

JYOTI OVERSEAS LTD.

40th Annual Report
2013-2014



JYOTI OVERSEAS LTD.

Village Sejwaya Ghatabillod - 454773
Dist. Dhar (M.P.)



BOARD OF DIRECTORS	: Shri Pramod Somani Shri Vikas Chikne Shri Luv Kumar saboo Ms Pratihtha Somani	Managing Director Independent Director, Independent Director (w.e.f.14.08.2014) Director
CHIEF FINANCIAL OFFICER	: Shri Rajendra Ved	
AUDITORS	: M/S S. P. Moondra & Co. Chartered Accountants 53/8, Kanchan Baug, Indore – 452001 (M.P.)	
REGISTERED OFFICE & WORKS	: Village Sejwaya Ghatabillod - 454773 Dist. Dhar (M.P.) E-mail: pramod@jolindia.com Website: www.jolindia.com Contact No.: 08889018999	
REGISTRAR AND SHARE TRANSFER AGENT	: Ankit Consultancy Private Limited 60, Electronic Complex, Pardeshipura, Indore (M.P.) Email: ankit_4321@rediffmail.com	
ISIN Demat Number	: INE432D01011	

**JYOTI OVERSEAS LTD.****NOTICE**

NOTICE is hereby given that the 40th Annual General Meeting of the members of JYOTI OVERSEAS LIMITED will be held at the Shubham Garden, Main Road, Ghatabillod, Distt. - Dhar (M.P.) on Tuesday, 30th September 2014 at 11.00 a.m. to transact the following Business:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year ended 31st March, 2014 together with the Reports of the Board of directors and Auditors thereon.
2. To appoint a director in place of Mr. Pramod Somani who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s S.P. Moondra & Co., Chartered Accountants (ICAI Firm Registration No. 004879C), the retiring Auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Forty Third Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment by the members at every Annual General Meeting) on such remuneration as may be fixed by the Board."

SPECIAL BUSINESSES:

4. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and the Clause 49 of the Listing Agreement as may be amended from time to time, Shri Vikas Chikne (DIN- 02776142), who was holding positions of the Independent Directors and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years upto 31st March, 2019 and he will not be liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and the Clause 49 of the Listing Agreement as may be amended from time to time, Shri Luv Kumar Saboo (DIN-02921767) in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years upto 31st March, 2019 and he will not be liable to retire by rotation."

6. Approval of borrowing powers of Board u/s 180 of the Companies Act 2013

To consider and if thought fit to pass, with or without modifications, the following as a Special Resolution:

"RESOLVED THAT pursuant to the Provisions of Section 180(1)(c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications, amendments or re-enactments thereto for the time being in force) the consent of the Company be and is hereby accorded to the Board of directors (hereinafter referred to as 'The Board' which term shall be deemed to include a Committee of the Board) for borrowing any sum or sums of monies from time to time for the purpose of the Company's business on such terms and conditions and with or without security from any bank, financial institution or any other lending institutions, firms, bodies corporate or persons, both in the national and international markets, as may be considered suitable by the Board, notwithstanding that the sum or sums of monies to be so borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 100.00 Crores (Rupees One Hundred Crores only) over and above the paid up capital of the Company and its free reserves.

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give full effect to this resolution."

7. Approval of powers of Board creation of charge u/s 180 of the Companies Act 2013

To consider and if thought fit to pass, with or without modifications, the following as a Special Resolution:

**JYOTI OVERSEAS LTD.**

“RESOLVED THAT consent of the Company be and is hereby accorded in terms of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, if any, (including any statutory modifications, amendments or re-enactments thereto for the time being in force) to the Board of Directors of the Company (hereinafter referred to as “the Board”) to mortgaging and/hypothecation, pledge or charging by the Board of directors of the Company of all or any of the immovable and movable properties of the Company, wherever situated, both present and future or the whole or substantially the whole of the undertaking or undertakings of the Company in such form and in such manner as the Board of directors may think fit for securing any loans and/or advances already obtained or that may be obtained time to time from any financial Institutions / banks / insurance companies, bodies corporate, firms or association or person or persons, and/or to secure any debentures issued, deposits and/or that may be issued and all interest, compounding interest / additional interest, commitment charge, cost, charges, expenses and all other moneys payable by the Company to the concerned secured lenders within the overall borrowing limit as per the special resolution passed by the members as per provisions of section 180(1)(c) of the Companies Act, 2013 as may be applicable from time to time.

RESOLVED FURTHER THAT the securities created or to be created by the Company as aforesaid may rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created by the Company as may be agreed to between the Board of Directors of the Company and the concerned parties.

RESOLVED FURTHER THAT the Board be and is hereby authorized to create or revise / renew the securities / or release the securities and to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

By order of the Board

INDORE
14th August 2014
JYOTI OVERSEAS LTD.
CIN: L72112MP1974PLC001260
Village Sejwaya
Ghatbillod – 454773, Dist. Dhar (M.P.)

PRAMOD SOMANI
Managing Director
(DIN 00042745)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, TO BE VALID, MUST REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. Members desirous of obtaining any information concerning accounts their question in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the meeting.

3. The register of member and share transfer books will remain closed from 26th September 2014 to 30th September 2014 (both days inclusive) for the purpose of Annual General Meeting.
4. Pursuant to the provisions of section 124(5) and 125 of the Companies Act 2013, the company is not having any amount due for transfer to the Central Government.
5. There is no instance which requires to transfer undelivered shares to the separate escrow account as required under the Listing Agreement.
6. The SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their depository participant with whom they are maintaining their D-mat Accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agent M/s Ankit Consultancy Pvt. Ltd.
7. Pursuant to the clause No. 49 of the Listing Agreement, the requirement of the profile of the Directors proposed for appointment/re- appointment is being given in a statement containing details of the concerned Directors and is attached hereto.
8. The Ministry of Corporate Affairs (“MCA”) Govt. of India by its Circular Nos. 17/2011 dt.21.04.2011 & 18/2011 dt. 29.04.2011, has allowed companies to send annual report and other communications through electronic mode at the Registered email address of the members/beneficiaries, keeping in view of the underline and the circulars issued by MCA, we propose to send future communications in electronic mode. Members who hold shares in physical form and desirous of receiving documents in electronic mode are requested to please promptly provide their details (name, LF No., email ID) to the Registrar and Share Transfer agent of the Company. Accordingly, your Company propose to henceforth affect electronic delivery of necessary communication / documents from time to time to the Members, who have provided their e-mail address to their Depository Participant(DP). E- mail addresses as registered in your respective DP accounts in the records of the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Service (CDSL) which will be periodically downloaded, will be deemed to be your registered e-mail address for serving the necessary communication /documents. Members who wish to inform any updates /changes of their e-mail address, are requested to promptly update the same with their DP. The annual report and other communications/documents sent electronically would also be displayed on the Company's website: www.jolindia.com. As a Member of the Company, you will be furnished, free of cost, a printed copy of the Annual Report of the Company, upon receipt of a requisition from you. We request you to support this initiative and opt for the electronic mode of communication by submitting your e-mail address to your DP or to the Company's Registrar, as the case may be, in the interest of the environment.
9. Voting through electronic means:

**JYOTI OVERSEAS LTD.**

- (I) In compliance with provision of section 108 of the companies act 2013 and rule 20 of the Companies (Management and Administration) Rules, 2014 the company is pleased to provide member's facility to exercise their right to vote at the 40th annual general meeting (AGM) by electronic means and the business may be transacted through e-voting Service provided by CDSL. Procedure and instruction for e-voting are as follows :

In case of members receiving e-mail:

- (I) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "shareholders" tab.
- (iii) Now select the "COMPANY NAME" (i.e. Jyoti Overseas limited) from the drop down menu and click on " SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Member holding Share in Physical Form should enter Folio Number registered with the company.
- (v) Next enter the image verification as displayed and Click on Login.
- (vi) If you are holding share in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members Holding Shares In Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha –numeric *PAN issued by income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with Company/Depository Participant are request to use the first two letters of their name and the last 8 digits of the demat account /folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two character s of the name in CAPITAL letters Eg. If your name Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the DATE of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or the company records for the said demat account or folio.
	<ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cutoff date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
 - (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach "PASSWORD" Creation menu wherein they are required to mandatory enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (x) For Members holding shares in physical form, the detail can be used only for e-voting on the resolutions contained in this Notice.
 - (xi) Click on the EVSN for the relevant <Company Name > (i.e. Jyoti overseas limited) on which you choose to vote.
 - (xii) On the voting page, you will see "RESOLUTION DESCRIPTON" and against the same the option "YES/NO" for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
 - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "Ok", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
 - (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click here on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc. are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

**JYOTI OVERSEAS LTD.**

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from Sr. No. (i) to Sr. No. (xvii) Above to cast vote.
 - (B) The voting period begins on 24/09/2014 at 9.00 A.M and ends on 26/09/2014 at 6.00 P.M. During this period shareholders of the Company, holding share either in physical form or in dematerialized form, as on the cut-off date i.e. 05/09/2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (II) You can also update your mobile number and e-mail id in

the user profile details of the Folio which may be used for sending future communication(s).

- (III) The voting rights of shareholders shall be in proportion to their share of the paid up equity Share capital of the Company as on the cut –off date of 05/09/2014.
- (IV) Mr.Devendra Jain Company Secretary whole time in practice (ICSI membership No.31994) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (V) The Scrutinizer shall within a period not exceeding 2(Two) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2(two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the company.
- (VI) The Results shall be declared on or after the AGM of the Company. The Result declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.jolindia.com and on the website of CDSL within 2(Two) days of passing of the resolutions at the AGM of the Company and communicated to the BSE limited.

Statement regarding the Director proposed for re-appointment
Details of the directors seeking Appointment/ Reappointment at the Annual General Meeting

Particulars	Mr. Pramod Somani	Mr. Vikas Chikne	Mr. Luv Kumar Saboo
Date of Birth	12 Jan 1966	15 Oct 1967	04 Oct 1974
Date of Appointment	31 Jan 1992	31 Aug 2009	14 Aug 2014
Expertise in specific area	Manufacturing, International Marketing and Operations	Operations	Administration
Qualification	B.Com	B. Com	B. Com
List of outside Directorship held	NIL	NIL	1 Company
No. & Percentage of Shares held	1157430 Equity Shares (17.91%)	NIL	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Business mentioned at Item No. 3 to 7 of the accompanying Notice:

Item No. 3

This explanatory statement is provided though strictly not required as per section 102 of the Act. M/s S.P.Moondra & Co., Chartered Accountants (ICAI Firm Registration No. 04879C), Indore have been the Auditors of the Company since more than 5 years.

As per the provisions of section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Companies Act, 2013 to comply with this requirement. In view of the above, M/s S.P.Moondra & Co., Chartered Accountants, being

eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of directors has, at its meeting held on 14th August, 2014 proposed the re-appointment of M/s S.P.Moondra & Co., Chartered Accountants as the statutory auditors for a period of three years (subject to the peer reviewed by the ICAI) up to the conclusion of the 43rd annual general meeting to be held in the calendar year 2017 and to hold office from the conclusion of this AGM (subject to ratification of their appointment at every AGM).

The Board recommends the Resolution as set out in Item No. 3 for approval by the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel (KMP) or their relatives are concerned or interested in any manner in the Resolution.

**JYOTI OVERSEAS LTD.**

Item No. 4 and 5

Mr. Vikas Chikne (DIN 02776142) non executive directors of the company, have given a declaration to the Board that he meet the criteria of independence as provided under section 149(6) of the Act and clause 49 of the listing agreement and are not disqualified from being appointed as a director in terms of section 164 of the Act and has given his consent to act as director.

Mr. Luv Kumar Saboo (DIN-02921767) has been proposed by a member for appointment as a director of the Company.

The company has received notice in writing from members along with the deposit of requisite amount under section 160 of the Act, proposing the candidature of the above appointees.

In the opinion of the Board, both the proposed directors fulfill the conditions specified in the Act and the Rules framed there under and clause 49 of the listing agreement for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, Shri Vikas Chikne and Shri Luv Kumar Saboo are proposed to be appointed for a term of 5 years and they shall not be include in the total number of directors for retire by rotation.

Copy of the draft letter for appointment of them as an independent director setting out terms and conditions is available for inspection by the members at the Registered Office of the Company.

Save and except the above said appointees in respective resolutions, and their relatives to the extent of shareholding interest if any, in the company, none of the Directors / Key Managerial Personnel of the company and their relatives are in any way concerned or interested, financial or otherwise, in the resolutions set out at item No. 4 to 5, except to the extent of sitting fee for attending the Board and other meetings from time to time payable to them.

The Board commends the ordinary resolution as set out in Item No. 4 to 5 of the notice for approval.

Item No. 6

The members of the company has earlier approved by way of an ordinary resolution under section 293 (1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and its free reserve provided that the amount of such borrowings together with the amounts already borrowed and outstanding at any particular time shall not exceed Rs. 100 crores (Rupees One Hundred Crores Only)

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of special resolution.

It is therefore necessary that the members pass a special resolution under section 180(1)(c) and other applicable provisions of the Companies Act, 2013 as set out in item No. 6 of the notice,

to enable to the Board of Director to borrow money in excess of the aggregate of the paid up share capital and free reserves of the company. Approval of members is being sought to borrow money in excess of the aggregate paid up share capital and free reserves of the company, provided however that the total amount so borrowed and remaining outstanding at any point of time, shall not exceed Rs. 100 crores (Rupees One Hundred Crores only)

None of the Directors/Key Managerial Personnel of the company and their relatives are in any way concerned or interested, financial or otherwise, except the unsecured loans as may be provided by the Directors and interest payable thereon, if any, in the resolutions set out at item No. 6.

The Board commends the Special resolution as set out in Item No. 6 of the notice for approval.

Item No : 7

Section 180(1)(a) of the Companies Act, 2013 provides that the Board of directors of Company shall not, without the approval of shareholders in general meeting by way of special resolution, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company. The Company has earlier passed ordinary resolution as per provisions of section 293(1)(a) of the Companies Act, 1956, and now it is required to pass a special resolution.

As the assistance from the institutions/banks provided/agreed to be provided to the Company have to be secured by the mortgage and charge of the assets of the Company, both present and future and the whole of the undertaking of the Company and the aforesaid institutions would like to retain a power to take over the management of the business and concern of the Company in certain events, it is necessary for the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

Hence, the members are required to authorize to the Board to create/renew charges on the movable and immovable assets and properties of the Company in favor of the lenders in accordance with the terms and conditions of the Loans and security documents as stated in the Resolution of item No. 7.

The Board accordingly recommends the Special Resolution at item no. 7 of this Notice for your approval.

Pursuant to applicable provisions of the Companies Act, 2013, none of the Directors & Key Managerial Personnel and their relatives is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution except in capacity of shareholder.

By order of the Board

INDORE
14th August 2014
JYOTI OVERSEAS LTD.
CIN: L72112MP1974PLC001260
Village Sejwaya
Ghatbillod - 454773 Dist. Dhar (M.P.)

PRAMOD SOMANI
Managing Director
(DIN 00042745)

**JYOTI OVERSEAS LTD.****DIRECTORS' REPORT**

Dear Shareholders,

Your Directors are pleased to present the 40th Annual Report and the audited accounts of the company for the year ended 31st March 2014.

FINANCIAL RESULTS : (Rs. in Lacs)

	2013-14	2012-13
Income from operations	0	0
Other Income	0.19	1.71
Total Income	0.19	1.71
Profit before Depreciation, Interest & tax	(2.11)	(6.03)
Less : Interest	NIL	NIL
Depreciation	21.28	22.49
Loss before Tax	(23.39)	(28.52)
Loss after Tax	(23.39)	(28.52)
Balance brought forward	(3839.57)	(3811.05)
Balance transferred to the Balance Sheet	(3862.96)	(3839.57)

REVIEW OF OPERATIONS:

As the Secured Creditors terminated the custodianship of the company and took the physical possession of factory in April 2011, there were no operations carried out in the factory. The Secured Creditors have sealed the production facilities and have deployed their own security personal. Consequently there was no production and sales in the company.

The management is continuously trying to have a settlement with the Secured Creditors so that the company can revive its operations.

ACTION UNDER SARFAESI ACT, 2002

The Asset Reconstruction Company ARCIL and the Financial Institution, Exim Bank of India had initiated recovery action under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act) 2002. The Company had been issued notice under section 13(4) of the SARFAESI Act for possession of Secured Assets, that include a part of land, building and complete machineries (except the machines charged to IDBI earlier) ,charged to the said Institutions. The Company had been appointed as Custodian of said Secured Assets with effect from July 11, 2007. The Company was allowed to continue the routine business operations on payment of Rs 25000 per month towards royalty charges. In April 2011 the Financial Institutions withdrew the custodianship from the company and took the physical possession of the factory.

STATUS OF REGISTRATION WITH THE BIFR:

The Company made reference to the Hon'ble BIFR in August 2003 and had been declared sick under the provisions of SICA , 1985 vide order dated 17th May 2006. As the Secured Lenders ARCIL And Exim Bank have taken action under section 13(4) of SARFAESI Act 2002, the Hon'ble BIFR, pursuant to an application by the referred Secured Creditors, has ordered on 26.11.2007 to abate the reference filed under SICA Act.

Winding-up Petition by ARCIL

ARCIL has filed a company petition under Section 433(1)(e) of the Company 's Act 1956 for winding up of the company, before the Hon'ble High Court of Madhya Pradesh at Indore Bench. The Company is filing proper reply opposing the winding-up petition filed by ARCIL. The petition is pending before the Hon'ble High Court for admission.

DIVIDEND

In view of huge losses incurred by the Company, the directors regret their inability to recommend any dividend (Previous year Nil).

DISCLOSURE OF PARTICULARS

Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed and marked Annexure "I" and forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

The statement as required under section 217(2AA) of the Companies Act, 1956 the Board of Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations provided relating to material departures, if any;
- (ii) The Directors have selected appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss for that Year;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on the going concern basis. The Directors are hopeful of achieving One-time settlement of dues of secured creditors and revival of operations. Therefore the company's accounts are prepared on going concern basis.

PARTICULARS OF THE EMPLOYEES

The information required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are not given as the Company did not have any employee during the year.

PUBLIC DEPOSIT

Your Company has not accepted any Public deposit within the meaning of provisions of Section 58A & 58AA of the Companies Act, 1956 and there is no out standing deposit as at 31st March, 2014.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and Analysis Report as required under the Listing Agreement with the stock exchange is annexed as Annexure "II" forming part of this report.

**JYOTI OVERSEAS LTD.****CORPORATE GOVERNANCE**

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange(s), a separate section titled 'Corporate Governance' has been included in this annual report along with management discussion and analysis report as Annexure III. A certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed to this report.

DIRECTORS

Mr. Pramod Somani, (DIN 00042745) Director of your Company, retires by rotation at the ensuing annual general meeting of the company, and being eligible offers himself for re-appointment.

Further that Shri Vikas Chikne (DIN 02776142) the existing independent director is further proposed to be appointed as Independent Director for a term of 5 years and Mr. Luv Kumar Saboo (DIN 02921767) is proposed to be appointed as Independent Directors for a term of 5 years as per requirement of section 149 of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement to hold the office till 31st March, 2019 and 13th August, 2019 respectively.

The Company has received a notice for members as per section 160 of the Companies Act, 2013 for proposal for appointment of the aforesaid directors at the AGM. They have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act and clause 49 of the listing agreement and are not disqualified from being appointed as a director in terms of section 164 of the Act and has given their consent to act as director.

In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under and clause 49 of the listing agreement for appointment as Independent Director and they are independent of the management.

AUDITORS

As per the provisions of section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Companies Act, 2013 to comply with this requirement. In view of the above, M/s S.P.Moondra & Co., (F.R.No 004879C) Chartered Accountants, being eligible for re-appointment and based on the recommendation of the Audit Committee proposed for the re-appointment as the statutory auditors for a period of three years (subject to the peer reviewed by the ICAI) up to the conclusion of the 43rd annual general meeting to be held in the calendar year 2017.

DIRECTORS' COMMENTS TO THE QUALIFICATION MADE BY AUDITOR

(I) The Auditors, in the point no.3(f), in their report, have made comments on non-provisioning of interest on term loan outstanding. The company has already achieved One-time settlement (OTS) with majority of secured creditors and is further trying to reach one-time settlement with the remaining secured creditors. Further to this, the secured creditors have taken the physical possession of factory

and have sealed the production facilities. Hence the Company considers it appropriate to make no provisioning of interest on these borrowings. The Auditors have also made comments regarding company's going concern status. Considering the dispute of ownership on company's assets between Commercial tax Department and Financial Institutions and also considering the management efforts to have One-time settlement of dues of Secured creditors, the management is hopeful that the company will revive its operations. Therefore the Company's accounts are prepared on going concern basis. The Auditors have also made comment on not following the accounting standard with respect to the provision of gratuity on actuarial basis. The Company does not have any staff on its payrolls and as the physical possession of factory has been taken over by Secured Lenders, all the workers and staff have left the company. The gratuity provisions made for the left staff is sufficient to take care of their dues. Hence the provision of gratuity is not done on the actuarial basis.

- (ii) The Auditors, in the Point No. 9(a), of Annexure to their report have also made some qualifications as regards irregularity in payment of statutory dues. The Company is passing through severe financial hardships and as a result there were instances of irregularity in the payment of certain statutory dues. The Company is mobilizing necessary resources to meet the overdue payments.
- (iii) The Auditors, in their report also made qualifications as regards non availability of balance confirmations from debtors, creditors and Loans & Advances; and non ascertainment of impairment of assets. The Directors are of the view that the receivables/ payables balances shown in the balance sheet do not require any provision. And as the assets are in the custody of Secured lenders and their ultimate fate is not ascertainable, any change with respect to impairment, if arises, would be adjusted in the year of settlement.

APPRECIATION

We gratefully thank the banking circles, financial institutions, Government authorities, Suppliers, customers and the investors for their continued support extended to the Company from time to time.

Indore,	PRAMOD SOMANI	For and on behalf of the Board
14 th August 2014	DIRECTOR	PRATISHTHA SOMANI
	DIN 00042745	DIRECTOR
		DIN 02921806

**JYOTI OVERSEAS LTD.****ANNEXURE "I" TO THE DIRECTORS' REPORT**

Additional information as required under the Companies (Disclosure of Particular in the report of Board of Directors) Rules, 1988

CONSERVATION OF ENERGY

Conservation of energy continues to be a priority area for the Company and efforts continues to be made wherever possible to reduce the cost. The details of power and fuel consumption are given blow:

ELECTRICITY:

A.	Year 2013-14	Year 2012-13
Purchased Unit	NIL	NIL
Total Amount (Rs.)	NIL	NIL
Rate/Unit (Rs.)	N/A	N/A

B.	Year 2013-14	Year 2012-13
Own Generation through		
Diesel Generators (Units)	NIL	NIL
Unit generated per liter of Diesel Oil	NIL	NIL
Cost per unit (Rs.)	N/A	NIL
Consumption (units) per Meter of fabric	N/A	N/A

TECHNOLOGY ABSORPTIONS AND RESEARCH & DEVELOPMENT:

The Company has so far not imported any technology. The Company manufactures standard products for which technology has stabilized, and therefore no further research is being carried out.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earned	-	---	Rs. NIL
Total foreign exchange outgo			
On Revenue A/C		---	Rs. NIL
On Capital A/C		----	Rs. NIL

**ANNEXURE "II" TO THE DIRECTORS' REPORT
MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industry Structure and Development**

Jyoti Overseas Limited manufactures specialized cotton, polycotton, polyester viscose and other blends of fabrics. JOL has infrastructure to weave fabrics in the width ranging from 26 inches to 144 inches with weight upto 36 oz per square yards – (1200 gsm) in plain, drill, oxford, Marry, Bobby designs with high cover factor. The major users of JOL specialized fabrics are Art, Furnishing, Defense, Bags & Luggage, Apparel and Tarpaulin Industries.

Apart from fabric JOL also houses facility for value added products like Coated Artist Canvas, dyed and water proofed fabric which can give further impetus to the bottomline of the company. However, currently the physical possession of factory has been taken over by Secured Lenders.

OUTLOOK AND OPPORTUNITIES

With the One-time settlement reached with the working capital banks consortium and the Financial Institution, Industrial Development Bank of India Limited, the Company could reduce its

debt burden to a major extent. The Company is also hopeful of reaching One-time settlement with remaining two Financial Institution ARCIL and EXIM Bank, and reduces its secured borrowings to NIL. The company would then try to pursue export trading as it has rich experience of more than 25 years of textiles exports market. Further, the company has also created niche for itself in developing value-added textile products which can be developed on job-work basis by different suppliers. This would have positive effect on bottom-line and would also give sufficient margin to repay old creditors who have kept faith in Company's management for long.

OUTLOOK ON THREAT, RISK AND CONCERNS

After the sale of secured assets by Secured Lenders ARCIL and EXIM Bank, the Company would not have any manufacturing facilities. The Company, for its trading business, would have to be dependent on several outside manufacturing units for its requirements. Consequently, the advantages of having own manufacturing set-up would not be available to the Company which might put some pressure on sales turnover and hence the margin also. Further, if the Secured Lenders do not accept the One-time settlement proposal submitted by the Company, and pursue for winding-up of the company then the company will have to be closed.

SEGMENTWISE PERFORMANCE

The Company is primarily engaged in manufacturing of Fabrics. As the basic nature of activities is governed by same risk and return, these have been grouped as a single segment, Textiles.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

As the company did not carry out any operations in this financial year, the company was not required to put into place any formal internal control systems.

GOALS

The company is strategically placed to exploit the growth opportunities in the Industrial Textile segment. In view of its marketing expertise and broad-based and satisfied clientele all over the world, we will be looking for Global partners and strategic alliances in areas of mutual interest *after financial restructuring is achieved by it.*

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "Forward looking statements" within the meaning of applicable laws and regulations, actual results might differ substantially or materially from those expressed or implied.

**ANNEXURE "III" TO THE DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE****1. Philosophy on code of Corporate Governance**

Our fundamental objective is "enhancement of the long term shareholders value while at the same time protecting the interest of other stakeholders and adopting a methodology which enhances effectiveness, better utilization of resources, transparent and harmonious relations between various interest groups.

**JYOTI OVERSEAS LTD.****2. Implementation**

Your Company adopted the code of Corporate governance as provided in terms of the listing agreement with stock exchanges..

3. Board of Directors**a. Composition :**

Our Board is comprised of Three (3) Directors of which One (1) is non executive Independent Director. None of the Directors of the company is a member on more than 10 committees or Chairman of more than 5 committees (as specified in the clause 49 of the listing agreement) The Board is primarily responsible for the overall management of the company's business. The composition of Board during the period under review is as under:

No.	Name of Director	Category	BOD Meeting attended
1	Mr. Pramod Somani	Non Independent, Executive	Four
2	Mr Vikas Chikne	Independent, Non Executive	Four
3	Ms Pratihtha Somani	Non Independent, Non Executive	Four

b. Meetings:

During the period four Board meetings were held as under:

Date of Board Meeting	27.05.2013	31.07.2013	31.10.2013	31.01.2014
Board Strength	3	3	3	3
No. of Directors present	3	3	3	3

4. General Meeting

During the year under review one general meeting was held which was the Annual General Meeting held on 30th September 2013 at the registered office of the Company and all the Directors were present at the General Meeting:

5. Board Committee**a. Audit committee :**

Board of Directors has constituted an Audit Committee. The Audit Committee comprised of Mr. Vikas Chikne, Ms Pratihtha Somani and Mr Pramod Somani. The Chairman of the committee is Mr Vikas Chikne. The Audit Committee inter alia provides reassurance to the Board on the existence of an effective control environment that ensures.

1. Efficiency and effectiveness of operations.
2. Safeguarding of assets and adequacy of provisions for all liabilities.
3. Reliability of all financial and other management information and adequacy of provisions for all liabilities.
4. Compliance with all relevant statutes.

The Details of Audit Committee meeting held during the year 2013-14 are as under

S.No.	Date of meeting	Members present
1.	27/05/2013	Mr. Vikas Chikne and Ms Pratihtha Somani
2.	31/07/2013	Mr. Vikas Chikne and Ms Pratihtha Somani
3.	31/10/2013	Mr. Vikas Chikne and Ms Pratihtha Somani
4.	31/01/2014	Mr. Vikas Chikne and Ms Pratihtha Somani

b. Shareholders' Grievance Committee

This Committee has been constituted to facilitate prompt and effective redressal of shareholders complaints.

The Committee comprises of following directors namely Mr. Pramod Somani and Mr. Vikas Chikne of the company.

The Committee met once every fortnight to consider the request of transfers and investor's grievance.

During the year under review the Company has received total 1 complaints and was resolved to the satisfaction of the shareholders and no complaint is pending as on 31st March 2014.

Information of General Body meetings

Location and time of AGMs held during the last three years are as follows:

Fin-Year	Location	Date	Time
2012-13	Registered office, Village Sejwaya, Ghatabillod, District Dhar (MP)	30.09.2013	11.00 am
2011-12	Registered office, Village Sejwaya, Ghatabillod, District Dhar (MP)	29.09.2012	11.00 am
2010-11	Registered office, Village Sejwaya, Ghatabillod, District Dhar (MP)	30.09.2011	11.00 am

There was no transaction that required postal ballot.

6. Disclosures :**a. Related party transactions :**

The Company has not entered into any transaction with the promoters and the directors or relatives that may have any potential conflict with the interest of the company.

b. Compliance by the company :

The company has fairly complied with the requirement of the Stock Exchange and SEBI. No penalties or strict actions have been imposed on the company by the Stock exchange or SEBI.

c. Whistle Blower policy:

The Company has made a policy under which all persons can approach the Audit Committee without necessarily informing his/her supervisors.

d. Code for Prevention of Insider Trading:

The Company has adopted the code for Prevention of Insider Trading.

7. Information on directors recommended for appointment /reappointment:

Mr. Pramod Somani, Director of your Company, retires by rotation at the ensuing annual general meeting of the company, and being eligible offers himself for re-appointment. Further that the Company has received notice u./s 160 of appointment of Mr. Vikas Chikne and Mr. Luv Kumar Saboo as a director under the category of Independent Directors of the Company.

**JYOTI OVERSEAS LTD.****8. Means of Communication :**

- ✘ Full Annual report is sent to each shareholder every year at their registered address regularly.
- ✘ The company has been regularly sending the quarterly / half yearly / annual financial results to stock exchanges. These results are also sent to those shareholders who request for the same.
- ✘ The results are also available on the website of The Stock Exchange, Mumbai on www.bseindia.com.
- ✘ The quarterly financial results and Annual report are also sent to Financial Institutions / banks / analyst on demand.

9. General Shareholders Information :**1. Annual General Meeting :**

Date : 30th September 2014
Time : 11:00 AM
Venue : Shubham Garden , Main Road, Ghatabillod, Dhar

2. Financial Calendar :

Financial Reporting for:	Date of Reporting
Quarter ended 31 st March 2013	27 th May 2013
Quarter ended 30 th June 2013	31 st July, 2013
Quarter ended 30 th September 2013	31 st October, 2013
Quarter ended 31 st December 2013	31 st Jan, 2014

3. Date of Book closure :

26th September 2014 to 30th September 2014 (both days inclusive)

4. Listing on Stock Exchange :

1. The Bombay Stock Exchange, Mumbai.
2. The Madhya Pradesh Stock Exchange, Indore
5. Stock Code : 523876 - The Stock Exchange, Mumbai

6. Registrar and Share transfer agent

The Company has appointed Ankit Consultancy Pvt. Ltd., Indore to handle its physical share transfer work as well as electronic connectivity for depository mode. The members may send their request for transfer at the Ankit Consultancy Pvt. Ltd., 60, Electronics Complex, Pardeshipura, Indore – 452010

7. Share Transfer system:

Share for transfer received in physical mode are transferred expeditiously.

8. Compulsory Dematerialized trading :

SEBI has made it compulsory to dematerialize all the equity shares of the Company. The Company has entered into necessary agreement with NSDL and CDSL to enable members of the Company to Select the depository of their choice. The ISIN number of the Company is INE432D01011

9. Market Price/Data Performance :

Mumbai Stock Exchange:

Date	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades
Apr-13	0.65	0.37	2461	35
May-13	0.37	0.29	2057	27
Jun-13	0.31	0.28	8716	26
Jul-13	0.38	0.29	0568	11
Aug-13	0.63	0.39	4330	22
Sep-13	0.69	0.60	4229	12
Oct-13	0.58	0.38	1665	15
Nov-13	0.37	0.24	1880	34
Dec-13	0.30	0.21	2669	31
Jan-14	0.31	0.24	1007	12
Feb-14	0.37	0.32	1703	09
Mar-14	0.38	0.35	1639	13

10. SHAREHOLDING PATTERN AS AT 31ST MARCH, 2014.

Category	No. of Share held	% of Shareholding
A Promoters Holding		
1. Promoters		
Indian Promoters:	28,20,999	43.65
Foreign Promoters :		
2. Persons acting in concert	NIL	NIL
Sub Total (A)	28,20,999	43.65
B. Non-Promoters Holding		
1. Institutional Investors	0	0
2. Mutual Funds and UTI	400	0.01
3. Banks, Financial Institutions	4900	0.08
4. Insurance Cos.	0	0
5. FIs	0	
Sub-Total (B)	5300	0.08
C. Others		
6. Private Corporate Bodies	6,13,473	9.49
7 (a) Individual Shareholders holding nominal share capital upto Rs 1 Lakh	25,76,948	39.87
(b) Individual Shareholders holding nominal share capital in excess of Rs 1 Lakh	4,26,834	6.60
8. NRIs/OCBs	19,122	0.30
9. Any other [clearing member]	300	0.00
Sub-Total (C)	36,36,677	56.27
Grand Total	64,62,976	100.00

**JYOTI OVERSEAS LTD.****10 A. Distribution of shareholding as on 31/03/2014**

No. of Equity Shares held	No. of share-holders	% of share-holders	No. of shares held	% of holding
Upto 1000	8505	72.54	841678	13.02
1001 to 2000	1358	11.58	270084	4.18
2001 to 3000	482	4.11	143370	2.22
3001 to 4000	256	2.18	101306	1.57
4001 to 5000	397	3.39	198356	3.07
5001 to 10000	424	3.62	353490	5.47
10001 to 20000	140	1.19	219208	3.39
20001 to 30000	47	0.40	122550	1.90
30001 to 40000	31	0.26	111783	1.73
40001 to 50000	26	0.22	120337	1.86
50001 to 100000	34	0.29	234282	3.62
100000 and above	25	0.21	3746532	57.97
Grand Total	11725	100.00	6462976	100.00

11. Plant Location:

Village Sejwaya, Ghatabillod, District Dhar. 454773

12. Address for Correspondence:

Village Sejwaya, Ghatabillod, District Dhar. 454773

DECLARATION RELATING TO CODE OF CONDUCT

All Board Members and Senior Management Personnel have, for the year ended 31st March 2014, affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms of Clause 49 (1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
Jyoti Overseas Ltd.
Indore,

We have examined the compliance of conditions of Corporate Governance by Jyoti Overseas Ltd., for the financial year ended March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to

the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended/pending for more than 30 days.

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

For, S. P. Moondra & Co.
Chartered Accountants
(F.R.No. 004879C)

S. P. Moondra
Proprietor
M.No. 073747

Place : Indore
Dated : 14th August 2014

INDEPENDENT AUDITOR'S OPINION

To the Members of M/s. JYOTI OVERSEAS LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. JYOTI OVERSEAS LTD. which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This Responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements.

**JYOTI OVERSEAS LTD.**

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

The Company is a Sick Industrial Company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985. However, in view of the facts indicated in note no. 18.18, the accounts of the Company have been prepared on going concern basis.

Attention is drawn to the following notes in note 18 to accounts whose impact on Company's Loss/reserves is indicated in the respective notes below :

- i) Note no. 18.15 regarding non availability of balance confirmation certificate from some of the Debtors, Creditors and Loans & Advances;
- ii) Note No. 18.17 & 18.18 regarding non ascertainable effect, if Company is not able to continue as a going concern.
- iii) Note No. 18.6 regarding provision of gratuity on accrual basis and non ascertainment of liability as per actuarial valuation as required by AS 15.
- iv) Note no. 18.17 for non provision of Interest on Term Loans taken by the Company from Financial Institutions of Rs. 322.98 Lacs for the Year and total amount not provided for till the date of Balance Sheet Rs. 5314.96 Lacs.

Without considering item no. (i) ,(ii) & (iii) above, whose impact on Company's loss/reserves is not presently ascertainable, had the impact of item no. (iv) been considered, a) Loss for the year would have been higher by Rs.322.98 Lacs and consequently term Loans would have been higher by same amount. b) If the total amount would have been provided for, the accumulated Losses would have been higher by Rs.5314.96 Lacs and Consequently Secured Loans would have been higher by Same amount.

Subject to the above and read together with other notes on accounts, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon give the information required by the companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date, and

- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 except for AS-15 (Note no. 18.6) & AS-28 (Note no. 18.19).
 - e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For S.P. MOONDRA & CO.
CHARTERED ACCOUNTANTS

INDORE
Dated the: 29.05.2014

(S.P. MOONDRA)
Proprietor
M. No. 073747
F.R. No. 004879C

ANNEXURE TO THE AUDITOR'S REPORT

With reference to the Annexure referred in our report of even date to the members of M/S. JYOTI OVERSEAS LIMITED, for the year ended on 31st March, 2014, We report that, in our opinion and to the best of our information and explanations furnished to us and the books and records examined by us in the normal course of Audit:

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. As the possession of the secured assets of the company has been taken by the lenders, physical verification of the assets of the company could not be carried out. Therefore, discrepancies if any, between assets as per Books & Physical could not be ascertained.
- c. There has been no disposal of substantial part of the Fixed Assets during the year & the going concern status of the Company is not affected. The Secured lenders have taken the possession of the

**JYOTI OVERSEAS LTD.**

2. The company does not have inventory. Therefore, this clause of the Order is not applicable.
3. a. The Company has taken Loan from One party covered in the register maintained under section 301 of the Act, At the year end Outstanding balance of such loan taken aggregated to Rs. 69.99 Lacs and the maximum Amount involved during the year was Rs. 69.99 Lacs, Further Company has not granted Loans to Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- b. In our opinion and according to the information and explanations given to us, the Loans are Interest free and other terms and conditions of the aforesaid Unsecured loans taken by the Company are not prima facie prejudicial to the interest of the Company.
- c. In respect of Loans taken by the Company, the payment of Principal amount is regular.
- d. In respect of Loans taken by the Company, these were no overdue amount. The Company has not given the Loan.
4. In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. Based on the Audit Procedures applied by us and according to the information and explanations given to us, there were no transactions that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public within the meaning of Section 58 A and 58 AA of the Companies Act, 1956 and the rules framed there under. Accordingly, there have been no proceedings before the Company Law Board in this matter nor any order has been passed.
7. In our opinion, the Company do not have Formal Internal Audit system.
8. The Central Government has prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of manufacturing activity of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the same with a view to determine whether these records are complete and correct.
9. a. According to the records of the Company, undisputed Statutory dues including Income Tax, Wealth Tax, Customs Duty, Excise Duty, and other statutory dues except for Sales Tax, Entry Tax, Professional Tax and Cess duty have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no arrears of undisputed amounts payable in respect of the aforesaid dues were outstanding as on the date of Balance sheet for a period of more than six months from the date they become payable except for MPCT/CST Rs. 43,48,239, Entry Tax Rs. 1,20,17,890, Professional Tax Rs. 5,23,581 and Cess duty Rs. 2,13,140.
- b. According to the information and explanations given to us, the dues in respect of Sales Tax that has not been deposited with the appropriate authorities on account of disputes as on the date of the Balance Sheet and the forum where the disputes are pending are as under:

Sr. No.	Name of the Statute	Nature of the Dues	Forum where dispute is pending.	Amount for Which dispute is pending (Rs. In lacs)	Amount Not Deposited (Rs. in lacs)
1.	M.P. Comm. Tax Act	MPCT	High Court, Indore Year 99-00 to 04-05	158.40	158.40
2.	M.P. Comm. Tax Act	Entry Tax	High Court, Indore 1997-98	40.69	40.69

10. The accumulated losses of the Company at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash losses during this financial year and also in the immediately preceding financial year.
11. The Company has defaulted in repayment of dues to ARCIL and EXIM Bank. The entire amount of outstanding Rs. 2678.11 Lacs (Prev. Yr. 2678.11 Lacs) and interest not provided for of Rs. 5314.96 Lacs (Prev. Yr. 4991.98 Lacs) is in default.
12. According to the information and explanations given to us, the Company during the year has not granted Loans and Advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a nidhi/mutual benefit fund/ society to which the provisions of special statute relating to chit fund are applicable.
14. The Company is not dealing or trading in Share, Securities, debentures and other investments. .
15. According to the information and explanation given to us, The Company has not given any guarantees for Loans taken by others from Banks or Financial Institutions.
16. The Company has not raised any term loans during the year & the term loan outstanding at the beginning of the year , were applied for the purpose for which they were raised.
17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has utilised the funds raised from short term sources towards Long term investment.
18. During the year, the Company has not made any preferential allotment shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company did not have issued debentures and therefore question of creating of Securities does not arise.
20. The Company has not raised any money by way of Public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For S. P. Moondra & Co.
Chartered Accountants

Place : Indore
Dated : 29/05/2014

S. P. Moondra
Proprietor
M.No. 073747
(F.R.No. 004879C)

**JYOTI OVERSEAS LTD.****JYOTI OVERSEAS LTD.**

BALANCE SHEET AS AT 31st March, 2014

	Note	AS AT 31.03.14 Amount/Rs.	AS AT 31.03.13 Amount/Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	64629760	64629760
Reserves & Surplus	2	(355360019) (290730259)	(353021125) (288391365)
Non- Current Liabilities			
Long Term Borrowings	3	0	0
Current Liabilities			
Short Term Borrowings	4	18825659	18702659
Trade Payables	5	8641757	8567034
Other Current Liabilities	6	293000247	292996363
Short Term Provision	7	1510559	1510559
		321978222	321776615
GRAND TOTAL		31247963	33385250
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	8	21581793	23709615
CURRENT ASSETS			
Cash & Bank Balances	9	20095	23560
Short Terms Loans & Advances	10	9646075	9652075
		9666170	9675635
GRAND TOTAL		31247963	33385250
		0	0
Notes & Significant Accounting 1 Policies, forming part of financial Statements As per our report attached	to 18		
INDORE Dated the: 29.05.2014	For and on behalf of the Board Director Director	For S.P. MOONDRA & CO. CHARTERED ACCOUNTANTS (S.P.MOONDRA) Proprietor M. No. 073747 F.R. No. 004879C	

**JYOTI OVERSEAS LTD.****JYOTI OVERSEAS LTD.**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

	Note	2013-14 Amount/Rs.	2012-13 Amount/Rs.
INCOME			
Revenue from Operations	11	0	0
Other Income	12	19269	170916
Total Revenue		19269	170916
EXPENDITURE :			
Cost of Materials Consumed	13	0	0
Employee Benefits Expense	14	0	11447
Finance Costs	15	0	0
Depreciation and amortisation Expense	16	2127822	2249101
Other Expenses	17	230341	377499
Total Expenses		2358163	2638047
Profit / (Loss) before exceptional items and tax		(2338894)	(2467131)
Exceptional items - Prior Period items		0	385000
Profit / (Loss) before tax		(2338894)	(2852131)
Tax Expenses			
Current Tax		0	0
Income Tax (Earlier Years)		0	0
Profit for the year		(2338894)	(2852131)
Earning per equity share of Rs. 10 each Basic and Diluted (in Rs.)		(0.36)	(0.44)
Notes & Significant Accounting Policies, forming part of financial Statements	1 to 18		

As per our report attached
For S.P. MOONDRA & CO.
CHARTERED ACCOUNTANTS

For and on behalf of the Board

INDORE
Dated the: 29.05.2014

Director Director

(S.P.MOONDRA)
Proprietor
M. No. 073747
F.R. No. 004879C

**JYOTI OVERSEAS LTD.****JYOTI OVERSEAS LIMITED**

Cash Flow Statement for the Year Ended on 31st March 2014

PARTICULARS	AS ON 31.03.2014 (Rs. in Lacs)		AS ON 31.03.2013 (Rs. in Lacs)	
	CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit /(Loss) before Tax		(23.39)		(28.52)
Add/(Less) :				
Profit on Sales of Fixed assets	0.00		(1.60)	
Depreciation & amortisation	21.28	21.28	22.49	20.89
Operating Profit before working capital changes		(2.11)		(7.63)
Less: Changes in working capital				
Increase/(Decrease) In Short term Loans & Advances	(0.06)		(2.40)	
Decrease /(Increase) in operating liabilities	(0.79)	(0.85)	(0.07)	(2.47)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(1.26)		(5.16)
CASH FLOW FROM INVESTING ACTIVITIES:				
Sales of Fixed assets	0.00	0.00	3.37	3.37
NET CASH FLOW FROM INVESTING ACTIVITIES (B)				
CASH FLOW FROM FINANCE ACTIVITIES:				
Short term borrowings received	1.23	1.23	1.50	1.50
NET CASH FLOW FROM FINANCING ACTIVITIES (c) (A+B+C)		(0.03)		(0.29)
NET INCREASE IN CASH AND CASH EQUIVALENTS				
Balance as at beginning of the year	0.24		0.53	
Balance as at end of the year	0.21		0.24	
		(0.03)		(0.29)

As per our report of even date annexed
For S.P. MOONDRA & CO.
CHARTERED ACCOUNTANTS

(S.P. MOONDRA)
PROPRIETOR
M.NO.073747
F.R.No.004879C

Dated : 29th May, 2014

For and on behalf of the Board

Director

Director



JYOTI OVERSEAS LTD.

JYOTI OVERSEAS LTD.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS		31.03.2014	31.03.2013	
		Amount/Rs.	Amount/Rs.	
NOTE - 1 : SHARE CAPITAL				
Authorized Share Capital 1,50,00,000 Equity Shares of Rs. 10 each		150000000	150000000	
Issued 71,00,976 Equity Shares of Rs. 10 each		71009760	71009760	
Subscribed & Paid up 64,62,976 Equity Shares of Rs. 10 each fully paid up.		64629760	64629760	
(Including 13800 shares issued for consideration other than cash and 300366 shares allotted as fully paid up bonus shares by way of capitalisation of profits)		64629760	64629760	
The Company has only one class of equity share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.				
The details of Shareholders holding more than 5% shares :				
Name of the Shareholder	AS ON 31.03.2014		AS ON 31.03.2013	
	No. of Share	% Held	No. of Share	% Held
Shri Pramod Somani	1157430	17.91%	1157430	17.91%
Shri Baboolal Somani	1070790	16.57%	1070790	16.57%
Shri B.L.Somani HUF	417000	6.45%	417000	6.45%
The reconciliation of the number of shares outstanding is set out below				
Particulars	As at 31.03.2014		As at 31.03.2013	
	No. of Shares		No. of Shares	
Equity Shares at the beginning of the year	6462976		6462976	
Add: Shares issued	0		0	
Equity Shares at the end of the year	6462976		6462976	
NOTE - 2 : RESERVES & SURPLUS				
Capital Reserve				
As per last Balance Sheet		14278383	14278383	
		14278383	14278383	
Securities Premium Reserve				
As per last Balance Sheet		16577600	16577600	
		16577600	16577600	
Share Forfeiture				
As per last Balance Sheet		79986	79986	
		79986	79986	
Surplus/(Deficit) - Balance in Statement of Profit and Loss				
As per Last Balance Sheet		(383957094)	(381104963)	
Add : Loss for the year		(2338894)	(2852131)	
		(386295988)	(383957094)	
Total		(355360019)	(353021125)	



JYOTI OVERSEAS LTD.

NOTE - 3 : LONG TERM BORROWINGS						
SECURED	As at 31.03.2014		As at 31.03.2013		31.3.2014 Amount Rs.	31.3.2013 Amount Rs.
	Non Current	Current	Non Current	Current		
1) Assets Reconstruction Co of India Ltd. (Rupee Loan) The entire amount of the outstanding Rs.1058.90 Lacs., and Interest not provided for Rs. 2962.98 Lacs is in default since 10.03.2006 as per the Notice issued by ARCIL under Section 13(2) of the SARFAESI Act, 2002.	0	105890875	0	105890875	0	0
2) Assets Reconstruction Co of India Ltd. (Foreign Currency Loan) The entire amount of the outstanding Rs.381.97 Lacs., and Interest not provided for Rs. 229.01 Lacs is in default since 10.03.2006 as per the Notice issued by ARCIL under Section 13(2) of the SARFAESI Act, 2002.	0	38197395	0	38197395	0	0
3) Export Import Bank of India The entire amount of the outstanding Rs.1118.96 Lacs., and Interest not provided for Rs 2122.96 Lacs is in default since 10.03.2006 as per the Notice issued under Section 13(2) of the SARFAESI Act, 2002. Since the aforesaid lenders have taken the possession of secured assets, the rate of interest as on 31.03.2014 is not ascertainable.	0	111896121	0	111896121	0	0
Total	0	255984391	0	255984391	0	0

Note:

I) *The Term Loans from Assets Reconstruction Co of (India) Ltd, is secured by way of :*

- (A) Primary Securities : The Term Loans from ARCIL are secured by first pari-passu mortgage of all immovable properties, save and except assets charged to IDBI earlier, and is further secured by way of hypothecation of all movable properties (save and except the book debts) of the company subject to prior charges created in favour of Company's Bankers on inventory of the Company to secure the borrowing for working capital.
- (B) Personal Guarantees : The term loan from bank is further secured by personal guarantee of Managing Director and Ex-Chairman.

II) *The Term Loans from Export Import Bank of India, is secured by way of :*

- (A) Primary Securities : Hypothecation of all the present and future movable fixed assets except book debts and stock and is further secured by first pari passu mortgage of all the immovable assets of company save and except assets charged to IDBI earlier.
- (B) Personal Guarantees : The term loan from bank is further secured by personal guarantee of Managing Director and Ex-Chairman.



JYOTI OVERSEAS LTD.

NOTE - 4 : SHORT TERM BORROWINGS

Loans repayable on demand

31.3.2014
Amount in Rs.

31.3.2013
Amount in Rs.

SECURED		
From Exim Bank of India (Working Capital Loans)	11826609	11826609
UNSECURED		
From related parties (Note: Refer Note no. 18.16 for details.)	6999050	6876050
	6999050	6876050
	18825659	18702659
<p>i) The Working capital borrowings from Exim Bank of India represents the amount of foreign Usance bills discounted by the Bank.</p> <p>ii) The borrowings are further secured by personal guarantee of Managing Director & Ex-chairman.</p>		
NOTE - 5 : TRADE PAYABLES (Refer Note no. 18.10)	8641757	8567034
NOTE - 6 : OTHER CURRENT LIABILITIES		
a. Current Maturities of long term borrowings (See note 3)	255984391	255984391
b. Other Payables		
Statutory Dues	37015856	37011972
	37015856	37011972
	293000247	292996363
NOTE - 7 : SHORT TERM PROVISION		
a. Provision for Gratuity	1510559	1510559
b. Provision for Expenses	0	0

JYOTI OVERSEAS LTD.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

NOTE - 8 : FIXED ASSETS (AT COST)										
PARTICULARS	GROSS BLOCK				DEPRICIATION				NET BLOCK	
	AS AT 31.03.13	Additions	Sales / Transfer	TOTAL AS AT 31.03.14	AS AT 31.03.13	Sales / Transfer	During the period	TOTAL AS AT 31.03.14	AS AT 31.03.2014	AS AT 31.03.2013
TANGIBLE ASSETS:										
OWN ASSETS:										
LAND	892567	0	0	892567	0	0	0	0	892567	892567
BUILDING	47039318	0	0	47039318	25518894	0	1571113	27090007	19949311	21520424
PLANT & MACHINERY	470391836	0	0	470391836	469933269	0	355425	470288694	103142	458567
VEHICLES	1970322	0	0	1970322	1540716	0	107024	1647740	322582	429606
OFFICE EQUIPMENTS	1538498	0	0	1538498	1249471	0	59044	1308515	229983	289027
COMPUTERS	4990615	0	0	4990615	4990615	0	0	4990615	0	0
FURNITURE & FIXTURES	4123370	0	0	4123370	4003946	0	35216	4039162	84208	119424
TOTAL (A)	530946526	0	0	530946526	507236911	0	2127822	509364733	21581793	23709615
INTANGIBLE ASSETS:										
Total (B)	0	0	0	0	0	0	0	0	0	0
Total (A+B)	530946526	0	0	530946526	507236911	0	2127822	509364733	21581793	23709615
PREVIOUS YEAR	532050826	0	1104300	530946526	505915075	927265	2249101	507236911	23709615	26135751
NOTE - 9 : CASH & BANK BALANCES										
Cash in hand (As certified)									0	0
Balances with Banks									20095	23560
									20095	23560
NOTE - 10 : SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)										
Deposit									10000	10000
Loans and Advances to Employees									7000	13000
Loans and Advances to others									140110	140110
Balances with Government Authorities										
- Duty Draw back receivable									9488965	9488965
									9646075	9652075



JYOTI OVERSEAS LTD.

JYOTI OVERSEAS LTD.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	2013-14 Amount/Rs.	2012-13 Amount/Rs.
NOTE - 11 : REVENUE FROM OPERATIONS		
Sales	0	0
	0	0
NOTE - 12 : OTHER INCOME		
Interest received	0	11351
Profit on sales of Fixed Assets	0	159565
Miscellaneous Income	19269	0
	19269	170916
NOTE - 13 : COST OF MATERIALS CONSUMED (including purchased components and packing materials)		
	2013-14 % of Consumption	2012-13 % of Consumption
Imported	0.00	0.00
Indigenous	0.00	0.00
	0.00	0.00
NOTE - 14 : EMPLOYEE BENEFITS EXPENSES		
Salary & Wages	0	11447
	0	11447
NOTE - 15 : FINANCE COST		
Interest Expenses		
- Borrowing	0	0
- Other	0	0
	0	0
NOTE - 16 : DEPRECIATION & AMORTISATION EXPENSES		
Depreciation (as per note no. 8)	2127822	2249101
	2127822	2249101
NOTE - 17 : OTHER EXPENSES		
Establishment Expenses		
Rent, Rates & Taxes	0	750
Telephone & Postage	48000	54854
Travelling Expenses	0	11131
Payment to Auditors		
- Audit Fee	11236	11236
Legal & Professional	52840	133645
Licence fees & subscription	63542	63055
Miscellaneous Expenses	54723	102828
	230341	377499



JYOTI OVERSEAS LTD.

JYOTI OVERSEAS LTD.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

18.1	Exceptional item		
S.No.	Particulars	2013-14	2012-13
1	Prior Period Items	0	385000
	Total	0	385000
18.2	Derivative contracts entered into by the Company and outstanding as on the date of Balance sheet.		
a)	Hedging Commitments outstanding - Rs. Nil (Previous Year Nil)		
b)	Foreign currency exposures that are not hedged by derivative instruments - Rs. Nil (Previous Year Nil)		
18.3	Earnings/Expenditure in Foreign Exchange : Rs. Nil (Previous Year -Nil)		
18.4	Details of government grants - NIL (Previous Year -Nil)		
18.5	Borrowing Costs capitalised during the year : Rs. Nil (Previous Year -Nil)		
18.6	Contingent liabilities and commitments (to the extent not provided for)		
	Contingent liabilities (Rs. In Lacs)	31.03.14	31.03.13
	(a) Interest to secured Lenders	5314.96	4991.97
	(b) Claim not acknowledged as debts	0.00	0.00
	(c) Provision for accrued gratuity liability made, pending actuarial valuation and accounting policy followed.	-	-
18.7	Segment Information: The Company is operating in single segment.		
18.8	Earnings per share	For the year ended	For the year ended
		31.03.14	31.03.13
	Weighted average number of equity shares outstanding during the year	6462976	6462976
	Net profit after tax available for equity shareholders	(2338894)	(2852131)
	Basic & Diluted Earnings (in Rupees) per share	(0.36)	(0.44)
	Face Value Per share (in Rupees)	10.00	10.00
18.9	DEFERRED TAX ASSETS (Net)	31.03.14	31.03.13
	Tax effect of items constituting deferred tax Assets		
	Gratuity	466763	466763
	Disallowance under 43 B	11437900	11436883
	Brought Forward Unabsorbed Depreciation	79986205	80351952
	Carried Forward Business Losses	27661116	37513710
	TOTAL	119551984	129769308
	Less: Tax effect of items constituting deferred tax liability		
	Timing differences on account of: Difference between Book & Tax Depreciation	(2589754)	(3497429)
		122141738	133266737
	There is no reasonable / virtual certainty supported by convincing evidence that sufficient future income will be available against the net deferred tax assets. In consideration of prudence, the company has not considered the net deferred tax Assets in the Books of Accounts.		
18.10	As per the information's available with the Company in response to the enquires from all existing suppliers with whom Company deals, none of the suppliers are registered with the micro, small & medium enterprises Development Act, 2006.		
18.11	Sales Tax, Purchase Tax and Income Tax Assessment are pending at various stages. Provision of Taxes in the opinion of management is sufficient		
18.12	No Provision for taxation has been considered necessary in view of Carry forward losses, and unabsorbed depreciation and other allowances under the Income Tax Act.		
18.13	Vehicles in the block of Fixed Assets are in the name of Director, as the finances have been arranged by them. These vehicles are in the possession of the Company. The amount of installments outstanding for payment to financing agencies as on the date of Balance Sheet is Rs.Nil (Previous Year Rs. Nil) Lacs.		
18.14	Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956 has not been given, as commission by way of percentage of Profit is not payable for the year to any of the director of the Company.		



JYOTI OVERSEAS LTD.

18.15 Balances of some of the sundry Debtors, Creditors, Loans & advances are taken as per Books of Account and are subject to confirmation from respective parties. However, in the opinion of the management these accounts will fetch the amount as stated in the books of accounts on realization in the ordinary course of business.

18.16 RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

a) Details of related parties:

Description of relationship Parties with whom control exist Key Management Personnel (KMP)	Names of Related Parties
Relative of Director	NIL
Other Related Parties	Mr. Pramod Somani (Managing Director), Ms. Pratishtha Somani (Director) Mr. Baboolal Somani (father of Managing Director)
	NIL

b) Transactions during the year with related parties :

Sr. No.	Nature of Transactions (Excluding reimbursements)	Key Managerial Personnel		Relative of Director		Other Related Parties	
		Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.
1	Unsecured Loan received Mr. Pramod Somani	123000	385000	0	0		0
1	Unsecured Loan paid Mr. Pramod Somani	0	235000	0	0		0

c) Balances outstanding as at 31st March, 2014

Sr. No.	Nature of Transactions (Excluding reimbursements) Liabilities	Key Managerial Personnel		Relative of Director		Other Related Parties	
		Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.
1	Trade and Other Payables Mr. Baboolal Somani	0	0	3248689	3248689	0	0
2	Short Term Borrowings Mr. Pramod Somani	6999050	6876050	0	0	0	0

Note: No amount has been provided as doubtful debts or advances/ written off or written back in the year in respect of debts due from or to above related parties.

18.17 Secured Lenders viz, Asset Reconstruction Company (India) Limited (ARCIL) and Export Import Bank of India took the possession of the Secured Assets of the company under section 13 (4) of Securitization And Reconstruction of Financial Assets And Enforcement of Security Interest Act, 2002 (SARFAESI Act) on 11th July, 2007 against their dues and appointed the Company as Custodian of the Secured Assets and permitted to continue the Business activities on a payment of Rs 25,000 per month towards royalty charges till 31st March, 2011. Thereafter, they have withdrawn the custodian ship. They have also filed petition for winding up of the company before the hon'ble High Court of M.P. , which is pending for admission.

The Commercial Tax Department also took action for recovery of their dues by way of attachment of Fixed Assets under the Provisions of M.P. Land Revenue Code , 1959. Hence, Consequential fate of Secured fixed assets taken over by the secured lenders is not ascertainable. Therefore , any adjustment on account of possession of the assets is also not ascertainable in the circumstances as on 31st March, 2014. In view of the possession of Secured assets have been taken by Secured Lenders, the estimated amount of interest for the year amounting to Rs.322.98 Lacs (Previous Year 322.98 Lacs) has also not been provided in books of accounts of the Company. Total estimated amount of Interest not provided for as on the date of Balance Sheet is Rs.5314.96. (Previous Year. 4991.98) Lacs.

18.18 As the accumulated losses of the Company had exceeded its entire net worth in earlier years, the Company had been declared a Sick Industrial Company within the meaning of Clause (O) of sub section 1 of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) vide order of BIFR dated 17th May, 2006. Pursuant to the action taken by secured Lenders under section 13(4) of the SARFAESI Act, 2002 the BIFR, vide its order dated 26th November, 2007 has abated the reference filed by the Company under SICA. As the Company has concluded one time settlement with working capital bankers and IDBI and is pursuing settlement discussions with remaining Secured Lenders and is keen to revive its operations, the accounts of the Company have been prepared on going concern basis. In case the Company is unable to continue as a going concern in future, the resultant adjustments, if any, are presently not ascertainable.

**JYOTI OVERSEAS LTD.**

- 18.19 As the company is not having possession of the assets of the company, no physical verification of the assets of the plant could be carried out. The management of the company is of the opinion that there is an impairment of the assets of this plant, however, such loss has not been estimated or determined and, therefore, no provision for loss on account of impairment of assets has been made in the accounts. To this extent, the company has not complied with the Accounting Standard 28, Impairment of Assets.
- 18.20 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- 18.21 Significant Accounting Policies followed by the Company are as stated in the statement annexed as Annexure-I.

JYOTI OVERSEAS LTD.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Annexure- I

Statement referred to in Note no. 18.22 to the Financial Statements.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

1. **RECOGNITION OF INCOME & EXPENDITURE:** The Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956. The Company generally follow mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current /non current classification of assets and liabilities.
2. **USE OF ESTIMATES:** The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialized.
3. **FIXED ASSETS:** Fixed assets are stated at cost net of Modvat/ Cenvat and include proportionate financial Cost till commencement of Production less accumulated depreciation.
4. **DEPRECIATION:** Fixed Assets are depreciated under the 'Straight Line Method' as per the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956 .
5. **IMPAIRMENT OF ASSETS :** Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's Fixed Assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an assets exceeds the recoverable amount
6. **INVESTMENTS:** No Investments.
7. **INVENTORY VALUATION:** No Inventory
8. **Foreign Currency Transactions:** (a) Monetary items denominated in foreign currencies at the year end are translated at the appropriate rate of exchange on the date of Balance Sheet except those covered by forward contract which are accounted for at the contract rate and gains/losses in fluctuations in the exchange rate are credited/charged to the Profit and Loss Account. (b) Foreign Currency loans are converted at the year end rate of exchange and the difference arising due to fluctuation in the exchange rate are adjusted to the value of related fixed assets.
9. **TREATMENT OF RETIREMENT BENEFITS:** Retirement benefits to employees are accounted for on accrual basis.
10. **BORROWING COST:** Borrowing cost that is attributable to the acquisition or construction of qualifying assets are capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.
11. **TAXES ON INCOME:** Provision for current tax is made after taking into consideration benefits admissible under the Provision of the Income Tax Act, 1961. Deferred tax is recognised on timing difference between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. and the assets if arising, is recognised if there being reasonable certainty of its absorption against profits expected to be earned in the not too distant future periods.
12. **EARNINGS PER SHARE:** In accordance with the Accounting Standard 20 "Earnings per Share" issued by the Institute of Chartered Accountants of India, basic earnings per share is computed using the weighted average number of shares outstanding during the year.
13. **TREATMENT OF CONTINGENT LIABILITIES:** Contingent liabilities are not provided for. These are being disclosed in the notes to the Accounts.

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**JYOTI OVERSEAS LTD.****PROXY FORM
FORM MGT- 11**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

JYOTI OVERSEAS LIMITED
CIN: L72112MP1974PLC001260

Regd. Office : Village Sejwaya, Ghatabillod, Dist. Dhar (M.P.)

- Name of the member (s) : _____
Registered address : _____
E-mail Id : _____
Folio No/ Client Id : _____
DP ID : _____
- I/We, being the member (s) of shares of the above named company, hereby appoint
- Name :
Address :
E-mail Id :
Signature : or failing him
 - Name :
Address :
E-mail Id :
Signature : or failing him
 - Name :
Address :
E-mail Id :
Signature :

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 40th Annual general meeting of the company, to be held on the 30th September, 2014 at the Shubham Garden, Main Road, Ghatabillod, Distt. - Dhar (M.P.), at 11:00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. Consider and approve Audited Financial Statement, reports of the Board of directors and Auditor		
2. Re-appointment of Mr Pramod Somani who retires by rotation.		
3. Re-appointment of Statutory Auditors S P Moondra & Co and Fixing their remuneration.		
4. Appointment of Mr Vikas Chikne as Independent Director of the Company.		
5. Appointment of Mr Luv kumar Saboo as Independent Director of the Company.		
6. Approval of the Borrowing Power of the Company.		
7. Approval of the Power of Board for Creation of Charge on securities.		

Signed this..... day of..... 2014

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP**40TH ANNUAL GENERAL MEETING OF
JYOTI OVERSEAS LTD.**

CIN: L72112MP1974PLC001260

Regd. Office : Village Sejwaya, Ghatabillod, Dist. Dhar (M.P.)

HELD ON 30th September, 2014

R.F. No. _____

Mr./Mrs./Miss _____

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the 40th Annual General meeting of the company at the Shubham Garden, Main Road, Ghatabillod, Distt. - Dhar (M.P.) on 30th Sept., 2014 at 11:00 A.M.

(If signed by proxy, his name should be
Written in block letters)

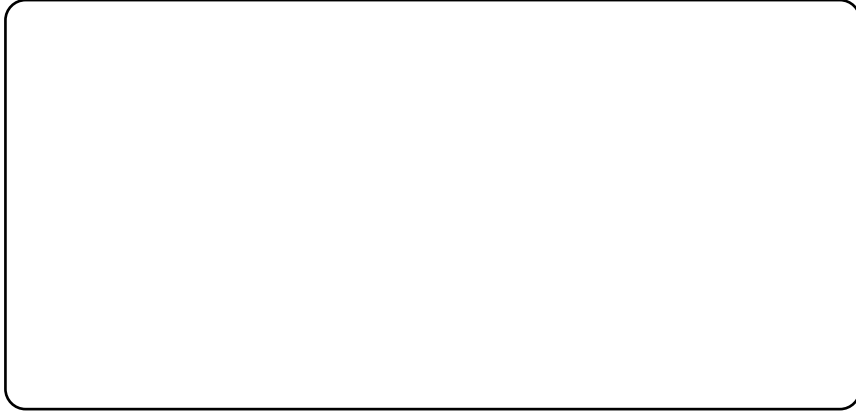
(Shareholders/proxy's Signature)

Note:

- Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
- If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

BOOK - POST

To,



————— If Undelivered Please return to —————

Jyoti Overseas Limited
Village Sejwaya Ghatabillod - 454773
Dist. Dhar (M.P.)