



# JYOTI STRUCTURES LIMITED

## Registered & Corporate Office:

Valecha Chambers, 6<sup>th</sup> Floor, New Link Road  
Oshiwara, Andheri (West), Mumbai – 400 053  
Corporate Identity No.: L45200MH1974PLC017494  
Tel.: (91-22) 4091 5000 Fax : (91-22) 40915014 / 15  
E-mail: [contact@jisl.in](mailto:contact@jisl.in) Web site : [www.jisl.in](http://www.jisl.in)

Listing Department  
National Stock Exchange of India Ltd  
Exchange Plaza, C-1, Block G,  
BKC, Bandra (East), Mumbai – 400 051

Department of Corporate Services  
Bombay Stock Exchange Limited  
Floor 25, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001

Ref : Scrip ID JYOTISTRUC

Ref : Scrip Code 513250

March 28, 2018

Dear Sir

### Sub: Outcome of Board Meeting (RP)

This is to inform you that a Meeting of the Board (RP) of Jyoti Structures Limited was held this morning, i.e. Wednesday, the March 28, 2018 at the registered office of the Company inter-alia, to consider unaudited financial results for the quarter and half year ended September 30, 2017.

In the aforesaid meeting, the Board (RP)

- approved the unaudited financial results of the Company for the quarter and half year ended September 30, 2017, a copy of which is enclosed along with Limited Review Report of the Auditors;

You are requested to take the same on record and acknowledge the receipt.

Thanking You,

Yours faithfully,

For Jyoti Structures Limited

Company Secretary



Encl. as above

# JYOTI STRUCTURES LIMITED

Regd. Office: "Valecha Chambers", 6<sup>th</sup> Floor, New Link Road,  
Oshiwara, Andheri (West), Mumbai - 400 053. Corporate Identity Number: L45200MH1974PLC017494  
Tel : 4091 5000 Fax : 40915014/15, e-mail : investor@jstl.in Website : www.jstl.in

## UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2017

(₹ in Lacs)

| Sr. No | Particulars                                                                  | For Quarter Ended |                 |                 | Half Year Ended   |                 | Year Ended        |
|--------|------------------------------------------------------------------------------|-------------------|-----------------|-----------------|-------------------|-----------------|-------------------|
|        |                                                                              | 30/09/2017        | 30/06/2017      | 30/09/2016      | 30/09/2017        | 30/09/2016      | 31/03/2017        |
|        |                                                                              | Unaudited         | Unaudited       | Unaudited       | Unaudited         | Unaudited       | Audited           |
| I)     | Revenue from operations                                                      | 5,599             | 14,574          | 27,366          | 20,173            | 50,262          | 85,590            |
| II)    | Other income                                                                 | 915               | 330             | 691             | 1,245             | 1,350           | 1,939             |
| III)   | <b>Total income (I+II)</b>                                                   | <b>6,514</b>      | <b>14,904</b>   | <b>28,057</b>   | <b>21,418</b>     | <b>51,612</b>   | <b>87,529</b>     |
| IV)    | <b>Expenses</b>                                                              |                   |                 |                 |                   |                 |                   |
| a)     | Cost of materials consumed                                                   | 449               | 4,006           | 15,514          | 4,455             | 27,544          | 46,716            |
| b)     | Change in inventories of finished goods, work-in-progress and stock-in-trade | 681               | 3,285           | 2,739           | 3,966             | 2,318           | 8,725             |
| c)     | Excise duty paid                                                             | -                 | 120             | 320             | 120               | 562             | 624               |
| d)     | Erection and sub-contracting expenses                                        | 3,625             | 4,754           | 7,681           | 8,379             | 14,960          | 31,121            |
| e)     | Employee benefit expenses                                                    | 2,201             | 2,346           | 2,523           | 4,547             | 5,185           | 10,407            |
| f)     | Finance cost                                                                 | 33,537            | 21,565          | 19,246          | 55,102            | 37,288          | 84,208            |
| g)     | Depreciation and amortization expense                                        | 744               | 1,009           | 1,180           | 1,753             | 2,498           | 5,079             |
| h)     | Other expenses                                                               | 1,24,330          | 14,236          | 6,048           | 1,38,566          | 8,353           | 48,926            |
|        | <b>Total expenses (IV)</b>                                                   | <b>1,65,567</b>   | <b>51,321</b>   | <b>55,251</b>   | <b>2,16,888</b>   | <b>98,708</b>   | <b>2,35,806</b>   |
| V)     | <b>Loss before tax (III - IV)</b>                                            | <b>(1,59,053)</b> | <b>(36,417)</b> | <b>(27,194)</b> | <b>(1,95,470)</b> | <b>(47,096)</b> | <b>(1,48,277)</b> |
| VI)    | Tax expense                                                                  |                   |                 |                 |                   |                 |                   |
|        | Current tax                                                                  | -                 | -               | -               | -                 | -               | -                 |
|        | Deferred tax                                                                 | -                 | -               | -               | -                 | -               | (4)               |
|        | (Excess)/Short Provision of Taxes for earlier year                           | -                 | -               | -               | -                 | -               | 371               |
| VII)   | <b>Loss for the period from continuing operations (V - VI)</b>               | <b>(1,59,053)</b> | <b>(36,417)</b> | <b>(27,194)</b> | <b>(1,95,470)</b> | <b>(47,096)</b> | <b>(1,48,644)</b> |
| VIII)  | Other comprehensive income (net of tax)                                      |                   |                 |                 |                   |                 |                   |
|        | A. Items that will not be reclassified to profit or loss                     | 129               | 131             | 70              | 260               | 140             | (31)              |
|        | B. Items that will be reclassified to profit or loss                         | 39                | 14              | (150)           | 53                | 32              | (242)             |
|        | <b>Other comprehensive income (VIII)</b>                                     | <b>(90)</b>       | <b>(117)</b>    | <b>(220)</b>    | <b>(207)</b>      | <b>(108)</b>    | <b>(211)</b>      |
| IX)    | <b>Total comprehensive income for the period (VII + VIII)</b>                | <b>(1,59,143)</b> | <b>(36,534)</b> | <b>(27,414)</b> | <b>(1,95,677)</b> | <b>(47,204)</b> | <b>(1,48,855)</b> |
| X)     | Paid-up equity share capital (Face value ₹ 2 each)                           | 2,191             | 2,191           | 2,191           | 2,191             | 2,191           | 2,191             |
| XI)    | Other equity                                                                 |                   |                 |                 | (3,36,255)        | (39,745)        | (1,40,572)        |
| XII)   | <b>Earning per equity share for continuing operations</b>                    |                   |                 |                 |                   |                 |                   |
|        | - Basic ₹                                                                    | (145.22)          | (33.25)         | (24.83)         | (178.47)          | (43.00)         | (135.71)          |
|        | - Diluted ₹                                                                  | (145.22)          | (33.25)         | (24.83)         | (178.47)          | (43.00)         | (135.71)          |
| XIII)  | Paid-up Debt Capital                                                         |                   |                 |                 | 5,030             | 4,974           | 4,953             |
| XIV)   | Debenture Redemption Reserve                                                 |                   |                 |                 | 1,244             | 1,244           | 1,244             |
| XV)    | Debt Equity Ratio                                                            |                   |                 |                 | (0.65)            | (4.96)          | (1.49)            |
| XVI)   | Debt Service Coverage Ratio                                                  |                   |                 |                 | (2.56)            | (0.23)          | (0.72)            |
| XVII)  | Interest Service Coverage Ratio                                              |                   |                 |                 | (2.56)            | (0.24)          | (0.74)            |

| Sr. No | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1)     | The above results have been approved by the Insolvency Resolution Professional at their meetings held on 28th March, 2018. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter and half year ended 30th September, 2017.                                                                                                                                                            |
| 2)     | The financial information of the Company's foreign branches located in Kuwait and Egypt are not available and hence, it has not been incorporated for the quarter ended 30th September, 2017                                                                                                                                                                                                                                           |
| 3)     | Hon'ble National Company Law Tribunal, Mumbai vide Order No. CP/1137/I&BP/NCLT/MAH/2017 dated 04th July, 2017 appointed Insolvency Resolution Professional, ordering commencement of CIRP.                                                                                                                                                                                                                                             |
| 4)     | The Company adopted Indian Accounting Standards ('Ind AS') from 1st April, 2016 and accordingly this financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34. "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India. |
| 5)     | The Company is in the business of execution of projects related to power transmission and as such there are no separate reportable operating segments as defined by Ind AS 108 - "Operating Segments".                                                                                                                                                                                                                                 |

**VANDANA GARG**  
IBBI/IPA-001/IP-P00025/  
2016-17/10058  
BDO RESTRUCTURING ADVISORY LLP

## 6) Statement of Assets and Liabilities

(₹ in Lacs)

| Particulars                                    | Half Year<br>Ended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Year Ended        |
|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
|                                                | 30/09/2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 31/03/2017        |
|                                                | Unaudited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Audited           |
| <b>ASSETS</b>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| <b>1 Non-current assets</b>                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| (a) Property, plant and equipment              | 9,143                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 10,772            |
| (b) Capital work-in-progress                   | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 36                |
| (c) Goodwill                                   | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | -                 |
| (d) Other intangible assets                    | 367                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 509               |
| (e) Investment in subsidiaries / joint venture | 2,310                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2,315             |
| (f) Financial assets                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| i) Investment                                  | 46                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 43                |
| ii) Trade receivables                          | 59,724                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 67,678            |
| iii) Other financial assets                    | 570                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 576               |
| <b>Total - Non current assets</b>              | <b>72,163</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>81,929</b>     |
| <b>2 Current assets</b>                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| (a) Inventories                                | 6,674                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 10,998            |
| (b) Financial assets                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| i) Trade receivables                           | 2,62,476                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3,65,492          |
| iii) Cash and cash equivalents                 | 3,011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2,515             |
| iii) Bank balances other than (ii) above       | 999                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 714               |
| iv) Other current financial assets             | 38,115                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 58,542            |
| (c) Other current assets                       | 24,523                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 26,858            |
| <b>Total - Current assets</b>                  | <b>3,35,798</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>4,65,118</b>   |
| <b>TOTAL - ASSETS</b>                          | <b>4,07,961</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>5,47,048</b>   |
| <b>Equity and liabilities</b>                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| <b>Equity</b>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| (a) Equity share capital                       | 2,191                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2,191             |
| (b) Other equity                               | (3,36,255)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | (1,40,572)        |
| <b>Total - Equity</b>                          | <b>(3,34,064)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>(1,38,381)</b> |
| <b>LIABILITIES</b>                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| <b>1 Non-current liabilities</b>               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| (a) Financial liabilities                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| i) Borrowings                                  | 2,738                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2,908             |
| ii) Other financial liabilities                | 85                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 114               |
| (b) Provisions                                 | 1,523                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1,321             |
| (c) Deferred tax liabilities (net)             | 33                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 33                |
| <b>Total - Non current liabilities</b>         | <b>4,379</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>4,375</b>      |
| <b>2 Current Liabilities</b>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| (a) Financial liabilities                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| i) Borrowings                                  | 3,22,756                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3,20,758          |
| ii) Trade payables                             | 41,704                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 41,789            |
| iii) Other financial liabilities               | 3,52,838                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2,99,597          |
| (b) Other current liabilities                  | 19,710                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 18,331            |
| (c) Provisions                                 | 637                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 579               |
| <b>Total - Current liabilities</b>             | <b>7,37,646</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>6,81,054</b>   |
| <b>TOTAL - EQUITY AND LIABILITIES</b>          | <b>4,07,961</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>5,47,048</b>   |
| 7)                                             | Cost of material consumed includes Bought-out materials purchased for supplies to customers under the contracts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                   |
| 8)                                             | On account of loans being reclassified as Non-Performing Assets (NPA) by all lenders, interest has been provided for in the books of accounts based on Master Restructuring Agreement (MRA) entered into with the lenders on 29th September, 2014.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                   |
| 9)                                             | In view of uncertain nature of projects, complex situations, performance issues, deterioration in client relationship, delays in contracts, probability of liquidation damages, unsettled or unaccepted claims, BG invocations, arbitrations, disputes, non-availability of balance confirmation from clients, penalties etc., It is evident that there is a potential probability of substantial write down of the receivables.<br>Considering these uncertainties, both operational progress which is dependent on available cash flows, contract negotiations with customers as well as the outcome of the NCLT resolution, the prudent approach is to qualify that there will be a substantial adjustment on the asset side (related to receivable recovery). |                   |
| 10)                                            | Previous period figures have been re-arranged, re-grouped, re-calculated and re-classified, wherever necessary.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |
| 11)                                            | Formula used for calculation of ratios is as under                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                   |
|                                                | i) Debt Equity Ratio = Term Loan and Debentures / Equity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                   |
|                                                | ii) Debt Service Coverage Ratio = Profit before depreciation, Interest and Tax / (Interest Expense + Principal repayment of Term Loan & Debenture)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                   |
|                                                | iii) Interest Service Coverage Ratio = Profit before depreciation, Interest and Tax / Interest Expense                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |

For Jyoti Structures Limited

Mumbai  
28th March, 2018Vandana Garg  
Insolvency Resolution Professional  
Registration No: IBBI/IPA-001/IP-P00025/2016-2017/10058VANDANA GARG  
IBBI/IPA-001/IP-P00025/  
2016-17/10058  
BDO RESTRUCTURING ADVISORY LLP

**INDEPENDENT AUDITORS' REVIEW REPORT**

To,  
The Insolvency Resolution Professional  
(IP Registration No: IBBI/IPA-001/IP-P00025/2016-2017/10058)  
Jyoti Structures Limited,  
Mumbai.

We have reviewed the accompanying statement of unaudited financial results and unaudited statement of assets and liabilities of **Jyoti Structures Limited** ('the Company') for the quarter and half year ended 30<sup>th</sup> September, 2017 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular no. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016.

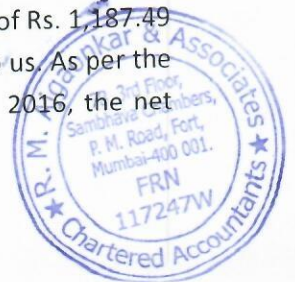
The application for initiation of Corporate Insolvency Resolution Process ('CIRP') u/s 7 of the Insolvency and Bankruptcy Code, 2016 filed by State Bank of India, a financial creditor, has been admitted by the Hon'ble National Company Law Tribunal, Mumbai vide Order No. CP/1137/I&BP/NCLT/MAH/2017 dated 04<sup>th</sup> July, 2017, ordering commencement of CIRP. Accordingly, this statement is the responsibility of the Company's Insolvency Resolution Professional ('IRP') and has been approved by the IRP.

This statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

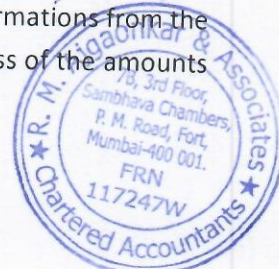
**Basis of Disclaimer opinion paragraph:**

- (a) As on 30<sup>th</sup> September, 2017, the Company has advanced loan of Rs. 6,624.60 lakhs to a subsidiary company namely Jyoti International Inc. ('JII') along-with trade and other receivables of Rs. 1,187.49 lakhs. The financial statements of JII as on 31<sup>st</sup> March, 2017 are not made available to us. As per the last audited financial statements made available for the year ended on 31<sup>st</sup> March, 2016, the net



worth of JII is fully eroded. No provision for write-off or otherwise is made for the outstanding amount of Rs. 7,812.08 lakhs as on 30<sup>th</sup> September, 2017. In view of the above financial position of JII, we are unable to comment on the ultimate recoverability of the said amounts;

- (b) As on 30<sup>th</sup> September, 2017, the Company has advanced loan of Rs. 810.29 lakhs to one of its step-down subsidiary company, namely Jyoti Americas LLC ('JAL') along-with trade and other receivables of Rs. 5,392.69 lakhs. The financial statements of JAL as on 31<sup>st</sup> March, 2017 are not made available to us. As per the last audited financial statements made available for the year ended on 31<sup>st</sup> March, 2016, the net worth of JAL is fully eroded. No provision for write-off or otherwise is made for the outstanding amounts of Rs. 6,202.98 lakhs as on 30<sup>th</sup> September, 2017. In view of the above financial position of JAL, we are unable to comment on the ultimate recoverability of the said amounts;
- (c) As on 30<sup>th</sup> September, 2017, the Company has advanced loan of Rs. 41.68 lakhs to a subsidiary company, namely Jyoti Energy Limited ('JEL'). The financial statements of JEL as on 31<sup>st</sup> March, 2017 indicates that the net worth of JEL is fully eroded. No provision for write-off or otherwise is made for the outstanding amount as on 30<sup>th</sup> September, 2017. In view of the above financial position of JEL, we are unable to comment on the ultimate recoverability of the said amounts;
- (d) As on 30<sup>th</sup> September, 2017, the Company has advanced loan of Rs. 3,042.94 lakhs to a subsidiary company namely Jyoti Structures Africa (Pty) limited ('JSAPL') along-with trade and other receivables of Rs. 3,033.22 lakhs. Based on the audited financial statements of JSAPL as on 31<sup>st</sup> March, 2017, the net worth of JSAPL is fully eroded. No provision for write-off or otherwise is made for the outstanding amounts of Rs. 6,076.15 as on 30<sup>th</sup> September, 2017. Though with infusion of new orders, JSAPL has turned profitable during the year ended 31<sup>st</sup> March, 2017, in view of its net worth being fully eroded and the uncertainty on the future continuation of the business, we are unable to comment on the ultimate recoverability of the said amounts;
- (e) The Company has given corporate guarantees equivalent to Rs. 49,298.56 lakhs to its subsidiary company, namely Jyoti International Inc. and to its step-down subsidiary company, namely Jyoti America LLC in relation to the failure to make good the investment in the preferred stock by Aion Jyoti LLC and Apollo Jyoti LLC and a loan facility provided by one of the lenders. The normal business operation of the said subsidiary / step down subsidiary have been discontinued. We are informed that one of the lenders to the said subsidiary has claimed an amount equivalent to Rs. 72,560.29 lakhs under CIRP, which the IRP is in process of confirming due to which no liability has been provided for the said guarantee invoked. We are unable to comment on the same;
- (f) The Company has given corporate guarantees equivalent to Rs. 18,527 lakhs and has advanced loan of Rs. 16,854.39 lakhs to a Joint Venture Company, namely Gulf Jyoti International LLC (GJIL). We have been informed that GJIL is currently under the process of liquidation but details of the same are not made available to us. Therefore, we are unable to comment on the impact of invocation of the guarantees by the lenders and the ultimate recoverability of the outstanding loans;
- (g) As part of the process of CIRP, the Company has received claims from its Trade Payables. The amounts as claimed by the trade payables are less than the amounts appearing in the books as on 30<sup>th</sup> June, 2017. On account of the pending reconciliation under CIRP and in absence of confirmations from the remaining trade payables, we are unable to comment on the adequacy/correctness of the amounts appearing in the books of accounts;



- (h) The amounts of Trade and other Receivables are as per the books of accounts of the Company, subject to provisions made therein. In absence of confirmations of these balances as on 30<sup>th</sup> September, 2017, we are unable to comment upon the correctness and recoverability of the amounts appearing in the books of accounts and the adequacy of provision for 'Expected Credit Loss' for the same;
- (i) The Company is facing a financial crunch, which has resulted into delays in implementing contracted projects. Upto 30<sup>th</sup> September, 2017, the Company has made a total provision of Rs. 1,700 lakhs (including Rs. 100 lakhs during the half year ended 30<sup>th</sup> September, 2017) for any liability that may arise from delay in execution of these projects. In the absence of any independent evaluation of the progress of these projects and delays, we are unable to comment on the adequacy of the said provision;
- (j) The financial information of the Company's foreign branches located in Kuwait and Egypt is not available and hence, it has not been incorporated for the quarter ended 30<sup>th</sup> September, 2017. We are unable to comment on the impact of the same on the financial results of the Company;
- (k) For the half year ended 30<sup>th</sup> September, 2017, the Company has incurred losses of Rs. 1,95,677.70 lakhs and as on 30<sup>th</sup> September, 2017 the company has a negative net worth of Rs. 3,34,064.11 lakhs. Further, the Company's current liabilities exceed its current assets by Rs. 4,01,848 lakhs. On account of its operational and financial position, the Company has delayed payments to various lenders, vendors, dues to employees and dues to statutory authorities.

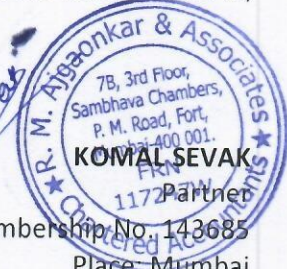
Due to this, we are unable to comment on the ability of the Company to continue as a going concern.

We believe that our review provides a reasonable basis for our 'Disclaimer opinion' based on our observations in the 'Basis of Disclaimer opinion paragraph, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular no. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016.

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

Chartered Accountants

(Firm's Registration No. 117247W)

  
  
**KOMAL SEVAK**  
Partner  
Membership No. 143685  
Place: Mumbai  
Date: 28<sup>th</sup> March, 2018