



JYOTI STRUCTURES LIMITED

Registered & Corporate Office:

Valecha Chambers, 6th Floor, New Link Road
Oshiwara, Andheri (West), Mumbai - 400 053

Corporate Identity No.: L45200MH1974PLC017494

Tel.: (91-22) 4091 5000 • Fax: (91-22) 40915014 / 15

Email:contact@jsl.co.in • Website:www.jyotisttructures.in

Ref: JSL/RP/GEN/2021-22/93

Date: August 6, 2021

BSE Limited, Phiroze Jeejeeboy Towers, Dalal Street, Fort, Mumbai 400 001. BSE Scrip Code: 513250	National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. NSE Scrip Symbol: JYOTISTRUC
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Dear Sir/Madam,

Sub: Outcome of Board Meeting held on August 6, 2021.

Ref: Board Meeting Intimation Letter dated July 30, 2021 having Ref No. JSL/RP/GEN/2021-22/77

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors the Company, at their meeting held today i.e. August 6, 2021 has inter alia considered and approved the **Consolidated Unaudited Financial Results together with its Limited Review Report for the Quarter ended June 30, 2020**

Kindly acknowledge the receipt and update the same in your records.

Thanking You.

Yours Faithfully,

For Jyoti Structures Limited



Ms. Vandana Garg

Chairperson of the Board

(Erstwhile Resolution Professional and
Member of Monitoring Committee for
Implementation of Approved Resolution Plan)

IP Reg. No.: IBBI/IPA-001/IP-P00025/2016-17/10058

vskgarg0899@gmail.com/vandanagarg@bdo.in

JYOTI STRUCTURES LIMITED

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Oshiwara, Andheri (West), Mumbai - 400 053. Corporate Identity Number: L45200MH1974PLC017494
Tel : 4091 5000 Fax : 40915014/15, e-mail : investor@jysl.co.in, Website: www.Jyotistructures.in
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(INR In Lacs)

Sr. No.	Particulars	CONSOLIDATED			CONSOLIDATED
		Quarter Ended			Year Ended
		30-06-2020 (Un-Audited)	31-03-2020 (Un-Audited)	30-06-2019 (Un-Audited)	31-03-2020 Audited
1	Income				
	(a) Revenue from operations	-	(19.08)	1,174.03	1,641.19
	(b) Other Income	-	32.15	21.85	41.93
	Total Revenue	-	13.07	1,195.88	1,683.12
2	Expenses				
	(a) Cost of materials consumed	-	69.70	357.16	742.50
	(b) Change in inventories of finished goods, work-in-progress and stock-in-trade	-	165.72	1,578.48	23.71
	(c) Erection and sub-contracting expenses	-	307.80	660.91	1,890.06
	(d) Employee benefit expenses *	83.12	312.85	784.52	2,051.18
	(e) Finance cost	35,537.07	43,916.95	35,119.70	1,47,322.45
	(f) Depreciation and amortization expense	300.21	(15.33)	434.61	1,635.11
	(g) Other expenses **	(416.48)	79,319.69	886.26	80,946.32
	Total Expenses	35,503.92	1,24,077.38	39,821.64	2,34,611.33
3	Profit / (Loss) before exceptional items and tax (1-2)	(35,503.92)	(1,24,064.31)	(38,625.76)	(2,32,928.21)
4	Exceptional items	-	-	-	-
5	Profit / (Loss) before tax(3-4)	(35,503.92)	(1,24,064.31)	(38,625.76)	(2,32,928.21)
6	Tax expense				
	(i) Current Tax	-	-	-	-
	(ii) Deferred Tax	-	-	-	-
7	Profit/ (Loss) for the period (5-6)	(35,503.92)	(1,24,064.31)	(38,625.76)	(2,32,928.21)
8	Other Comprehensive Income				
	A. Items that will not be reclassified to profit or loss	290.43	17.29	-	17.29
	B. Items that will be reclassified to profit or loss	4.95	(306.05)	(435.10)	(8.31)
9	Total Comprehensive Income for the period comprising profit/(loss) and other comprehensive income for the period(7+8)	(35,208.54)	(1,24,353.07)	(39,060.86)	(2,32,919.23)
10	Net Profit Attributable to owners	(35,497.85)	(1,24,022.41)	(38,168.43)	(2,32,887.39)
11	Net Profit Attributable to non controlling Interest (NCI)	(6.07)	(41.90)	(457.33)	(40.82)
12	Other Comprehensive Income Attributable to owners	295.38	(236.98)	(552.06)	8.98
13	Other Comprehensive Income Attributable to non controlling Interest (NCI)	-	(51.78)	116.96	-
14	Total Comprehensive Income Attributable to owners	(35,202.47)	(1,24,259.39)	(38,720.49)	(2,32,878.41)
15	Total Comprehensive Income Attributable to non controlling Interest (NCI)	(6.07)	(93.68)	(340.37)	(40.82)
16	Details of equity share capital				
	Paid-up equity share capital, face value of Rs. 2/- each	2,190.55	2,190.55	2,190.55	2,190.55
	Face Value of Equity Share Capital	2.00	2.00	2.00	2.00
17	Earnings per share (of Rs. 2/- each)				
	(a) Basic earnings/ (loss) per share	INR -32.41	INR-113.23	INR -34.85	INR -212.63
	(b) Diluted earnings/ (loss) per share	INR -32.41	INR-113.23	INR -34.85	INR -212.63

Sr. No	Notes
1)	The Statutory Auditors of the Company have carried out the limited review of these consolidated results for the Quarter ended June 30, 2020. These consolidated results have been approved by the board at its meeting held on August 06, 2021.
2)	These consolidated results includes results of ten unaudited subsidiaries (including three step down subsidiaries) and two joint ventures for the quarter ended June 30, 2020. Further, in the alignment of accounting policies of foreign subsidiary with that of the holding company has not been done in the absence of relevant information. In the absence of documentary supportings of the transactions, the subsidiary accounts are incorporated in the above statement based on the transactions available in the books of the subsidiaries maintained in the accounting package of the respective subsidiaries as made available.
3)	Inter-company/Intra-group transactions are under reconciliation and hence, the same has been eliminated to the extent information available.
4)	The above consolidated statement includes the figures / amounts for the Quarter ended June 30, 2020 in respect of its eleven unaudited branches at Bangladesh, Bhutan I, Bhutan II, Kenya, Tanzania, Tajikistan, Georgia, Rwanda, Tunisia, South Africa and Uganda. Further the details of three branches at Egypt, Kuwait & Dubai not available, hence the same have not been considered in the above financials.
5)	Hon'ble National Company Law Tribunal, Mumbai vide Order No. CP/1137/I&BP/NCLT/MAH/2017 dated July 04, 2017 appointed Insolvency Resolution Professional, ordering commencement of CIRP and Hon'ble National Company Law Tribunal, Mumbai vide Order No.MA 1129/2019 dated March 27, 2019 approved the Resolution Plan submitted by the Successful Resolution Applicant for the Company, effect of which shall be taken in the books upon fulfilment of conditions precedent as per the plan.



- 6) The Company adopted Indian Accounting Standards ('Ind AS') from April 01, 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.
- 7) * Employee cost has been reduced in compared to earlier quarter due to decrease in leave encashment & Gratuity amount of which excess provision was made in earlier years. There is also reduction in staff salary & wages and consequential reduction in provident fund contribution.
- 8) **The other expenses include the foreign exchange gain of 506.43 Lacs . The amount of Rs.416.48 Lacs is in negative after adjusting actual expenses of Rs. 89.95 Lacs of incurred for this quarter.
- 9) 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". Details of geographical segment is not available.
- 10) Cost of material consumed includes Bought-out materials purchased / return / adjusted for supplies to customers under the contracts.
- 11) On account of loans being reclassified as Non-Performing Assets (NPA) by all lenders, interest on all borrowings has been provided for in the books of accounts based on Master Restructuring Agreement (MRA) entered into with the lenders on September 29, 2014, even if bank statements are not available.
- 12) 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, arbitration, 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 receivable.
- 13) Provisions are done based on best estimates made by ERP and may change significantly based on the outcome of matters stated in 12 above.
- 14) Previous period figures have been rearranged / reclassified including for taking effect of the audited figures for the previous year wherever the same have been received.



FOR JYOTI STRUCTURES LIMITED

Vandana Garg

Place : Mumbai,
Dated : August 06, 2021

Erstwhile Resolution Professional and Member of Monitoring Committee for implementation of Resolution Plan
Registration No: IBBI/IPA-001/IP-P00025/2016-2017/10058



G.P. Sharma & Co. LLP
(Formerly G.P. Sharma & Co.)
Chartered Accountants

Independent Auditor's Limited Review Report on Unaudited Consolidated Financial Results of JYOTI STRUCTURES LIMITED for the Quarter ended on June 30, 2020 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**TO
THE BOARD OF DIRECTORS
JYOTI STRUCTURES LIMITED**

1. We were engaged to review the accompanying Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2020 (herein after referred to as "the Statement" and initialed for the purpose of identification) of **Jyoti Structures Limited** ("the Holding Company") being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (**Listing Obligations and Disclosure Requirements**) Regulations, 2015 as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').

The Statement includes the results of the Holding Company, its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"; the subsidiaries and Joint Ventures collectively referred to as "the components" and individually "the Component"). This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared from the related consolidated financial statements which are not prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review of such consolidated IND AS financial statement.

The Hon'ble National Company Law Tribunal (NCLT) pursuant to application filed under Corporate Insolvency Resolution Process (CIRP) had passed order dated March 27, 2019 approving a plan for resolution of the holding company, which shall, amongst others, require giving effect to changes in the reported amount of assets and liabilities, the effect of which shall be taken in the books upon fulfilment of conditions precedent as per the plan. Accordingly, the statement does not include any adjustment which may arise from giving effect to the approved plan. Further, the effect of the process of claims reconciliation has not been fully taken in the statement. Due to these conditions at the date of this report, we are unable to ascertain the impact of the same on the accompanying statement.



2. We conducted our review of the Statement in accordance with Standards 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 results is free of material misstatement. A review is limited primarily to inquires 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.

We were not able to carry out the procedures as required in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 since the related records / information were not available as further detailed in the Basis for Disclaimer of Conclusion paragraph.

Because of the matters described below in paragraph 3 below, we were not able to obtain sufficient appropriate audit evidence to provide basis for conclusion on the statement.

3. Basis for Disclaimer of Conclusion

- A) In the absence of the financial statements or management accounts, for the quarter ended June 30, 2020 of three wholly-owned subsidiaries namely

- a) Jyoti International Inc,
- b) Jyoti Americas LLC and
- c) Jyoti Structures Canada Ltd., and its Joint Ventures.,

transactions and balances in respect of these have not been incorporated in the Consolidated Financial Results, which is not in compliance with the requirements of Ind AS – 110 issued by ICAI. Further, the details w.r.t Joint Ventures as required under Ind AS 110 have not been fully disclosed.

- B) The holding company has considered the unaudited management accounts of two foreign subsidiary (including three step-down subsidiaries) for the purpose of consolidation.

These statements / accounts have been consolidated on a line by line basis without giving effect, if any, of the differences in the GAAP/ accounting framework applicable for the respective foreign countries and India.

- C) In the absence of details of transactions and balances outstanding with components within the group, the elimination of transactions and balances outstanding within the group done in the consolidated financial results could not be fully verified by us.

Further, the transactions / balances within the group as per the books of the holding company have been eliminated to the extent the relevant details were available.

The same is not in compliance with the requirements of Ind AS 110 issued by ICAI. In the absence of the complete details being made available, the impact of the same is not ascertainable.

- D) The details in respect of amounts appearing under Other Comprehensive Income w.r.t components is not available due to which we are unable to comment on the same.



- E) The requirements of Ind AS – 110 such as alignment of accounting policies of all component and holding company have not been complied with in the absence of relevant details being available with the management. Impact, whereof, if any, is not presently ascertainable.
- F) The consolidated financial results includes the financials and other information in respect of two foreign subsidiaries (including their step-down subsidiaries) based on unaudited financials statements.

Particulars	Foreign Subsidiaries June 30, 2020	Foreign Subsidiaries June 30, 2019
Total Income	Nil	1,190.43
Total Expenditure	21.43	2,791.9
Total Profit/(Loss) including Other Comprehensive Income	(21.43)	(1,601.47)

In the absence of the audited accounts w.r.t these, we are unable to comment on the amounts of these components considered in the consolidated financial results.

- G) The amount appearing under Non-Controlling Interest, Goodwill, Fixed Assets etc. are subject to reconciliation on the availability of the underlying details, of which the impact, if any, is not presently ascertainable.
- H) The management has prepared these statements on a going concern basis in spite of following facts and circumstances:

- The Group has reported loss after tax of INR 35,503.92 lacs (EBIDT of Rs. 333.36 Lacs) for quarter ended June 30, 2020;
- The net-worth of the Group has been fully eroded as at June 30, 2020;
- There are no operations at plants of the holding company during the period and revenue activities have also stopped on the same;

The persistence of above-mentioned conditions cast doubt about the Group's ability to continue as a going concern.

The Group may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realized other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements.

- I) The rates for conversion of foreign exchange assets, liabilities, income and expenditure are not in line with the requirements of Ind AS 21.

J) We draw your attention to the erstwhile auditor's report :-

"Amount of Reserves in respect of component(s) is not in agreement with the amount as per last year's closing. Pending reconciliation of such difference, we are unable to comment on the same".

In respect of the consolidated statement of cash flows for the year ended March 31, 2020:-



- a) the details of the same for branches and unaudited subsidiaries are not available and hence we are unable to verify the derived amounts considered in the statement of cash flows. Further, in respect of the comparative amounts for the year ended March 31, 2019, the details of the opening period are not available and hence the amounts considered under comparative periods could also not be verified.
- b) there are unreconciled difference, manual adjustments etc. in calculation of operating profit of which the underlying details are not available, the same is not in line with the requirements of Ind AS 7.

In the absence of details, we are unable to comment the same

K) There was "disclaimer of opinion" in the audit report for each of the financial year ended March 31, 2020, March 31, 2019, March 31, 2018 & March 31, 2017, no details / documents have been provided to us with respect to the matters / balances for which disclaimer were issued and hence we are unable to verify the same during current period in so far as it relates to the opening balances for the year.

L) In respect of the holding company:

- a) There are credits and debits aggregating to Rs. 1,40,359.31 lacs and Rs. 224.82 Lacs respectively as at the end of the March 31, 2021 in bank statements, no details w.r.t the said entries in bank statement was made available to us and the Company has not taken the effect the same in books of accounts. In the absence of details, we are unable to comment on the effect of the entries in the statement.
- b) The audited financial statements / balance confirmations and other details in respect of various related parties including subsidiaries and joint ventures of the Group are not available due to which we are unable to comment on the impact it may have on the carrying amount and the impairment, if any, in respect of investments, loans, advances, receivables, payable, provision for guarantees provided, if any, disclosures for liabilities crystalized or contingent etc..
- c) The inventory records / stock ledger (being part of books of accounts) are not available due to which we are unable to trace / reconcile the movement, if any, in the same through purchase, sales, consumption etc. and comment on the provision, if any, required based on the condition and usability of the stocks. The external stock auditor appointed for physical verification of inventories could verify only the inventories partially. We have not verified the inventorooies and have relied on the Company's representation. Accordingly, we are unable to comment on the impact, if any, on the statement.

d) In respect of its expenses:

During the quarter ended year employee costs have been booked as ascertained by the Company. In view of the underlying records being made available partly, we are unable to comment on the Employee Costs of Rs. 83.12 Lacs debited to Statement of Profit and Loss.

In the absence of separate records of foreign currency(ies) balances maintained by the Company, we are unable to verify the adequacy of foreign exchange loss (net of gain) of Rs. 495.77 lacs (including for foreign branches).

Accordingly, we are unable to comment of the impact on the financial results.

e) Statutory Dues / Compliances



- i) *The holding company has been in default w.r.t payment of interest to its lenders, payment of statutory dues to govt. authorities and filing of periodic returns thereof; delay in workers' dues etc., which may entail interest / penalty etc. which is not ascertainable and hence not provided for. The status of compliances w.r.t components are not available.*
- ii) *Balances with statutory authorities and input credits are subject to reconciliation, filing / revision of return(s) and admission by the respective statutory authorities and no provision has been made thus, we are unable to comment whether any provision for impairment in the value of such receivables is required.*
- iii) *There are ongoing proceedings / claims pending before authorities under various statutes, the resultant impact, if any, has not been determined.*

f) Revenue & Contracts and Trade Receivables

- i) *In the absence of any documentary evidence of the customers on the continuation of live contracts, we are unable to comment on the status of the contracts and adjustment, if any, required for the same in the financial statement. Further, the details of work in progress with the age, stage of completion, acceptability to customers, estimated future cost to completion, progress billing etc. not made available due to which we are unable to comment on the requirements of provision, if any, for WIP, foreseeable losses and income accrued but not due.*
- ii) *No detailed workings are available for the calculation of liquidated damages contractually leviable for delay in completion of contracts and the costs for Defect Liability Period (DLP) which are contractually required to be incurred for specified periods. In the absence of the working, we are unable to comment on provision, if any, required for the same.*
- iii) *As against the total amount of Trade Receivables as at June 30, 2020, Provision for Rs. Nil has been made till June 30, 2020 based on the assessment being made by the company. In the absence of confirmation from all the parties, pending reconciliation of all parties, disputed dues which are being contested by the company, encashment of guarantees etc., we are unable to comment on the adequacy of the provision made by the company.*

g) Identified non compliances of Companies Act

We are unable to comment on the impact, if any, of these identified non-compliances of the provisions of Companies Act, 2013 on the unaudited consolidated financial results:

- a) *The holding company has not appointed Internal Auditors as required by Section 138 of the Companies Act 2013;*
- b) *The holding company has not provided in respect to the interest payable to Micro and Small Enterprises for which noworking/ basis are available for the quarter ended June 30, 2020.*

Further, no provision for interest payable in respect of delayed payments to other vendors have been made.

- c) *Due to the directors being disqualified by MCA Annual Return in DPT – 3 has not been filed in respect of Public Deposits accepted by the company as required under the Companies Act, 2013 and the filings are under progress;*



- d) Due to the directors being disqualified by MCA, the compliances w.r.t various filings with the Ministry of Corporate Affairs and entries / up-dation of various registers / forms as required under the Companies Act, 2013 have not been done;

The financial statements include the assets, liabilities, income and expenditure in respect of branches are subject to changes on completion of audit.

The Standalone Financial Results include out of the total fourteen branches

- i) Unaudited Management reported amounts for the quarter ended June 30, 2020- eleven branches;
- ii) Unaudited Amounts till December 31, 2017 – one branch;
- iii) This results do not include the amounts in respect of two branches.

In the absence of details, we are unable to comment on the impact, it may have on the results. Further, there are transactions and balances for inter branch and Head office, which has not been eliminated.

A summary table is reproduced below for your perusal

Particulars	Branches
Total Income	Nil
Total Expenditure	220.16
Total Profit/(Loss) including Other Comprehensive Income	(220.16)

Further, the foreign exchange rates considered for translating the items in statement of profit and loss is also not being correctly taken.

ii) We further draw your attention to the note of erstwhile auditor :-

During 2017-18, the company had incorporated financial statements of five branches for the period till December 31, 2017. During 2018-19, unaudited financial statements were available, however details w.r.t intervening period from 01.01.2018 to 31.03.2018 is not available. Further there are opening difference in the branch trial balance aggregating to Rs. 69.38 lacs which have been debited to Reserves and Surplus for which the underlying details are not available. This has also resulted in the corresponding period figures not being comparable.

In the absence of details, we are unable to comment the same

- h) In view of pending confirmations/reconciliation from certain banks and financial institutions / others for different types of accounts and borrowings including non-fund based limits, we are unable to comment on the impact, if any, on the results arising out of such pending confirmations / reconciliation.
- i) The Company is carrying prepaid expenses as on June 30, 2020 in respect of which the underlying details are



not available and hence we are unable to comment on the adequacy of the same being charged off or carried forward.

i) Others:

i. The company has partially complied with the applicable requirements of

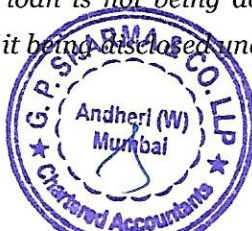
- Ind AS 1 – Presentation of Financial Statements;
- Ind AS 2 – Inventories ;
- Ind AS 8 – Accounting Policies, Change in Accounting Estimates and Errors;
- Ind AS 21 – The Effects of Changes in Foreign Exchange Rates;
- Ind AS 23 – Borrowing Costs; Ind AS 36 – Impairment of Assets ;
- Ind AS 37 - Provisions, Contingent Liabilities & Contingent Assets;
- Ind AS 105 Non-Current assets held for sale and discontinued operations;
- Ind Ind AS 109 Financial Instruments;
- Ind AS 116 – Leases;

ii. The internal controls in the company needs to be significantly strengthened considering the following, the impact of which, if any, cannot be ascertained:

- The accounting software used is Tally ERP which is an independent standalone accounting system which should be integrated with other operational areas such as Inventory, HR, Production, Sales etc. to have better control having regard to the fact that sufficient details for the same manually are also not available
- There has been no system of Risk Control Matrix / Process Controls in place to check the adherence to guidelines, wherever framed by company and to monitor deviations, if any;
- The process of controls w.r.t booking and maintenance of back up records in respect of expenses needs to be improved.
- The underlying records for monitoring the progress of work for billing such as Measurement book and reconciliation of the same with Invoices raised / WIP are not made available, which is an important control documents for revenue from such activities.

iii. With respect to presentation and disclosure requirements of Schedule – III to the Companies Act, 2013, identified non-compliances or non-availability of details are as under:

- Bifurcation of interest payable on loan is not being done properly, in view of some part of it being included with principal and part of it being disclosed under Interest Payable.



- the entire amount of trade receivables have been classified as current notwithstanding the contracted terms with the respective customers;
 - Amount and period of default in repayment of borrowing and interest have not been provided in order to comply with the presentation and disclosure requirement as per the schedule III of the Companies Act, 2013
 - The additional disclosures as required under schedule – III are as compiled by the management and have been provided to the extent details are available with the management. In the absence of underlying details, we are unable to verify and comment in respect of the same;
 - Classification as current and non-current for various items of assets and liabilities has not been done as per contracted terms as required under IndAS; Similarly, the bifurcation between secured and unsecured could not be verified in the absence of details.
- iv. The company has not disclosed the information pursuant to the requirement of Segment Reporting in respect of its geographical segments (viz. within India & outside India), the same is also not in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Ind AS 108- Operating Segment.
- v. Interest on borrowings have been provided as per the amounts reflected in the corresponding loan statements, wherever the same are available. In case where the statements are not available, interest is provided @ 14% p.a. in respect of the borrowings, including in respect of credit card dues, irrespective of the contracted rates. In respect of external commercial borrowings, grossing up for tax thereon has not been done. Further, effect of exchange fluctuation on foreign currency loan balances have not been considered for the purpose of calculation of interest. In the absence of the same, we are unable to comment on the impact, if any, on the financial statement.
- vi. Pending the finalisation of claims reconciliation process the ad-hoc accounting of operational and financial creditors as done in the earlier years continue. Further, no interest has been accrued in respect of part of the amount. In the absence of details, we are unable to verify the same.

4. Basis for Qualified Opinion

- a. In August 2013, Jyoti International Inc., a subsidiary company, has issued subordinated debt of USD 1,30,00,000 and preferred stock Series A of USD 1,00,00,000. In April 2014, the company issued additional 47 shares of Series A preferred stock, at USD 4,00,000 per share, for additional gross proceeds of USD 1,88,00,000. Cumulative dividend accrues on these preferred stocks of Series A, on a daily basis at the rate of 0.01% per year on the original purchase price, per share.

The said subsidiary company has a contingent liability of USD 3,47,00,000 for above mentioned preferred stock variable return along with its accretion of USD 1,14,53,076 for the year ended 31st March 2016. As per preferred stock agreement, that Company and the Holding company, planned to settle the variable return due on 28th August 2016 through the issuance of common stock of the Holding company.

However, no details are available whether the parties have exercised the right, hence we are unable to comment on the same.



b. In respect of its holding company:

In respect of its Fixed Assets

Fixed assets register providing inter-alia details of the assets, location, identification number, useful life etc. is not available, in the absence of which we are unable to comment on the maintenance of adequate records w.r.t fixed assets. Further, the assets have not been physically verified during the quarter under audit.

In respect of its investments:

The original share certificates / holding statement (viz. from DP / other sources) to substantiate the ownership of the company towards equity and other Investments in subsidiaries / associates / others amounting to aggregate carrying value Rs. 667.04 Lacs are not made available due to which are unable to comment on the existence, title and carrying amount of such investments under Non-current assets.

There are no documents / working available for assessment of carrying value of all the Non-Current investments, in the absence of which we are unable to comment on the adequacy of impairment loss and carrying amount of investments as at the June 30, 2020.

Contingent Liabilities

In the absence of details of Bank Guarantees(BG), BG Commission, Corporate Guarantees etc. for the quarter ended June 30, 2020, we are unable to comment on the same.

Balances with banks (including for loans & term deposits), trade and other receivables, advances, TDS and other deposits and various payables are subject to confirmation, reconciliation and consequential adjustments, if any. In absence of alternative corroborative evidence, we are unable to comment on the extent to which such balances are recoverable. Impact whereof on the results, if any is not presently ascertainable.

Bank statements / confirmation directly from banks in respect of borrowings as well as current and deposit accounts are not available in some cases. In the absence of which, it is not possible to confirm the balances as reported in the financials and as per bank.

The company had issued preference shares of face value of Rs. 2,500 Lacs which were repayable along with 69% redemption premium i.e., Rs.1,725 lacs on 14.03.2018, the company was not able to redeem the same and liability of Rs. 4,225 lacs is in books of accounts.



5. Disclaimer of Conclusion

Because of the significance of the matters described in paragraph 3 above we have not been able to obtain sufficient appropriate audit evidence to provide a basis for conclusion as to whether this Results:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and, Disclosure Requirements) Regulations, 2015, as modified; and
- b. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Company for the quarter ended June 30, 2020.

For G. P. Sharma & Co. LLP
Chartered Accountants
Firm Registration No.: 109957W/W100247


CA. Utkarsh Sharma
Partner
UDIN: 21147906AAAAKU6395
Membership No: 147906
Place: Mumbai
Date: 6th August, 2021

