27
d) Rates and Taxes	169.12	33.59
e) Insurance	106.83	42.31
f) Travelling and Conveyance	206.54	41.73
g) Postage, Telephone and Fax	5.89	1.59
h) Printing and Stationery	21.79	5.28
i) Professional and Legal Fees	742.21	684.80
j) Directors' Sitting Fees	12.15	10.80
k) Payment to auditors	15.37	6.25
l) Net (gain)/loss on foreign currency transactions and translation	(1,202.57)	(665.53)
m) Stores and Consumables	250.26	53.23
n) Bank Charges	7.52	-
o) BG Commission	39.68	-
p) Bad Debts	-	252,334.27
q) Allowance for Bad & Doubtful Debts	-	(252,334.27)
r) Stamp Duty	80.72	119.48
s) Onerus Contract	-	(1,700.00)
t) Provision for Expected Credit Loss	150.00	600.00
u) Provision for Impairment of Assets	99.00	-
v) Resolution Process Cost	-	982.03
w) Security Service charges	140.13	107.02
x) Listing & Other Fees	14.04	22.53
y) Office & General Expenses	17.64	1,044.21
<b>TOTAL</b>	<b>1,132.93</b>	<b>1,450.48</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### NOTE - 33 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, Maharashtra, India.

#### 1. Basis of Preparation of Financial Statements:

##### (i) Compliance with Ind AS:

The financial statement comply in all material aspects with Ind AS notified under Section 133 of the companies Act, 2013 (the Act) {Companies (Indian Accounting Standards) Rules, 2015} and other relevant provision of the Act.

##### (ii) Historical Cost convention:

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities and defined benefit plans that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2, 'Inventories' or value in use in Ind AS 36 'Impairment of Assets' or net present value of lease payments in Ind AS 116 'Leases', as applicable.

##### (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.

#### 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.

#### 3. Revenue Recognition:

The Company derives revenue principally from following streams:

- Sale of products (towers and cables)
- Sale of services
- Construction contracts
- Other Operating Revenue

##### Sale of products:

Revenue from sale of products is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer.

Customers obtain control as per the incoterms. In determining the transaction price for sale of product, the Company considers the effects of variable consideration, if any. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### **Sale of services:**

Services rendered include tower testing and designing, operating and maintenance and other services. Revenue from providing services is recognised in the accounting period in which the services are rendered. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

### **Construction contracts:**

The Company recognises revenue from engineering, procurement and construction contracts ('EPC') over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. EPC contracts are generally accounted for as a single performance obligation as it involve complex integration of goods and services.

The performance obligations are satisfied over time as the work progresses. The Company recognises revenue using input method (i.e. percentage-of-completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Company estimates the amount of consideration to which it will be entitled in exchange for work performed.

Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgement.

Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, discounts, if any. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available. Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to customers are generally due upon expiration of the contract period. The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position.

Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A liability is recognised for advance payments and it is not considered as a significant financing component because it is used to meet working capital requirements at the time of project mobilization stage. The same is presented as contract liability in the statement of financial position.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

## **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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(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 capitalized 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:

Capital work-in-progress comprises of assets in the course of construction for production or/and supply of goods or services or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use and commissioning has been completed.

### 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 amortisation and accumulated impairment loss, if any.

The carrying amount of an intangible asset is derecognised 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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

#### 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. 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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
- 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. 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. 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.

### De-recognition:

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.

### **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.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### (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.

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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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 and other assets. 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) 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).
- (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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 15. Leased Assets:

#### As a lessee:

The Company assesses whether a contract is or contains a lease, at inception of the contract. Leases are recognized as right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Company. Assets and liabilities arising from a lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

- Lease payments less any lease incentives receivable
- Variable lease payments that vary to reflect changes in market rental rates, if any
- Amounts expected to be payable by the Company under residual value guarantees, if any
- Exercise price of the purchase option, if the Company is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

The lease payments are discounted using Company's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on any key variable / condition, are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Amendment to Ind AS 116 'Leases' w.r.t "Covid-19-Related Rent Concessions" provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. The Company has applied the practical expedient for all qualifying rent concessions and these concessions have been accounted as variable lease payments in the statement of profit and loss in the period in which they are granted.

#### Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs and
- Restoration costs.

Right-of-use assets are depreciated over the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

#### As a lessor

Lease income from operating leases where the Company is lessor is recognised in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

### 16. 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 17. 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 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. Re-measurements 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 re-measurements 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.

### 18. 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 recognized 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 recognizes 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- (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.

### 19. 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.

### 20. 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.

### 21. Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to chief operating decision maker. The Board of Directors of the Company has been identified as chief operating decision maker which assesses the financial performance and position of the Company, and makes strategic decisions.

### 22. Cash and cash equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

### 23. Exceptional items

Exceptional Items include income/expenses that are considered to be part of ordinary activities, however of such significance and nature that separate disclosure enables the users of financial statements to understand the impact in more meaningful manner. Exceptional Items are identified by virtue of their size, nature and incidence.

### 24. Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated.

### 25. Critical estimates and judgements

In the application of the Company's accounting policies, the Management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 26. Fair value measurements

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

# JYOTI STRUCTURES LIMITED

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 1. Outstanding Contracts – Capital Account:

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) are Rs. Nil (P. Y. Rs. Nil).

### 2. Contingent Liabilities not provided for:

(Rs. in Lacs)

Sr. No.	Particulars	2022-23	2021-22
	<b>Section - 1 – Contingent Liability</b>		
i)	Outstanding Bank Guarantee (BG)	6,564.00	6,564.00
	<b>Section - 2 – Contingent Liability</b>		
i)	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	13,566.54	13,566.54
ii)	Writ Petitions/claim	95.81	95.81
iii)	Civil Matters	831.05	831.05
iv)	Labour Matters	3.78	3.78
v)	Arbitration Matters	226.35	226.35

In case of items provided for in the approved resolution plan, reflected in the Year 2022-23 and P.Y. 2021-22 under Section 2 of the Table above, if such liability crystalizes then, as per the Approved Resolution Plan, all such amounts accrued shall be treated and serviced as unsecured debt of the Company and settled at 42% (as shown in the above Table) to be repaid from the 6th to 12th year. However, these matters are pending for decision before various judicial and legislative authorities. Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims / debts is remote.

Other than the claims and settlements pertaining to the Company that have been envisaged and set out under this Approved Resolution Plan, no other payment or settlement, of any kind, shall be made to any other person or entity in respect of any other claims (whether not admitted or filed with the Resolution Professional) and all such claims against the Company along with any related legal proceedings stand irrevocably and unconditionally abated, settled and extinguished. This condition relating to such extinguishment of claims and related legal proceedings are irrevocably and unconditionally abated, settled and extinguished, forms an integral part of the order by the NCLT approving the Approved Resolution Plan and shall accordingly be binding on all the stakeholders including the Company, its employees, workmen, financial and operational creditors, guarantors, security providers, and other stakeholders. The treatment accorded to the persons receiving settlement under this Approved Resolution Plan shall constitute an absolute discharge and settlement of the dues to which they pertain and shall be the full and final performance, discharge and satisfaction of all obligations relating thereto.

### 3. Statutory Auditors Remuneration:

(Rs. in Lacs)

Sr. No.	Particulars*	2022-23	2021-22
1)	For Audit	15.37	6.25
2)	For Other services	3.33	2.52
	<b>Total</b>	<b>18.70</b>	<b>8.77</b>

\*(Excluding branch audit fees)

Figures are exclusive of Goods and Services Tax.

### 4. There was no import of materials during current and previous year. Disclosure of CIF Value of imports, Value of Imported and Indigenous Raw Materials and Stores & Components Consumed, Earnings and Expenditure in Foreign Currency etc., is not applicable.

### 5. Other Equity – As reflected in Note No 14



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023****6. 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:

(Rs. in Lacs)

Sr No	Particulars	2022-23	2021-22
i)	Contribution to Provident Fund (including charge)	75.19	4.85

**Defined Benefit Plans:****Gratuity and Leave Encashment****Gratuity**

The company policy allows employees retirement benefits to employees who have completed more than 5 years of service with the company. The details of the same are based on the actuarial valuation being done by an external agency based on employee details provided by the company.

**Leave Encashment**

The details of employee benefits in the nature of leave entitlements of employees are based on the policies of the company. The assessment of the liability and costs is done at each reporting date. On an annual basis the same is being done by an external actuary based on employee details as provided by the company.

**A. Balance Sheet**

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
Present value of obligation	(57.13)	(13.51)	(49.16)	-
Fair value of plan assets	-	-	-	-
Asset/(Liability) recognised in the Balance Sheet	(57.13)	(13.51)	(49.16)	-

**B. Movements in Present Value of Obligation and Fair Value of Plan Assets**

(Rs. in Lacs)

Defined Benefit Obligation	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
Opening Defined Benefit Obligation	13.51	1,623.63	-	635.69
Service cost for the year	50.73	-	49.16	-
Interest cost for the year	1.00	-	-	-
Actuarial losses (gains)	(8.11)	(1,610.12)	-	(635.69)
Benefits paid	-	-	-	-
Past Service Cost	-	-	-	-
Closing defined benefit obligation	57.13	13.51	49.16	-



# JYOTI STRUCTURES LIMITED

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lacs)

Fair Value of Plan Assets	Gratuity	
	2022-23	2021-22
Opening fair value of plan assets	-	988.51
Expected return including interest and other income	-	-
Actuarial gains and (losses)	-	(988.51)
Contributions by employer	-	-
Benefits paid	-	-
Closing balance of fund	-	-

### C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

(Rs. in Lacs)

Gratuity	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
Current service cost	50.73	13.51	49.16	-
Net interest on net Defined Liability	1.00	-	-	-
Past Service Cost	-	-	-	-
Charged to Profit and Loss on Settlement*	-	-	-	-
<b>Total</b>	<b>51.73</b>	<b>13.51</b>	<b>49.16</b>	<b>-</b>

For actuarial valuation gratuity liability has been considered as per the provisions of the Payment of Gratuity Act, 1972 despite there being higher amount of gratuity liability as per the Company's HR policy.

The Gratuity and Leave benefits continue to be provided for all employees notwithstanding that the salary and other costs are booked based on attendance.

Amounts recognized in Other Comprehensive Income:

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
Actuarial (Gains) / Losses on Liability	(8.11)	-	-	-
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-	-	-
<b>Total</b>	<b>(8.11)</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 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	2022-23	2021-22
Discount rate	7.40%	6.95%
Expected return on plan assets	N.A	N.A
Annual increase in Salary costs	6.00%	10.00%
Attrition Rate	5.00 % to 1%	5.00 %

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023****E Sensitivity Analysis**

The Sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
<u>Discount Rate:</u>				
One percentage increase	50.38	(25.72)	45.67	-
One percentage decrease	58.24	28.42	53.20	-
<u>Salary Escalation Rate:</u>				
One percentage increase	58.26	28.14	53.22	-
One percentage decrease	50.30	(25.94)	45.60	-
<u>Withdrawal Rate:</u>				
One percentage increase	54.42	(26.40)	49.55	-
One percentage decrease	53.56	27.64	48.72	-

\*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.

**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.

- The Company investment, in the equity share capital of Jyoti Structures Africa (Pty) Limited (JS Africa) a subsidiary company, as on 31st March, 2023 and as on 31st March 2022 was Rs. 419/-. The Company has also advanced loan of Rs.3,258.85 Lacs (P.Y. Rs. 3,258.85 Lacs) to JS Africa and the outstanding receivable from that company is Rs. 2,712.18 Lacs (P.Y. Rs. 2,752.88 Lacs) 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 Rs. 419/- and no provision is made against outstanding loans and dues of the said company. Considering the implementation of the approved resolution plan for the Company to begin with which turnaround of the subsidiaries is also expected to happen, 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. However, the audited financial statements and / or other details are not available and there is no activity.
- The Company investment, in the equity share capital of Jyoti Structures FZE,) a subsidiary company, as on 31st March, 2023 and as on 31st March 2022 was Rs. 317.04 lacs. Though the net worth of the subsidiary has been eroded, the Company has not provided for diminution in value of investment of Rs. 317.04 lacs Considering the implementation of the approved resolution plan for the Company to begin with which turnaround of the subsidiaries is also expected to happen, 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. However, the audited financial statements and / or other details are not available.
- Considering the long-term nature of investments and in absence of availability of audited financial statements, no provision has been considered necessary by the management in respect of impairment in the value of investment as well as loans and advance except for the Subsidiaries/Joint Venture (JV) mentioned in the following table other than to the extent provided for

# JYOTI STRUCTURES LIMITED

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

**Position As on 31 March 2023:**

(Rs. in Lacs)

Name of Subsidiaries/JVs	Relation	Investment	Provision for Diminution in value of Investment*	Loans & Advances	Trade Receivable	Provision for Loans & Advances and Trade Receivable
Gulf Jyoti International LLC	JV	1,642.77	(1,642.77)	7,446.00	10,018.22	(16,645.02)
Jyoti Structures Kenya Ltd.	Step-Subsidiary	-	-	(238.42)	-	-
JS FZE Nigeria	Step-Subsidiary	-	-	-	30.54	-
JSL Corporate Services Ltd.	Subsidiary	350.00	-	(463.09)	-	-
JSL FZE Namibia	Step-Subsidiary	-	-	-	420.73	-
Jyoti Americas LLC	Subsidiary	-	-	6,058.79	-	(6,058.79)
Jyoti Energy Ltd.	Subsidiary	5.00	(5.00)	-	43.88	-
Jyoti Holding Inc	Subsidiary	6,000.65	(6,000.65)	6,470.60	1,159.88	(7,630.49)
Jyoti Structures Africa Pty. Ltd.#	Subsidiary	-*	-	3,258.85	2,712.18	-
Jyoti Structures FZE	Subsidiary	317.04	-	-	(1,600.18)	-

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

**Position As on 31 March 2022:**

(Rs. in Lacs)

Name of Subsidiaries/JVs	Relation	Investment	Provision for Diminution in value of Investment*	Loans & Advances	Trade Receivable	Provision for Loans & Advances and Trade Receivable
Gulf Jyoti International LLC	JV	1,642.77	(1,642.77)	7,446.00	9,198.97	(16,644.97)
Jyoti Structures Kenya Ltd.	Step -Subsidiary	-	-	(231.21)	-	-
JS FZE Nigeria	Step -Subsidiary	-	-	-	30.54	-
JSL Corporate Services Ltd.	Subsidiary	350.00	-	(463.99)	-	-
JSL FZE Namibia	Step -Subsidiary	-	-	-	420.73	-
Jyoti Americas LLC	Subsidiary	-	-	6,058.79	-	(6,058.79)
Jyoti Energy Ltd.	Subsidiary	5.00	(5.00)	-	43.83	-
Jyoti Holding Inc	Subsidiary	6,000.65	(6,000.65)	6,470.60	1,159.88	(7,531.55)
Jyoti Structures Africa Pty. Ltd.#	Subsidiary	-*	-	3,258.85	2,752.88	-
Jyoti Structures FZE	Subsidiary	317.04	-	-	(1,637.99)	-

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

**10.** The Company has provided for diminution in value of loans and advances and Trade Receivables given to its Subsidiaries/ Joint Venture totalling to Rs. 30,334.30 Lacs. (PY Rs. 30,235.30 Lacs).

**11. Disclosures required by Indian Accounting Standard (IND AS) 116 'Leases':**

There is no Leases payment during the year. As such, disclosure on IND AS 116 on Leases is not applicable.

**12. Disclosures as required by Indian Accounting Standard (IND AS) 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%)

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

- iii. Jyoti Structures Africa (Pty) Ltd. (70%)
- iv. Jyoti International Inc. (100%)
- v. Jyoti Structures FZE (100%)
- (b) Step Down Subsidiary of the Company
  - i. Jyoti Americas LLC (100%) (Step Down Subsidiary)
  - ii. Jyoti Structures Canada Ltd. (100%) (Step Down Subsidiary)
- (c) Subsidiary of Jyoti Structures FZE
  - i. Jyoti Structures Namibia (Pty) Ltd. (70%)
  - ii. Jyoti Structures Nigeria Ltd. (100%)
  - iii. Jyoti Structures Kenya Ltd. (100%)
- (d) Joint Ventures:
  - i. Gulf Jyoti International LLC (30%)
  - ii. GJIL Tunisia Sarl (49%)
- (e) Directors:
  - i. Mr. Rajendra Prasad Singh
  - ii. Mr. Kannan Ramamirtham
  - iii. Mr. Abhinav Rishi Angirish
  - iv. Mr. Mathew Cyriac
  - v. Mrs. Monica Akhil Chaturvedi
  - vi. Mr. Govind Prasad Saha
- (f) Key Management Personnel:
  - i. Ms. Sonali K Gaikwad (Company Secretary)
  - ii. Mr. Abdul Hameed Khan (CEO w.e.f. 11th November 2021)
  - iii. Mr. Kumar Balan (CFO w.e.f. 9th May 2022)
- (g) Transactions during the year and balances at the end of the year:

Following are the transactions with the related parties during the year:

(Rs. in Lacs)

Sr. No.	Particulars	Type of Relationship	Related Party	2022-23	2021-22
1	Director's Sitting Fees	(e)	(i)	1.60	06.80
2	Director's Sitting Fees	(e)	(ii)	2.60	01.05
3	Director's Sitting Fees	(e)	(iii)	1.98	00.75
4	Director's Sitting Fees	(e)	(iv)	1.80	00.55
5	Director's Sitting Fees	(e)	(v)	1.83	00.75
6	Director's Sitting Fees	(e)	(vi)	2.35	00.90
7	Salary Paid	(f)	(i)	7.86	06.71
8	Salary Paid	(f)	(ii)	34.32	13.40
9	Salary Paid	(f)	(iii)	25.57	-
9	Professional Fees	(e)	(i)	82.40	72.00

# JYOTI STRUCTURES LIMITED

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Following are the related parties' balances at the end of the year:

(Rs. in Lacs)

Sr. No.	Particulars	Type of Relationship	Related Party	2022-23	2021-22
1	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)	(v)	317.04	317.04
2	Outstanding balances [Net of receivables/ (payables)] at end of the year	(a)	(i)	43.88	43.83
		(a)	(ii)	(463.09)	(463.54)
		(a)	(iii)	5971.03	6,011.73
		(a)	(iv)	-	98.93
		(a)	(v)	(1600.18)	(1,637.99)
		(c)	(i)	420.73	420.73
		(c)	(ii)	30.54	30.54
		(c)	(iii)	(238.42)	(231.21)
		(d)	(i)	819.19	-

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

The above amounts are net off provisions, if any.

The related party transaction and balances are based on the details as available with the Company. The changes in balances is due to effect of branches and impact of foreign exchange fluctuations.

### 13. Remittance in Foreign Currencies for Dividend:

No dividend has been declared and paid in FY 2022-23. There is no remittance in Foreign Currencies on account of Dividend.

### 14. Disclosure details of Loans Given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013:

a) Loans given (Net of Provision)

(Rs. in Lacs)

Loans given to Subsidiaries	As at Year ended 31-Mar-2023	Maximum balance during the year	As at Year ended 31-Mar-2022	Maximum balance during previous year
Jyoti International Inc	-	98.93	98.93	98.93
Jyoti Structures Africa Pty. Ltd.	3,258.85	3,258.85	3,258.85	3,258.85
Gulf Jyoti International LLC	819.19	819.19	-	-

All above loans have been given for business purposes (excludes foreign exchange fluctuations). & It's a net of provision.

b) Investments are shown under respective head. (Refer Note 2)

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023****15. Earnings Per Share (EPS):**

Sr. No.	Particulars	31 March 2023	31 March 2022
i)	Profit/(Loss) after Tax (Net of preference share dividend) (Rs. in Lacs)	(405.71)	(4,264.12)
ii)	Weighted Average Number of Ordinary Shares for Basic Earnings per Share (Number in Lacs)	6,345.28	3,152.13
iii)	Weighted Average Number of Ordinary Shares for Diluted Earnings per Share (Number in Lacs) (In Nos.)	7,045.28	3,426.37
iv)	Nominal value of Ordinary Share	Rs. 2.00	Rs. 2.00
v)	Basic Earnings Per Ordinary Share	Rs. (0.064)	Rs. (1.35)
vi)	Diluted Earnings Per Ordinary Share	Rs. (0.058)	Rs. (1.24)

**16. Financial Instruments:**(a) Category-wise classification of Financial Instruments

(Rs. in Lacs)

Particulars	Note	Non- Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>					
-Investments in quoted Mutual Funds	3	63.00	60.17	-	-
<b>Financial assets measured at amortised cost</b>					
-Investment in unquoted Equity Instruments	3	5.00	5.00	-	-
-Security and other deposits	4	408.47	499.80	-	-
-Trade Receivables	6	-	-	1,99,793.44	1,89,123.42
-Cash and Cash Equivalents	7	-	-	3,030.50	8,354.18
-Other Balances with Banks	8	-	-	163.14	156.86
-Loans to Employees	9	-	-	30.11	32.31
-Loan to Related Parties (Net)	9	-	-	4,983.70	4,272.59
-Sundry Deposits	9	-	-	208.00	269.58
-Expenses Receivable	9	-	-	1651.80	1,624.72
<b>Financial liabilities measured at amortised cost</b>					
-Loans Repayable on Demand	19	-	-	-	-
-Trade Payables	20	-	-	7,172.32	3,614.75
-Current Maturities of Long Term Borrowings	21	-	-	-	-
-Other current financial liabilities	21	-	-	-	-
-Unclaimed Dividend	21	-	-	17.70	17.70
-Payable to employees	21	-	-	310.48	2,935.88
-Payable towards Other Expenses	21	-	-	810.09	40.08
-Interest Accrued	21	-	-	-	-
-Advance from Customers	22	-	-	6,379.73	137.79
-Statutory Liabilities	22	-	-	560.18	478.22
<b>Financial liabilities measured at amortised cost - Due as per Approved Resolution Plan</b>					
-Non-Convertible Debentures	15	1,60,198.57	1,48,332.00	-	-
-Financial Creditors	15 & 19	12,716.03	16,716.03	7,366.34	4,000.00
-Trade Payable	16 & 20	6,000.00	9,494.00	5,242.31	2,000.00
-Payable to employees	16 & 21	8,743.00	11,743.00	6,114.34	2,854.94
-Statutory Liability	16 & 22	1,100.00	1,100.00	-	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(b) 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, 2023:**

(Rs. in Lacs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
-Investments in quoted Mutual Funds	63.00	63.00		

**As at 31st March, 2022:**

(Rs. in Lacs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
-Investments in quoted Mutual Funds	60.17	60.17		

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.

(c) 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 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



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

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:

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total Borrowings	1,80,280.94	1,69,048.03
% of Borrowings out of above bearing variable rate of interest	0.00%	0.00%

- \* Interest Rate Sensitivity:

A change of 50 bps in interest rates would have the following impact on loss before tax

(Rs. in Lacs)

	2022-23	2021-22
50 bps increase would increase the loss before tax by	0.00	0.00
50 bps decrease would decrease the loss before tax by	0.00	0.00

- 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 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.

The Company is mainly exposed to changes in USD and EUR. 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.

(Rs. in Lacs)

Particulars*	2022-23		2021-22	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	684.55	684.55	632.91	632.91
EUR	68.40	68.40	64.14	64.14
<b>Total</b>	<b>752.96</b>	<b>752.96</b>	<b>697.05</b>	<b>697.05</b>

- 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 2023, the investment in mutual funds amounts to Rs. 63.00 Lacs (Rs. 60.17 Lacs as on 31st March, 2022)

A 5% increase in market prices would have led to approximately an additional gain of Rs. 3.15 Lacs in Other Comprehensive Income.

A 5% decrease in prices would have led to an equal but opposite effect.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**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 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.

**Trade Receivable ageing schedule.**

**Mar-23**

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade Receivable – Considered Good	9,322.36	20.00	-	-	1,89,701.08	1,99,043.44

**Trade Receivable ageing schedule.**

**Mar-22**

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade Receivable – Considered Good	36.53	-	-	-	1,89,086.89	1,89,123.42

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023****Movement in provisions of doubtful debts:**

(Rs. in Lacs)

Particulars	31 March 2023	31 March 2022
Opening provision	600.00	3,26,291.07
Add: Additional Provision made	150.00	600.00
Less: Provision reversed/written off to statement of P&L & other equity	—	3,26,291.07
Closing provisions	750.00	600.00

**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.

Maturity profile of financial liabilities:

(Rs. in Lacs)

Particulars	Note No	Less than 1 year	1-3 Years	3-5 Years	More than 5 years	Total / Carrying Amount
<b>As at 31st March, 2023</b>						
Financial Creditors	15	—	9,838.52	1,796.59	1,080.92	12,716.03
Operational Creditors	16	—	13,743.00	1,000.00	1,100.00	15,843.00
Financial Creditors	19	7,366.34	—	—	—	7,366.34
Trade Payables	20	12,414.63	—	—	—	12,414.63
<b>As at 31st March, 2022</b>						
Financial Creditors	15	—	9,000.00	4,838.58	2,877.45	16,716.03
Operational Creditors	16	—	6,500.00	13,743.00	2,094.00	22,337.00
Financial Creditors	19	4,000.00	—	—	—	4,000.00
Trade Payables	20	5,614.75	—	—	—	5,614.75

The Non-Convertible Debenture of Rs. 1,60,198.57 Lakhs (P.Y. Rs. 1,48,332/- Lacs) issued to Assenting Financial Creditor is reflected at Face Value in Note no 15 under Financial Liabilities - Long Term Borrowings.

The Non-Convertible Debentures are payable over a 12 years period as per Resolution Plan with Redemption Premium. There is an option to prepay the Non-Convertible Debentures at the Net Present Value at the option of the Company.

18. 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 customer and in the past, time extensions have been granted in similar circumstances. However, considering recurring/persisting delays it is not possible to assess the amount for which the company would be liable. Hence, the same has not been provided for.
19. Previously, the Company had a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company reviewed and ensured that adequate provision as required under any law /accounting standards for material foreseeable losses on such long-term contract has been made in the books of accounts. The Company has not entered into a derivative contract during the year.
20. 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.

## JYOTI STRUCTURES LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

21. 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:

(Rs. in Lacs)

Sr. No.	Particulars	31 Mar 2023	31 Mar 2022
1)	The principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
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	Nil	Nil
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

#### Trade Payable ageing Schedule.

Mar-23

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	10,286.54	48.72	2,079.37	5,000.00	1,000.00	18,414.63

Mar-22

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	221.54	3,393.21	-	-	11,494.00	15,108.75

22. The company has various input credits and balances with various statutory authorities pertaining to service tax, VAT, GST, sales tax etc. aggregating to Rs. 3,618.31 lacs (P.Y.Rs. 3,240.35 lacs). The recovery of these amounts is subject to reconciliation, filing of returns and admission by respective statutory authorities. No adjustments have been made in the books of accounts in respect of such amounts.
23. Corporate Social Responsibility (CSR) - In view of losses incurred, expenditure on CSR is not applicable for the year ended as at 31st March, 2023.
24. Total trade receivables as at 31st March, 2023 are Rs 1,99,043.44 Lacs (P.Y. Rs. 1,89,123.43 Lacs). The Company has initiated reconciliation process with Trade Receivables to determine the continuation of contracts, details of work in progress with age, stage of completion, progress billing, disputed and undisputed dues. The reconciliation process is still ongoing. During the Previous Financial Year 2021-22 the company based on its assessment of receivable the company has written back to other equity the excess provision of doubtful debts totalling Rs. 73,959.88 Lacs. The Company has made a provision of Rs. 150 Lacs (P.Y. Rs 600 Lacs) as provision for estimated credit loss.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

25. Cost of material consumed includes Bought-out materials purchased for short supplies to customers under the contracts.

**26. Key Financials Ratio**

Sr. No.	Particulars	2022-23	2021-22	Numerator	Denominator
1	Current Ratio (in times)	6.60	16.24	Current Assets	Current Liabilities
2	Debt-Equity Ratio (in times)	34.73	10.60	Total Debt	Total Equity
3	Debt Servicecoverage Ratio (in times)	NA	NA	Net Profit before taxes + non-cash operating expenses + Interest + Other non- cash adjustments	Interest and lease payments + Principal repayments
4	Return on equity Ratio (in %)	0.00	0.01	Net Profits after taxes - Preference Dividend (if any)	Average total equity
5	Inventory Turnover Ratio (No. of Days)	2.63	0.27	Cost of goods sold	Average Inventory
6	Trade receivables turnover Ratio (No. of Days)	0.15	-	Net Credit Sales	Average Account Receivables
7	Trade payables turnover Ratio (No. of Days)	0.46	0.01	Net Credit Purchases	Average Trade Payables
8	Net capital turnover Ratio (in times)	0.12	0.00	Net Sales	Average Working Capital
9	Net profit Ratio (in %)	(0.02)	(9.72)	Net Profit	Net Sales
10	Return on capital employed (in %)	(0.00)	(0.02)	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability
11	Return on investment (in %)	0.00	0.01	Income generated from invested funds	Average invested funds in treasury investments

27. The Company had undergone the corporate insolvency resolution process ("CIRP") pursuant to a petition filed under section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code") by the State Bank of India. Under the CIRP, the resolution plan submitted by an resolution applicant received the assent of the Hon'ble NCLT vide order dated 27 March 2019 ("Approval Resolution Plan"). Pursuant to the Company effectuating of certain steps, the Approved Resolution Plan was implemented with effect from November 09, 2021. Accordingly, the Balance Sheet of the Company was recasted in Previous FY 2021-22 to reflect the changes as per the Approved Resolution Plan. As per the Resolution plan, control was transferred by the Erstwhile Resolution Professional to the newly constituted board led by chairman, with effect from November 9, 2021. The board, then appointed the Chief Executive Officer (CEO) for day to day management.

28. During the year, the Company has not transferred unclaimed dividend amounts to Investor Education and Protection Fund as per the requirement of the Companies Act, 2013. as the Company is in midst of shareholder details' collation. The company is under process of transferring an amount of Rs 17.70 Lacs to investor education protection fund.

29. Following is the impact of Resolution Plan's Implementation in the previous year FY 2021-22

- Equity:- The Company has issued 4,250 Lacs equity shares at Rs. 4 per share totalling to Rs. 17,000 Lacs to Resolution Plan's Investors. Further, Assenting Secured Financial Creditors have been issued 1000 Lac shares at Rs. 4 per share totalling to Rs. 4,000 Lacs in order to convert portion of their debt.
- Compulsory Convertible Preference Shares:- 700 Lacs Compulsorily Convertible Preference Shares have been issued to Aion and Apollo Group at Rs. 4 per share.
- Non-Convertible Debentures:- Assenting Secured Financial Creditors have been issued Non-Convertible Debentures and the face value of the Debentures is Rs. 1,48,332.00 Lacs as on November 09, 2021.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

d. Following Restatement has been done by the Company: -

Particulars	Restated Amount (Rs in Lacs)
Non-Convertible Debentures (Face Value of NCD as on 9th Nov 21)	1,48,332.00
Dissenting Financial Creditors	20,275.00
Unsecured Financial Creditors	1,000.00
Workmen & Other Employee Dues	14,700.00
Operational Creditors	11,500.00
Statutory Liabilities	1,100.00

Pursuant to the above, the Company has transferred the balance outstanding liabilities to Retained Earnings as "Resolution Plan Recast".

30. In previous year FY 2021-22, the bought forward amount from 1st April 2021 of Debenture Redemption Reserve, General reserve and Fixed deposit Redemption Reserve has been transferred to Retained Earnings.
31. In previous year FY 2021-22, a Debenture Redemption Reserve of Rs. 1,81,337.86 Lacs was created for redemption premium payable on NCD's. The NCD's are repayable at any point of time at Net Present Value as per Resolution Plan. In the FY 2022-2023, a sum of Rs 11,866.57 Lacs being changes in remeasurement of NCD at NPV fair value was transferred from Debenture Redemption Reserve to Financial Liabilities Long Term Borrowings Account.
32. The Financial Creditors of Rs.12,716.03 Lacs (P.Y. Rs. 16,716 Lacs) as per Note no 15 includes amount payable to Dissenting Financial Creditors, various financial creditors under IDBI Trusteeship and amount payable to unsecured financial creditors.
33. The company has included the figures / amounts for the year ended on date in respect of its seven branches (management certified) at Bhutan I, Kenya, Tanzania, Georgia, Tunisia, South Africa and Uganda; The financial statements include the assets, liabilities, income and expenditure in respect of seven branches.
34. There are no shares allotted under ESOP / ESOS as at the reporting date.
35. The Company did not have any transactions with Struck of Companies in FY 2022-23 nor in Previous FY 2021-22. The Balance Outstanding with Companies Struck off is as under:

Name of Struck of Company	Nature of transactions with struck off company	Balance Outstanding as on March 2023	Balance Outstanding as on March 2022	Relationship with Struck off Company, if any
M/s RAP Energy Solutions Pvt. Ltd.	Payable	20,34,663	20,34,663	NA
Raise Focus T & D Construction Pvt. Ltd	Payable	44,901	44,901	NA
VBB Construction Pvt Ltd	Payable	2,91,873	2,91,873	NA
Schliff Tech India Pvt Ltd	Receivable	11,47,500	11,47,500	NA

36. The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
37. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
38. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of The Company (ultimate beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
39. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- 40.** The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 41.** The resolution plan stood implemented on November 9, 2021 with the infusion of equity by the investors, issuance of securities to financial creditors and transfer of control to the present management, in terms of the resolution plan. The payments to the financial creditors are set out in resolution plan. In this regard, on account of the delay by MIDC to execute the tripartite agreement and non-release of the NFB Limits by the lenders in terms of the resolution plan, the company has filed an application with the Hon'ble NCLT seeking exclusion of time. The application is currently sub judice.
- 42.** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 43.** The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.
- 44.** Previous year's figures have been re-arranged, re-grouped and re-classified, wherever necessary. However, the previous year figures are not comparable in view of Resolution Plan being implemented on November 9, 2021.

The Notes referred to above form an integral part of the Statement of Accounts.

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As per our report attached  
For **G.P.SHARMA & CO.LLP**  
Chartered Accountants  
Firm Registration No: 109957W/W100247

**For and on behalf of the Board of Directors**

sd/-

**Utkarsh Sharma**

Partner

Membership Number : 147906

Place : Mumbai

Date : 29th May, 2023

sd/-

sd/-  
**Sonali K Gaikwad**  
Company Secretary

sd/-  
**Kumar V Balan**  
Chief Financial Officer

sd/-  
**Ramamirtham Kannan**  
Independent Director  
DIN : 00227980

sd/-  
**Monica Akhil Chaturvedi**  
Independent Director  
DIN: 02193359



# JYOTI STRUCTURES LIMITED

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### Form AOC-1

(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)

#### Statement Containing the salient features of the Financial Statements of Subsidiaries

##### "Part "A" : Subsidiaries

(Figure in Lacs)

Sr No.	Name of Subsidiary Company	JSL	Jyoti	Jyoti		Jyoti	
		Corporate	Energy	StructuresAfrica		Structures	
		Services Ltd.	Ltd.	(Pty.) Ltd.		FZE	
Percentage of Shareholding		100%	100%	70%		100%	
Reporting Currency		INR	INR	ZAR	INR	AED	INR
1	Capital	350.00	5.00	0.001	0.005	20.00	447.433
2	Reserves	127.16	(32.63)	(306.30)	(1414.39)	(60.26)	(1348.12)
3	Total Assets	478.04	27.85	1125.27	5196.12	9.24	206.71
4	Total Liabilities (excluding Capital and Reserves)	0.88	55.48	1431.57	6610.51	49.50	1,107.40
5	Details of Investment (except in case of Investment in the Subsidiaries)	-	-	-	-	-	-
6	Turnover	-	-	-	-	-	-
7	Profit before Taxation	(0.53)	(1.00)	0.00	0.00	0.00	0.00
8	Provision for Taxation	-	-	-	-	-	-
9	Profit after Taxation	(0.53)	(1.00)	0.00	0.00	0.00	0.00
10	Proposed Dividend	-	-	-	-	-	-

#### Notes:

- i) Please refer to consolidated financial statement and notes appearing thereon.
- ii) The Exchange Rate of Rs. 4.62 is considered for conversion of South Africa Rand (ZAR ) to Indian rupee & Rs.22.37 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.
- vi) The financial figures of Jyoti Structures Africa (Pty.) Ltd. & Jyoti Structres FZE are management certified.

## Independent Auditor's Report

### To the Members of Jyoti Structures Limited

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Jyoti Structures Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates which comprise the Consolidated Balance Sheet as at March 31, 2023, and the consolidated statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of changes in equity and the consolidated cash flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors, as available, on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associates as at March 31, 2023, of consolidated profit (including other comprehensive income), changes in equity and its consolidated cash flows for the year then ended.

#### Basis Of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, if any, in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

- The Statement includes the results of the following entities

	<b>Subsidiaries (including step down subsidiaries)</b>	<b>%</b>	<b>Audited/Management Certified</b>	<b>Country</b>
1	JSL Corporate Services Ltd.	100	Audited by us	India
2	Jyoti Energy Ltd.	100	Audited by us	India
3	Jyoti Structures Africa (Pty) Ltd.	70	Management Certified	South Africa
4	Jyoti Structures FZE	100		United Arab Emirates
	<u>Subsidiaries of Jyoti Structures FZE</u>			
1	Jyoti Structures Nigeria Ltd.	100		Nigeria
2	Jyoti Structures Kenya Ltd.	100		Kenya
3	Jyoti Structures Namibia (Pty) Ltd.	70		Namibia
	<b>Branches</b>			
1	JSL Bhutan I		Management Certified	
2	JSL Georgia			
3	JSL Kenya			
4	JSL South Africa			
5	JSL Tanzania			
6	JSL Tunisia			
7	JSL Uganda			

## JYOTI STRUCTURES LIMITED

2. The Statement does not includes the results of the following entities. According to the information and explanations given to us by the Management, the financial information / financial results are not material to the Group. We have relied on the Management for the same.

Subsidiaries (including step down subsidiaries)		%	Country
1	Jyoti International Inc	100	United States of America
2	Jyoti America LLC	100	United States of America
3	Jyoti Structures Canada Limited	100	Canada
<b>Joint Venture Companies</b>			
1	Gulf Jyoti International LLC	30	United Arab Emirates
2	GJIL Tunisie Sarl	49	United Arab Emirates

### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Financial impacts arising out of Approved Resolution Plan implemented with effect from November 09, 2021</b></p> <ul style="list-style-type: none"> <li>Pursuant to the Company effectuating of certain steps under the Approved Resolution Plan, the impact is reflected in March 2022 Financials. Reliance was placed Management Representation regarding the existence and valuation of all the Assets (viz. Fixed Assets, Investments, Trade Receivables, Stock, Bank Accounts, Other Assets, and Receivable from Related Parties) &amp; Liabilities (viz. Provisions, Borrowings, Statutory &amp; Other Liabilities) post the Implementation. <b>Kindly refer Annexure A.</b></li> </ul>	<p>Our audit work included, but was not restricted to, performing the following procedures:</p> <ul style="list-style-type: none"> <li>We have reviewed the extracts of resolution plan submitted by the Resolution Applicant and the NCLT order passed and ascertained the due dates of repayments to various stakeholders. A key extract from the Resolution Plan is reproduced below:</li> <li>Extract of Section VII – Other Stipulations for the Final Resolution Plan (Refer Clause B) : <ul style="list-style-type: none"> <li>* “B. The Company will need roll-over of BG/LC Limits as described in paragraph C.2 (b) of Section I and paragraph F of section VI. This will ensure growth of revenue and margins. Which are crucial for meeting debt repayment commitments. BG limits will be allowed to be used as LCs as per the business needs. No fresh limits are being sought.”</li> </ul> </li> <li>Interlocutory Application has been filed by the Company before the Hon’ble NCLT, Mumbai Bench, seeking exclusion of timelines for various actions under the Approved Resolution Plan on account of delay by MIDC for giving approval execution of tripartite agreement and non-release of Non Fund based limits by the lenders. The Hon’ble NCLT has been not passed any order till date.</li> <li>We also reviewed the appropriateness of presentation of these events in the financial statements.</li> </ul>

### Emphasis of Matter

#### • Trade Receivables

The Company has initiated reconciliation process with Trade Receivables totaling to Rs. 1,99,878.82 (Previous Year Rs. 1,90,043.92 Lacs) constituting 87.46 % of the Total Assets to determine the continuation of contracts, details of work in progress with age, stage of completion, progress billing, disputed and undisputed dues. The reconciliation is under process. The Company has made a provision of Rs. 150 Lacs (Previous Year Rs. 600 Lacs) totaling to Rs. 750 Lacs as at March 31, 2023 as provision for estimated credit loss. We have relied on the Management Representations on the carrying amounts and provision for expected credit loss as at March 31, 2023.

- **Overseas Branches**

The Consolidated Financial Statements include out of the total fourteen branches of Holding Company :

- A. Unaudited Management reported amounts for the year ended March 31, 2023 of the seven branches. The financial statements include the assets, liabilities, income and expenditure in respect of branches are subject to changes on completion of audit. In the absence of details, we are unable to comment on the impact, it may have on the standalone financial statements. We have relied on the information provided by the Company.

A summary table is reproduced below of the seven branches.

Particulars	Branches (Rs. in Lacs)
Total Income	-
Total Expenditure	-211.65
Other Comprehensive Income	-1.28
Total Profit/(Loss) including Other Comprehensive Income	-212.93
Total Assets	8,181.30
Fixed Assets	36.87
Trade Receivable	6,734.92
Bank Balances	50.55
Inventories	280.02
Balances from Revenue Authorities	1,078.94
Other Assets	-
Total Liabilities	8,394.23
Sundry Creditors	-
Statutory Liabilities	1,907.27
Other Liabilities	6,486.96

- B. During the year, the Company has written off Assets and Liabilities pertaining to the Seven Branches resulting in Loss of Rs 30.81 Lacs in Statement of Profit and Loss.

- **Related Parties Dues**

- \* Dues from related parties as shown below. Audited financial statements of Overseas Subsidiaries (Including step down subsidiaries), Joint Ventures are not available as at reporting date. Consequently, we are unable to comment upon the impact if any, on impairment of balances. The Management believes that impairment is not required at the reporting date and the balances are recoverable in full. We have relied on Management Representation regarding the same.

Particulars	Amount (in Lacs)
<b>Joint Ventures</b>	
Gulf Jyoti International LLC	819.19

#### Information other than the consolidated Financial Statement and Auditor Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matter stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its Associates in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group and its associate companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Companies include the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates.

## **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standard's on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also::

- a. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- f. Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group and its associates, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the auditors, to the extent available, on separate financial statements of the subsidiaries and associates, we report that the Holding Company whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. No managerial remuneration for the year ended 31st March 2023 has been paid/provided by the Indian subsidiaries to its directors whose accounts are audited under the Act. The Management has informed that No managerial remuneration for the year ended 31st March 2023 has been paid/provided by the Foreign subsidiaries to its directors whose accounts are included in the financial statements. We have relied on the Management Representation.

As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included and audited in these Consolidated Financial Statements. This is subject to the possible effect of the matters described in the Basis for Key Audit Matter and Emphasis of Matter section above.

As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors, as available, on separate financial statements and other financial information of the subsidiaries and associates incorporated in India whose financial statements have been audited under the Act we report, subject to the possible effect of the matters described in the Key Audit Matter and Emphasis of Matter section above along with matters that

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e. On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies and taken on record by the Board of Directors of the Holding Company and its subsidiary companies and the reports of the Statutory Auditors of its subsidiary companies covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31st March, 2023 from being appointed as director in terms of Section 164(2) of the Act. Further, financial statements of unaudited subsidiaries and associates, as certified by the management, none of the directors of the associate company covered under the Act, are disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**';



- g. With respect to the other matters to be included in the Auditor's 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates incorporated in India whose financial statements have been audited under the Act, subject to the possible effect of the matters described in the Key Audit Matter and Emphasis of Matter:
- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note No 34 (3) of the consolidated financial statements
  - ii. To the consolidated financial statements, the Holding Company, its subsidiary companies and associate companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2023
  - iii. Unclaimed dividend amounting to Rs. 17.7 Lacs required to be transferred to Investor Education and Protection Fund by the company during the year has not been transferred as at the date of this report. – Refer Note No 34 (23) to the financial statements
  - iv.
    - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company or its subsidiaries or its associates to or in any other persons or entities including foreign entities ('intermediaries') with the understanding whether recorded in writing or otherwise that the intermediaries shall whether directly or indirectly lend or invest in any other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiaries and its associates ('Ultimate Beneficiaries') or provide any guarantee or security or the like on behalf of the Ultimate Beneficiaries;
    - b. The Management has represented to the best of its knowledge and belief no funds have been received by the Holding Company or any such subsidiaries and its associates from any person or the entities including foreign entities (Funding Parties) with the understanding whether recorded in writing or otherwise that the Company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding parties (Ultimate Beneficiaries') or provide any guarantee or security or the like on behalf of the Ultimate Beneficiaries;
    - c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries and associates, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The Company has not declared any dividend during the year under review.

**For GP Sharma & Co LLP.**

Chartered Accountants

Firm's registration number: 100957W/W100247

sd/-

**CA Utkarsh Sharma**

Partner

Membership number: 147906

UDIN: 23147906BGUNSH3813

Place: Mumbai

Date: 29th May, 2023



**Annexure A - Corporate Insolvency Resolution Process <CIRP> – Resolution Plan**

We draw your attention to the following impact of Resolution Plan’s Implementation as determined by us basis the extracts of Resolution Plan submitted to us for the Previous Year (FY 2021-22)

- a. **Equity:-** The Company has issued 4,250 Lacs equity shares at Rs. 4 per share totalling to Rs. 17,000 Lacs to Resolution Plan’s Investors. Further, Assenting Secured Financial Creditors have been issued 1,000 Lacs shares at Rs. 4 per share totalling to Rs. 4,000 Lacs in order to convert portion of their debt.
- b. **Compulsory Convertible Preference Shares :-** 700 Lacs Compulsorily Convertible Preference Shares have been issued to Aion and Apollo Group at Rs 4 per share.
- c. **Non Convertible Debentures & Restatement:-** Assenting Secured Financial Creditors have been issued Non-Convertible Debentures and the face value of the Debentures is Rs. 1,48,332 Lacs as on November 09, 2021.

Following Restatement has been done by the Company: -

<b>Particulars</b>	<b>Restated Amount (Rs in Lacs)</b>
Assenting Financial Creditors (Face Value of NCD as on 9th Nov 21)	1,48,332
Dissenting Financial Creditors	20,275
Unsecured Financial Creditors	1,000
Workmen & Other Employee Dues	14,700
Operational Creditors	11,500
Statutory Liabilities	1,100

Pursuant to the above, the Company has transferred the balance outstanding liabilities to Retained Earnings as “Resolution Plan Recast”.

- d. **Overseas Branches:-** The Company has written back certain liabilities of the overseas branches as per the Resolution Plan and is in midst of determining the existence, and valuation of its assets of all the fourteen branches.

**For G P Sharma & Co LLP.**

Chartered Accountants

Firm’s registration number: 100957W/W100247

sd/-

**CA Utkarsh Sharma**

Partner

Membership number: 147906

UDIN: 23147906BGUNSH3813

Place: Mumbai

Date: 29th May, 2023

## **“Annexure B” to the Independent Auditors’ Report**

### **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 **Jyoti Structures Limited** (‘the Holding Company’) and its subsidiaries (the Holding Company and its subsidiaries together referred to as ‘the Group’), and its associates as at and for the year ended 31st March, 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, its audited subsidiary companies and its associate companies, which are covered under the Act and included in consolidated financial statements, as at that date.

#### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls over Financial Reporting 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 Companies Act, 2013.

#### **Auditor’s Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 with reference to consolidated financial statements and the Guidance Note issued by the ICAI 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 with reference to financial statements were 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 statement 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 auditor’s judgment, 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 audit opinion on the Company’s internal financial controls system over financial reporting.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Emphasis Matter paragraph above, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls Reference to Consolidated Financial Statements**

A company’s internal financial control over consolidated financial statements 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 statement 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 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 with Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over consolidated financial statement , 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the audited subsidiary companies and associate companies (as included in the consolidated financial statements), subject to the possible effect of the matters described in the Key Audit Matter and Emphasis of Matter the Holding Company, its subsidiary companies and its associate companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31st March, 2023, based on internal 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 Control over Financial Reporting issued by the ICAI.

**For GP Sharma & Co LLP.**

Chartered Accountants

Firm's registration number: 100957W/W100247

sd/-

**CA Utkarsh Sharma**

Partner

Membership number: 147906

UDIN: 23147906BGUNSH3813

Place: Mumbai

Date: 29th May, 2023

# JYOTI STRUCTURES LIMITED

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

PARTICULARS	Note	As at 31/Mar/2023 Rs. in Lacs	As at 31/Mar/2022 Rs. in Lacs
<b>ASSETS</b>			
<b>1) NON CURRENT ASSETS</b>			
a) Property, Plant and Equipment	1	3,168.33	2,670.49
b) Intangible Assets	1.1	14.07	14.04
		<b>3,182.40</b>	<b>2,684.53</b>
<b>c) Financial Assets</b>			
i) Investment in Subsidiaries and Joint Venture	2 & 3	68.00	65.17
ii) Other Financial Assets	4	408.47	499.80
		<b>476.47</b>	<b>564.97</b>
<b>TOTAL NON CURRENT ASSETS</b>		<b>3,658.87</b>	<b>3,249.50</b>
<b>2) CURRENT ASSETS</b>			
a) Inventories	5	7,261.23	2,469.12
<b>b) Financial Assets</b>			
i) Trade Receivables	6	199,878.82	190,043.92
ii) Cash and Cash Equivalents	7	3,061.92	8,387.84
iii) Bank Balances other than (ii) above	8	163.14	156.86
iv) Other Current Financial Assets	9	6,635.28	6,395.37
v) Current Tax Assets (Net)	10	264.46	478.58
		<b>210,003.62</b>	<b>205,462.57</b>
c) Other Current Assets	11	7,618.29	8,121.23
<b>TOTAL CURRENT ASSETS</b>		<b>224,883.14</b>	<b>216,052.92</b>
<b>TOTAL</b>		<b>228,541.98</b>	<b>219,302.42</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1) EQUITY</b>			
a) Equity Share Capital	12	12,690.55	12,690.55
b) Instruments Entirely Equity In Nature	13	2,800.00	2,800.00
c) Other Equity	14	(12,955.17)	(302.82)
<b>Equity attributable to owners</b>		<b>2,535.38</b>	<b>15,187.73</b>
d) Non controlling Interest		4.69	4.69
		<b>2,540.07</b>	<b>15,192.42</b>
<b>2) LIABILITIES</b>			
<b>A NON CURRENT LIABILITIES</b>			
a) Long Term Borrowings	15	172,914.60	165,048.03
b) Operational Creditors	16	15,843.00	22,601.78
c) Long Term Provisions	17	95.64	21.90
d) Deferred Tax Liabilities (Net)	18	(24.59)	(22.61)
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>188,828.65</b>	<b>187,649.10</b>
<b>B CURRENT LIABILITIES</b>			
<b>a) Financial Liabilities</b>			
i) Short Term Borrowings	19	7,415.71	4,052.34
ii) Trade Payables	20	15,010.29	8,282.32
iii) Other Current Financial Liabilities	21	7,673.47	3,382.13
		<b>30,099.47</b>	<b>15,716.79</b>
b) Other Current Liabilities	22	7,053.94	744.04
c) Short Term Provisions	23	19.85	0.07
<b>TOTAL CURRENT LIABILITIES</b>		<b>37,173.26</b>	<b>16,460.90</b>
<b>TOTAL</b>		<b>228,541.98</b>	<b>219,302.42</b>
Significant Accounting Policies	33		
Other Notes to Financial Statements	34		

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

**For and on behalf of the Board**

In terms of our report attached  
For **G.P.SHARMA & CO.LLP**  
Chartered Accountants  
Firm Registration No: 109957W/W100247

**sd/-**  
**Utkarsh Sharma**  
Partner  
Membership Number :147906

Place: Mumbai  
Date : 29th May, 2023

**sd/-**  
**Sonali K Gaikwad**  
Company Secretary

**sd/-**  
**Abdul Hameed Khan**  
Chief Executive Officer

**sd/-**  
**Kumar V Balan**  
Chief Financial Officer

**sd/-**  
**Ramamirtham Kannan**  
Independent Director  
DIN : 00227980

**sd/-**  
**Monica Akhil Chaturvedi**  
Independent Director  
DIN : 02193359

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

PARTICULARS	Note	Year Ended 31/Mar/2023 Rs. in Lacs	Year Ended 31/Mar/2022 Rs. in Lacs
<b>CONTINUING OPERATIONS</b>			
<b>I INCOME</b>			
Revenue from Operations (Net)		22,923.12	438.87
Other Income		184.30	105.27
<b>Total Revenue</b>		<b>23,107.42</b>	<b>544.14</b>
<b>II EXPENSES</b>			
Cost of Materials Consumed		15,286.87	266.34
Erection and Sub-contracting Expense		6,460.78	1,512.19
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(2,507.19)	436.34
Employee Benefits Expense		2,560.99	435.17
Finance Costs		37.80	-
Depreciation and Amortization Expense (Net)		541.37	728.46
Other Expenses		1,134.04	1,412.84
<b>TOTAL EXPENSES</b>		<b>23,514.66</b>	<b>4,791.33</b>
<b>III Profit/(Loss) Before Tax (I-II)</b>		<b>(407.24)</b>	<b>(4,247.19)</b>
<b>IV Tax Expense:</b>			
Current Tax		-	-
<b>V Profit/(Loss) for the year (III-IV)</b>		<b>(407.24)</b>	<b>(4,247.19)</b>
<b>VI Other Comprehensive income</b>			
A Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(92.79)	(13.51)
<b>B. Items that will be reclassified to profit or loss</b>			
Remeasurement of MF Investment at fair value		2.83	9.44
		<b>(89.96)</b>	<b>(4.07)</b>
<b>VII Total Comprehensive Income</b>		<b>(497.20)</b>	<b>(4,251.26)</b>
<b>VIII Net Profit Attributable to</b>			
Owner		(407.25)	(4,252.74)
Non controlling Interest		-	5.55
<b>Other Comprehensive income</b>			
Owner		(89.95)	(4.07)
Non controlling Interest		-	-
<b>Total Comprehensive income</b>			
Owner		(497.20)	(4,256.81)
Non controlling Interest		-	5.55
<b>IX Earnings Per Equity Share (In INR )</b>			
[Nominal value of share INR 2]			
1) Basic		INR -0.06	INR -1.35
2) Diluted		INR -0.06	INR -1.24

Significant Accounting Policies  
Other Notes to Financial Statements

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

In terms of our report attached  
For **G.P.SHARMA & CO.LLP**  
Chartered Accountants  
Firm Registration No: 109957W/W100247

**For and on behalf of the Board of Directors**

**sd/-**  
**Utkarsh Sharma**  
Partner  
Membership Number :147906  
Place: Mumbai  
Date : 29th May, 2023

**sd/-**  
**Abdul Hameed Khan**  
Chief Executive Officer

**sd/-**  
**Ramamirtham Kannan**  
Independent Director  
DIN : 00227980

**sd/-**  
**Sonali K Gaikwad**  
Company Secretary

**sd/-**  
**Kumar V Balan**  
Chief Financial Officer

**sd/-**  
**Monica Akhil Chaturvedi**  
Independent Director  
DIN: 02193359

# JYOTI STRUCTURES LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2023

PARTICULARS		Year Ended 31/Mar/2023 Rs. in Lacs	Year Ended 31/Mar/2022 Rs. in Lacs
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) Before Taxes	[A]	(407.24)	(4,247.18)
<b>ADJUSTMENTS FOR</b>			
i) Depreciation and Amortisation		541.37	728.46
ii) Finance Cost		37.80	-
iii) Interest Received		(137.54)	(104.78)
iv) Net (gain)/loss on foreign currency transactions and translation		(1,202.57)	(665.53)
v) Remeasurements of the defined benefit plans		(92.79)	(13.51)
vi) Allowance for bad and doubtful debts (expected credit loss allowance) (Net of Bad debts Written Off )		150.00	600.00
vii) Profit on sale of assets		-	(1.43)
	[B]	<u>(703.72)</u>	<u>543.21</u>
Operating Profit before Working Capital changes	[A+B] = [C]	<u>(1,110.96)</u>	<u>(3,703.97)</u>
<b>ADJUSTMENTS FOR</b>			
i) Trade Receivable & Other Receivable, financial assets, Other Current Assets (Net of Write back of Provisions)		(14,217.63)	(72,602.48)
ii) Current Liabilities and Provisions (Net of Write Off)		10,942.20	66,351.94
	[D]	<u>(3,275.43)</u>	<u>(6,250.54)</u>
<b>Cash Generated from Operations</b>	[C+D] = [E]	<u>(4,386.39)</u>	<u>(9,954.51)</u>
i) Direct Taxes Paid (Net)		-	-
	[F]	<u>-</u>	<u>-</u>
<b>Net Cash (used in) / from Operating Activities</b>	<b>[I] [E+F] = [G]</b>	<u><u>(4,386.39)</u></u>	<u><u>(9,954.51)</u></u>
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>			
i) Purchase of Property, Plant and Equipment [After adjustment of (Increase)/Decrease in Capital Work-in-Progress and Receipts from Sale]		(1,039.29)	(122.12)
ii) Interest Received		137.54	104.78
<b>Net Cash (used in) / from Investing Activities</b>	<b>[II]</b>	<u><u>(901.75)</u></u>	<u><u>(17.35)</u></u>

## 48<sup>th</sup> Annual Report 2022-2023

PARTICULARS		Year Ended 31/Mar/2023 Rs. in Lacs	Year Ended 31/Mar/2022 Rs. in Lacs
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>			
i) Proceeds from Issue of Equity Share (inclusive of Share Premium)		-	17,000.00
ii) Finance Cost		(37.80)	-
<b>Net Cash (used in) / from Financing Activities</b>	<b>[III]</b>	<b>(37.80)</b>	<b>17,000.00</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>[I + II + III]</b>	<b>(5,325.94)</b>	<b>7,028.12</b>
Cash and Cash Equivalents at the beginning of the year		8,387.84	1,359.73
<b>Cash and Cash Equivalents at the end of the year *</b>		<b>3,061.92</b>	<b>8,387.84</b>

\* Cash and Cash Equivalents comprise of :

Particulars		Year Ended 31/Mar/2023 Rs. in Lacs	Year Ended 31/Mar/2022 Rs. in Lacs
a) Balances with Banks		3,060.99	8,386.53
b) Cash On Hand		0.93	1.31
<b>Total</b>		<b>3,061.92</b>	<b>8,387.84</b>

In terms of our report attached

For **G.P.SHARMA & CO.LLP**

Chartered Accountants

Firm Registration No: 109957W/W100247

sd/-

**Utkarsh Sharma**

Partner

Membership Number :147906

Place: Mumbai

Date : 29th May, 2023

**For and on behalf of the Board of Directors**

sd/-

**Abdul Hameed Khan**  
Chief Executive Officer

sd/-

**Ramamirtham Kannan**  
Independent Director  
DIN : 00227980

sd/-

**Sonali K Gaikwad**  
Company Secretary

sd/-

**Kumar V Balan**  
Chief Financial Officer

sd/-

**Monica Akhil Chaturvedi**  
Independent Director  
DIN: 02193359

Note :

- The Statement of cash flow is prepared in accordance with the format prescribed as per Ind-AS 7



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**Property, Plant and Equipment**

1	Tangible assets	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Tools and Tackles	Furniture & Fixtures	Computer and Office Equipments	Vehicles	Total
	<b>Gross Carrying Value</b>									
	<b>As at 01 April 2021</b>	118.18	223.70	2,919.59	21,328.99	8,956.03	667.72	1,800.64	5,750.78	41,765.64
	Additions	-	-	-	47.16	27.00	-	40.67	-	114.83
	Disposals	-	-	-	-	-	-	14.71	-	14.71
	<b>As at 31 March 2022</b>	<b>118.18</b>	<b>223.70</b>	<b>2,919.59</b>	<b>21,376.15</b>	<b>8,983.03</b>	<b>667.72</b>	<b>1,826.60</b>	<b>5,750.78</b>	<b>41,865.76</b>
	Additions	-	-	-	442.42	718.90	5.89	57.74	5.26	1,230.21
	Disposals	-	-	-	1,423.24	-	102.78	255.86	187.89	1,969.78
	<b>As at 31 March 2023</b>	<b>118.18</b>	<b>223.70</b>	<b>2,919.59</b>	<b>20,395.33</b>	<b>9,701.94</b>	<b>570.84</b>	<b>1,628.48</b>	<b>5,568.15</b>	<b>41,126.20</b>
	<b>Accumulated Depreciation</b>									
	<b>As at 01 April 2021</b>	-	47.20	1,348.36	20,295.21	8,946.81	639.91	1,745.39	5,458.98	38,481.86
	Charge for the year	-	3.79	75.72	457.48	9.62	10.05	6.03	165.43	728.12
	Disposals	-	-	-	-	-	-	14.71	-	14.71
	Other adjustments	-	-	-	-	-9.92	0.04	-	-	-
	<b>As at 31 March 2022</b>	<b>-</b>	<b>50.99</b>	<b>1,424.08</b>	<b>20,752.69</b>	<b>8,956.42</b>	<b>649.96</b>	<b>1,736.71</b>	<b>5,624.42</b>	<b>39,195.27</b>
	Charge for the year	-	12.09	68.90	249.66	101.20	4.91	29.15	73.28	539.18
	Disposals	-	-	-	1,282.39	-	93.39	213.30	187.89	1,776.98
	<b>As at 31 March 2023</b>	<b>-</b>	<b>63.08</b>	<b>1,492.98</b>	<b>19,719.96</b>	<b>9,057.62</b>	<b>561.48</b>	<b>1,552.56</b>	<b>5,509.81</b>	<b>37,957.48</b>
	<b>Net Block</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>As at 31 March 2022</b>	<b>118.18</b>	<b>172.71</b>	<b>1,495.51</b>	<b>623.46</b>	<b>26.61</b>	<b>17.76</b>	<b>89.90</b>	<b>126.37</b>	<b>2,670.49</b>
	<b>As at 31 March 2023</b>	<b>118.18</b>	<b>160.62</b>	<b>1,426.62</b>	<b>675.37</b>	<b>644.32</b>	<b>9.36</b>	<b>75.92</b>	<b>58.34</b>	<b>3,168.33</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

1.1 Intangible assets	Software	Goodwill on amalgamation	Total
<b>Gross Carrying Value</b>			
As at 01 April 2021	2,460.25	306.41	2,766.66
Additions	9.00	-	9.00
Disposals	-	-	-
<b>As at 31 March 2022</b>	<b>2,469.25</b>	<b>306.41</b>	<b>2,775.66</b>
Additions	0.39	-	0.39
Disposals			
<b>As at 31 March 2023</b>	<b>2,469.64</b>	<b>306.62</b>	<b>2,776.26</b>
<b>Accumulated Depreciation</b>			
As at 01 April 2021	2,459.87	301.13	2,761.00
Charge for the year	0.33	0.29	0.62
Disposals	-	-	-
<b>As at 31 March 2022</b>	<b>2,460.20</b>	<b>301.42</b>	<b>2,761.62</b>
Charge for the year	1.77	0.32	2.09
Disposals	-1.51	-	-1.51
<b>As at 31 March 2023</b>	<b>2,460.46</b>	<b>301.74</b>	<b>2,762.19</b>
<b>Net Block</b>			
<b>As at 31 March 2022</b>	<b>9.05</b>	<b>4.99</b>	<b>14.04</b>
<b>As at 31 March 2023</b>	<b>9.18</b>	<b>4.89</b>	<b>14.07</b>

## JYOTI STRUCTURES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

2 INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE	Subsidiary/ Joint Venture	Face Value	No. of Shares 31/Mar/2023 Nos	Amount 31/Mar/2023 Rs. in Lacs	No. of Shares 31/Mar/2022 Nos	Amount 31/Mar/2022 Rs. in Lacs
<b>Investment in Equity Instruments</b>						
<b>Unquoted, Fully paid-up - At Cost</b>						
Jyoti International Inc. - Eq. Shares	Subsidiary	\$ 0.01 Each	100	6,000.65	100	6,000.65
Less: Diminution of Investment <sup>2</sup>			-	(6,000.65)	-	(6,000.65)
Gulf Jyoti International LLC - Eq. Shares <sup>3</sup>	Joint Venture	AED 1000 Each	12,930	1,642.77	12,930	1,642.77
Less: Diminution of Investment <sup>2</sup>			-	(1,642.77)	-	(1,642.77)
<b>TOTAL</b>				-		-

3 NON-CURRENT FINANCIAL ASSET - INVESTMENT	Equity Shares/ Mutual Funds	Face Value	No. of Shares 31/Mar/2023 Nos	Amount 31/Mar/2023 Rs. in Lacs	No. of Shares 31/Mar/2022 Nos	Amount 31/Mar/2022 Rs. in Lacs
<b>Investment in Equity Instruments</b>						
<b>Unquoted, Fully paid-up - At Cost</b>						
Jankalyan Sahakari Bank Ltd. - Eq. Shares	Face Value	INR 10 Each	49,955	5.00	49,955	5.00
			<b>49,955</b>	<b>5.00</b>	<b>49,955</b>	<b>5.00</b>
<b>Investment in mutual fund</b>						
<b>Quoted, Fully paid-up - At fair value through other comprehensive income</b>						
SBI Blue Chip Fund	Mutual Fund		20,000	12.35	20,000	12.03
SBI Infrastructure Fund	Mutual Fund		50,000	13.88	50,000	12.51
SBI Magnum Equity Fund	Mutual Fund		12,136	19.19	12,136	19.94
UTI Bond Fund	Mutual Fund		28,352	17.57	28,352	15.70
				<b>63.00</b>		<b>60.17</b>
<b>TOTAL</b>				<b>68.00</b>		<b>65.17</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

<b>4 OTHER NON CURRENT FINANCIAL ASSETS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
<b>Unsecured and considered good</b>		
Security and Other Deposits	408.47	499.80
<b>TOTAL</b>	<b>408.47</b>	<b>499.80</b>

<b>5 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Raw Materials		
In Stock	1,344.36	302.51
b) Construction Materials at Site	1,289.51	99.85
c) Semi Finished Goods	258.71	119.66
d) Work-in-Progress	3,069.10	1,895.81
e) Finished Goods	661.48	1.52
f) Stores and Consumables	64.26	45.55
g) Bought Out Components	545.53	-
h) Scrap	28.28	4.22
<b>TOTAL</b>	<b>7,261.23</b>	<b>2,469.12</b>

<b>6 TRADE RECEIVABLES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
<b>Unsecured</b>		
a) Considered good	199,793.44	189,723.42
b) Trade Receivables which have significant increase in Credit Risk	835.38	920.50
c) Less Allowance for bad and doubtful receivables (expected credit loss allowance)	(750.00)	(600.00)
<b>TOTAL</b>	<b>199,878.82</b>	<b>190,043.92</b>

Trade Receivables are considered good as per management estimates.

<b>7 CASH AND BANK BALANCES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
<b>Cash and Cash Equivalents</b>		
a) Balances with Banks	653.78	2,886.53
b) Fixed Deposit with SBI	2,407.21	5,500.00
c) Cash On Hand	0.93	1.31
<b>TOTAL</b>	<b>3,061.92</b>	<b>8,387.84</b>

## JYOTI STRUCTURES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

<b>8 BANK BALANCES OTHER THAN ABOVE</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Margin money with bank	144.95	138.67
b) Unpaid Dividend Bank Balance	18.19	18.19
<b>TOTAL</b>	<b>163.14</b>	<b>156.86</b>

<b>9 OTHER CURRENT FINANCIAL ASSETS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
<b>Unsecured and considered good</b>		
a) Loan and Advances to Related Parties (net)	31,153.95	30,334.24
Less: Provison for Loans and Advances to related parties	(30,334.30)	(30,235.30)
b) Other Loans and Advances		
i) Loans / Imprest to Employees	59.13	59.45
ii) Sundry Deposits	224.33	284.60
iii) Deposits Others	37.83	0.67
iv) Expenses Receivable and Other Advances	5,494.36	5,951.71
<b>TOTAL</b>	<b>6,635.30</b>	<b>6,395.37</b>

<b>10 CURRENT TAX ASSETS (NET)</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Current Tax Asset (Net)	264.46	478.58
<b>TOTAL</b>	<b>264.46</b>	<b>478.58</b>

<b>11 OTHER CURRENT ASSETS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Unsecured and considered good		
a) Prepaid Expenses	130.36	80.54
b) Advances to Supplier	3,768.69	4,674.30
c) Interest accrued	31.76	48.81
d) Balance with statutory authorities	3,687.49	3,317.58
<b>TOTAL</b>	<b>7,618.30</b>	<b>8,121.23</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

12 SHARE CAPITAL	31/Mar/2023		31/Mar/2022	
	Number	Rs. in Lacs	Number	Rs. in Lacs
<b>Authorised :</b>				
Equity Shares of INR 2/- each	7,365	14,100.00	7,050	14,100.00
Redeemable Preference Shares of INR 100/- each	25	2,500.00	25	2,500.00
Equity portion of CCPS	700	1,400.00	-	1,400.00
	<b>8,090</b>	<b>18,000.00</b>	<b>7,075</b>	<b>18,000.00</b>
<b>Issued :</b>				
Equity Shares of INR 2/- each	6,345	12,690.86	6,345	12,690.86
	6,345	12,690.86	6,345	12,690.86
<b>Subscribed and Paid-up :</b>				
Equity Shares of INR 2/- each fully paid up	6,345	12,690.55	6,345	12,690.55
<b>TOTAL</b>	<b>6,345</b>	<b>12,690.55</b>	<b>6,345</b>	<b>12,690.55</b>

a) Movements in equity share capital				
Equity Shares	31/Mar/2023		31/Mar/2022	
	Number	Rs. in Lacs	Number	Rs. in Lacs
a) At the beginning of the period	6,345	12,690.55	1,095	2,190.55
b) Issued during the period - Investor	-	-	4,250	8,500.00
c) Issued during the period - Banks	-	-	1,000	2,000.00
Outstanding at the end of the period	<b>6,345</b>	<b>12,690.55</b>	<b>6,345</b>	<b>12,690.55</b>

13 Instruments Entirely Equity In Nature	31/Mar/2023		31/Mar/2022	
	Number	Rs. in Lacs	Number	Rs. in Lacs
<b>Subscribed and Paid-up :</b>				
a) Compulsory Convertible Preference Shares of Rs. 4/- each	700	2,800.00	700	2,800.00
<b>TOTAL</b>	<b>700</b>	<b>2,800.00</b>	<b>700.00</b>	<b>2,800.00</b>

a) Movements in Compulsory Convertible Preference Shares of Rs. 4/- each				
Compulsory Convertible Preference Shares	31/Mar/2023		31/Mar/2022	
	Number	Rs. in Lacs	Number	Rs. in Lacs
a) At the beginning of the period	700	2,800.00	-	-
b) Issued during the period - AION / APOLLO	-	-	700.00	2,800.00
Outstanding at the end of the period	<b>700</b>	<b>2,800.00</b>	<b>700.00</b>	<b>2,800.00</b>

1A NON CONTROLLING INTEREST	31/Mar/2023		31/Mar/2022	
	Number	Rs. in Lacs	Number	Rs. in Lacs
a) JSASA	-	26.08	-	26.08
b) JS FZE	-	(21.39)	-	(21.39)
<b>TOTAL</b>		<b>4.69</b>		<b>4.69</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

14 OTHER EQUITY

(Rs. in Lacs)

	Reserves & Surplus						Exchange difference on translating the financial statement	Total Reserve	Non Controlling Interest	Total Equity
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Debtore Redemption Reserve	Retained Earnings					
<b>Balance as at 31st March, 2021</b>	<b>6.06</b>	<b>27,653.82</b>	<b>300.00</b>	<b>1,243.50</b>	<b>(1,191,459.14)</b>	<b>6,950.21</b>	<b>(1,138,357.17)</b>	<b>(0.87)</b>	<b>(1,138,358.04)</b>	
Resolution Plan Recast					877,237.22	-	877,237.22		877,237.22	
Write Back of Excess Provision of Doubtful Debts					73,959.88	-	73,959.88		73,959.88	
Changes During The Year		10,500.00			-	716.89	11,216.89		11,216.89	
Created on issue of NCD's				181,337.86			181,337.86		181,337.86	
Profit for the year					(4,252.76)	(1,440.68)	(5,693.44)	5.55	(5,687.89)	
Other Comprehensive Income for the year							(4.07)		(4.07)	
<b>Total Comprehensive Income for the year</b>										
	-	10,500.00	-	180,094.36	965,132.16	(723.79)	1,138,054.34	5.55	1,138,059.89	
<b>Balance as at 31st March 2022</b>	<b>6.06</b>	<b>38,153.82</b>	<b>300.00</b>	<b>181,337.86</b>	<b>(226,326.98)</b>	<b>6,226.42</b>	<b>(302.83)</b>	<b>4.68</b>	<b>(298.15)</b>	
Changes During The Year	-	-	-	-	-	(288.57)	(288.57)	-	(288.57)	
Changes in Remeasurement of NCD at NPV Fair Value	-	-	-	(11,866.57)	-	-	(11,866.57)	-	(11,866.57)	
Profit for the year	-	-	-	-	(407.26)	-	(407.26)	-	(407.26)	
Other Comprehensive Income for the year	-	-	-	-	(89.95)	-	(89.95)	-	(89.95)	
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,866.57)</b>	<b>(497.21)</b>	<b>(288.57)</b>	<b>(12,652.35)</b>	<b>-</b>	<b>(12,652.35)</b>	
<b>Balance as at 31st March, 2023</b>	<b>6.06</b>	<b>38,153.82</b>	<b>300.00</b>	<b>169,471.29</b>	<b>(226,824.20)</b>	<b>5,937.86</b>	<b>(12,955.18)</b>	<b>4.68</b>	<b>(12,950.48)</b>	



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

<b>15 FINANCIAL LIABILITIES -LONG TERM BORROWINGS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Non Convertible Debenture	160,198.57	148,332.00
b) Financial Creditors	12,716.03	16,716.03
<b>TOTAL</b>	<b>172,914.60</b>	<b>165,048.03</b>

<b>16 OTHER NON-CURRENT LIABILITIES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
Operational Creditors		
a) Trade Payable	6,000.00	9,758.78
b) Employee Dues	8,743.00	11,743.00
c) Statutory Liability	1,100.00	1,100.00
<b>TOTAL</b>	<b>15,843.00</b>	<b>22,601.78</b>

<b>17 LONG TERM PROVISIONS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Provision for Gratuity	55.76	21.90
b) Provision for Compensated Absences	39.88	-
<b>TOTAL</b>	<b>95.64</b>	<b>21.90</b>

<b>18 DEFERRED TAX LIABILITIES (NET)</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
<b>Deferred Tax Liabilities</b>		
a) On Account of Overseas Branches	(24.59)	(22.61)
<b>TOTAL</b>	<b>(24.59)</b>	<b>(22.61)</b>

<b>19 FINANCIAL LIABILITIES - SHORT TERM BORROWINGS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Loans repayable on Demand		
From Bank	49.37	52.34
b) Loans repayable as per Approved Resolution Plan		
Financial Creditors	7,366.34	4,000.00
<b>TOTAL</b>	<b>7,415.71</b>	<b>4,052.34</b>

<b>20 TRADE PAYABLES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Total outstanding dues of Micro and Small Enterprises	-	-
b) Total outstanding dues of Creditors Other than above	15,010.29	8,282.32
<b>TOTAL</b>	<b>15,010.29</b>	<b>8,282.32</b>

## JYOTI STRUCTURES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

<b>21 OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Unclaimed Dividend	17.70	17.70
b) Payable to Employees	6,843.76	3,321.26
c) Audit fee Payable	1.59	1.92
d) Expenses and other Payables	810.42	41.25
<b>TOTAL</b>	<b>7,673.47</b>	<b>3,382.13</b>

<b>22 OTHER CURRENT LIABILITIES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Advances from Customers	6,379.73	137.80
b) Statutory Liabilities	674.21	606.24
<b>TOTAL</b>	<b>7,053.94</b>	<b>744.04</b>

<b>23 SHORT TERM PROVISIONS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Provision for Gratuity	10.57	0.07
b) Provision for Leave Eancashment	9.28	-
<b>TOTAL</b>	<b>19.85</b>	<b>0.07</b>

<b>24 REVENUE FROM OPERATIONS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Sale of Products	22,783.31	438.87
b) Other Operating Revenues	139.81	-
<b>TOTAL</b>	<b>22,923.12</b>	<b>438.87</b>

<b>25 OTHER INCOME</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Interest on Fixed Deposits	137.54	104.78
b) Other Miscellaneous Receipt	46.76	0.49
<b>TOTAL</b>	<b>184.30</b>	<b>105.27</b>

<b>26 COST OF MATERIAL CONSUMED</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Cost of Material Consumed	15,286.87	266.34
<b>TOTAL</b>	<b>15,286.87</b>	<b>266.34</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

<b>27 ERECTION AND SUB-CONTRACTING EXPENSE</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Construction Materials and Stores Consumed	2,040.57	-
b) Sub-contracting Expenses	3,670.11	1,495.63
c) Repairs to Construction Equipments/Machinery	6.16	-
d) Construction Transportation Charges	743.95	16.56
<b>TOTAL</b>	<b>6,460.78</b>	<b>1,512.19</b>

<b>28 CHANGES IN INVENTORIES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) (Increase)/ Decrease Finished Goods Stock	(1,060.90)	383.03
b) (Increase)/ Decrease WIP/Semi Finished Goods Stock	(1,446.30)	53.31
<b>TOTAL</b>	<b>(2,507.19)</b>	<b>436.34</b>

<b>29 EMPLOYEE BENEFITS EXPENSE</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Salaries, Wages and Bonus, etc.	2,364.34	403.17
b) Leave Encashment	1.54	-
c) Gratuity	38.84	-
d) Contribution to Provident and Other Fund	80.57	4.85
e) Welfare Expenses	75.70	27.15
<b>TOTAL</b>	<b>2,560.99</b>	<b>435.17</b>

<b>30 FINANCE COSTS</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Interest Expense	37.80	-
<b>TOTAL</b>	<b>37.80</b>	<b>-</b>

<b>31 DEPRECIATION AND AMORTIZATION EXPENSE</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Depreciation of Tangible Assets (Note No. 1)	539.60	728.13
b) Amortisation of Intangible Assets (Note No. 1.1)	1.77	0.33
<b>TOTAL</b>	<b>541.37</b>	<b>728.46</b>

## JYOTI STRUCTURES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

<b>32 OTHER EXPENSES</b>	<b>31/Mar/2023 Rs. in Lacs</b>	<b>31/Mar/2022 Rs. in Lacs</b>
a) Power and Fuel	118.99	52.75
b) Repairs to Plant and Machinery & Others	135.81	6.14
c) Rent	1.80	2.27
d) Rates and Taxes	169.12	33.59
e) Insurance	106.83	42.31
f) Travelling and Conveyance	206.54	41.73
g) Postage, Telephone and Fax	5.89	1.59
h) Printing and Stationery	21.79	5.28
i) Professional and Legal Fees	743.02	685.40
j) Directors' Sitting Fees	12.15	10.80
k) Payment to auditors	15.66	6.72
l) Net (gain)/loss on foreign currency transactions and translation	(1,202.57)	(665.53)
m) Stores & Consumables Consumption	250.26	53.23
n) Bank Charges	7.52	0.03
o) BG Commission	39.68	-
p) Bad Debts	-	252,334.27
q) Allowance for Bad & Doubtful Debts	-	(252,334.27)
r) Stamp Duty	80.72	119.48
s) Onerus Contract	-	(1,700.00)
t) Provision for Expected Credit Loss	150.00	600.00
u) Provision for Impairment of Assets	99.00	-
v) Resolution Process Cost	-	982.03
w) Security Service charges	140.13	107.02
x) Listing & Other Fees	14.04	22.53
y) Office Exp.& Soc.Charges	-	18.00
z) Office & General Expenses	17.66	987.48
<b>TOTAL</b>	<b>1,134.04</b>	<b>1,412.84</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### NOTE - 33 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, 2023.

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.

#### 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, 2017.

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, included in the Notes to the consolidated financial statements for the year ended March 31, 2023.

##### (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.

##### (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 2023. 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

# JYOTI STRUCTURES LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Joint Venture Companies as on 31st March, 2023 are as under:

Name of the Company	Percentage of Holding (%)	Country of Incorporation
<b>Subsidiaries (including step down subsidiaries)</b>		
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
<b>Joint Venture Companies</b>		
Gulf Jyoti International LLC	30	United Arab Emirates
GJIL Tunisie Sarl	49	Tunisia
Lauren Jyoti Private Limited	50	India

**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 Tunisia 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

### 3. Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree, the equity interests issued by the Group in exchange of control of the acquiree and fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are generally recognised in the Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

#### 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 these 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 notes no.34:

- a) Measurement and likelihood of occurrence of provisions and contingencies.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- b) Carrying value of exposure in Jyoti International Inc.
- c) Carrying value of receivables, loans and advances and their respective impairment.
- d) Measurement of Provision required for Defect Liability Period and Liquidated Damages Payable as per Contracts.
- e) Charging/ recognizing as receivables of Bank Guarantees invoked by banks.
- f) Estimation of current tax expenses and Payable.
- g) Financial Instruments.
- h) Valuation of Inventories
- i) Amount of liabilities recognized in the financial statements in respect of unrecognized claims preferred by financial and operational creditors.

### 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.

#### Other income

Interest income is recognized by 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.
- (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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- (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.

### 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 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.

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. 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. 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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. 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.

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:

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.

#### **(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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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.

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 and other assets. 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) 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 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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) Foreign Currency Transactions

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.

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) The 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. Leased Assets:

As a lessee:

The Company assesses whether a contract is or contains a lease, at inception of the contract. Leases are recognized as right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Company. Assets and liabilities arising from a lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

- Lease payments less any lease incentives receivable
- Variable lease payments that vary to reflect changes in market rental rates, if any
- Amounts expected to be payable by the Company under residual value guarantees, if any
- Exercise price of the purchase option, if the Company is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

The lease payments are discounted using Company's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on any key variable / condition, are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Amendment to Ind AS 116 'Leases' w.r.t "Covid-19-Related Rent Concessions" provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. The Company has applied the practical expedient for all qualifying rent concessions and these concessions have been accounted as variable lease payments in the statement of profit and loss in the period in which they are granted.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs and
- Restoration costs.

Right-of-use assets are depreciated over the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

Lease income from operating leases where the Company is lessor is recognised in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

### 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 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.

### 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 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.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 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.

### 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 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.

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.

### 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- 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. Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to chief operating decision maker. The Board of Directors of the Company has been identified as chief operating decision maker which assesses the financial performance and position of the Company, and makes strategic decisions.

### 23. Cash and cash equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

### 24. Exceptional items

Exceptional Items include income/expenses that are considered to be part of ordinary activities, however of such significance and nature that separate disclosure enables the users of financial statements to understand the impact in more meaningful manner. Exceptional Items are identified by virtue of their size, nature and incidence.

### 25. Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated.

### 26. Critical estimates and judgements

In the application of the Company's accounting policies, the Management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 27. Fair value measurements

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****NOTE – 34 OTHER NOTES:****1. The details of companies considered in the Consolidated Financial Statements:**

Sr. No.	Name of the entity
<b>A</b>	<b>Subsidiaries</b>
1	Jyoti Energy Limited\$
2	JSL Corporate Services Limited\$
3	Jyoti Structures Africa (Pty) Limited#
4	Jyoti Structures FZE*

\$ As per audited financial statements.

# As per unaudited standalone financial statements based on information / management certified.

\* As per the unaudited Consolidated Financial Statements, including its subsidiaries viz. Jyoti Structures Namibia (Pty) Ltd.; Jyoti Structures Nigeria Ltd.; and Jyoti Structures Kenya Ltd., which are indirect Subsidiary of the Holding Company.

The financial statements / financial information of the Joint Ventures of the holding company are not available and hence the same have not been considered for the purpose of these consolidated financial statements. The subsidiaries considered are as per the table provided above. Out of these companies considered, only two company's financial statements have been subjected to audit. All other companies as stated above are consolidated based on the unaudited financial information and hence are subject to changes on audit, the impact of which may be material. The financials / details in respect of other 1 subsidiaries (including its step-down subsidiary) being not available have not been considered for these consolidated financial statements.

The consolidated financial statements have been prepared assuming that consolidated subsidiaries 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.

**2. Outstanding Contracts – Capital Account:**

Estimated amounts of contracts remaining to be executed on capital account and not provided for (Net of advances) are Rs. Nil (P.Y.Rs. Nil). Advances paid Rs. Nil (P.Y.Rs. Nil).

**3. Contingent Liabilities not provided for:**

(Rs. In Lacs)

Sr. No.	Particulars	2022-23	2021-22
	<b>Section - 1 – Contingent Liability</b>		
i)	Outstanding Bank Guarantee (BG)	6,564.00	6,564.00
	<b>Section - 2 – Contingent Liability</b>		
i)	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	13,566.54	13,566.54
ii)	Writ Petitions/claim	95.81	95.81
iii)	Civil Matters	831.05	831.05
iv)	Labour Matters	3.78	3.78
v)	Arbitration Matters	226.35	226.35

In case of items provided for in the resolution plan of Holding Company, reflected in the Year 2021-22 under Section 2 of the Table above, if such liability crystallizes then, as per the Approved Resolution Plan, all such amounts accrued shall be treated and serviced as unsecured debt of the Company and settled at 42% (as shown in the above Table) to be repaid from the 6th to 12th year.

However, these matters are pending for decision before various judicial and legislative authorities. Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims / debts is remote.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Other than the claims and settlements pertaining to the Holding Company that have been envisaged and set out under this Approved Resolution Plan, no other payment or settlement, of any kind, shall be made to any other person or entity in respect of any other claims (whether not admitted or filed with the Resolution Professional) and all such claims against the Company along with any related legal proceedings stand irrevocably and unconditionally abated, settled and extinguished. This condition relating to such extinguishment of claims and related legal proceedings are irrevocably and unconditionally abated, settled and extinguished, forms an integral part of the order by the NCLT approving the Approved Resolution Plan and shall accordingly be binding on all the stakeholders including the Company, its employees, workmen, financial and operational creditors, guarantors, security providers, and other stakeholders. The treatment accorded to the persons receiving settlement under this Approved Resolution Plan shall constitute an absolute discharge and settlement of the dues to which they pertain and shall be the full and final performance, discharge and satisfaction of all obligations relating thereto.

4. **Other Equity** – As reflected in Note no 14
5. In the absence of audited financial statements or management certified accounts for the year ended March 2023, of Joint Ventures (JV) viz Gulf Jyoti International Inc., the share in the profit / (Losses) and assets and liabilities of the aforesaid JV's has not been included in the Consolidated Financial Statements, and therefore the investment in the aforesaid JV and Subsidiary has been stated at the same value as determined based on the management certified financial statements as on 31st March 2017. The same has been fully impaired in the earlier year(s).
6. In the absence of audited financial statements or management certified accounts for the year ended March 2023, of subsidiary Jyoti International Inc (JII) and its two subsidiaries, the share in the profit / (Losses) and assets and liabilities of the aforesaid subsidiary has not been included in the Consolidated Financial Statements, and therefore the investment in the aforesaid Subsidiary has been stated at the same value as determined based on the management certified financial statements as on 31st March 2016. The investment has been fully impaired in the earlier year(s).
7. The management, considering the business outlook of Jyoti Structures Africa Pty Ltd. (JSAL) is of the opinion that the accumulated losses of JSAL are temporary in nature and expected to recovered in next few years. Hence, the consolidated financial statements have been prepared assuming that JSAL will continue as going concern. No adjustments are, hence, made in the consolidated financial statements that might result from the outcome of uncertainty.
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.

The Group has recognized the following amounts in the Statement of Profit and Loss for the year:

(Rs. in Lacs)

Sr. No.	Particulars	2022-23	2021-22
i)	Contribution to Provident Fund (including charges)	75.19	4.85

**Defined Benefit Plans:**

**Gratuity and Leave Encashment**

**Gratuity**

The company policy allows employees retirement benefits to employees who have completed more than 5 years of service with the company. The details of the same are based on the actuarial valuation being done by an external agency based on employee details provided by the company.

**Leave Encashment**

The details of employee benefits in the nature of leave entitlements of employees are based on the policies of the company. The assessment of the liability and costs is done at each reporting date. On an annual basis the same is being done by an external actuary based on employee details as provided by the company.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****A. Balance Sheet**

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
Present value of obligation	(57.13)	(13.51)	(49.16)	-
Fair value of plan assets	-	-	-	-
Asset/(Liability) recognised in the Balance Sheet	(57.13)	(13.51)	(49.16)	-

**B. Movements in Present Value of Obligation and Fair Value of Plan Assets****Defined Benefit Obligation**

(Rs. in Lacs)

	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
Opening Defined Benefit Obligation	13.51	1,623.63	-	635.69
Service cost for the year	50.73	-	-	-
Interest cost for the year	1.00	-	-	-
Actuarial losses (gains)	(8.11)	(1,610.12)	49.16	(635.69)
Benefits paid	-	-	-	-
Past Service Cost	-	-	-	-
Closing defined benefit obligation	57.13	13.51	49.16	-

(Rs. in Lacs)

Fair Value of Plan Assets	Gratuity	
	2022-23	2021-22
Opening fair value of plan assets	-	988.51
Expected return including interest and other income	-	-
Actuarial gains and (losses)	-	(988.51)
Contributions by employer	-	-
Benefits paid	-	-
Closing balance of fund	-	-

**C. Statement of Profit and Loss**

The charge to the Statement of Profit and Loss comprises:

(Rs. in Lacs)

Gratuity	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
Current service cost	50.13	13.51	49.16	-
Net interest on net Defined Liability	1.00	-	-	-
Past Service Cost	-	-	-	-
Charged to Profit and Loss on Settlement*	-	-	-	-
<b>Total</b>	<b>51.73</b>	<b>13.51</b>	<b>49.16</b>	<b>-</b>

# JYOTI STRUCTURES LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

For actuarial valuation gratuity liability has been considered as per the provisions of the Payment of Gratuity Act, 1972 despite there being higher amount of gratuity liability as per the holding Company's HR policy.

The Gratuity and Leave benefits continue to be provided for all employees notwithstanding that the salary and other costs are booked based on attendance.

Amounts recognized in Other Comprehensive Income:

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
Actuarial (Gains) / Losses on Liability	(8.11)	-	-	-
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-	-	-
<b>Total</b>	<b>(8.11)</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 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	2022-23	2021-22
Discount rate	7.40%	6.95%
Expected return on plan assets	N.A	N.A
Annual increase in Salary costs	6.00%	10.00%
Attrition Rate	5.00 to 1.00 %	5.00%

### E. Sensitivity Analysis

The Sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2022-23	2021-22	2022-23	2021-22
<b>Discount Rate:</b>				
One percentage increase	50.38	(25.72)	45.67	-
One percentage decrease	58.24	28.42	53.20	-
<b>Salary Escalation Rate:</b>				
One percentage increase	58.26	28.14	53.22	-
One percentage decrease	50.30	(25.94)	45.60	-
<b>Withdrawal Rate:</b>				
One percentage increase	54.42	(26.40)	49.55	-
One percentage decrease	53.56	27.64	48.72	-

Note -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.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**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.

**9. Disclosures required by Indian Accounting Standard (IND AS) 116 'Leases':**

There is no Leases payment during the year. As such, disclosure on IND AS 116 on Leases is not applicable.

**10. 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 International Inc. (100%)
- ii. Jyoti Americas LLC (100%) (Step Down Subsidiary)
- iii. Jyoti Structures Canada Ltd. (100%) (Step Down Subsidiary)

**b) Key Management Personnel:**

- i. Ms. Sonali Gaikwad (Company Secretary)
- ii. Mr. Abdul Hameed Khan (CEO w.e.f. 11th November 2021)
- iii. Mr. Kumar V Balan (CFO w.e.f. 9th May 2022)

**c) Joint Venture:**

- i. Gulf Jyoti International LLC
- ii. GJIL Tunisia Sarl (49%)

**d) Directors**

- i. Mr. Rajendra Prasad Singh
- ii. Mr. Kannan Ramamirtham
- iii. Mr. Abhinav Rishi Angirish
- iv. Mr. Mathew Cyriac
- v. Mrs. Monica Akhil Chaturvedi
- vi. Mr. Govind Prasad Saha

**e) Key Management Personnel:**

- a. Ms. Sonali Gaikwad (Company Secretary)
- b. Mr. Abdul Hameed Khan (CEO w.e.f. 11th November 2021)
- c. Mr. Kumar Balan (CFO w.e.f. 9th May 2022)



# JYOTI STRUCTURES LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### B. Transactions during the year and balances at the end of the year:

Following are the transactions with the related parties during the year:

(Rs. in Lacs)

Sr. No.	Particulars	Type of Relationship	Related Party	2022-23	2021-22
1.	Director's Sitting Fees	(d)	(i)	1.60	06.80
2.	Director's Sitting Fees	(d)	(ii)	2.60	01.05
3.	Director's Sitting Fees	(d)	(iii)	1.98	00.75
4.	Director's Sitting Fees	(d)	(iv)	1.80	00.55
5.	Director's Sitting Fees	(d)	(v)	1.83	00.75
6.	Director's Sitting Fees	(d)	(vi)	2.35	00.90
7.	Salary Paid	(e)	(i)	7.86	06.71
8.	Salary Paid	(e)	(ii)	34.32	13.40
9.	Salary Paid	(e)	(iii)	25.57	—
10.	Professional Fees	(d)	(i)	82.40	72.00

Following are the related parties balances at the end of the year:

(Rs. In Lacs)

Sr. No.	Particulars	Type of Relationship	Related Party	2022-23	2021-22
1.	Outstanding balance receivable/ (payable) at the end of the year.	a)	(i)	—	98.93
2.	Outstanding balance receivable/ (payable) at the end of the year.	c)	(i)	819.19	—

The above amounts are net of provisions, if any.

### 11. Earnings per Share (EPS)

Sr. No.	Particulars	2022-23	2021-22
i)	Profit/(Loss) after Tax (Net of preference share dividend) (Rs. in Lacs)	(407.24)	(4,247.20)
ii)	Weighted Average Number of Ordinary Shares for Basic Earnings per Share (Number in Lacs)	6,345.28	3,152.13
iii)	Weighted Average Number of Ordinary Shares for Diluted Earnings per Share (Number in Lacs) (In Nos.)	7,045.28	3,426.37
iv)	Nominal value of Ordinary Share	Rs. 2.00	Rs. 2.00
v)	Basic Earnings Per Ordinary Share	Rs. (0.064)	Rs. (1.35)
vi)	Diluted Earnings Per Ordinary Share	Rs. (0.058)	Rs. (1.24)

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****12. Income Taxes Expense**

For the year ended 31st March, 2023 and 31st March, 2022 the Holding Company has incurred losses due to which no provision for tax was required for said years. The deferred tax as appearing in the Balance Sheet is on account of tax liability of overseas branches and a foreign subsidiary.

The movement in deferred tax assets and liabilities during the year ended 31st March, 2022 and 31st March, 2023:

(Rs. in Lacs)

Particulars	As at 1st April, 2022 – Deferred Tax Asset/ (Liabilities)	(Credit)/ Charge	As at 31st March, 2023 - Deferred Tax Asset/ (Liabilities)
On Account of Overseas Branches and Foreign Subsidiaries	(22.62)	(1.97)	(24.59)
<b>Total</b>	<b>(22.62)</b>	<b>(1.97)</b>	<b>(24.59)</b>

**13. Financial Instruments****1. Category-wise classification of Financial Instruments**

(Rs. in Lacs)

Particulars	Note	Non- Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>					
-Investments in quoted Mutual Funds	3	63.00	60.17	-	-
<b>Financial assets measured at amortized cost</b>					
-Investment in unquoted Equity Instruments	3	5.00	5.00	-	-
-Security and other deposits	4	408.47	499.80	-	-
-Trade Receivables	6	-	-	1,99,878.82	1,90,043.92
-Cash and Cash Equivalents	7	-	-	3,061.92	8,387.84
-Other Balances with Banks	8	-	-	163.14	156.86
-Loans to Employees	9	-	-	59.13	59.45
-Loan to Related Parties (Net)	9	-	-	819.65	98.94
-Sundry Deposits	9	-	-	224.33	284.60
-Expenses / Other Receivable	9	-	-	5,494.36	5,951.71
<b>Financial liabilities measured at amortized cost</b>					
-Loans Repayable on Demand	19	-	-	49.37	52.34
-Trade Payables	16 & 20	-	264.78	9,767.98	6,282.32
-Unclaimed Dividend	21	-	-	17.70	17.70
-Payable to employees	21	-	-	729.42	466.32
-Payable towards Other Expenses	21	-	-	812.01	43.17
-Interest Accrued	21	-	-	-	-
-Advance from Customers	22	-	-	6,379.73	137.79
-Statutory Liabilities	22	-	-	674.21	606.24

# JYOTI STRUCTURES LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lacs)

Particulars	Note	Non- Current		Current	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Financial liabilities measured at amortised cost - Due as per Approved Resolution Plan</b>					
-Non-Convertible Debentures	15	1,60,198.56	1,48,332.00	-	-
-Financial Creditors	15 and 19	12,716.03	16,716.03	7,366.34	4,000.00
-Trade Payable	16 and 20	6,000.00	9,494.00	5,242.31	2,000.00
-Payable to employees	16 and 21	8,743.00	11,743.00	6,114.34	2,854.94
-Statutory Liability	16 & 22	1,100.00	1,100.00	-	-

### 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, 2023:**

(Rs. in Lacs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
-Investments in quoted Mutual Funds	63.00	63.00	-	-

**As at 31st March, 2022:**

(Rs. in Lacs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in quoted Mutual Funds	60.17	60.17	-	-

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.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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.

Exposure to interest rate risk

(Rs. In Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total Borrowings	1,80,280.94	1,69,100.37
% of Borrowings out of above bearing variable rate of interest	0.00%	0.00%

The details have been compiled based on details available which is mostly pertaining to holding company.

Interest Rate Sensitivity

A change of 50 bps in interest rates would have the following impact on profit before tax

(Rs. in Lacs)

	2022-23	2021-22
50 bps increase would increase the loss before tax by	-	-
50 bps decrease would decrease the loss before tax by	-	-

**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 Group 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.

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 Group as at the reporting

# JYOTI STRUCTURES LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

date. 5% represents the management's assessment of a reasonably possible change in the foreign exchange rates.

(Rs. In Lacs)

Particulars*	2022-23		2021-22	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	684.55	684.55	632.91	632.91
EUR	68.40	68.40	64.14	64.14
AED	4.67	4.67	4.30	4.30
ZAR	37.09	37.09	41.73	41.73
<b>Total</b>	<b>794.72</b>	<b>794.72</b>	<b>743.07</b>	<b>743.07</b>

### 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 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 2023, the investment in mutual funds amounts to Rs. 63.00 Lacs (Rs.60.17 Lacs as on 31st March 2022)

A 5% increase in market prices would have led to approximately an additional gain of Rs. 3.01 Lacs 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 forward-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.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****Trade Receivable ageing schedule.****Mar-23**

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade Receivable – Considered Goods	9,322.36	20.00	-	-	1,90,536.46	1,99,878.82

**Trade Receivable ageing schedule.****Mar-22**

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade Receivable – Considered Goods	36.53	-	-	-	1,90,007.39	1,90,043.92

**Movement in provisions of doubtful debts**

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening provision	600.00	3,26,291.07
Add: Additional Provision made	150.00	600.00
Less: Provision reversed/written off	—	3,26,291.07
Closing provisions	750.00	600.00

**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:

(Rs. in Lacs)

Particulars	Note No	Less than 1 year	1-3 Years	3-5 Years	More than 5 years	Total / Carrying Amount
<b>As at 31st March, 2023</b>						
Financial Creditors	15	—	9,838.52	1,796.59	1,080.92	12,716.03
Operational Creditors	16	—	13,743.00	1,000.00	1,100.00	15,843.00
Financial Creditors	19	7,366.34	—	—	—	7,366.34
Trade Payables	20	15,010.29	—	—	—	15,010.29
<b>As at 31st March, 2022</b>						
Financial Creditors	15	—	9,000.00	4,838.58	2,877.45	16,716.03
Operational Creditors	16	—	6,764.78	13,743.00	2,094.00	22,601.78
Financial Creditors	19	4,052.34	—	—	—	4,052.34
Trade Payables	20	8,282.32	—	—	—	8,282.32

## JYOTI STRUCTURES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The Non-Convertible Debenture of Rs.1,60,198.57 Lacs/- (P.Y Rs. 1,48,332/- Lacs) issued to Assenting Financial Creditor of Holding Company is reflected at Face Value in Note no 15 under Financial Liabilities - Long Term Borrowings. The Non-Convertible Debentures are payable over a 12 year period as per Resolution Plan with Redemption Premium. There is an option to prepay the Non-Convertible Debentures at the Net Present Value at the option of the Company.

14. 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. However, considering recurring/persisting delays it is not possible to assess the amount for which the holding company / group would be liable and hence not provided for. However, wherever the amount has been admitted by the Group or recovered, the same has been charged to expenses.
15. Previously the Group has a process where by 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.
16. 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. However, there are operations in different geographical segments of which details are not available and hence not disclosed.
17. 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:

(Rs. in Lacs)

Sr. No.	Particulars	2022-23	2021-22
1)	The Principle amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
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	Nil	Nil
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

#### Trade Payable ageing Schedule.

Mar-23

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	10,286.54	48.72	2,079.37	5,000.00	3,595.66	21,010.29



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****Trade Payable ageing Schedule.****Mar-22**

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	221.54	3,393.21	-	-	14,426.35	18,041.10

18. Total trade receivables as at 31st March, 2023 are Rs 1,99,043.44 Lacs (P.Y. Rs. 1,89,183.42 Lacs). The Company has initiated reconciliation process with Trade Receivables to determine the continuation of contracts, details of work in progress with age, stage of completion, progress billing, disputed and undisputed dues. The reconciliation process is still ongoing. During the Previous Financial Year 2021-22 the company based on its assessment of receivable the company has written back to other equity the excess provision of doubtful debts totaling Rs. 73,959.88 Lacs. The Company has made a provision of Rs. 150 Lacs (P.Y. Rs 600 Lacs) as provision for estimated credit loss.

19. Cost of material consumed includes Bought-out materials purchased for short supplies to customers under the contracts.

**20. Key Financial Ratio**

Sr.No.	Particulars	2022-23	2021-22	Numerator	Denominator
1	Current Ratio (in times)	6.05	13.13	Current Assets	Current Liabilities
2	Debt-Equity Ratio (in times)	77.26	12.62	Total Debt	Total Equity
3	Debt Service coverage Ratio (in times)	NA	NA	Net Profit before taxes + non-cash operating expenses + Interest + Other non- cash adjustments	Interest and lease payments + Principal repayments
4	Return on equity Ratio (in %)	(0.05)	0.01	Net Profits after taxes - Preference Dividend (if any)	Average total equity
5	Inventory Turnover Ratio (No. of Days)	2.63	0.19	Cost of goods sold	Average Inventory
6	Trade receivables turnover Ratio (No. of Days)	0.12	-	Net Credit Sales	Average Account Receivables
7	Trade payables turnover Ratio (No. of Days)	1.31	0.01	Net Credit Purchases	Average Trade Payables
8	Net capital turnover Ratio (in times)	0.12	0.00	Net Sales	Average Working Capital
9	Net profit Ratio (in %)	(0.02)	(9.68)	Net Profit	Net Sales
10	Return on capital employed (in %)	(0.00)	(0.02)	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability
11	Return on investment (in %)	(0.05)	0.01	Income generated from invested funds	Average invested funds in treasury investments

# JYOTI STRUCTURES LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

4. The Holding Company had undergone the corporate insolvency resolution process (“CIRP”) pursuant to a petition filed under section 7 of the Insolvency and Bankruptcy Code, 2016 (“Code”) by the State Bank of India. Under the CIRP, the resolution plan submitted by an resolution applicant received the assent of the Hon’ble NCLT vide order dated 27 March 2019 (“Approval Resolution Plan”). Pursuant to the Company effectuating of certain steps, the Approved Resolution Plan was implemented with effect from November 09, 2021. Accordingly, the Balance Sheet of the Company was recasted in Previous FY 2021-22 to reflect the changes as per the Approved Resolution Plan. As per the Resolution plan, control was transferred by the Erstwhile Resolution Professional to the newly constituted board led by chairman, with effect from November 9, 2021. The board, then appointed the Chief Executive Officer (CEO) for day to day management.

21. 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	As % of Consolidated profit or loss	Amount	As % of Consolidated other Comprehensive Income	Amount	As % of total Comprehensive Income	Amount
<b>Parent:</b>								
Jyoti Structures Limited	225.45	5650.37	99.62	(405.69)	100	(89.95)	99.69	(495.65)
<b>Subsidiaries:</b>								
<b>Indian</b>								
1. JSL Corporate Services Ltd.	18.22	462.74	0.13	(0.53)			0.11	(0.53)
2. Jyoti Energy Ltd.	(1.09)	(27.63)	0.24	(0.99)			0.20	(0.99)
<b>Foreign</b>								
1. Jyoti Structures Africa (Pty) Ltd.	(78.85)	(2002.85)						
2. Jyoti Structures FZE	(34.65)	(880.20)						
Non-Controlling Interests in all subsidiaries	0.18	4.69						
Total Adjustment/Elimination for consolidation	(26.26)	(667.00)						
As per Consolidated Net Assets/Profit or Loss	100	2540.07	100	(407.23)	100	(89.95)	100	(497.19)

\* Note: The financials of the subsidiary company viz Jyoti International Inc and Gulf Jyoti International LLC are not available and hence not considered in the consolidated results of the company. Refer Note No. 34 (5&6) to Consolidated Financial Statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****22. 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, 2023	As at 31st March, 2022
<b>1) Subsidiaries</b>			
<b>Indian Subsidiaries:</b>			
(a) Jyoti Energy Limited	India	100%	100%
(b) JSL Corporate Services Limited	India	100%	100%
<b>Foreign Subsidiaries:</b>			
(a) Jyoti Structures FZE	United Arab Emirates	100%	100%
(b) Jyoti Structures Africa (Pty) Limited	South Africa	70%	70%
(c) Jyoti International Inc*	United States of America	100%	100%
(d) Jyoti Structures Kenya Limited #	Kenya	100%	100%
(e) Jyoti Structures Nigeria Limited #	Nigeria	100%	100%
(f) Jyoti Structures Namibia (Pty) Limited #	Namibia	70%	70%
(g) Jyoti Americas LLC ^	United States of America	100%	100%
(h) Jyoti Structures Canada Limited ^	Canada	100%	100%
<b>Joint Ventures:</b>			
(i) Gulf Jyoti International LLC*	United Arab Emirates	30%	30%
(j) GJIL Tunisia Sarl @	Tunisia	49%	49%

\*\* The financials of Jyoti International (including its step-down subsidiaries) Inc and Gulf Jyoti International LLC have not been considered in the consolidated financial statements for the year ended 31st March, 2023 for reasons stated in Note No. 34(5) and Note No. 34(6) to Consolidated Financial Statements respectively.

# Held by Jyoti Structures FZE

^ Held by Jyoti International Inc

@ Held by Gulf Jyoti International LLC

23. There are no shares allotted under ESOP / ESOS as at the reporting date.
24. During the year, the Holding Company has not transferred unclaimed dividend amounts to Investor Education and Protection Fund as per the requirement of the Companies Act, 2013; as the Holding Company is in midst of shareholder details' collation. The Holding company is under process of transferring an amount of Rs 17.70 Lacs to investor education protection fund.
25. Following is the impact of Resolution Plan's Implementation by the Holding Company: -
- Equity:** - The Holding Company has issued 4,250 Lacs equity shares at Rs. 4 per share totalling to Rs. 17,000 Lacs to Resolution Plan's Investors. Further, Assenting Secured Financial Creditors have been issued 1000 Lac shares at Rs. 4 per share totalling to Rs. 4,000 Lacs in order to convert portion of their debt.
  - Compulsory Convertible Preference Shares:-** 700 Lacs Compulsorily Convertible Preference Shares have been issued by the Holding Company to Aion and Apollo Group at Rs. 4 per share.
  - Non Convertible Debentures:-** Assenting Secured Financial Creditors have been issued Non-Convertible Debentures by the Holding Company and the face value of the Debentures is Rs. 1,48,332.00 Lacs as on November 09, 2021.

# JYOTI STRUCTURES LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- d. Following Restatement has been done by the Holding Company: -

Particulars	Restated Amount
Non-Convertible Debentures (Face Value of NCD as on 9th Nov 21)	1,48,332.00
Dissenting Financial Creditors	20,275.00
Unsecured Financial Creditors	1,000.00
Workmen & Other Employee Dues	14,700.00
Operational Creditors	11,500.00
Statutory Liabilities	1,100.00

Pursuant to the above, the Holding Company has transferred the balance outstanding liabilities to Retained Earnings as "Resolution Plan Recast".

26. In previous year FY 2021-22, the bought forward amount from 1st April 2021 of Debenture Redemption Reserve, General reserve and Fixed deposit Redemption Reserve has been transferred to Retained Earnings.
27. In previous year FY 2021-22, a Debenture Redemption Reserve of Rs. 1,81,337.86 Lacs was created for redemption premium payable on NCD's. The NCD's are repayable at any point of time at Net Present Value as per Resolution Plan. In the FY 2022-2023, a sum of Rs 11,866.57 Lacs being changes in remeasurement of NCD at NPV fair value was transferred from Debenture Redemption Reserve to Financial Liabilities Long Term Borrowings Account.
28. The Financial Creditors of Rs.12,716.03 Lacs (P.Y. Rs. 16,716 Lacs) as per Note no 15 includes amount payable to Dissenting Financial Creditors, various financial creditors under IDBI Trusteeship and amount payable to unsecured financial creditors.
29. The Consolidated Companies did not have any transactions with Struck of Companies in FY 2022-23 nor in Previous FY 2021-22. The Balance Outstanding with Companies Struck off is as under:

Name of Struck of Company	Nature of transactions with struck off company	Balance Outstanding as on March 2023	Balance Outstanding as on March 2022	Relationship with Struck off Company, if any
RAP Energy Solutions Pvt. Ltd.	Payable	20,34,663	20,34,663	NA
Raise Focus T & D Construction Pvt. Ltd.	Payable	44,901	44,901	NA
VBB Construction Pvt Ltd	Payable	2,91,873	2,91,873	NA
Schliff Tech India Pvt Ltd	Receivable	11,47,500	11,47,500	NA
Valmir Construction Pvt Ltd	Receivable	4,75,000	4,75,000	NA

30. The resolution plan stood implemented on November 9, 2021 with the infusion of equity by the investors, issuance of securities to financial creditors and transfer of control to the present management, in terms of the resolution plan. The payments to the financial creditors are set out in resolution plan. In this regard, on account of the delay by MIDC to execute the tripartite agreement and non-release of the NFB Limits by the lenders in terms of the resolution plan, the company has filed an application with the Hon'ble NCLT seeking exclusion of time. The application is currently sub judice.
31. Previous year's figures have been re-arranged, re-grouped and re-classified, wherever necessary. However, the previous year figures are not comparable in view of Resolution Plan being implemented on November 9, 2021.

The Notes referred to above form an integral part of the Statement of Accounts.

As per our report attached  
For **G.P.SHARMA & CO.LLP**  
Chartered Accountants  
Firm Registration No: 109957W/W100247

sd/-

**Utkarsh Sharma**  
Partner  
Membership Number : 147906  
Place : Mumbai  
Date : 29th May, 2023

**For and on behalf of the Board of Directors**

sd/-

**Abdul Hameed Khan**  
Chief Executive Officer

sd/-

**Ramamirtham Kannan**  
Independent Director  
DIN : 00227980

sd/-

**Sonali K Gaikwad**  
Company Secretary

sd/-

**Kumar V Balan**  
Chief Financial Officer

sd/-

**Monica Akhil Chaturvedi**  
Independent Director  
DIN: 02193359