Letter of Offer
February 11, 2025
For Eligible Equity Shareholders only

JYOTI STRUCTURES LIMITED

Our Company was incorporated as "**Jyoti Structurers Private Limited**" on May 27, 1974, as a private limited Company under the Companies Act, 1956, and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai (the "**RoC**"). Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "**Jyoti Structures Limited**" on October 21, 1974, vide a fresh certificate of incorporation issued by the RoC.

Registered Office: 6th Floor, Valecha Chambers, New Link Road, Andheri (West), Mumbai 400 053, Maharashtra, India
Contact person: Sonali Krishnaji Gaikwad, Company Secretary and Compliance Officer
Telephone: 022-40915000| **E-mail id:** investor@jsl.co.in | **Website**: www.jyotistructures.in
Corporate Identity Number: L45200MH1974PLC017494

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF JYOTI STRUCTURES LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO 31,19,29,934 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 16 /- PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 14/- PER EQUITY SHARE) AGGREGATING TO ₹ 49,908.79 LAKHS# ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 9 RIGHTS EQUITY SHARE FOR EVERY 26 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FEBRUARY 10, 2025 (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE REFER TO "*TERMS OF THE ISSUE*" ON PAGE 325 OF THIS LETTER OF OFFER.

#Assuming full subscription. Subject to finalisation of the Basis of Allotment

WILFUL DEFAULTER(S) OR FRAUDULENT BORROWER(S)

Neither our Company nor any of our Directors have been identified as Wilful Defaulter(s) or Fraudulent Borrower(s).

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to the statement of "***Risk Factors***" on page 24 of this Letter of Offer.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", together, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from the BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide letters dated January 24, 2025 and January 22, 2025 respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purpose of this Issue, the Designated Stock Exchange is NSE.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
Arihant Capital Markets Limited 1011, Solitaire Corporate Park Bldg. No. -10, 1st Floor, Guru Hargovindji Road, Chakala, Andheri (East), Mumbai, 400093 **CIN:** L67120MP1992PLC007182 **Telephone:** +91 22 4225 4800 **E-mail:** mbd@arihantcapital.com **Investor grievance e-mail id:** mbd@arihantcapital.com **Contact person:** Amol Kshirsagar/ Satish Kumar P. **Website:** www.arihantcapital.com **SEBI registration number:** INM000011070	**Bigshare Services Private Limited** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400 093 **CIN:** U99999MH1994PTC076534 **Telephone**: +91 22 6263 8200 **Email**: rightsissue@bigshareonline.com **Investor grievance e-mail**: investor@bigshareonline.com **Contact Person**: Suraj Gupta **Website**: www.bigshareonline.com **SEBI registration no.**: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATIONS*	ISSUE CLOSES ON#
February 17, 2025	February 25, 2025	March 3, 2025

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.*

#Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time, but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

This Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SEBI LODR Regulations, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

*Notwithstanding the foregoing, terms used in sections / chapters titled "**Summary of Offer document**" "**Industry Overview**", "**Statement of Possible Special Tax Benefits**", "**Financial Information**", "**Outstanding Litigation and Defaults**" and "**Terms of the Issue**" on pages 21, 92, 84, 182, 306 and 325 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.*

General Terms

Term	Description
"Jyoti Structures Limited" or "Our Company" or "the Company" or "the Issuer"	Jyoti Structures Limited, a public limited company incorporated under the erstwhile Companies Act, 1956 and having its registered office at Valecha Chambers, 6th Floor, New Link Road, Andheri (West), Mumbai, Maharashtra, 400053, India
"We", "Our", "Us", or "Our Group"	Unless the context otherwise requires, indicates or implies or unless otherwise specified, our Company along with our Subsidiaries, on a consolidated basis

Company Related Terms

Term	Description
Articles of Association / Articles / AoA	The Articles of Association of our Company, as amended from time to time
Auditor / Statutory Auditor	The current statutory auditor of our Company, namely, M/s SARC & Associates
Audited Consolidated Financial Statements / Financial Information / Financial Statements	The audited consolidated financial statements of our Company for the financial years ended March 31, 2024, and March 31, 2023 which comprise of the consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement, the consolidated statement of changes in equity for the financial years ended March 31, 2024 and March 31, 2023 and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. For details, see "***Financial Information***" on page 182 of this Letter of Offer
Board / Board of Directors / Directors	Board of Directors of our Company including duly constituted committee thereof. For details of the Board of Directors, see "***Our Management***" on page 177 of the Letter of Offer
Chairman	Rajendra Prasad Singh
Chief Executive Officer / CEO	Rajesh Kumar Singh
Chief Financial Officer / CFO	Abdul Hameed Khan

Term	Description
Committee of Corporate Creditors	The committee of corporate creditors of our Company constituted in accordance with Section 22 of the Insolvency and Bankruptcy Code, 2016, as amended.
Company Secretary and Compliance Officer	Sonali Krishnaji Gaikwad, the Company Secretary and the Compliance Officer of our Company
Corporate Office	6th Floor, Valecha Chambers, New Link Road, Andheri (W), Mumbai, Maharashtra, India - 400053.
CRISIL/ Industry Expert	CRISIL Limited
CRISIL Report	Report titled "*Industry Report on Power transmission, distribution and smart metering*" issued on December, 2024 issued by CRISIL and which has been commissioned by our Company
Directors	Directors on the Board, as may be appointed from time to time
Equity Shareholder / Shareholders	A Holder of Equity Share(s) of our Company, from time to time
Equity Shares	Equity shares of face value of ₹2 each of our Company
Executive Director	Executive director of our Company
Independent Director(s)	Independent director(s) on the Board, who are eligible to be appointed as Independent Directors as per Section 2(47) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, and as described in the chapter "***Our Management***" on page 177 this Letter of Offer
Joint Venture / JV	Joint ventures of our Company as on the date of this Letter of Offer, Gulf Jyoti International LLC and GJIL Tunisia Sar* **Held by Gulf Jyoti International LLC*
Key Managerial Personnel / KMP	Key managerial personnel of our Company as per the definition provided in Section 2(51) of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI ICDR Regulations as described in the"***Our Management***" on page 177 of this Letter of Offer.
Limited Reviewed Consolidated Financial Statements/Limited Reviewed Statements/	The limited reviewed unaudited consolidated financial results for the periods ended September 30, 2024 and December 31, 2024 prepared in accordance with the Companies Act and SEBI Listing Regulations. For details, see "***Financial Information***" on page 182 of this LOF.
Materiality Policy	Policy for Determination and Disclosure of Materiality of an Event or Information adopted by our Board in accordance with the requirements under Regulation 30 of the SEBI Listing Regulations, read with the materiality threshold adopted by the Board of Directors through its resolution dated November 30, 2023 which shall subject to ratification on the next Board Meeting, for the purpose of litigation disclosures in this Letter of Offer.
Materiality Threshold	Materiality threshold adopted by our Company in relation to the disclosure of outstanding civil litigation, including tax litigation, involving our Company and/or our Subsidiaries, where the amount involved is ₹ 926.04 lakhs (being 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company).
Memorandum of Association / Memorandum / MoA	The Memorandum of Association of our Company, as amended from time to time.
Non-executive Director	Non-executive director(s) on our Board, as described in "***Our Management***" on page 177 of this Letter of Offer.
Order Book	A book in which orders are entered as they are received by a business, especially regarded as a measure of the organization's success.
Registered Office	6th Floor, Valecha Chambers, New Link Road, Andheri (W), Mumbai, Maharashtra, India - 400053.
Registrar of Companies / RoC	The Registrar of Companies, Maharashtra at Mumbai
Resolution Plan / NCLT Approved Resolution Plan	Resolution plan dated March 25, 2018, as amended, prepared in respect of the corporate insolvency resolution process that the Company is underwent and is approved by the Committee of Creditors and the Hon'ble NCLT on March 27, 2019 vide 1137(MB)/2017

Term	Description
Rights Issue Committee	The committee of our Board constituted through the board resolution dated November 22, 2024 for purposes of the Issue and incidental matters thereof.
Senior Management Personnel/ SMP	Senior management personnel of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "*Our Management - Details of Key Management Personnel and members of the Senior Management of our Company* " on page 181
Stakeholders' Relationship Committee	The Board of Directors of our Company constituted a stakeholder relationship committee in accordance with Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 178 of the Companies Act, 2013.
Subsidiaries	The subsidiaries of our Company as on the date of this Letter of Offer, including step down subsidiaries, are as follows, JSL Corporate Services Limited, Jyoti Energy Limited, Jyoti Structures FZE, Jyoti Structures Nigeria Ltd., Jyoti Structures Kenya Ltd, Jyoti Structures Namibia (Pty) Ltd., Jyoti Structures Africa (Pty) Ltd., Jyoti International Inc, Jyoti America LLC and Jyoti Structures Canada Limited
Whole-time Director	Whole-time director(s) on our Board, as described in "***Our Management***" on page 177.

Issue Related Terms

Term	Description
Abridged Letter of Offer / ALOF	Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment / Allot / Allotted	Unless the context otherwise requires, the Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account	The accounts opened with the Banker(s) to the Issue, into which the Application Money blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, HDFC Bank Limited
Allotment Advice	The note, advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date / Date of Allotment	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s) or Investors	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online / electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price
Application Form / Common Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA

Term	Description
	process) used by an Investor to make an application for the Allotment of Rights Equity Shares in the Issue
Application Money	Aggregate amount payable at the time of Application, i.e. ₹ 16/- per Rights Equity Share (including a premium of ₹ 14/- per Equity shares) in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount / ASBA	Application (whether physical or electronic) used by an ASBA Applicants to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with the SCSB.
ASBA Account	Account maintained with the SCSB and as specified in the Application Form or the plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application.
ASBA Applicant/ ASBA Investor(s)	Eligible Equity Shareholders proposing to subscribe to the Issue through ASBA process
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker(s) to the Issue	Collectively, the Allotment Account Bank and the Refund Bank in this case being HDFC Bank Limited
Banker to the Issue Agreement	Agreement dated February 05, 2025 entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors making an application for the Rights Equity Shares
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in "***Terms of the Issue***" on page 325 of this Letter of Offer.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor's address, PAN, DP ID, Client ID, occupation and bank account details, where applicable.
Designated Branches / Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Eligible Equity Shareholder(s) / Eligible Shareholder(s)	Existing Equity Shareholder(s) as on the Record Date i.e., February 10, 2025. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For, further details, see "***Notice to Investors***" on page 13 of this Letter of Offer.
Escrow Account	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money

Term	Description
	from resident investors– eligible equity shareholders as on record date making an Application through the ASBA facility
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being HDFC Bank Limited.
Fraudulent Borrower	Company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrower issued by RBI as defined under Regulations 2(1)(lll) of the SEBI ICDR Regulations
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date, i.e February 10, 2025 and the Renouncee(s), who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Issue / Rights Issue	Issue of up to 31,19,29,934 Fully paid-up Equity Shares of face value of ₹2 each of our Company for cash at a price of ₹16/- per Equity Share (including a premium of ₹ 14 per Equity Share) aggregating to ₹ 49,908.79 lakhs# on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 9 Rights Equity Share for every 26 fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date On Application, Investors will have to pay ₹ 16/- per Rights Equity Share which constitutes 100% of the Issue Price *#Assuming full subscription. Subject to Finalisation of the Basis of Allotment*
Issue Agreement	Issue agreement dated December 02, 2024 entered into between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing Date	March 03, 2025
Issue Materials	Collectively, the Letter of Offer, the Abridged Letter of Offer, the Application Form and Rights Entitlement Letter, any other issue material relating to the Issue
Issue Opening Date	February 17, 2025
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants / Investors can submit their Applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹ 16/- per Rights Equity Share On Application, Investors will have to pay ₹16/- per Rights Equity Share (including a premium of ₹ 14/- per Equity Shares), which constitutes 100% of the Issue Price, will have to be paid, on one more additional call as may be decided by the Board / Rights Issue Committee of the Board from time to time
Issue Proceeds/ Gross Proceeds	The gross proceeds raised through the Issue
Issue Size	Amount aggregating up to ₹ 49,908.79 lakhs# *#Assuming full subscription Subject to finalisation of the Basis of Allotment*
Lead Manager to the Issue / LM / Lead Manager	Arihant Capital Markets Limited
Letter of Offer / LOF	This Letter of Offer dated February 11, 2025 filed with the Stock Exchanges and submitted to SEBI
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Monitoring Agency	CARE Ratings Limited
Monitoring Agency Agreement	Agreement entered between our Company and the Monitoring Agency in relation to monitoring of Gross Proceeds dated February 05, 2025

Term	Description
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder / Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with / without using additional Rights Entitlements will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see "***Objects of the Issue***" on page 76 of this Letter of Offer
Non-Institutional Investor / NII	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over off-market transfer through a depository participant in accordance with the SEBI ICDR Master Circular and the circulars issued by the Depositories, from time to time, and other applicable laws
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stockbroker in accordance with the SEBI ICDR Master Circular and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being February 10, 2025
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened.
Registrar Agreement	Agreement dated December 09, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar to the Issue / Registrar to the Company / Registrar	Bigshare Services Private Limited
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circulars, the Companies Act and any other applicable law
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e., February 17, 2025. Such period shall close on February 25, 2025 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e., March 03, 2025
Retail Individual Investor (s)/ RII(s) / Retail Individual Bidders(s) / RIB(s)	An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares for an amount not more than ₹200,000 in the Issue as defined under Regulation 2(1) (vv) of the SEBI ICDR Regulations.
RE ISIN	ISIN for Rights Entitlement i.e. INE197A20024
Rights Entitlement(s) / RE(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of the Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being 9 Equity Shares for every 26 Equity Shares held by an Eligible Equity Shareholder. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date. The Rights Entitlements with a separate ISIN will be credited to the respective demat account of Eligible Equity Shareholder before the Issue

Term	Description
	Opening Date, against the Equity Shares held by the Eligible Equity Shareholders as on the Record Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shareholders	Holders of the Rights Equity Shares, pursuant to this Issue
Rights Equity Shares / Rights Shares	Equity Shares of our Company to be Allotted pursuant to this Issue
Rights Issue Committee	The committee of our Board constituted by way of resolution of the Board dated November 22, 2024. The rights issue committee was empowered to do acts for the purposes of the Issue and incidental matters thereof
SCSB(s) / Self-Certified Syndicate Banks	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and offers the facility of ASBA. A list of all SCSBs is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time.
Stock Exchanges	Stock exchanges where the Equity Shares of our Company are presently listed, being BSE and NSE
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Conventional and General Terms/Abbreviations

Term	Description
₹ / Rs. / Rupees / INR	Indian Rupees
A/c	Account
AED/ Dh(s), Arab Emirates Dirham	Arab Emirates Dirham is the legal currency of the United Arab Emirates
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
ASM	Additional Surveillance Measures
AY	Assessment Year
BSE	BSE Limited
Bank Guarantee	A bank guarantee is a legal contract where a bank promises to pay a third party if the borrower doesn't meet their financial obligations
CAGR	Compound Annual Growth Rate
CBDT	Central Board of Direct Taxes, Government of India
Billion	One thousand million
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations

Term	Description
Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
Central Government	Central Government of India
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CKM	Circuit Kilometer
CKT	Circuit
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Civil Code	Code of Civil Procedure 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with the rules made thereunder
Cr. / Crore	One hundred lakhs
CrPC	Code of Criminal Procedure, 1973
Depositories Act	Depositories Act, 1996
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant's Identification
DTAA	Double Taxation Avoidance Agreement
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	"Earnings before interest, tax, depreciation and amortization" - Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortization expense, as presented in the statement of profit and loss
EUR, Euro, €	The legal currency of 20 of the 27 member states of the European Union
EGM	Extraordinary general meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Equity Share
ESM	Enhanced Supervision Measures
FCNR Account	Foreign Currency Non-Resident (Bank) account opened in accordance with the FEMA
FDI	Foreign Direct Investment
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal Year / Fiscal / FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First Information Report
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees

Term	Description
	have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GoI / Government	The Government of India
GSM	Graded Surveillance Measures
GST	Goods and Services Tax
HUF	Hindu Undivided Family
IBC / Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
ICAI	Institute of Chartered Accountants of India
ICC	Internal Complaint Committee
ICSI	Institute of Company Secretaries of India
IEPF Authority	Investor Education and Protection Fund Authority established by the GOI under Section 125 of the Companies Act, 2013
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles of India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
ISIN	International Securities Identification Number
IBC	Insolvency and Bankruptcy Code, 2016, as amended
IT	Information Technology
ITAT	Income Tax Appellate Tribunal
LC facilities	A letter of credit (LC) facility is an agreement between a buyer and seller that allows the borrower to establish letters of credit with a bank or banks.
Ltd.	Limited
MCA	Ministry of Corporate Affairs
Mn / mn	Million
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
NBFC	Non-Banking Financial Companies
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV fair value	Net present fair value
NRE Account	Non-resident External Account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non-Resident Ordinary

Term	Description
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
PAT	Profit after tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
Pvt. Ltd.	Private Limited
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
RoC	Registrar of Companies, Mumbai
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI ICDR Master Circular	SEBI circular bearing number SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations / SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Relaxation Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 06, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, as amended
SEBI Takeover Regulations / Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Securities Act	The United States Securities Act of 1993
State Government	The Government of a State in India
Stock Exchange	BSE and NSE
STT	Securities Transaction Tax
Supreme Court	Supreme Court of India
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
U.S.$ / USD / U.S. Dollar / US$ / US Dollar	United States Dollar, the legal currency of the United States of America
USA / U.S. / US / United States	United States of America
U.S. Investment Company Act	Investment Company Act of 1940, as amended
U.S. Person	U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for

Term	Description
	the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)
U.S. SEC	U.S. Securities and Exchange Commission
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VCFs	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
WHO	World Health Organization
Year / Calendar Year	Unless context otherwise requires, shall refer to the twelve-months period ending December 31 of a particular year
ZAR, South African Rand	South African Rand, is the official currency of South Africa

Industry Related Terms

Term	Description
CNC	Computerized Numeric Control The Numerical Data inputs is given to machine mainly by • Preprogrammed computer software • Compatible computer Software • Manually With the above inputs, automates the control, precisions of machine tools for Manufacturing Process to achieve the desired production.
EHV	Extra High Voltage
EPC	Engineering Procurement and Construction
ESG	Environmental, Social and Governance
HVAC	High Voltage Alternate Current
HVDC	High Voltage Direct Current, a means of transmitting electricity over long distance in order to reduce losses.
Kms.	Kilometers
kV	Kilo Volts
MT	Metric Tonnes
Structural items	Parts of a structure that are used to support the structure's weight and maintain its shape

Resolution Plan Related Terms/Abbreviations

Term	Description
Proposed Investors	Individuals or entities that have shown an interest to invest in the company, in accordance with the resolution plan approved by the NCLT
Aion Secured NCD Claim	Claim by holder (Aion Jyoti LLC and Apollo Jyoti LLC) of the company's secured non-convertible debenture to receive payment from the company due to insolvency proceedings
Aion Guarantee Dues	Obligations or payments that are alleged to be required to be paid under a guarantee agreement with Aion Jyoti LLC and Apollo Jyoti LLC
Dissenting Financial Creditor Dues	The aggregate amount owed to those financial creditors who have voted against the resolution plan in insolvency proceedings
Founder Promoter(s)	An individual or entity that was instrumental in setting up or promoting a company
Resolution Applicant	An individual or entity who submits a resolution plan to the insolvency professional managing the affairs of the debtor company undergoing insolvency proceedings.
Secured Financial Creditors	Any person to whom a financial debt is owed and admitted in the Resolution Plan
Information Memorandum	A document prepared for providing comprehensive information to potential resolution applicants

NOTICE TO INVESTORS

The distribution of the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and material relating to the Issue (collectively, the "**Issue Materials**") and the issue of Rights Entitlement and Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come, are required to inform themselves about and observe such restrictions. For more details, see "***Restrictions on Purchases and Resales***" on page 356.

Our Company is undertaking this Issue on rights basis to the Eligible Equity Shareholders and the Issue Materials will be sent / dispatched only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials, as applicable will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, the Lead Manager, and the Stock Exchanges.

Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholder(s).

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with SEBI for observations and the Stock Exchange. Accordingly, the Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction (other than in India), except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Issue (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlement, distribute or send the Issue Material in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares, or the Rights Entitlements referred to in such Issue Materials.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or its affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in "***Restrictions on Purchases and Resales***" on page 356. The Rights Equity Shares are transferable only in accordance with the restrictions described in "***Restrictions on Purchases and Resales***" on page 356.

Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it is either in India or is in compliance with the laws of its jurisdiction, and in each case is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all the applicable laws and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid, any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions ; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that such person is submitting and/ or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of this Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or the date of such information.

The contents of this Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager or its affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the prescribed limits under applicable laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Issue Materials are supplied to you solely for the use of the person who receives it from our Company or from the Registrar and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE ISSUE OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE ISSUE OF RIGHTS EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHTS EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") AND MAY NOT BE OFFERED OR SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS ENTITLEMENTS (INCLUDING THEIR CREDIT) AND THE RIGHTS EQUITY SHARES ARE ONLY

BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" AS DEFINED IN AND IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT ("**REGULATION S**") AND IN COMPLIANCE WITH THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES OCCUR. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUCTED AS, AN OFFERING OF ANY EQUITY SHARES OR THE RIGHTS ENTITLEMENT FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY OR TRANSFER ANY OF THE EQUITY SHARES OR RIGHTS ENTITLMENT. THERE IS NO INTENTION TO REGISTER ANY

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under the Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer or the Abridged Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India.

Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States and is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any U.S. federal or state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of the Letter of Offer or Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants/ Investors. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to (i) the 'US' or 'USA' or 'U.S.' or the 'United States' are to the United States of America, its territories and possessions, any state of the United States, and the District of Columbia; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year. Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

Please note:
- One Million is equal to 1,000,000 or 10 Lakhs
- One crore is equal to 10 million or 100 Lakhs
- One Lakhs is equal to 100,000

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Page Numbers

Unless stated otherwise all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

Financial Data

Unless stated otherwise, the financial information included in this Letter of Offer is derived from our Audited Consolidated Financial Statements for Financial Year 2024 and Limited Review for six months ended September 30, 2024 and nine months ended December 31, 2024. For details, see "***Financial Statements***" on page 182.

Our Company's financial year commences on April 1 of each calendar year and ends on March 31 of the following calendar year, unless otherwise stated, references in this Letter of Offer to a particular 'Financial Year' or 'Fiscal Year' or 'Fiscal' are to the financial year ended March 31.

Our Company prepares its financial statements in accordance with Ind AS, the Companies Act and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not families with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis negative figures. Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Rupees, in lakhs.

Non-GAAP Measures

We use certain supplemental non-GAAP measures included in this Letter of Offer such as Debt to Equity Ratio, Interest Coverage Ratio, Current Ratio, Debtors' Turnover Ratio, Inventory Turnover Ratio, EBIT, EBITDA, EBITDA Margin, Net Profit Margin, RoNW, RoCE and RoE to evaluate our ongoing operations and for internal planning and forecasting purposes. These non-GAAP financial measures, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance.

These non-GAAP measures are supplemental measures that are not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. These non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation from or as a substitute for analysis of our historical financial performance, as reported and presented in our financial information presented in accordance with Ind AS. These non-GAAP measures may not reflect our cash expenditures or future requirements for capital expenditure or contractual commitments; changes in, or cash requirements for, our working capital needs, and the finance cost, or the cash requirements necessary to service our debt. These non-GAAP measures may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and may not be comparable to similarly titled measures presented by other companies. Therefore, these non-GAAP financial measures should not be viewed as substitutes for performance or profitability measures under Ind AS or as indicators of our operating performance, cash flows, liquidity or profitability.

Market and Industry Data

Unless stated otherwise, market, industry and demographic data used in this Letter of Offer has been obtained from market research, publicly available information, industry publications and government sources. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Further, information has also been derived from the CRISIL Report. The CRISIL Report has been prepared by CRISIL and commissioned and paid for by our Company, for an agreed fee only for the purposes of confirming our understanding of the industry in connection with the Issue. CRISIL is an independent agency with no relationship with and is not a related party of our Company, or our Directors or our Subsidiaries or its Associates or the Lead Manager. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Letter of Offer. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based solely on such information.

For details, see "***Risk Factors - We have commissioned and paid for an industry report which is by CRISIL, and which has been used for industry related information in this Letter of Offer. Accordingly, prospective investors are advised not to base their investment decision solely on such information***" beginning on page 43.

Currency of Presentation

All references to:

- 'INR', '₹', 'Indian Rupees' and 'Rupees' are to the legal currency of the Republic of India;
- 'EUR', €' and 'Euro' are to the legal currency of 20 of the 27 member states of the European Union
- 'AED', 'Dh(s)', 'Arab Emirates Dirham', are to the legal currency of the United Arab Emirates
- 'ZAR', 'R' and 'South African Rand' are to the legal currency of South Africa; and
- 'U.S.$', 'USD', '$' and 'U.S. dollars' are to the legal currency of the United States of America.

Conversion Rates for Foreign Currency:

This Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

Set out below is information with respect to the exchange rate between Rupee and other currencies, as at the dates indicated.

Sr. No.	Currency	Exchange Rates (₹)			
		Nine months period ended December 31, 2024	Six months period ended September 30, 2024	Financial year 2024	Financial year 2023
1.	1 USD	85.49	83.71	83.34	82.22
2.	1 EURO	89.04	93.45	89.94	89.61
3.	1 AED	23.27	22.79	22.69	22.36
4.	1 ZAR	4.56	4.89	4.41	4.56

Source: *Financial Benchmarks India Private Limited (FBIL) and Onda Smarter Trading available on www.fbil.org.in and www.oanda.com, respectively.*

Note: *In case December 31, September 30 and March 31 of any of the respective years / period is a public holiday, the previous Working Day not being a public holiday has been considered.*

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer, that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology including 'aim', 'anticipate', 'can', 'estimate', 'expect', 'intend', 'objective', 'plan', 'project', 'pursue', 'should', 'will', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, performance of the financial markets in India and globally, changes in laws, regulations and taxes, incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- We have, in the past, experienced certain defaults under our debt obligations and have been subjected to a Corporate Insolvency Resolution Plan. Our Company is required to adhere to compliances with the various requirements as mandated under the Resolution Plan. Further, there can be no assurance that we would be in a position to comply with the requirements of the Resolution Plan or that the implementation of the Resolution Plan will successfully address our cash flow and liquidity concerns;
- Our Company was admitted into Corporate Insolvency Resolution Process (CIRP) as per the Insolvency and Bankruptcy Code, 2016, and a resolution plan was submitted and approved. Pursuant to the Resolution Plan, all litigation against our Company, the founder promoters, and other parties have been withdrawn and the debts have been restructured. If we default in compliance with the material provisions of the Resolution Plan, we may have to undergo another round of corporate insolvency resolution or liquidation process;
- Our Company requires significant amount of working capital particularly in the form of non-fund-based guarantee/ letter of credit limits for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations;
- Prior to the CIRP, we were a party to certain claims and litigations. Pursuant to the CIRP, a resolution plan was submitted and approved by the NCLT. The Resolution Plan directed that all litigations against the Company, the founder promoters, guarantors, directors and employees of the Company, related to matters that are addressed as per the Final Resolution Plan, will become liable to be withdrawn. If we default in compliance with the material provisions of the Resolution Plan, we may be subject to fresh litigations or liquidation process;
- There have been certain instances of regulatory non-compliances or delays or errors in the past. The penalties/ fines for the same have either been waived or been paid. We may be subject to regulatory actions and penalties for any such further non-compliance or delays or errors and our business, financial condition and reputation may be adversely affected;
- Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on factors,

some of which may be beyond our control;

- Our success depends in large part upon our management team and skilled personnel and our ability to attract and retain such persons. The loss of key personnel may have an adverse effect on our business, results of operations, financial condition, cash flows and growth prospects;
- Projects included in our Order Book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation; and
- On account of accumulated losses of previous years including changes in re-measurement of certain liabilities at NPV fair value, there has been erosion of our Equity. Our auditors have included an emphasis of matter in their reports on our Financial Statements. Further, our Company has reported negative cash flows during last three financial years. This can raise serious concerns about our financial stability and operational efficiency;

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, please refer to "***Risk Factors***", and "***Our Business***" on pages 24 and 161, respectively of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Lead Manager nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations and the Stock Exchange requirements, our Company will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions for the Rights Equity Shares by the Stock Exchanges.

SUMMARY OF THE LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including, "***Risk Factors***", "***The Issue***", "***Capital Structure***", "***Objects of the Issue***", "***Our Business***", "***Industry Overview***", "***Outstanding Litigation and Defaults***" and "***Terms of the Issue***" on pages 24, 55, 62, 76, 161, 92, 306 and 325 respectively of this Letter of Offer.

Summary of Primary business of our Company

We are an Engineering, Procurement and Construction (EPC) contracting company executing turnkey projects in the power transmission and distribution network across India and global markets with our major clients being power transmission companies. In the global markets, we hold a key presence in 14 countries, such as, USA, United Kingdom, Canada, France, South Africa, Bangladesh, Tanzania, Kenya, Kuwait, Rwanda, Tajikistan, United Arab Emirates, Algeria, Philippines, Kenya, Georgia, etc., directly, through our subsidiaries or joint venture company. We have three main lines of operations viz. Transmission Lines, Substations and Rural Electrification.

For further information, please refer to "***Our Business***" on page 161 of this Letter of Offer.

Name of the Promoters and Promoter Group

Our Company is a professionally managed company and does not have an identifiable promoter either in terms of the SEBI ICDR Regulations or the Companies Act, 2013.

Our Company has on June 25, 2021, received an approval from BSE & NSE for Reclassification of the Promoter Shareholder(s) from "Promoter and Promoter Group" to "Public" category as per regulation 31A of Securities and Exchange Board of India (Listing Obligation Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations) pursuant to Resolution Plan approved by NCLT.

For further information along with the details and reason for the Classification of our Promoter and Promoter Group, please refer to "***Resolution Plan- Conditions for reclassification as Promoter less Company***" on page 70 of this Letter of Offer.

Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

(₹ in lakhs)

Particulars	
Payment of NCLT approved resolution plan dues	15,206.78
Meeting costs, expenses, charges and other payment commitments / obligations including margin requirements associated with financing to be raised from banks and financial institutions for the operations of the Company	20,500.00
General Corporate Purposes*	12,202.21
Net Proceeds of the Issue#	**47,908.79**

#*To be finalized upon determination of Issue Price and updated in the Letter of Offer.*

**The amount utilized for General Corporate Purposes shall not exceed 25% of the Gross Proceeds. The amount deployed towards General Corporate Purposes will not be deployed for Working Capital requirements.*

For further details, please see chapter titled "***Object of the Issue***" on page 76 of this Letter of Offer.

Summary of Outstanding Litigations and Defaults:

All litigations against the Company, the Founder Promoters, guarantors, directors and employees of the Company, related to matters that are addressed as per the Final Resolution Plan have been withdrawn.

A summary of outstanding litigation proceedings involving our Company, Directors and our Subsidiaries as on the date of this Letter of Offer is provided below:

(₹ in lakhs)

Type of Proceeding	Number of Cases	Aggregate amount involved
Litigation by our Company		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	2	*Unquantifiable*
Litigation against our Company		
Criminal Proceedings	2	*Unquantifiable*
Civil proceedings above the Materiality Threshold	1	*Unquantifiable*
Civil proceedings that are non-quantifiable but otherwise deemed material	3	*Unquantifiable*
Actions taken by Regulatory or Statutory Authorities	Nil	Nil
Tax Proceedings		
Direct tax proceedings	*Unascertainable*	1,197.00
Indirect tax proceedings	*Unascertainable*	31,104.28
Litigation by our Directors		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	Nil	Nil
Cases against our Directors		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	Nil	Nil
Actions taken by Regulatory or Statutory Authorities	Nil	Nil
Tax Proceedings		
Direct Tax	5	5.66
Indirect Tax	Nil	Nil
Litigation by our Subsidiaries		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	Nil	Nil
Litigation against our Subsidiaries		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	Nil	Nil
Actions taken by Regulatory or Statutory Authorities	Nil	Nil
Tax Proceedings involving our Subsidiaries		
Direct tax	5	4.25
Indirect tax	Nil	Nil

**To the extent quantifiable*

For details, please refer to chapter titled "***Outstanding Litigations and Material Developments***" on page 306 of this Letter of Offer.

Risk Factors:

Please see the chapter titled "***Risk Factors***" on page 24 of this Letter of Offer.

Contingent Liabilities

For details regarding contingent liabilities, please refer to the chapter titled "***Financial Information***" on page 182 of the Financial Information section in this Letter of Offer.

Related Party Transactions

For details regarding related party transactions, please refer to "***Notes to Audited Consolidated Financial Statements***" on page 182 appearing under the section "***Financial Information***".

Issue of equity shares made in last one year for consideration other than cash

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

Split/ Consolidation of Equity Shares in the last one year

Our Company has not made any split or consolidation of its Equity Shares in the last one year.

SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the "**Financial Information**" 182 on page of this Letter of Offer, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with "**Industry Overview**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 92*, 161 and 278*, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.*

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

*This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, please refer to "**Forward Looking Statements**" on page 19* of *this Letter of Offer.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements included in this Letter of Offer. For further information, please refer to "**Financial Information**" on page 182 of this Letter of Offer. In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Jyoti Structures Limited.*

INTERNAL RISK FACTORS:

1. ***We have, in the past, experienced certain defaults under our debt obligations and have been subjected to a Resolution Plan. Our Company is required to adhere to compliance with the various requirements as mandated under the Resolution Plan approved by the NCLT and one of the objects of the Issue is to effect partial repayment to such creditors under the Resolution Plan. Further, there can be no assurance that we would be in a position to comply with the requirements of the Resolution Plan or that the implementation of the Resolution Plan will successfully address our cash flow and liquidity concerns.***

   Our Company had, in the past, experienced certain defaults under its debt obligations. Consequently, State Bank of India had filed a Company Petition for initiation of Corporate Insolvency Resolution Process against our Company under the provisions of The Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal, Mumbai Bench. After due process, the Hon'ble National Company Law Tribunal, Mumbai vide Order No. MA 1129/2019 dated March 27, 2019 approved the Resolution Plan submitted by the successful Resolution Applicant for the Company. Further, pursuant to the Company obtaining necessary regulatory approvals and effectuating of other steps, the Resolution Plan was implemented on November 9, 2021. The Resolution Plan inter alia, stipulates the settlement amount and schedule of payment to various categories of creditors including statutory liabilities. Our Company proposes to effect partial repayment to such creditors which is one of the Objects of the Issue as under the Resolution Plan. For further details, refer to the "*Objects of the Issue*" and "*Resolution Plan*" on page 76 and 68 of this Letter of Offer.

There is no assurance that our Company will be able to adhere to the schedule of payment to various categories of creditors or comply with other requirements stipulated in the Resolution Plan or that the Resolution Plan would be fully successfully implemented. Further, there can be no assurance that the implementation of the Resolution Plan will result in our Company being able to raise required finance to meet its operational requirements or turn its operations profitable. There is also no assurance that these measures would enable us to meet our cash flow and liquidity requirements in future.

2. ***Our Company was admitted into Corporate Insolvency Resolution Process (CIRP) as per the Insolvency and Bankruptcy Code, 2016 and a resolution plan was submitted and approved. Pursuant to the Resolution Plan, all litigation against our Company, the founder promoters, guarantors, directors, employees, and other parties have been withdrawn and the debts have been restructured. If we default in compliance with the material provisions of the Resolution Plan, we may have to undergo another round of corporate insolvency resolution or liquidation process.***

Our Company was admitted into corporate insolvency resolution process ("**CIRP**") as per the Insolvency and Bankruptcy Code, 2016 ("**Code**") pursuant to an order dated July 4, 2017 passed by the National Company Law Tribunal, Mumbai Bench ("**NCLT**"). Further to the CIRP, a resolution plan was submitted to and approved by the members of the committee of creditors ("**Resolution Plan**") and subsequently approved by the NCLT on March 27, 2019 under Section 31 of the Code. However, implementation of the Resolution Plan was in abeyance due to certain litigation proceedings relating to non-fund-based facilities. Due to this reason, the implementation process of the Resolution Plan commenced only on November 9, 2021. While we have been in compliance with the provisions of the Resolution Plan or sought exclusions and waivers from the NCLT or NCLAT, where necessary, any material non-compliance with the Resolution Plan may subject us to new litigation proceedings, which may include delay in implementation of the Resolution Plan or CIRP process of reviving our Company or liquidation proceedings may be initiated against our Company. Additionally, our business requires working capital to address the time gap between procuring raw materials and selling finished goods. We fulfill these needs through non-fund-based letters of credit and guarantee limits.

Further all litigations as stated in "***Outstanding Litigations and Material Developments***" on page 306 of this Letter of Offer, are litigations which were initiated prior to the CIRP and continue to be contested as on date. As and when an order or judgement is issued in these litigations, the resolution of those will be dealt with as per the provisions of the Resolution Plan. Subsequent to the Resolution Plan, during the course of our business we are subject to risk of litigation, particularly in relation to contractual obligations, employment and labor law, personal injury, damaged to property, etc.

3. ***Our Company requires working capital particularly in the form of non-fund based guarantee/letter of credit limits for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations.***

Our Company is an Engineering, Procurement, Construction ("**EPC**") contractor in India's power transmission and distribution sector, specializing in manufacture of transmission towers, telecom towers, and other structures. Our business demands substantial working capital due to the delay between purchasing raw materials and selling finished goods. This leads to maintaining large inventories, impacting our financial needs. We often need additional funds or internal accruals to manage these requirements, which may escalate if credit periods extend, or raw material costs rise. Providing various guarantees and letters of credit for projects and supplier payments also increases our short-term borrowings.

Securing adequate banking facilities for these guarantees is crucial for our long-term growth. However, our ability to obtain necessary funds timely and on favorable terms is uncertain, influenced by our financial health, market conditions, and our adherence to the Resolution Plan following a history of debt servicing defaults. Inability to meet these financial obligations could lead to negative cash flows and hamper our working capital needs, adversely impacting our business and operations.

Brief detail of our working capital for the last two financial periods ended on; March 31, 2024 and March 31, 2023 along with the six-month period ended on September 30, 2024 have been given below:

Particulars			As at September 30, 2024 ₹ in Lakhs	As at March 31, 2024 ₹ in Lakhs	As at March 31, 2023 ₹ in Lakhs
a)	Inventories		6,311.67	7,180.13	7,261.23
b)	Financial Assets				
	i)	Trade Receivables	2,09,218.03	2,03,079.24	1,99,878.82
	ii)	Cash and Cash Equivalents	8,363.38	3,871.70	3,061.92
	iii)	Bank Balance other than Cash And Cash Equivalents	149.44	145.46	163.14
	iv)	Other Current Financial Assets	6,272.07	5,947.18	6,665.01
			2,30,314.59	**2,20,223.71**	**2,17,030.12**
c)	Current Tax Assets (Net)		1,065.85	898.50	264.46
d)	Other Current Assets		11,776.34	9,003.98	7,588.57
TOTAL CURRENT ASSETS			**2,43,156.78**	**2,30,126.19**	**2,24,883.15**
Less :					
CURRENT LIABILITIES					
a)	**Financial Liabilities**				
	i)	Short Term Borrowings	562.02	5,903.66	7,415.71
	ii)	Trade Payables	11,659.83	13,145.91	15,010.29
	iii)	Other Current Financial Liabilities	5,771.43	6,631.36	7,673.47
			17,993.28	**25,680.93**	**30,099.47**
b)	Other Current Liabilities		9,739.48	10,178.31	7,053.90
c)	Short Term Provisions		54.16	42.33	29.07
TOTAL CURRENT LIABILITIES			**27,786.92**	**35,901.57**	**37,182.44**
Working Capital			**2,15,369.86**	**1,94,224.62**	**1,87,700.71**

4. ***Due to accumulated losses from previous years, including the impact of re-measurement of certain liabilities at NPV fair value, there has been a reduction in our equity. Our auditors have included an emphasis of matter in their reports on our Financial Statements. Further, our Company has reported negative cash flows during last two financial years.***

The operations of our Company were affected on account of proceedings initiated under the Corporate Insolvency Resolution Process in FY 2017 and subsequent to the approval of the Resolution Plan in November 2021 by the Hon'ble NCLT, the business operations of the Company have gradually been resumed.

Our Statutory Auditor has included an emphasis of matter in their reports on our Audited Financial Statements. This erosion of equity and sustained negative cash flows raise serious concerns about our financial stability and operational efficiency. It undermines investor confidence, potentially affecting our ability to raise capital and secure financing, which is critical for ongoing operations and future growth.

A detailed description of our cash flow from operating, investing and financing activities for the financial period ended on March 31, 2024 and March 31, 2023 along with the period ended on September 30, 2024, has been provided below. For further details, see "***Financial Statements***" on page 182.

5. ***There have been certain instances of regulatory non-compliances or delays or errors in the past. We may be subject to regulatory actions and penalties for any such further non-compliance or delays or errors and our business, financial condition and reputation may be adversely affected.***

During the years 2017 to 2021, our Company was undergoing a corporate insolvency resolution process ("**CIRP**"), pursuant to which a resolution plan was approved by the committee of creditors and our Company is currently implementing the resolution plan and reviving our business. During the CIRP, certain non-compliance and delays have taken place in complying with the provisions of the Companies Act, Stock Exchange disclosures, Listing Regulations and reporting requirements under each of these laws, such as Regulation 13(3), 24A, 27(2), 31, 33 of SEBI (LODR), etc. Though our Company and our management endeavour to comply with all such obligations/reporting requirements, there have been certain instances of non-compliance and delays in complying with such obligations/reporting requirements, such as delay for submission of events by our Company relating to initiating of CIRP against the Company, appointment of resolution professional, settlement between the Company and operational creditor and approval of CIRP by the National Company Law Tribunal, Mumbai Bench. Although, our Company or our management have responded and explained the causes of such delays / non-compliance, there could be a possibility that penalties may be levied against our Company or our management for non-compliance and delays in complying with such obligations/reporting requirements.

Our Company conducted a shareholders' meeting on October 21, 1974, for conversion of our company from a private limited to a public limited entity. Following the meeting, we filed Form 23 with the Ministry of Corporate Affairs (MCA) to initiate this conversion process. Subsequently, we received the new Certificate of Incorporation, which is attached to our Memorandum of Association (MoA).

Due to non-digitalisation of MCA records in 1974 and changes in our registered office, we have not been able to locate the original or a hard copy of Form 23. While we acknowledge the inability to produce a physical copy of Form 23, it's crucial to note that the essence of compliance was upheld as evidenced by the issuance of the updated Certificate of Incorporation. Therefore, although we do not have a physical copy of Form 23, our conversion to a public company is complete, thus there is no non-compliance. We have requested the MCA for a copy of Form 23 filed by us in October 1974.

The following are the details of the total penalty levied and action taken by the Stock Exchange for the period ended on March 31, 2024; March 31, 2023, along with the period ended on September 30, 2024

Financial Year	Regulations of SEBI (LODR), Regulations , 2015	For the Quarter ended on	₹ in Lakhs	Action Taken
BSE Fines				
2020-21	Regulation 31	June, 2020	0.10	Waived off by BSE
	Regulation 7(1)	1. June, 2020 2. September, 2020	1.82	Waived off by BSE
	Regulation 33	1. June, 2020 2. September, 2020 3. December, 2020 4. March 2021	29.84	Waived off by BSE
	Regulation 27(2)	1. September, 2020 2. March, 2021	2.73	Waived off by BSE
	Regulation 17(1)	September, 2020	2.05	Paid by the Company on December 27, 2023
2021-2022	Regulation 6(1)	1. September, 2021 2. December, 2021	1.82	Waived off by BSE

Financial Year	Regulations of SEBI (LODR), Regulations , 2015	For the Quarter ended on	₹ in Lakhs	Action Taken
BSE Fines				
	Regulation 33	June, 2021	1.95	Waived off by BSE
2022-2023	Regulation 17(1A)	March, 2023	1.80	Paid by the Company on December 7, 2023
	Regulation 43	March, 2023	0.25	Paid by the Company on December 27, 2023
2023-2024	Regulation 17(1A)	1. June, 2023 2. September, 2023	2.22	Paid by the Company on December 27, 2023 & December 7, 2023
	Regulation 23(9)	September, 2023	0.01	Paid by the Company on December 27, 2023
2023-2024	Regulation 17(1A)	March 2024	3.12	Paid by the Company on July 3, 2024
2024-2025	Regulation 17(1A)	June , 2024	3.71	Paid by the Company on December 6,2024
NSE Fines				
2020-21	Regulation 13(3)	September, 2020	0.79	Waived off by NSE
	Regulation 24(A)	March, 2021	13.20	Waived off by NSE
	Regulation 31	1. June 2020 2. September 2020	5.16	Waived off by NSE
	Regulation 33	1. June 2020 2. September 2020 3. December 2020 4. March 2021	39.80	Waived off by NSE
2021-22	Regulation 29	March, 2022	0.10	Paid by the Company on December 7, 2023
	Regulation 17	December, 2021	2.05	Paid by the Company on December 27, 2023
	Regulation 33	1. June, 2021 2. September, 2021	7.50	Waived off by NSE
	Regulation 33	December, 2021	1.95	Paid by the Company on December 27, 2023
2020-23	Regulation 17(1A)	1. December, 2022 2. March, 2023	2.32	Paid by the Company on December 7, 2023
2023-24	Regulation 17(1A)	1. June, 2023 2. September, 2023	2.22	Paid by the Company on December 16, 2023
2023-24	Regulation 17(1A)	March, 2024	3.21	Paid by the Company on July 3, 2024
2024-25	Regulation 17(1A)	June, 2024	3.71	Paid by the Company on December 6, 2024

In addition to the above, our Company does not have any non-compliance as on the date of this Letter of Offer.

6. ***Our Company has negative cash flows from its operating activity, investing activity and financing activity, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

Our Company had reported certain negative cash flows in previous years as per the Financial Statements, as stated below:

(₹ in Lakhs)

Particulars	Based on Audited Consolidated Financial Statements		
	As at and for the six months period ended on September 30, 2024	As at and for the year ended on March 31, 2024	As at and for the year ended on March 31, 2023
Net Cash from Operating Activities	(9,775.73)	(1,948.21)	(3,601.89)
Net Cash from Investing Activities	(474.17)	(689.20)	(1,052.54)
Net Cash from Financing Activities	14,740.54	3,447.20	(671.46)
Net Increase / (Decrease) in Cash and Cash Equivalents	4,490.64	809.79	(5,325.90)
Cash and Cash Equivalents at the beginning of the period/year	3,891.70	3,061.92	8,387.82
Cash and Cash Equivalents at the end of the period/ year	8,362.34	3,871.70	3,061.92

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. Since our Company is in a growth phase, our working capital requirement has increased in tandem and this has resulted in negative cash flow from operations in the six months period ended September 30, 2024 and Financial Years ended March 31, 2024, and 2023. We may continue to have negative operating cash flows in future. If our Company is not able to generate sufficient operating cash flows, it may adversely affect our business and financial operations. For further details, please see "***Financial Information***" on page 182.

7. ***Our funding requirements and proposed deployment of Gross Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on factors, some of which may be beyond our control.***

The Resolution Plan approved by the Hon'ble NCLT stipulates payment of dues to Company's various categories of creditors over a period of 12 years. A portion of the proceeds of the rights issue is proposed to be utilized towards this payment. For more details on the Resolution Plan and its implementation, please refer to section **'Resolution Plan'** on page 68 of this Letter of Offer.

Additionally, the Company requires to provide bank guarantees for bidding for any new project, during project duration and for certain period post completion of project. A portion of our proposed Rights Issue is proposed to be utilized towards the margin money for Bank Guarantee and LC facilities to be availed from bankers. Further, an amount not exceeding 25% of the gross issue proceeds are proposed to be utilized for general corporate purposes as permitted under SEBI ICDR Regulations.

It is to be noted that the aforesaid deployment of gross proceeds towards various objects are not appraised by any institution or independent agency, however the utilization of gross proceeds shall be monitored by the monitoring agency, as per SEBI ICDR Regulations. Although the payment of dues to creditors will be as approved in the Resolution Plan, the payment to various categories of creditors is proposed in a manner to be decided by the Board of Directors of the Company in the best interests of the Company and in compliance with all applicable laws & regulations, considering the operational requirements of our Company.

Although, the deployment of the Gross Proceeds will be monitored by the Monitoring Agency, there can be no assurance that the allocation of funds for different objects proposed in the issue would serve the best interests of the Company or that the Company will be able to achieve the results it aims to achieve through the deployment of funds being raised in the rights issue.

8. ***Risks inherent to power sector projects could materially affect our business, financial conditions and results of operations.***

Power sector projects have long gestation periods before they become operational and carry project-specific as well as general risks. These risks are generally beyond our control and include:

- Political, regulatory, fiscal, monetary and legal actions and policies that may adversely affect the viability of power projects and have an effect on our future projects.
- Changes in government and regulatory policies relating to the power sector;
- Delays in the construction of projects we are engaged on;
- Adverse changes in demand for, or the price of, power generated or distributed by the projects we are engaged on;
- The willingness and ability of consumers to pay for the power produced by projects we are engaged on;
- Increased project costs due to environmental challenges and changes in environmental regulations;
- Failure of third parties such as contractors, sub-contractors and others to perform on their contractual obligations in respect of projects we are engaged on;
- Economic, political and social instability or occurrences such as natural disasters, armed conflict and terrorist attacks, particularly where projects are located or in the markets they are intended to serve;
- Delay in obtaining/renewing regulatory or environmental clearances and suspension or cancellation due to non-conformity with conditions stipulated under the clearance; and

In addition, any significant change in the project plans of our clients or change in our relationship with these existing clients may affect our business prospects. Furthermore, successful implementation of the projects we are engaged on are dependent on our client's financial condition, as any adverse change in their financial condition may affect the financing and consequently the implementation of the projects. In the event the power projects we are engaged on are cancelled or delayed or otherwise adversely affected, our results of operations and financial condition could be affected.

For further details of our Business, please refer chapter titled "***Our Business***" beginning on page 161 of Letter of Offer.

9. ***Projects included in our Order Book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.***

Orders secured by the Company include completed orders and expected revenues from uncompleted portions of the contracts received. However, project delays, modifications in the scope or cancellations may occur from time to time due to either client's or our default, incidents of force majeure or legal impediments. For example, in some of our projects, we or our clients are obliged to take certain actions, such as acquiring land, securing right of way, clearing forests, securing required licenses, authorizations or permits, making advance payments or opening of letters of credit or moving existing utilities, which may be delayed due to our client's non- performance, our own breaches or force majeure factors.

In an engineering procurement and construction project ("**EPC**"), we may incur significant additional costs due to project delays and our counterparties may seek liquidated damages due to our failure to complete the required milestones or even terminate the construction contract totally or refuse to grant us any extension. The schedule of completion may need to be reset, and we may not be able to recognize revenue if the required percentage of completion is not achieved in the specified timeframe.

As a result, our future earnings may be different from the amount in the order book. Our contracts may be amended, delayed or cancelled before work commences or during the course of construction. Due to unexpected changes in a project's scope and schedule, we cannot predict with certainty when or if expected revenues as reflected in the Order Book will be achieved. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed or receivables due to us. If any or all of these risks materialize, our business, prospects, reputation, profitability, financial condition and results of operation may be materially and adversely affected.

As on the date of the Letter of Offer, we have not experienced any delay in our ongoing projects within the contractual conditions. This is attributed to the Company's ability to uphold the agreed-upon execution process with our customers. For further details of our Order Book refer to "***Our Business - Major Projects Completed in last two years and ongoing projects***" on page 173 of this Letter of Offer.

10. ***Loss of any of our key customers or reduction in production and sales of, or demand for our products from, our customers may materially and adversely affect our business and financial performance.***

Since we are dependent on certain key customers for a portion of our sales, the loss of any of such customers or a reduction in demand from such customers, for any reason, including due to loss of contracts, delay in fulfilling existing orders, failure to negotiate acceptable terms in negotiations, disputes or a loss of market share or a downturn in such customers' business, if not suitably replaced with another customer, could adversely affect our business, financial condition and results of operations.

The following table sets forth the details of the amounts revenue from our top 5 (five) and 10 (ten) customers for the Financial year ended on March 31, 2024, March 31, 2023 and for the six months period ended on September 30, 2024, as a percentage of our total revenue during these periods:

Particulars	Six Months period ended September 30, 2024		Financial Year 2024		Financial Year 2023	
Customers	**₹ (in Lakhs)**	**% to total revenue**	**₹ (in Lakhs)**	**% to total revenue**	**₹ (in Lakhs)**	**% to total revenue**
Top 5 Customers	14,174.39	72.40	38,458.77	85.20	22,335.58	97.43
Top 10 Customers	18,372.62	93.84	44,134.47	97.78	22,923.12	100.00

The resolution plan of our Company was executed on November 9, 2021. As our Company was under Corporate Insolvency Resolution Process (CIRP), we did not engage in any ongoing business activities during the financial year ending on March 31, 2021. Consequently, the Fiscal Year 2023 marks the commencement of our business activities, serving as our first operational year.

Post the implementation of the Resolution Plan there have been no instances of any of the customers dissociating with the Company or any loss or contract, delay in fulfilling existing orders, disputes with our customers or loss of market share.

Furthermore, the volume of our business with these customers may vary from period to period. Our business, operations, revenues and profitability may be adversely affected if these customers demand price reductions, set-off any payment obligations or if there is an adverse change in any of our customers' procurement strategies, including procurement from our competitors. Our revenues and profitability may also be adversely affected if there's a reduction in our customers' capacity volumes or if there is a reduction in the volume of our business with such customers, or if our customers prefer our competitors over us, and we may not remain the supplier of our engineering and polymer products and Infra services for our customers.

Our growth depends, among other factors, on the growth of our key customers and we are also exposed to the changes in the policies of the Government. A decline in our customers' business performance may also lead to a corresponding decrease in demand for our products and services. The volume and timing of sales to our customers may vary due to various factors such as, unavailability of raw materials or components, logistic challenges, delays in site readiness, weather related issues and other factors affecting the economy in general, and our customers in particular. Unfavorable industry conditions can also result in an increase in commercial disputes and other risks of supply disruption. It is difficult to forecast the success or sustainability of any strategies undertaken by any of our key customers in response to the current economic or industry environment.

11. ***We are dependent on external suppliers for key raw materials, components, spares, equipment and machinery, which could materially and adversely affect our business and operations.***

Success of our existing and planned operations depends on, among other things, our ability to source sufficient amounts of raw materials and spares at competitive prices for our manufacturing of engineering products. We may source raw materials such as Zinc and Structural items from overseas also. The quality of our products (and consequently, customer acceptance of such products) depends on the quality of the raw materials, components and spares and the ability of suppliers to timely deliver such materials. The prices and supply of such raw materials and components depend on factors beyond our control, including general economic conditions, competition, production levels, transportation costs and import duties. Suitable alternative suppliers who can meet our technical and quality standards, and who can supply the necessary quantities, may be hard to find in the event of a supply failure.

The following table sets forth the details of the cost of raw material from our top 5 (five) and 10 (ten) suppliers for the Financial Year ended on March 31, 2024, March 31, 2023 and for the six months period ended on September 30, 2024, as a percentage of our total expenses during these periods:

Particulars	Six Months period ended September 30, 2024		Financial Year 2024		Financial Year 2023	
Suppliers	**₹ (in Lakhs)**	**% to total expenses**	**₹ (in Lakhs)**	**% to total expenses**	**₹ (in Lakhs)**	**% to total expenses**
Top 5 Suppliers	5,372.95	40.84	16,705.14	45.99	16,071.11	83.54
Top 10 Suppliers	6,710.75	51.00	2,347.86	56.02	18,156.73	94.37

The failure of any of our suppliers to deliver these raw materials or components in the necessary quantities, to adhere to delivery schedules for supply, or to comply with specified quality standards and technical specifications, could adversely affect our production processes and our ability to deliver orders and service EPCs on time and at the desired levels of quality. This, in turn, could give rise to contractual penalties or liabilities for us, loss of customers and damage to our reputation. In the past, we have been subject to shortages in the supply of certain key components, due to the inability of component suppliers to meet demand. In certain cases, this has led to and can lead to delay in supplying of finished goods to our customer and thus delay our ability to organization revenues in relation to our ongoing projects and also may lead to payment of liquidated damages and performance guarantees. If we are unable to procure the requisite quantities of raw materials in a timely manner and within our budgeted costs, our business, financial condition and results of operations may be adversely affected.

We may also face instances where claims against suppliers for losses caused to customers by faulty components are disputed and recovery of such losses from the supplier is delayed, leading to our Company having to compensate the customer from its own revenue. If such events continue for extended periods of time, it could materially and adversely affect our ability to execute our orders and in-turn, our business, cash flows, financial condition and results of operations.

We are also subject to mechanical failure and equipment shutdowns. In such situations, undamaged manufacturing units that are dependent on, or interact with, damaged sections of our facilities may also have to be shut down. Such events could materially and adversely affect our manufacturing capacity. If such shutdowns continue for extended periods, our business reputation, financial condition, cash flows and results of operations could be materially and adversely affected.

12. ***Majority of our Board of Directors do not have the experience of being a director in a listed company which may have an impact on our company's governance.***

Majority of our board of directors, while possessing a diverse range of skills and experiences, do not include individuals with prior experience in managing a publicly listed company. This lack of experience in dealing with the unique challenges and regulatory requirements of a public company could potentially impact our ability to navigate the complexities of financial reporting, compliance, and governance standards that are specific to publicly listed entities. This inexperience could lead to increased risks in areas such as strategic decision-making, investor relations and regulatory compliance. Investors should consider the potential impact of this lack of experience on our company's performance and governance.

13. ***Our Company has two overseas subsidiaries, the audited financial statements of which are unavailable. As a result of the unavailability of these records, the Company has relied on their unaudited management accounts.***

Our Company had undergone the corporate insolvency resolution process ("**CIRP**") as ordered by Hon'ble National Company Law Tribunal, Mumbai ("**NCLT**") dated July 4, 2017. The resolution plan for the company was finally implemented on November 9, 2021, after which the management of our Company was transferred from the control of the erstwhile resolution professional to the present management of our Company. Due to the prolonged CIRP process, the operations of our Company were impacted significantly.

Our Company has two foreign subsidiaries, Jyoti Structures Africa and Jyoti Structures FZE. These subsidiaries were formed/ incorporated on project/country specific requirements, which helped our Company to bid for these projects and opportunities available therein. The projects are now complete, leaving these overseas subsidiaries/branches either dormant or non-functional. Our Company now lacks local presence and representation in these foreign lands, leading to unavailability of their financial statements, Consequently, our Company is unable to incorporate their financial data into our Audited Consolidated Financial Statements. The company shall further be subject to penalties outlined in Section 129(3) of the Companies Act, 2013, as well as Regulations 33 and 46 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, along with any other relevant legislation.

14. ***Our Company has certain overseas step-down subsidiaries and joint ventures, the audited financial statements of which are unavailable. As a result of the unavailability of these records, the Company is unable to consolidate their financial statements with these companies.***

Our Company had undergone the corporate insolvency resolution process ("CIRP") as ordered by Hon'ble National Company Law Tribunal, Mumbai ("NCLT") dated July 4, 2017. The resolution plan for the company was finally implemented on November 9, 2021, after which the management of our Company was transferred from the control of the erstwhile resolution professional to the present management of our Company. Due to the prolonged CIRP process, the operations of our Company were impacted significantly.

Our Company has a foreign joint venture named Gulf Jyoti International Inc., UAE, which has a step-down foreign subsidiary, GJIL Tunisia Sarl. These subsidiaries were formed/incorporated on project/country specific requirements, which helped our Company to bid for these projects and opportunities available therein. The projects are now complete, leaving these overseas subsidiaries/branches either dormant or non-functional. Our Company now lacks local presence and representation in these foreign lands, leading to unavailability of their financial statements, thus rendering our Company unable to consider the same in our Company's Audited Consolidated Financial Statements. The company shall further be subject to penalties outlined in Section 129(3) of the Companies Act, 2013, as well as Regulations 33 and 46 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, along with any other relevant legislation.

15. ***Our units, in the past few years, were not operational. We cannot guarantee that similar events will not occur in the future:***

Our Company comprises six (6) units, including our Registered Office, Designing Office, testing center, and manufacturing facilities. These facilities are spread across three (3) states i.e. Maharashtra, Chhattisgarh, and Gujarat. During the Corporate Insolvency Resolution Plan (CIRP), our Company was under the management of the Resolution Professional until the Resolution Plan was passed by the NCLT. This resulted in adverse effects on the operations of these units. Currently, our Nashik Unit II and Raipur Unit are still to commence operations.

As of September 30, 2024, our Nashik unit I is currently operating at a capacity of 5,695 MT, compared to 7,139 MT and 3,138 MT in Fiscal Years 2024 and 2023, respectively.

We cannot guarantee that similar events or circumstances will not impact our business operations in the future. For more information on these units, please refer to "***Property – Our Business***" on page 171 of this Letter of Offer.

16. ***Our Company is party to certain litigations and claims. These legal proceedings are pending at different levels of adjudication before various courts and regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.***

Our Company is currently involved in legal proceedings in India which are pending at different levels of adjudication before the concerned authority. We cannot assure you that these proceedings will be decided in favour of our Company. Any adverse decision in such proceedings may render us liable to penalties and may have a material adverse effect on the financials and reputation of our Company which may in turn have an adverse effect on our business.

Additionally, during the course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour law related, personal injury, damage to property, etc.

(₹ in lakhs)

Type of Proceeding	Number of Cases	Aggregate amount involved
Litigation by our Company		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	2	*Unquantifiable*
Litigation against our Company		
Criminal Proceedings	2	*Unquantifiable*
Civil proceedings above the Materiality Threshold	1	*Unquantifiable*
Civil proceedings that are non-quantifiable but otherwise deemed material	3	*Unquantifiable*
Actions taken by Regulatory or Statutory Authorities	Nil	Nil
Tax Proceedings		
Direct tax proceedings	*Unascertainable*	1,197.00
Indirect tax proceedings	*Unascertainable*	31,104.28
Litigation by our Directors		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	Nil	Nil
Cases against our Directors		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	Nil	Nil
Actions taken by Regulatory or Statutory Authorities	Nil	Nil
Tax Proceedings		
Direct Tax	5	5.66
Indirect Tax	Nil	Nil
Litigation by our Subsidiaries		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil

Type of Proceeding	Number of Cases	Aggregate amount involved
Civil proceedings that are non-quantifiable but otherwise deemed material	Nil	Nil
Litigation against our Subsidiaries		
Criminal Proceedings	Nil	Nil
Civil proceedings above the Materiality Threshold	Nil	Nil
Civil proceedings that are non-quantifiable but otherwise deemed material	Nil	Nil
Actions taken by Regulatory or Statutory Authorities	Nil	Nil
Tax Proceedings involving our Subsidiaries		
Direct tax	5	4.25
Indirect tax	Nil	Nil

^To the extent quantifiable
**Includes outstanding direct and indirect tax for prior years but excluding accrued interest thereon*

For further details, see "***Legal and Other Information – Outstanding Litigation and Material Developments***" on page 306 Letter of Offer.

17. ***We are exposed to counterparty credit risk and any delay in, or non-receipt of, payments may materially and adversely affect our cash flows and results of operations.***

We are exposed to counterparty credit risk in the usual course of our business due to the nature of and the inherent risks involved in, dealings, agreements and arrangements with our counterparties who may delay or fail to make payments or perform their other contractual obligations. Our operations involve extending credit to our customers in respect of sale of our products and services, and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts.

The financial condition of our customers, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions which may be beyond our control. Any event that results in a slowdown in the general economy or a potential credit crisis could cause our customers, business partners or suppliers to suffer disruptions in their businesses or experience financial distress, their access to the credit markets could be limited, and they could file for insolvency or bankruptcy protection and we cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness.

Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. We cannot assure you that we will be able to collect the whole or any part of any overdue payments. A significant delay in, or non-receipt of, large payments or non-performance by our customers, business partners, suppliers or other counterparties could adversely affect our cash flows and results of operations. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our customers. If we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our cash flows and results of operations.

The longer credit period granted to our customers compared to that offered by our suppliers may potentially result in certain cash flow mismatches. We cannot assure you that we will not experience any significant cash flow mismatches in the future or that our cash flow management measures will function properly, or at all. If we fail to properly manage the possible cash flow mismatches, our cash flows, financial condition and results of operations could be materially and adversely affected.

18. ***Any failure or delay in transportation and logistics arrangements entered into by us could materially and adversely affect our business and operations.***

We are dependent on third party transportation and logistics providers of various forms of transport, such as air, sea-borne freight, rail and road, to receive raw materials, spares and components used in the production of engineering and to deliver our products from our manufacturing facilities to some of our customers. Such transportation and logistics may not be adequate to support our future or continued operations. We are typically responsible for transportation of towers from storage yards to project sites for certain customers. Though there have been no such failure or delay in the past, there can be no assurance that such failure or delays would not occur in future and any such occurrence could adversely affect our ability to supply our products to our customers on time, or at all which could, in-turn materially and adversely affect our business, cash flows, financial condition, and results of operations.

19. ***We may be unable to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations.***

Our business operations are subject to various government regulations, requiring us to obtain and maintain numerous statutory and regulatory permits and approvals under central, state, and local government rules in our operating regions. These permits, crucial for running our business and maintaining our manufacturing facility, are often granted for a limited duration, and we are currently pending renewal for some.

During the CIRP period, our Company was unable to obtain, renew or maintain some of the statutory and regulatory permits and approvals. On implementation of the Resolution Plan, our Company renewed the statutory and regulatory permits and approvals required to operate the businesses.

The failure or delay in obtaining, renewing, or maintaining these necessary approvals within their validity periods could lead to operational interruptions. In such scenarios, authorities may enforce restrictions, impose fines, or initiate legal actions against our Company. While we endeavor to comply with regulatory requirements, these approvals are contingent on certain conditions. Non-compliance could lead to suspension or revocation of these approvals.

Furthermore, though we have no fresh pending approvals required to be obtained by the Company for carrying out its current business operations, the issuance of necessary statutory and regulatory permits and approvals is uncertain. Delays or failures in obtaining or maintaining these permits, or in adhering to their prescribed terms and conditions, could materially disrupt our operations. Such disruptions may significantly impact our business, financial condition, and operational results, underscoring the critical nature of regulatory compliance in our industry. For further details, see "*Government and Other Statutory Approvals*" on page 316 of this Letter of Offer.

20. ***Any disruption affecting our manufacturing facilities or operations could materially and adversely affect our business, cash flows, financial condition and results of operat*****ions.**

Our infrastructure project operations are serviced from remote sites. Any significant interruption to our operations because of factors such as industrial accidents, floods, severe weather or other natural disasters could materially and adversely affect our business, cash flows, financial condition and results of operations. Though any of such instances have not occurred in the past, there can be no assurance that such events or natural disasters will not occur in the future and that the occurrence of such events will not materially and adversely affect our manufacturing, project execution and our cash flows, financial condition and results of operations. We also require power for our manufacturing facilities. While there have been no industrial accidents, natural disasters or other factors in the past, the risk of the same occurring may affect our ability to produce or procure the necessary power to operate our manufacturing facilities which could, in-turn, materially and adversely affect our business, cash flows, financial condition and results of operations.

21. ***Opposition from local communities and other parties may adversely affect our financial condition, results of operations and cash flows.***

The construction and operation of our power transmission systems may have significant consequences on grazing, logging, agricultural activities, mining and land development as well as on the ecosystem of the affected areas. Further, the construction and operation of our power transmission systems may disrupt the activities and livelihoods of local communities, especially during the project construction period. Repair work on a project may be delayed in order to resolve local community concerns. Any such opposition may adversely affect our financial condition, results of operations and cash flows, and harm our reputation.

We could be subject to opposition, such as through litigation or by other means, from public interest groups, local communities or non-governmental organizations, in relation to the environmental impact of their transmission projects or in relation to land acquisition, change in land use, acquisition and use of rights of way and construction activities for their projects and the consequent impact on the livelihood of affected communities.

22. ***Due to the long construction periods of our power transmission systems, the operation and maintenance costs of our projects may change significantly after commissioning of the assets. As the terms and conditions, including the fee structure are generally fixed, we may not be able to offset increases in costs, including operation and maintenance costs.***

The fee structure is largely fixed for the entire term. Operation and maintenance costs of our power transmission projects may increase due to factors beyond our control, including the following:

- increase in the cost of labour, materials and insurance;
- restoration costs in case of events such as, floods, natural disasters and accidents;
- increase in raw material costs;
- adverse weather conditions;
- unforeseen legal, tax and accounting liabilities; and
- other unforeseen operational and maintenance costs.

We may not be able to offset increased operation and maintenance costs as the revenue is generally fixed, and given the escalable component forms only a small portion of the overall fee payable to us, it may be insufficient to offset such cost increases. Additionally, as the escalable portion of our tariff is linked to inflation, there can be no assurance that adjustments of the escalable tariff will be sufficient to cover increased costs resulting from inflation. Significant increases in operation and maintenance costs may reduce our profits. Any slowdown in India's growth, inflation volatility or fluctuation or sustained periods of hyperinflation adversely impact our business, prospects, financial condition, results of operations and cash flows.

23. ***We may be held liable for the payment of wages to the contract labourers engaged indirectly in our operations.***

In order to retain flexibility and control costs, we appoint independent contractors who, in turn, engage on-site contract labour to perform certain operations, including providing security. We have obtained registration as a principal employer under the Contract Labour (Regulation and Abolition) Act, 1970 ("**Contract Labour Act**") for certain of our establishments where workmen are employed through contractors or agencies licensed under the Contract Labour Act. Although we do not engage these labourers directly, in the event of default by any independent contractor, we may be held responsible for any wage payments that must be made to such labourers. Any violation of the provisions of the Contract Labour Act by us is punishable with, *inter- alia*, imprisonment for every person in charge of and responsible for the conduct of the business of our Company at the time of the commission of the offense. If we are required to pay the wages of the contracted workmen and subjected to other penalties under the Contract Labour Act, our reputation, cash flows financial condition and results of operations could be adversely affected.

24. ***We may not be able to obtain or maintain adequate insurance cover, which may severely impact our operations and cause losses in the instance of an unforeseen circumstance***

Our operations are subject to various hazards and risks, including risks to the manufacturing industry. These risks include the occurrence of thefts, explosions, chemical spills, storage tank leaks, discharges or releases of hazardous substances and other environmental risks, mechanical failure of equipment at its facilities and natural disasters. In addition, many of these operating and other risks could cause personal injury, loss of life, severe damage to or destruction of our properties and the property of third parties and environmental pollution and may result in the suspension of operations and the imposition of civil or criminal penalties. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations could be adversely affected.

We have obtained insurance coverage, to the extent deemed necessary by our Management. The following table sets forth details of our insurance coverage taken for our Inventory and Plant and Machinery as on March 31, 2024 and March 31, 2023.

(₹ in lakhs)

Sr. No.	Particulars	Six months period ended September 30, 2024	Financial Year 2024	Financial Year 2023
1	Book Value-			
	Inventories, Plant & Machinery WDV	3,884.79	4,215.38	3,578.00
2	Insured Coverage-			
	Inventories, Plant & Machineries WDV	10,896.33	10,896.33	8,376.00

While we are satisfied that our insurance coverage is consistent with industry norms, we do not carry business interruption insurance for our entire operations. We have obtained insurance coverage for our Inventory and Plant and Machinery. If any or all of our production facilities are damaged in whole or in part and its operations are interrupted for a sustained period, there can be no assurance that its insurance policies will be adequate to cover the losses that may be incurred as a result of such events. If we suffer a large uninsured loss, or any insured loss suffered by us significantly exceeds our insurance coverage, its business, financial condition, cash flows and results of operations may be adversely affected.

In addition, our insurance coverage is generally subject to annual renewal. In the event that premium levels increase, it may not be able to obtain the same levels of coverage in the future as it currently has or it may only be able to obtain such coverage at substantially higher cost. If we are unable to pass these costs on to our customers, the costs of higher insurance premiums could adversely affect our financial condition, cash flows and results of operations. Alternatively, we may choose not to insure, which, in the event of any damage or destruction to our facilities or defects to our products, could adversely affect our business, financial condition, cash flows and results of operations.

The Company may face the risk of insurance claims not being settled fully, with settlements potentially being less than the claimed amounts which may lead to financial losses. In the past, the Company has encountered such instances, including damage caused by a storm at the Jaisalmer project site, theft incident at Aapraava project site and damage due to cyclonic winds at Khavda project site.

25. ***Under-utilisation of capacity may adversely affect our business, results of operations and financial condition.***

Use of production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, etc. It cannot be assured that we shall be able to utilize our existing manufacturing facilities to their full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition. For further details of the capacity and capacity utilization of the company's manufacturing facilities please refer to "***Our Business - Capacity and Capacity utilization***" on page 171 of this Letter of Offer.

26. ***We participate in a competitive tender process for supply to various government agencies, companies and institutions. We may face an inability to successfully obtain tenders in the future, which would impact our revenues and profitability and the tenders we have successfully obtained may be withdrawn in the future.***

We participate in a competitive tender process for supply to various government agencies, companies and institutions. Pricing is a key factor in the tender process, and we may face challenges in participating in a tender process and having to manage our tender price in light of any internal budgets. If we are unable to win tenders, our future revenues and profitability may suffer. Additionally, for any reason, if we are disqualified from the tender process by a government agency, we may automatically be disqualified by other central and state government agencies. This may impact on our business operations and growth. In addition, such tender processes may be challenged even after contracts have been awarded on grounds including validity of tender conditions, satisfaction of eligibility criteria and representations made in bid documents. While we have policies to guide enhanced supervision of these matters, the occurrence of such instances may result in reputational damage and adversely affect our business, results of operations, financial position and cash flows due to loss of opportunities. Litigation may be necessary to clarify these disputes and protect our brand equity, which could result in incurring additional costs.

27. ***We depend on the availability and skills of various third-party contractors and third-party logistics providers to construct our projects. Any deterioration in the quality of services executed by the third-party contractor or delay, interruption or shortage in the services provided, or an increase in the costs of such services, may adversely impact the pricing and supply of our products and have an adverse effect on our business, financial condition, cash flows and results of operations.***

Some of our projects depend on the availability and skills of third-party contractors for the construction of our transmission lines and supply of certain key equipment. Although contractual arrangements are in place, we do not have direct control over the timing or quality of services, equipment or supplies provided by these contractors. We may be exposed to risks relating to the quality of their services, equipment and supplies. In addition, we require the continued support of certain original equipment manufacturers to supply necessary services and parts to maintain our projects at an affordable cost. If we are unable to procure the required services or parts from these manufacturers (for example, due to bankruptcy of the manufacturer), or if the cost of these services or parts exceeds the budgeted cost, there may be an adverse impact on our business, financial condition, cash flows and results of operations.

28. ***We are subject to performance risk from third-party contractors, and operational risks associated with the engagement of third-party contractors and our employees.***

We enter into contracts with the third-party contractors for the supply of equipment, materials and other goods and services. We also rely on third-party contractors and our employees for the construction of our projects as well as other business operations. While we maintain a diversified set of vendors, we remain subject to the risk that the third-party contractors will not perform their obligations. Though there have been no such instances in the recent past, there can be no assurance that such failure could occur in future. If the third-party contractors do not perform their obligations (including regulatory compliances) or if they deliver any components that have a manufacturing defect or do not comply with the specified quality standards and technical specifications, we may have to enter into new contracts with other contractors at a higher cost or suffer schedule disruptions. Changing a contractor may incur additional costs in finding a replacement service provider or experience delays.

29. ***We have in the past entered into related party transactions and will continue to do so in the future.***

We have in the past entered into related party transactions with our Subsidiaries. For further information on our related party transactions, see the "***Notes to Audited Consolidated Financial Statements***" on page 182 appearing under the section "***Financial Information***".

In the ordinary course of our business, we enter into and will continue to enter into transaction with related parties. While the related party transactions entered into by us in the past were conducted on an arms' length basis and in accordance with the Companies Act and other applicable regulations, including the SEBI LODR Regulations, and we will ensure that the related party transactions that we may enter into in the future are on an arms' length basis and in accordance with the Companies Act and other applicable regulations, we cannot assure you that these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Further, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour. There can be no assurance that our directors and executive officers will be able to address such conflicts of interests or others in the future.

The details of the transactions with related parties during six months period ended September 30, 2024 and past two years are as under:

Sr. No.	Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023
1	Director's Sitting Fees			
i	Mr. Rajendra Prasad Singh	0.80	2.68	1.60
ii	Mr. Kannan Ramamirtham	-	1.10	2.60
iii	Mr. Abhinav Rishi Angirish	1.33	3.35	1.98
iv	Mr. Mathew Cyriac	-	0.70	1.80
v	Mrs. Monica Akhil Chaturvedi	1.63	3.88	1.83
vi	Mr. Govind Prasad Saha	1.55	3.80	2.35
vii	Mr. Abdul Hameed Khan	-	0.08	-
viii	Mr. Rajeev Batra	0.60	-	-
2	Director's Remuneration			
I	Abdul Hameed Khan	29.60	45.40	-
3	Key Management Personnel			
i	Ms. Sonali K Gaikwad	9.25	9.03	7.86
ii	Mr. Abdul Hameed Khan	-	8.56	34.32
iii	Mr. Rajesh Kumar Singh	9.74	-	-
iv	Mr. Kumar V Balan	17.60	40.01	25.57
4	Professional Fees			
i	Mr. Rajendra Prasad Singh	72.00	132.00	82.40
ii	Abchlor Investments Pvt. Ltd	23.00		
5	Sales			
i	Bajel Electricals Ltd.	235.83	-	-
5	Investments as at the end of the year			
i	JSL Corporate Services Ltd	350.00	350.00	350.00
ii	Jyoti Energy Ltd (Excluding Impairment)	-	-	5.00
iii	Jyoti Structures Africa (Pty) Ltd	0.00*	0.00*	0.00*

Sr. No.	Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023
iv	Jyoti Structures FZE	317.04	317.04	317.04

6	Loans/Advance- (Taken) / Given	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023
i	Jyoti Energy Ltd	44.71	44.21	43.88
ii	JSL Corporate Services Ltd	(462.24)	(462.74)	(463.09)
iii	Jyoti Structures Africa (Pty) Ltd	6,020.16	5,990.02	5,971.03
iv	Jyoti International Inc	-	-	-
v	Gulf Jyoti International LLC	-	-	819.19
vi	Jyoti Structures FZE	(1,634.66)	(1,695.66)	(1,600.18)
vii	Jyoti Structures Namibia (Pty) Ltd	420.73	420.73	420.73
viii	Jyoti Structures Nigeria Ltd	30.54	30.54	30.54
ix	Jyoti Structures Kenya Ltd	(225.85)	(230.72)	(238.42)

Jyoti Energy Ltd.

Sr No	Name	Nature of Relationship		
1	Jyoti Structures Ltd	100% Holding of Jyoti Energy Ltd		
2	Loans/Advance- (Taken) / Given	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**
i	Jyoti Structures Ltd	(44.71)	(44.21)	(43.88)
ii	JSL Corporate Services Ltd	(10.13)	(10.13)	(10.13)

JSL Corporate Services Ltd

Sr No	Name	Nature of Relationship		
1	Jyoti Structures Ltd	100% Holding of JSL Corporate Services Ltd		
2	Loans/Advance- (Taken) / Given	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**
i	Jyoti Structures Ltd	462.24	462.74	463.09
ii	Jyoti Energy Ltd	10.13	10.13	10.13

Jyoti Structures Africa (Pty) Ltd

Sr No	Name	Nature of Relationship		
1	Jyoti Structures Ltd	70% Holding of Jyoti Structures Africa (Pty) Ltd		
2	Loans/Advance- (Taken) / Given	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**
i	Jyoti Structures Ltd	(6020.17)	(5,990.01)	(5,971.03)
ii	Jyoti Structures FZE	531.56	531.56	579.55

Jyoti Structures FZE

Sr No	Name	Nature of Relationship		
1	Jyoti Structures Ltd	100% Holding of Jyoti Structures FZE		
2	Loans/Advance- (Taken) / Given	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**
i	Jyoti Structures Ltd	1,634.66	1,695.66	1,600.18
ii	Jyoti Structures Africa (Pty) Ltd	(531.56)	(531.56)	(579.55)

While all such transactions have been conducted on an arm's length basis, and are in compliance with applicable law, including the Companies Act, we cannot assure, that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Furthermore, it is likely that we will enter into related party transactions in the future.

Although all material related party transactions that we may enter into, will be subject to Board or shareholder approval, as necessary under the Companies Act 2013 and the SEBI Listing Regulations, there can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For further details, please refer to "*Financial Information*" on page 182 in this Letter of Offer.

30. ***We are subject to range of safety, labour, health and environment related legislations and any non-compliance may adversely affect our business operations.***

We are subject to a broad range of safety, health, environmental, labour and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, air and water discharges, on the storage, handling, discharge and disposal of chemicals and other aspects of our operations. For example, local laws in India limit the amount of hazardous and pollutant discharge that our development and manufacturing facilities may release into the air and water. The discharge of raw materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. In addition, we may be required to incur costs to remedy the damage caused by such discharges, pay fines or other penalties for non-compliance. Complying with, and changes in, these laws and regulations may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition. Furthermore, non-compliance with the limits prescribed by the relevant laws and regulations may lead to the suspension of our manufacturing licenses, which will halt production and adversely affect our business operations.

The improper handling or storage of hazardous materials could result in accidents, injure our personnel and damage our property and/or the environment. Any accident at our facilities may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. In addition, we may be required to incur costs to remedy the damage caused, pay fines or incur other penalties for non-compliance.

31. ***We may be subject to strikes, unionization, work stoppages, increase labour costs or increased wage demands by employees or other disputes with employees, which could adversely affect our business and results of operations.***

Our industry is labour intensive and the success of our operations depends on availability of labour and maintaining a good relationship with our workforce. As of November 30, 2024, we have 493 of employees across our manufacturing facilities, registered and other offices. We have three (3) trade unions registered under the Trade Unions Act, 1926 at our Nashik Plants (2) and Raipur Plant (1). In the past 5 years, we have not experienced any labour dispute with the trade unions. Further, we do not have any formal policy for redressal of labour disputes.

Although we have not experienced any interruption to our operations as a result of labour disputes in the recent past, there can be no assurance that we will not experience any such disruption in the future as a result of disputes or disagreements with our work force, which may adversely affect our ability to continue our business operations. We may also have to incur additional expense to train and retain skilled labour. We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that imposes financial obligations on employers upon retrenchment. There can be no assurance that we will not experience labour unrest in the future, which may delay or disrupt our operations. Any labour unrest including labour disputes, strikes and lock-outs, industrial accidents, experienced by us could directly or indirectly prevent or hinder our normal operating activities and, if not resolved in a timely manner, could lead to disruptions in our operations. In the event of any prolonged delay or disruption our business, results of operations and financial condition could be materially and adversely affected.

Further, our third-party suppliers may experience strikes or other labour disruptions and shortages that could affect our operations, possibly for a significant period of time, result in increased wages, shortage in manpower and other costs and otherwise materially and adversely affect our business, results of operations or financial condition. These actions are very difficult for us to predict or control and any such event could adversely affect our business, financial condition and results of operations. A potential increase in the salary scale of our employees as a result of any unrest, or a disruption in services from our employees or contract manufacturers due to potential strikes, could adversely affect our business, operations and financial condition.

32. ***This Letter of Offer contains information from third parties, including an industry report commissioned and paid for which is exclusively prepared for the purposes of the Issue and issued by CRISIL Limited, which has been used for industry related data in this Letter of Offer. Accordingly, prospective investors are advised not to base their investment decision solely on such information.***

The Letter of Offer includes information that is derived from the CRISIL Report, exclusively prepared and issued by CRISIL for the purposes of the Issue. The CRISIL Report is subject to various limitations and based upon certain assumptions that are subjective in nature. We have exclusively commissioned and paid for the CRISIL Report for the purpose of confirming our understanding of the industry in connection with the Issue. CRISIL is not in any manner related to us and our Directors. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters and conditions made and identified by CRISIL that may prove to be incorrect. Given the scope and extent of the CRISIL Report, disclosures are limited to certain excerpts and the CRISIL Report has not been reproduced in its entirety in the Letter of Offer. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this document. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

33. ***Our Company may not have the requisite liquidity, which may challenge our sustainability as a going concern in the short run.***

Even as our Company implements the Resolution Plan, it is possible that our Company may not be able to continue as a going concern due to a confluence of financial challenges. Although our Company has generated revenues and operating profits in two quarters of the current financial year, liquidity constraints and other factors including delay or non-availability of required bank facilities may result in our inability to generate sufficient revenues leading to recurrence of losses thereby adversely affecting our capacity to fulfil financial commitments, sustain necessary capital expenditures or finance day-to-day operations. Addressing this situation may require considerable restructuring efforts, securing additional capital or implementing other critical measures. Our inability to overcome these challenges might also adversely impact our ability to continue as a going concern

34. ***We operate in highly competitive markets and our business, results of operation and financial condition will depend on how effectively we compete.***

The Company operates in a competitive scenario comprising of Indian and multinational players resulting in a stiff competition from these players. Some of our competitors may have significantly greater financial resources and market reach as compared to us. While we have historically been able to conduct our business at competitive margins and on a cost-effective basis, there can be no assurance that we will be able to do so in the future. Our ability to compete also depends on a number of factors beyond our control, including the ability of our competitors to attract, train, motivate and retain highly skilled technical employees, the price at which our competitors offer comparable services.

35. ***Our business activities and projects are exposed to seasonality and weather conditions, which may force us to evacuate personnel or curtail services, replace damaged equipment and facilities or suspend our execution activities during unfavorable weather conditions wherein our revenue from operations may be delayed or reduced, but our operating expenses may continue.***

Our business activities and projects may be materially and adversely affected by severe weather conditions, which may force us to evacuate personnel or curtail services, replace damaged equipment and facilities or suspend our execution activities during unfavourable weather conditions. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our execution activities during the critical periods of our projects. Monsoon season could limit our ability to carry on construction activities or to fully utilize our resources. Our business activities may also be adversely affected by other natural disasters, including earthquakes and floods, which may cause interruptions of our operations and damages to our properties and working environment which may not be adequately covered by the insurance policies availed by us. During periods of curtailed activity due to severe weather conditions or natural disasters, we may continue to incur operating expenses but our revenues from operations may be delayed or reduced.

36. ***Any change in existing government policies providing support to the power/electricity sector, or new policies withdrawing support presently available could adversely affect our business and results of operations.***

Any change in existing government policies providing support to the power/electricity sector, or new policies withdrawing support presently available, in the jurisdictions in which we have operations could adversely affect the supply and demand balance and the competitive environment.

37. ***Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.***

The declaration, payment and amount of any future dividends is subject to the discretion of the Board and Shareholders, and will depend upon various factors, inter alia, our earnings, financial position, capital expenditures and availability of profits, restrictive covenants in our financing arrangements and other prevailing regulatory conditions from time to time. Any of these factors may thus restrict our ability to pay dividends in the future. If we are unable to pay dividends in the future realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

38. ***We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial conditions, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

39. ***We are subject to risk of fraud, theft, embezzlement by our employees, contractors and customers, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking. We may also encounter some inventory loss on account of employee/contractor/vendor fraud, theft, embezzlement and general administrative error. Although, we have set up various security measures, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

ISSUE SPECIFIC RISK

40. ***The Company or its shareholders might not be able to continue to obtain the tax benefits in the future.***

The summary of the tax considerations, as given in possible special tax benefits, are based on the current provisions of the IT act (as amended by Finance Act, 2024) and the regulations thereunder. The legislations, their judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the implications listed therein. Accordingly, any change or amendments in the law or relevant regulations would necessitate a review of the tax benefits as given in the Tax benefits statement.

The judicial and administrative interpretations of Tax Laws are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such changes could have different income-tax implications. The note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares. The implications are also dependent on the public shareholders fulfilling the conditions prescribed under the provisions of the relevant sections of the relevant tax laws. In view of the particularised nature of income-tax consequences, public shareholders are advised to consult their tax advisors for the applicable tax provisions including the treatment that may be given by their respective tax officers in their case and the appropriate course of action that they should take. The summary on tax considerations sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences of the disposal of equity shares. The note on possible tax benefits is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, investors are advised to consult with their tax advisors for the tax provisions applicable to their particular circumstances.

Furthermore, adverse changes in corporate taxation regulations may increase our tax liabilities, adversely affecting our financial results. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, GST, income tax, and other taxes, duties, surcharges and cess introduced from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability. There can be no assurance that the tax incentives will continue to be available to us in the future. The non-availability of these tax incentives may have a material adverse effect on our business, prospects, financial condition and results of operations.

41. ***The fluctuating nature of payments and operational obstacles in EPC contracts could potentially affect cash flow management and the recovery of receivables.***

The company is in the business of execution of engineering procurement & construction (EPC) contracts in the power transmission lines, sub-station & distribution sector. These contracts involve numerous operational variables including route finalisation, right of way clearance along the route, forest clearance, crossings of existing power lines, railways lines, highways, rivers, mountains. Due to such variables the contract period and final recoveries of payments are subject to contractual terms & settlement. Therefore, there is a risk of deductions, modifications, and delays in contract payments during reconciliation Furthermore, payment terms within contracts may include progressive payments and final amounts upon project completion. Similarly, operational challenges have previously led to financial stress for the company. This situation led to the company undergoing insolvency resolution and subsequent successful revival. During this period of stress and resolution, the company is reconciling contractual receivables and pursuing recovery. Due to the variables described above and related contractual conditions, the company may encounter delays or reductions in receivables in some projects going forward, which could affect its cash flow.

42. ***Our Company continues to face persistent challenges regarding financial stability and operational continuity, particularly concerning statutory/ compliance dues.***

During the insolvency proceedings that began in July 2017, our company faced challenges regarding statutory dues/ compliances. Before the implementation of a resolution plan on November 9, 2021 (FY 2021-22), which included equity infusion by investors, issuance of securities to financial creditors, and transfer of control to the present management, the remarks cited in this risk were reflected in the FY 2020-21 balance sheet, predating the company's revival through the resolution plan. If the company fails to sustain its revival and meet obligations to its stakeholders, there is a risk of penalties related to statutory dues / compliances. These factors pose ongoing challenges to the company's financial stability and operational continuity.

43. ***Our Company faced challenges in revenue recognition, contract assessment, and management of trade receivables during the period under insolvency resolution posing risk to our financial stability and operational continuity.***

Our Company faced challenges in revenue recognition, contract assessment, and management of trade receivables during the period of insolvency resolution. The absence of documentary evidence regarding the continuation of live contracts impeded the ability of auditor to assess their status accurately. Additionally, essential details concerning work in progress, including age, completion stage, customer acceptability, estimated future costs, and progress billing, had not been provided for audit. This lack of information hampered the ability to determine the need for provisions for work in progress, potential losses, and accrued income.

During the insolvency proceedings that began in July 2017, our company faced challenges regarding trade receivables. Despite the implementation of a resolution plan on November 9, 2021, which included equity infusion by investors, issuance of securities to financial creditors, and transfer of control to the present management, the remarks cited in this risk were reflected in the FY 2020-21 balance sheet, predating the company's revival through the resolution plan. If the company fails to sustain its revival and meet obligations to its stakeholders, there is a risk that company's cash flow may be adversely affected due to potential shortfalls in recovering trade receivables.

Furthermore, despite the provision made by our Company, the auditors were unable to assess the adequacy of this provision. This uncertainty stems from the absence of confirmation from all parties, pending reconciliations, disputed dues contested by the Company, and the encashment of guarantees. Consequently, the accuracy and sufficiency of the provision remain uncertain, posing risks to the company's financial stability and operational continuity.

44. ***Our Company had been issued a Disclaimer of Opinion in the audit reports for certain financial years, which may cast doubts on the ability to accurately and reliably assess the financial statements.***

The audit reports for the financial years ended March 31, 2020, March 31, 2019, March 31, 2018, and March 31, 2017, all contained a "disclaimer of opinion". However, company has not received any details or documents regarding the matters or balances for which these disclaimers were issued. Consequently, company was unable to verify these matters, concerning the opening balances. This lack of information presents a challenge in assessing the accuracy and reliability of the financial statements. These observations were pertaining to the insolvency of the company which commenced in July 2017. Subsequently, the resolution plan stood implemented on November 9, 2021, with infusion of equity by the investors, issuance of securities to financial creditors, and transfer of control to the present management, in terms of the resolution plan. As such, the remarks cited in this risk were in the FY 2020-21 balance sheet which was prior to the revival of the company through resolution plan implementation date. Investors should be aware of the potential risks associated with this lack of clarity and documentation in previous audit reports, as it may impact their understanding of the Company's financial position and performance.

45. ***Our Company faces risk of recurring defaults w.r.t debts covenants, legal, statutory and employee due and compliance.***

Our Company's balance sheet for FY 2020-21, prior to resolution plan implementation in November 2021 highlighted recurring defaults concerning debts covenants, legal, statutory, and employee dues, as well as compliance issues. These challenges arose during the company's insolvency, which commenced in July 2017. Before the implementation of the resolution plan on November 9, 2021(FY 2021-22), which involved equity infusion by investors, issuance of securities to financial creditors, and transfer of control to the present management, these issues persisted in the FY 2020-21 financial statements. Given that FY 2021-22 was the first full year of operations following the resolution plan's implementation, the company remains at risk of defaulting on debts covenants, legal obligations, statutory payments, and employee dues, as well as compliance requirements. Failure to sustain its revival and meet obligations to stakeholders could result in adverse consequences for the company.

46. ***We face risks stemming from potential slowdowns in conventional generation capacity affecting transmission projects, execution delays due to various challenges, and difficulties in managing raw material costs amidst price fluctuations. Additionally, factors such as difficulties in working capital management, forex fluctuations, and workforce availability further contribute to the overall risk landscape.***

Our Company faces various external factors and market volatilities that could significantly impact its business operations, financial health, and overall performance. A slowdown in conventional generation capacity, potentially leading to decreased investments in transmission projects, poses a risk to the Company's revenue streams from transmission tower engineering, procurement, and construction. Moreover, execution delays due to issues such as securing rights-of-way, obtaining environmental clearances, and labor or raw material shortages may result in cost overruns and reputational damage. Managing raw material costs amidst significant price fluctuations in metals like aluminum, zinc, copper, and steel remains a challenge despite employing mitigation strategies like price escalation clauses and forward contracts. Additionally, difficulties in working capital management and exposure to forex fluctuations could strain liquidity and profitability. Lastly, the availability of an adequate workforce, especially for critical project tasks, presents another challenge. Investors should carefully consider these risks as they could materially impact the Company's financial condition and results of operations.

47. ***Our Company will not distribute this Letter of Offer, the Abridged Letter of Offer and Application Form to overseas Shareholders who have not provided an address in India for service of documents.***

Our Company will dispatch this Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (the "***Issue Materials***") to such Shareholders who have provided an address in India for the service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e- mail. Presently, there is a lack of clarity under the Companies Act, and the rules thereunder, with respect to the distribution of Issuing Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

48. ***The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholder") may lapse in case they fail to furnish the details of their de-mat account to the Registrar.***

In accordance with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialized form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow de-mat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their de-mat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their de-mat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

49. ***Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees might be unable to participate if the renunciation process via Off-Market transfer fails to ensure that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, please refer to "***Terms of the Issue***" on page 325 of this Letter of Offer.

50. ***Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and may also adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares.

51. ***You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

52. ***Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Equity Shareholders might face limitations in exercising their pre-emptive rights under Indian law, leading to potential dilution of their ownership stake. In India, when a company issues new equity shares, existing shareholders have the right to buy additional shares to maintain their ownership percentage. This right can be waived if three-fourths of the voting shareholders agree, or if the company receives government approval to issue shares without offering these rights. However, if your local laws require us to file specific documents with your jurisdiction's authorities to enable the exercise of these rights, and we choose not to file these documents, you won't be able to exercise your pre-emptive rights. Consequently, if you can't exercise these rights, your share in the company could decrease.

53. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

Once listed, our Equity Shares will be traded in Indian Rupees on the Stock Exchanges, and any dividends will be paid in Indian Rupees. If foreign investors need to convert these dividends into their local currency, fluctuations in exchange rates during the conversion period could reduce the net amount they receive. Similarly, if there's a delay in transferring the proceeds from selling Equity Shares out of India, possibly due to regulatory approval delays, any adverse changes in exchange rates during this period could decrease the value of these proceeds. The Rupee's exchange rate, especially against the U.S. Dollar, has seen significant variations in recent years and may continue to fluctuate. Such fluctuations could impact the trading price of our Equity Shares and the returns on them, regardless of our actual business performance.

54. ***Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

55. ***You may not receive the Equity Shares that you subscribe to in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk. Further, there is no guarantee that our Equity Shares will be listed in a timely manner or at all, which may adversely affect the trading price of our Equity Shares***

The Equity Shares that you subscribe to in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time

56. ***No market for the Right Entitlements may develop and the price of the Right Entitlements may be volatile.***

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

57. ***The Equity Shares may experience price and volume fluctuations, volatility in the global securities market may cause the price of the Equity Shares issued to decline and movement in the exchange rate could adversely affect the value of our Equity Shares, independent of our operating results.***

The price of the Equity Shares may fluctuate as a result of several factors, including volatility in the Indian and global securities markets, movement in exchange rates and interest rates in India, the results of our operations, the performance of our competitors, developments in the energy transmission sector and changing perceptions in the market about investments in the Indian renewable energy sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's renewable energy policies, including those of the Ministry of Newand Renewable Energy, Government of India, significant developments in India's fiscal regulations and any other political or economic factors. Negative economic developments, such as rising fiscal or trade deficits, or a default on sovereign debt, in other emerging market countries may affect investor confidence, cause increased volatility in Indian securities markets, and indirectly affect the Indian economy in general causing a decline in the trading price of our Equity Shares for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. Dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may adversely affect the value of our Equity Shares and returns from our Equity Shares, independent of our operating results.

58. ***Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of the Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as may be prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, cash flows, financial condition, or results of operation, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the Allotment Date. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares.

The Applicants will not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the Shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the Shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

External Risk Factors

59. ***We operate in a competitive environment, and increased competitive pressure could adversely affect our business and our ability to successfully bid for projects and execute our growth strategy.***

The market for investing in power transmission projects, and energy infrastructure generally, is competitive, and the number and variety of investors for energy infrastructure assets has been increasing, which may therefore affect our ability to sustain or increase the growth of our business.

60. ***The construction, of our transmission systems involves risks that may cause injury to people or property and that may lead to disruption to our business and consequent decreases in our revenues.***

Some of our under-construction transmission lines may be damaged due to heavy rainfall and floods, which may cause disruptions in our operations. Hazards associated with our business include electrocution, falls, confined spaces, difficult terrains (areas with wildlife, mountains, riverbeds, submerged dams, areas under social unrest). Despite compliance with requisite safety requirements and standards, due to the nature of the conditions our employees and contractors work under, we may be liable for certain costs, including costs for health-related claims, including claims and litigation from our current or former employees for injuries arising from occupational exposure. This could subject us to disruption in our business and to legal and regulatory actions, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

61. ***Our business is subject to sectoral regulators and strict policy regimes.***

Our business is subject to sectoral regulators and a variety of laws, rules, directives, standards and codes issued by government and relevant regulatory authorities. To conduct our business, we must obtain various licenses, permits and approvals. Even when we obtain the required licenses, permits and approvals, our operations are subject to continued review and the governing regulations. The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by any unfavourable changes in or interpretations of existing laws, or the promulgation of new laws. Any such changes in the regulatory regime and the related uncertainties in applicability, interpretation or implementation of any laws, rules and regulations to which we are subject may have an adverse effect on our business, financial condition, cash flows and results of operations. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business, cash flows and results of operations.

62. ***Delays in obtaining, or a failure to maintain, governmental approvals and permits required to construct and operate our projects may adversely affect the development, construction and operation of our projects.***

The design, construction and operation of our projects are regulated, require various governmental approvals and permits. Factors like delay on the part of departments, or changes in the governing regulations or the methods of implementation may delay our projects and could adversely affect our business, cash flows and results of operations.

63. ***Changes in technology may render our current technologies obsolete or require us to make capital investments.***

We strive to keep our technology up to date with the latest international technological standards. Our success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. We need to continue to invest in new and more advanced technologies and equipment to enable us to respond to emerging power transmission and distribution industry standards and practices in a cost-effective and timely manner that is competitive with other transmission, distribution and substation projects.

64. ***Political, economic or other factors that are beyond our control may materially and adversely affect our business, operations, prospects or financial results.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of the Equity Shares are and will be dependent to a large extent on the health of the economies in which we operate.

A significant portion of our assets and employees are located in India. Further, in light of the increasing linkage of the Indian economy to other global economies, the Indian economy is increasingly influenced by economic developments and volatility in securities markets in other countries. Political and economic instability, slowdown or conflict in these regions or worldwide could materially and adversely affect our business and financial results

65. ***Changing laws, rules and regulations and legal uncertainties, adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. In such instances, and including the instances mentioned below, our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. Any future amendments may affect our benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

There can be no assurance that the GOI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GOI or other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future and may also materially and adversely affect our business, cash flows, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

66. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

67. ***We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.***

We are incorporated in India and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries;
- hostile or war like situations with the neighboring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies; and

  difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

68. ***If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the tax rate (on gross basis) for Indian companies from 30% to 22% (exclusive of applicable health and education cess and surcharge).

The Finance Act, 2024 ("***Finance Act***"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax ("*DDT*") will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017 and all subsequent changes and amendments thereto.

Further, the Government of India has announced the Union Budget for Fiscal 2024 and the Finance Act, 2023, which was notified on the e-Gazette on March 31, 2023. The Finance Act, 2023 introduced various amendments to taxation laws in India. We cannot predict whether any amendments made pursuant to the

Finance Act, 2023 would have any adverse effect on our business, financial condition, future cash flows and results of operations. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on November 22, 2024 pursuant to Section 62(1)(a) of the Companies Act.

The following is a summary of this Issue, and it should be read in conjunction with, and is qualified entirely by, the information set out in the chapter titled "***Terms of the Issue***" on page 325 of this Letter of Offer.

Equity Shares proposed to be issued	Up to 31,19,29,934 Rights Equity Shares
Rights Entitlements	9 Rights Equity Share for every 26 fully paid-up Equity Share(s) held on the Record Date
Record Date	February 10, 2025
Face value per Equity Shares	₹2 each
Issue Price per Rights Equity Share	₹16/- per Rights Equity Share (including a premium of ₹ 14/--per Rights Equity Share)
Issue Size	Up to ₹ 49,908.79 lakhs **Assuming full subscription*
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue upon being fully paid-up shall rank pari passu in all respects with the Equity Shares of our Company.
Equity Shares issued prior to the Issue	90,11,46,180 Equity Shares of ₹2 each[#@]
Equity Shares subscribed and paid up prior to the Issue	90,11,30,920 Equity Shares of ₹2 each[#@]
Equity Shares issued after the Issue (assuming full subscription for and allotment of the Rights Shares)*	1,21,30,76,114 Equity Shares of ₹2 each[#@]
Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Shares)*	1,21,30,60,854 Equity Shares of ₹2 each[#@]
Equity Shares issued after the Issue, including the Converted Warrants and assuming full conversion of the outstanding Convertible Warrants	1,21,48,26,114 Equity Shares of ₹2 each[#@]
Equity Shares subscribed and paid up after to the Issue, including the Converted Warrants and assuming full conversion of the outstanding Convertible Warrants	1,21,48,10,854 Equity Shares of ₹2 each[#@]
Scrip Details	**ISIN:** INE197A01024 **BSE:** 513250 **NSE:** JYOTISTRUC
ISIN for Rights Entitlements:	INE197A20024
ISIN for Rights Equity Shares:	INE197A01024
Use of Issue Proceeds	For details, please refer to "***Objects of the Issue***" on page 76 of this Letter of Offer
Terms of the Issue	For details, please refer to "***Terms of the Issue***" on page 325 of this Letter of Offer
Terms of Payment	For details, please refer to "***Terms of the Issue***" on page 325 of this Letter of Offer

[@]In 2001, our Company issued further shares on Rights Issue basis. Our Company did not receive the subscription amount for 15,260 equity shares of ₹2/- each. There is, therefore, a difference in the Issued capital and Paid-up capital of 15,260 shares.

*# In the Extra Ordinary General Meeting ("**EGM**") held on December 12, 2023, our Company issued 6,07,50,000 convertible warrants on*

*preferential basis at a price of ₹13.20 each with a right to apply for 1 (one) Equity Share of face value of ₹2/- each of the Company at a price of ₹13.20 per Equity Share, including a premium of ₹11.20 per Equity Share ("**Convertible Warrants**").*

*From a total of 11 (eleven) warrant holders, 9 (nine) warrant holders converted their warrants and are now shareholders of our Company. The balance 2 (two) warrant holders are still to exercise their rights to convert their warrants into shares. Our Company expects them to convert the warrants on or before expiry of 18 (eighteen) months from the date of issue of the warrants, which is on or before June 29, 2025. For further details refer to "**Capital Structure - Details of options and outstanding instruments as on the date of this Letter of Offer**" on page 64 of this Letter of Offer.*

GENERAL INFORMATION

Our Company was incorporated as 'Jyoti Structurers Private Limited' on May 27, 1974, under the Companies Act, 1956, vide certificate of incorporation issued by the Registrar of Companies, Maharashtra. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'Jyoti Structures Limited' pursuant to a fresh certificate of incorporation dated October 21, 1974, issued by the Registrar of Companies, Maharashtra.

Registered and Corporate Office of our Company
Valecha Chambers, 6th Floor,
New Link Road, Andheri West,
Mumbai, Maharashtra, 400053
Telephone: +91 22 40915000
E-mail: investor@jsl.co.in
Website: www.jyotistructures.in
Corporate Identity Number: L45200MH1974PLC017494
Registration Number: 017494

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

Registrar of Companies
100, Everest,
Marine Drive,
Mumbai, 400 002
Maharashtra, India

Company Secretary and Compliance Officer

Sonali Krishnaji Gaikwad, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

Sonali Krishnaji Gaikwad
Valecha Chambers, 6th Floor,
New Link Road, Andheri West,
Mumbai, Maharashtra, 400053
Telephone: +91 22 40915000
E-mail: investor@jsl.co.in

Statutory Auditors of our Company

M/s. SARC & Associates
B/1202 &1203, Venus Tower, 12th Floor, Above Axis Bank,
Veera Desai Road, Azad Nagar, Andheri West,
Mumbai- 400053
Email ID: rajendra@sarcmail.in
Telephone No: 022-26742301
Contact Person: Rajendra Bagade
Mobile Number: 9820036070
Firm Registration Number: 006085N
Peer Review Certificate Number: 014814

Lead Manager to the Issue

Arihant Capital Markets Limited
1011, Solitaire Corporate Park
Bldg no -10, 1st Floor,
Guru Hargovindji Road, Chakala,
Andheri (East), Mumbai, 400093
Telephone: +91 22 4225 4800
E-mail: mbd@arihantcapital.com
Website: www.arihantcapital.com
Investor grievance E-mail: mbd@arihantcapital.com
Contact Person: Amol Kshirsagar / Satish Kumar P.
SEBI Registration No.: INM000011070

Legal Advisor to the Issue

Rajani Associates, Advocates and Solicitors
204-207, Krishna Chambers,
59, New Marine Lines,
Mumbai - 400 020, Maharashtra, India
Telephone: +91 22 4096 1002
E-mail: sangeeta@rajaniassociates.net
Contact Person: Sangeeta Lakhi

Registrar to the Issue and Share Transfer Agent

Bigshare Services Private Limited
Office No S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre,
Mahakali Caves Road,
Andheri (East) Mumbai 400 093
Telephone: +91 22 6263 8200
Email: rightsissue@bigshareonline.com
Website: www.bigshareonline.com
Investor Grievance E-mail: investor@bigshareonline.com
Contact Person: Suraj Gupta
SEBI Registration No.: INR000001385
Website URL: https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, refer chapter titled "***Terms of the Issue***" on page 325 of this Letter of Offer.

Experts

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received a written consent dated February 06, 2025 from our Statutory Auditors, M/s. SARC & Associates, to include their name in this Letter of Offer and as an "expert", as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as Statutory Auditors of our Company and in respect of the inclusion of the Limited Review Consolidated Financial Statements for the six month period ended September 30, 2024 with Limited review report dated November 06, 2024, Limited Review Consolidated Unaudited Financial Statements for the nine months period ended December 31, 2024 with Limited review report dated February 03, 2025 and Audited Consolidated Financial Statements of the Company for the fiscal year ended March 31, 2024 and March 31, 2023 and the report thereon dated May 29, 2024.

Our Company has received written consent dated February 06, 2025 from M/s. SARC & Associates, to include their name in this Letter of Offer, as an "expert" as defined under Section 2(38) of the Companies Act in respect of the Statement of Possible Special Tax Benefits dated February 06, 2025 available to our Company and its Shareholders, issued by them in their capacity as statutory auditors to our Company and such consent has not been withdrawn as at the date of this Letter of Offer.

Our Company has received written consent dated December 13, 2024, from M/s. Mahendra R. Kothari, to include their name in this Letter of Offer, as an "expert" as defined under Section 2(38) of the Companies Act in their capacity as the independent chartered engineer regarding capacities of the manufacturing facilities of the Company such consent has not been withdrawn as on the date of this Letter of Offer.

Banker to the Issue

HDFC Bank Limited
Address: HDFC Bank Limited, FIG- OPS Department- Lodha, I Think Techno Campus O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East) Mumbai- 400042, Maharashtra, India
Telephone Number(s): +91 22 30752927/28/2914
Contact Person: Siddharth Jadhav, Eric Bacha, Sachin Gawade
Website: www.hdfcbank.com
Email: Siddharth.Jadhav@hdfcbank.com, eric.bacha@hdfcbank.com, Sachin.gawade@hdfcbank.com

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs or the ASBA Process is provided at the website of SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Inter-se Allocation of Responsibilities

Arihant Capital Markets Limited is the sole Lead Manager to the Issue and all the responsibilities pertaining to co-ordination and other activities, in relation to the Issue, shall be performed by them.

Credit Rating

As the proposed Issue is of Rights Equity Shares, the appointment of a credit rating agency is not required.

Debenture Trustees

As the proposed Issue is of Rights Equity Shares, the appointment of a debenture trustee is not required.

Monitoring Agency

CARE Ratings Limited
Address: 4th floor, Godrej Coliseum,
Somaiya Hospital Road,
Off Eastern Express Highway,
Sion (East), Mumbai – 400022
Tel. No.: +91-22-6754 3456
Email ID: Meenal.Sikchi@careedge.in
Website: https://www.careratings.com/
Contact Person: Mrs. Meenal Sikchi
SEBI registration number: IN/CRA/004/1999
CIN: L67190MH1993PLC071691

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

Underwriting

The Issue is not underwritten.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Particulars	Day and Date
Last Date for credit of Rights Entitlements	Thursday, February 13, 2025
Issue Opening Date	Monday, February 17, 2025
Last Date for On Market Renunciation of Rights Entitlements#	Tuesday, February 25, 2025
Issue Closing Date*	Monday, March 03, 2025
Finalization of Basis of Allotment (on or about)	Tuesday, March 11, 2025
Date of Allotment (on or about)	Wednesday, March 12, 2025
Date of credit (on or about)	Thursday, March 13, 2025
Date of listing (on or about)	Monday, March 17, 2025

#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.
**Our Board or the Rights Issue Committee thereof, will have the right to extend the Issue Period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, have not provided details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than 2 (two) Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to "***Terms of the Issue – Procedure for Application***" on page 337 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Equity Shares or Rights Entitlement on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from the market and the purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who have bought the Rights Entitlements, shall be required to make an Application to apply for Equity Shares offered under the Rights Issue, if they want to subscribe to the Equity Shares offered under this Issue.

The details of the Rights Entitlements with respect to each eligible Equity Shareholder may be accessed by such respective Eligible Equity Shareholder on the website of the Registrar at https://www.bigshareonline.com/ after keying in their respective details along with other security control measures implemented thereat. For further details, please refer to "***Terms of the Issue – Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders***" on page 340 of this Letter of Offer.

Filing

This Letter of Offer is being filed with the SEBI and the Stock Exchanges as per the provisions of the SEBI ICDR Regulations. Further our Company will simultaneously do an online filing with SEBI through the SEBI intermediary portal at https://siportal.sebi.gov.in in terms of the SEBI Rights Issue Circulars.

Minimum Subscription

Since, the objects of the Issue involve Payment of NCLT approved resolution plan dues and meeting costs, expenses, charges and other payment commitments / obligations including margin requirements associated with financing to be raised from banks and financial institutions for the operations of the Company. Our Company, being a professionally managed company having no identifiable promoter, the requirement of minimum subscription in the Issue as mandated under Regulation 86 of the SEBI ICDR Regulations is not applicable.

CAPITAL STRUCTURE

The share capital of our Company, as at the date of this Letter of Offer, and details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below:

(₹ in lakhs, except shares data)

Particulars	Aggregate value at face value	Aggregate value at Issue Price
AUTHORIZED SHARE CAPITAL		
1,28,15,00,000 Equity Shares of ₹ 2/- each *(1)*	25,630.00	NA
ISSUED SHARE CAPITAL BEFORE THE ISSUE		
90,11,46,180 Equity Shares of ₹ 2 each@(3)	18,022.92	NA
SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
90,11,30,920 Equity Shares of ₹ 2 each fully paid@(3)	18,022.62	NA
PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER(1)		
Up to 31,19,29,934 Rights Equity Shares at a premium of ₹ 14 per Rights Equity Share, i.e., at an Issue Price of ₹ 16 per Rights Equity Share	6,238.60	49,908.79
ISSUED SHARE CAPITAL AFTER THE ISSUE*(2)*		
1,21,30,76,114 Equity Shares of ₹ 2 each	24,261.52	NA
SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE ISSUE		
1,21,30,60,854 Equity Shares of ₹ 2 each fully paid-up	24,261.22	NA
ISSUED SHARE CAPITAL AFTER THE ISSUE ASSUMING FULL CONVERSION OF THE OUTSTANDING WARRANTS INTO EQUITY SHARES (ON FULLY DILUTED BASIS)		
1,21,48,26,114 Equity Shares of ₹2 each fully paid-up	24,296.52	NA
SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE ISSUE ON A FULLY DILUTED BASIS (i.e. ASSUMING FULL CONVERSION OF THE WARRANTS)		
1,21,48,10,854 Equity Shares of ₹2 each fully paid-up	24,296.22	NA
SECURITIES PREMIUM ACCOUNT		
Before the Issue		63,344.31
After the Issue		1,07,014.50

(1) The Issue has been authorized by a resolution of our Board of Directors passed at its meeting held on November 22, 2024. The Record Date has been approved by the Rights Issue Committee at their meeting held on February 04,2025. The terms of the Issue and Rights Entitlement Ratio has been approved by the Board of Directors at their meeting held on February 04, 2025.

(2)Assuming full subscription by the Eligible Equity Shareholders of the Rights Equity Shares.

*(3)The difference in Issued capital and Paid-up capital is due to non receipt of subscription of 15, 260 equity shares of ₹ 2/- each (3,052 Equity Shares of ₹10/- each) in rights issue basis. During the Financial Year ended on March 31, 2001, 49,11,990 equity shares of ₹10/- each were issued of which 49,09,938 equity shares were subscribed to and paid up, leaving 3,052 equity shares of ₹10/- each unsubscribed. *Subject to finalization of Basis of Allotment and Allotment of Rights Equity Shares.*

*@In the Extra Ordinary General Meeting (“**EGM**”) held on December 12, 2023, our Company issued 6,07,50,000 convertible warrants on preferential basis at a price of ₹13.20 each with a right to apply for 1 (one) Equity Share of face value of ₹2/- each of the Company at a price of ₹13.20 per Equity Share, including a premium of ₹11.20 per Equity Share (“**Convertible Warrants**”). From a total of 11 (eleven) warrant*

*holders, 9 (nine) warrant holders converted their warrants and are now shareholders of our Company. The balance 2 (two) warrant holders are still to exercise their rights to convert their warrants into shares. Our Company expects them to convert the warrants on or before expiry of 18 (eighteen) months from the date of issue of the warrants, which is on or before June 29, 2025. For further details refer to "**Capital Structure - Details of options and outstanding instruments as on the date of this Letter of Offer**" on page 64 of this Letter of Offer.*

*Currently, 17,50,000 Warrants are outstanding ("**Outstanding Convertible Warrants**"). We set out below details of the warrant holders who are still to exercise their option to convert their warrants into shares.*

Details of 17,50,000 Outstanding Convertible Warrants:

Name of the proposed allottee	***Number of warrants***
Sanjeev Aggarwal	*7,50,000*
Gajanand Agrawal	*10,00,000*
Total	***17,50,000***

Notes to the Capital Structure

1. **Shareholding Pattern of our Company as per the last quarterly filing with the Stock Exchange, in compliance with the SEBI Listing Regulations:**

    (i) The shareholding pattern of our Company, as on December 31, 2024, can be accessed on the website of the BSE at https://www.bseindia.com/stock-share-price/jyoti-structures-ltd/jyotistruc/513250/shareholding-pattern/ and at https://www.nseindia.com/get-quotes/equity?symbol=JYOTISTRUC

    (ii) The statement showing holding of Equity Shares of persons belonging to the category "*Public*" including shareholders holding more than 1% of the total number of Equity Shares as on December 31, 2024, can be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=513250&qtrid=124.00&QtrName=December%202024 and at NSE https://www.nseindia.com/get-quotes/equity?symbol=JYOTISTRUC

2. **Intention and extent of participation by the promoter and promoter group**

    Our Company is a professionally managed Company with no identifiable promoters, hence the Issue shall be exempt from the open offer requirements under the Regulation 10(4) of SEBI SAST Regulations. Furthermore, the issue is exempt from the requirements of the Promoter and Promoter Group to comply with respect to their rights entitlement and the intention to subscribe over and above their rights entitlement.

    Additionally, Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

3. **The statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on December 31, 2024.**

    Our Promoter and Promoter Group shareholding is Nil, since Our Company is a professionally managed company and does not have any identifiable promoters,

    This is by virtue of the Resolution Plan "Section VII: Other Stipulation for the Final Resolution Plan" reproduced below:

    The new board of directors will include nominees of the Proposed Investors, a nominee of CoC formed in respect of the on-going corporate insolvency resolution process of the Company and independent directors. Majority of the board of directors will be independent directors. The Company will not remain any individual or family run company and it is proposed that the Company will become board controlled and professionally managed. The Founder Promoters will neither be allotted any equity shares nor be on the board of the Company. The Proposed Investors will not be deemed / classified as promoters of the Company. The Company shall ensure that during the implementation of the Final Resolution Plan, *classification of any person as "promoter" of the Company under the regulations prescribed by the Securities Exchange Board of India shall only be with the prior approval of the secured financial creditors of the Company.*

Our Company received an approval from BSE & NSE on June 25, 2021, for reclassification of the Promoter Shareholder(s) from "Promoter and Promoter Group" to "Public" category as per regulation 31A of Securities and Exchange Board of India (Listing Obligation Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations) pursuant to the Resolution Plan.

4. **Details of options and outstanding instruments as on the date of this Letter of Offer**

Except as stated below there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.

Employee Stock Option Scheme 2021

Our Company Pursuant to a resolution dated March 25, 2022 passed by our Board of Directors approved the 'JSL Employee Stock Option Scheme. 2021 ("**JSL ESOS 2021**") for employees who qualify for issue of Options under the scheme and fulfils the conditions. The details of JSL ESOS 2021 have been mentioned below:

Total Number of Options	Options Granted	Options Vested	Options to be exercised by	Options lapsed/ expired	Options forfeited	Total options outstanding	Options Vested
30,51,500	30,51,500	30,51,500	June 12, 2024	1,30,000	0	1,90,000	27,31,500
59,98,000	59,98,000	59,98,000	July 18, 2024	2,60,000	0	7,94,000	49,44,000
3,47,000	3,47,000	3,47,000	October 16, 2024	80,000	0	1,60,000	1,07,000
38,70,000	38,70,000	38,70,000	February 12, 2025	-	-	-	-
2,26,667	2,26,667	2,26,667	May 28. 2025	-	-	-	-
65,400	65,400	65,400	August 08,2025	-	-	-	-
33,80,700	33,80,700	33,80,700	August 08,2025	-	-	-	-

Allotment of Equity Shares in accordance with the terms of said JSL ESOS 2021 as mentioned below:

Sr. No.	Date of Board Meeting	No. of Equity Shares	Issue Price Per Share (In ₹)
1	July 09, 2024	6,80,000	5
2	August 09, 2024	33,26,000	5
3	September 25,2024	30,16,000	5
4	November 06,2024	6,53,500	5
5	November 06,2024	1,07,000	10

Convertible Warrants

Our Company received in-principle approval to issue 6,07,50,000 convertible warrants on preferential basis at a price of ₹ 13.20/- each with a right to apply for and allotted for 1 (one) Equity Share of face value of ₹ 2/- each of the company at price of ₹ 13.20 per Equity Share, including premium of ₹ 11.20 per Equity Share, which shall be subject to lock-in as per SEBI (ICDR) to the following proposed allottees:

Name of the proposed allottee	Number of warrants
Ruchi Gupta	30,00,000
RSP Ventures	50,00,000
Mayank Subhash Rathod	25,00,000
Mangala Subhash Rathod	25,00,000
Saajan Subhash Rathod	25,00,000
Sahi Trading Pvt. Ltd.	25,00,000
Shakun Impex Pvt. Ltd.	50,00,000
Bengal Finance & Investment Pvt. Ltd.	1,80,00,000
Ashish Kacholia	1,80,00,000
Sanjeev Aggarwal	7,50,000
Gajanand Agrawal	10,00,000

Among the above, the following warrant holders applied for conversion of their respective warrants into Equity Shares along with the remaining exercise price of ₹ 9.90 per warrant being 75% of the issue price (₹ 13.20) per warrant. Consequently, our Board of Directors, at their respective meetings, approved the conversion and converted the warrants into equity shares (“Warrants Converted into Equity Shares.”).

Name of the proposed allottee	Number of warrants	Date of Board Meeting
Ruchi Gupta	30,00,000	March 30, 2024
RSP Ventures	50,00,000	March 30, 2024
Mayank Subhash Rathod	25,00,000	October 16, 2024
Mangala Subhash Rathod	25,00,000	March 30, 2024
Saajan Subhash Rathod	25,00,000	October 16, 2024
Sahi Trading Pvt. Ltd.	25,00,000	March 30, 2024
Shakun Impex Pvt. Ltd.	50,00,000	May 29,2024
Bengal Finance & Investment Pvt. Ltd.	1,80,00,000	October 16, 2024
Ashish Kacholia	1,80,00,000	May 29,2024
Total	**5,90,00,000**	

5. **Details of the Shares and Warrants issued on preferential basis:**

Pursuant to the approval of the shareholders in the EGM held on December 12, 2023 and the in-principle approvals granted by the Stock Exchanges, our Company allotted the following securities on preferential basis to the proposed allottees:

(a) *6,07,50,000 convertible warrants on preferential basis at a price of ₹13.20 each with a right to apply for and allotted for 1 (one) Equity Share of face value of ₹2/- each of the company at a price of ₹. 13.20 per Equity Share, including premium of ₹ 11.20 per Equity Share, to the following proposed allottees:*

Name of the proposed allottee	*Number of warrants*
Ruchi Gupta	*30,00,000*
RSP Ventures	*50,00,000*
Mayank Subhash Rathod	*25,00,000*
Mangala Subhash Rathod	*25,00,000*
Saajan Subhash Rathod	*25,00,000*
Sahi Trading Pvt. Ltd.	*25,00,000*
Shakun Impex Pvt. Ltd.	*50,00,000*
Bengal Finance and Investment Pvt. Ltd.	*1,80,00,000*
Ashish Kacholia	*1,80,00,000*
Sanjeev Aggarwal	*7,50,000*
Gajanand Agrawal	*10,00,000*

(b) 1,34,00,000 Equity Shares of face value ₹2/- at a price of ₹13.20/- (including a premium of ₹11.20/- per *Equity* Share) aggregating to ₹1,768.80 lakhs on preferential basis to the following proposed allottees as mentioned below:

Name of the proposed allottee	***Number of equity shares***
Ruchi Gupta	*20,00,000*
RSP Ventures	*25,00,000*
Bengal Finance & Investment Pvt. Ltd.	*44,00,000*
Ashish Kacholia	*44,00,000*
Gajanand Agarwal	*1,00,000*

6. **Compulsorily Convertible Preference Shares**

Our Company at its Board Meeting held on May 12, 2023, allotted 5,14,70,589 and 1,85,29,411 Equity Shares of ₹ 2/- each to Aion Jyoti LLC and Apollo Jyoti LLC at a ratio of 1 equity share for each CCPS held, increasing their holding upto 7.17% and 2.58%, respectively in our Company, upon conversion of 7,00,00,000 compulsorily convertible preference shares, as per the Resolution Plan. The Company has received listing and trading approval from BSE and the NSE for the same.

The CCPS were issued to Aion Jyoti LLC and Apollo Jyoti LLC under the Resolution plan. Section VII of the said resolution plan states the following as reproduced below, due to which CCPS were not issued to the promoters of the Company:

"*The new board of directors will include nominees of the Proposed Investors, a nominee of CoC formed in respect of the on-going corporate insolvency resolution process of the Company and independent directors. Majority of the board of directors will be independent directors. The Company will not remain any individual or family run company and it is proposed that the Company will become board controlled and professionally managed. The Founder Promoters will neither be allotted any equity shares nor be on the board of the Company. The Proposed Investors will not be deemed / classified as promoters of the Company. The Company shall ensure that during the implementation of the Final Resolution Plan, classification of any person as "promoter" of the Company under the regulations prescribed by the Securities Exchange Board of India shall only be with the prior approval of the secured financial creditors of the Company.*"

7. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of SEBI SAST Regulations is ₹ 25.79

8. The Company does not have any identifiable promoters and hence the requirement and disclosure of the Shares locked-in, pledged or encumbered is not applicable

9. Since Our Company is a professionally managed company and does not have any identifiable promoters, the Promoter and Promoter Group shareholding is considered as Nil.

10. At any given time, there shall be only one denomination of the Equity Shares of our Company

11. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Rights Issue, shall be fully paid up. For further details on the terms of the Issue, please see "***Terms of the Issue***" on page 325.

12. Pursuant to the resolution of Board of Directors dated November 22, 2024, approving the Rights Issue, the Board of Directors (Rights Issue Committee), in its meeting held on February 04, 2025, resolved to issue the Rights Equity Shares to the Eligible Equity Shareholders at the Issue Price of ₹ 16 /- per Rights Equity Share (including a premium of ₹ 14 /- per Rights Equity Share) in the ratio of 9 Rights Equity Shares for every 26 Equity Shares held on the Record Date i.e., February 10, 2025.

13. Except for the issue of any Equity Shares or options/ units pursuant to JSL ESOS 2021, the outstanding convertible warrants issued on preferential basis by the Shareholders at the EGM dated December 12, 2023, along with the conversion of the Warrants into Equity Shares approved by the Board of Directors

at its meeting held on March 30, 2024, and the filing of the current Rights Issue there will be no further issue of Equity Shares whether by way of a public issue, qualified institutions placement, issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Letter of Offer with the Stock Exchanges until the Equity Shares have been listed on the Stock Exchanges, or all application monies have been refunded, as the case may be.

RESOLUTION PLAN

Our Company has undergone a corporate insolvency resolution process ("**CIRP**") and the resolution plan dated March 25, 2018, amended on March 25, 2019 ("**Resolution Plan**") was approved by the Committee of Creditors ("**CoC**") with a majority of 81.39% and subsequently approved by the NCLT, Mumbai Bench on March 27, 2019. The Resolution Plan was implemented on November 9, 2021.

Key Highlights of the Resolution Plan

A. Fund Infusions / Investment by Proposed Investors

1. Our Company issued 4,250 lakhs fully paid-up equity shares to the Proposed Investors at ₹4 per share aggregating to ₹17000 lakhs. The Equity Shares issued to the Resolution Applicant is locked-in till such time the entire amount under the Resolution Plan is paid to the Secured Financial Creditors. The Equity Shares issued to persons other than the Resolution Applicant are locked-in for one (1) year or three (3) years from date of issue of the Equity Shares

2. On commencement of the Corporate Insolvency Resolution Process (CIRP), the then board of directors of our Company was suspended and the Resolution Professional was, during the CIRP, vested with all rights, powers, duties and privileges of the board of directors of our Company. Upon approval of the Final Resolution Plan, a new board of directors was constituted, which comprise nominees of the Proposed Investors and few independent directors.

B. Debt Restructuring

As per NCLT Approved Resolution Plan:

1) Under the Approved Resolution Plan, an amount of ₹ 3,674 crores will be paid to the Secured Financial Creditors ("Secured FCs") over a period of 12 years. Additionally, any bank guarantee/letter of credit ("BG/LC") issued prior to the approval of the Approved Resolution Plan, the invoked amount will be added to fund based debt extended by the issuing bank and will be serviced on the same basis and terms along with the restructured repayment schedule;
2) Under the Approved Resolution Plan, Company has the right to prepay the restructured debt owed to the Financial Creditors at any time, at the net present value (NPV) of the principal outstanding. With respect to the assenting Secured FCs, as part of restructuring secured NCDs have issued to them. The assenting Secured FCs were also issued 1,000 lakhs equity shares at ₹ 4 each as part of their settlement;
3) The Details of the Restructured Liability's payments terms are as per the details mentioned below in point number C;
4) The Approved Resolution Plan envisages the rollover, utilisation/issuance of the BG/LC limits, which are critical for EPC business of the Company. There is a clear linkage between such rollover of the BG/LC Limits and growth of revenue and margin for the Company, which are in turn crucial for meeting debt repayment commitments. Accordingly, as per the Non Fund Based Agreement entered into by the Company and non-fund based lenders, BG/LC limits of approximately ₹ 510 crores are to be rolled over;
5) The debt of Aion Jyoti LLC and Apollo Jyoti LLC was restructured into 7 crores compulsorily convertible preference shares, convertible into 7 crores fully paid-up equity shares of our Company, which conversion has since been consummated.

C. The Payment of Restructured Dues is as follows:

As per approved resolution plan, inter alia, dues pertaining to following categories of creditors are to be paid on yearly basis:

Sr	Payment to	Payable Amount (₹ in lakhs)	Payment Tenure
1	Secured Financial Creditors (Refer Note 1)	3,67,400	Over 12 years period

Sr	Payment to	Payable Amount (₹ in lakhs)	Payment Tenure
2	Workmen and Employee	14,743	Over 5 years period
3	Statutory Liabilities	1,100	in 7 years from the 6th to 12th year
4	Operational Creditors	11,500	Over 7 years period
5	Unsecured Financial Creditors	1,000	in 7 years from the 6th to 12th year
		3,95,743	

The Approved Resolution Plan provides for above payments out of the cash flows of the Company which are dependent upon revenues which in turn are based on disbursement of non-fund-based facilities by the lenders. Our Company proposes to use a part of the Issue Proceeds to pay Workmen, Employees and other operating creditors which had fallen due in the month of November 2024 but could not be paid fully on account of lack of operational revenues caused by non-disbursement of the non-fund based limits by the NFB lenders.

No payment to be made to any person other than the claims and settlements that have been set out under the Final Resolution Plan.

Our Company made the upfront payment to the financial creditors as per the Resolution Plan and sought exclusion from the NCLT for the time period and compliance thereof with regard to the payment as per the Resolution Plan.

The Schedule of Payment of dues as per the Resolution Plan is as given below:

(₹ in Crores)

Year	Up-Front	1	2	3	4	5	6	7	8	9	10	11	12	Total
Secured Financial Creditors	25	40	40	50	70	80	311	356	450	542	532	579	599	**3,674**
Employees	-	30	30	29	29	29								**147**
Operational Creditors	-	20	35	40	5	5	5	5						**115**
Statutory Liabilities	-	-	-	-	-	-	1	1	1	1	2	2	3	**11**
Unsecured Fin. Creditors	-	-	-	-	-	-	1	1	1	1	2	2	2	**10**

- Please refer to Section B(1) & B(2) above for further details related to the payment obligations.
- The Company has paid Rs. 10,500 lakhs to the Secured financial creditors as per the Approved Resolution Plan.
- The resolution plan provides that the above-mentioned resolution plan dues payment will be done from the cash flow of the Company.
- Basis the approved resolution plan and orders of the Hon'ble NCLT, the next instalment amounting to ₹ 24,441 lakhs will fall due to Secured Financial Creditors, Employees and Operational Creditors by November 2025.
- As per the Resolution plan, our Company has the right to prepay the debts to the Secured Financial Creditors at the Net Present Value and the restructured debt to financial and other creditors. Our Company also has the right to raise additional equity capital and raise debt.
- All litigations against our Company, the Founder Promoters, guarantors, directors and employees of our Company, related to matters that are addressed as per the Resolution Plan are to be withdrawn AND All penalties imposed on, or otherwise applicable to our Company for offences / non-compliances and / or events related to our Company are to be waived.
- Our Company is now controlled by board of directors and is professionally managed, without any identifiable promoter and a Revival Committee has been constituted.

D. **Implementation of the Resolution Plan:**

The Resolution Plan was implemented on November 9, 2021, by infusion of ₹170 Crores towards Equity, Issue of NCD's to the lenders and transfer of control to the newly constituted board led by Chairman.

E. **Names of erstwhile promoters**

The erstwhile promoters of the Company include Kanayo R. Thakur, Prakash Thakur, Sanjay H. Mirchandani, Neeta Mirchandani, Kishor Mirchandani, Vijay Mirchandani, Seema Mirchandani, Madanlal Valecha, Rajesh Valecha, Varsha Valecha, Mohini Valecha, Ms. Jyoti Motiani*, M/s. Val-Mir-Constructions Private Limited, M/s. Surya India Fingrowth Pvt Ltd.

F. **Conditions for reclassification as Promoter less Company**

Section VII of the Resolution Plan: Other Stipulations for the Final Resolution Plan: "C. ……. *The Company will not remain any individual or family run company and it is proposed that the Company will become board controlled and professionally managed. The Founder Promoters will neither be allotted any equity shares nor be on the board of the Company. The Proposed Investors will not be deemed / classified as promoters of the Company. The Company shall ensure that during the implementation of the Final Resolution Plan, classification of any person as "promoter" of the Company under the regulations prescribed by the Securities Exchange Board of India shall only be with the prior approval of the secured financial creditors of the Company.* "

G. **Names of the Investors who had infused ₹170 Cr as Equity in terms of Resolution Plan**

Sr. No.	Name of the Allottee	Sr. No.	Name of the Allottee
1	Sharad Sanghi	59	Chirag M. Shah
2	Ishwar Alimchandani and Padu Alimchandani	60	Manoj Agarwal
3	Abchlor Investments Private Limited	61	Pragya Agarwal
4	Sun-N-Sand Hotel Pvt. Ltd.	62	Vadhula Bhaskaran Hariharan
5	Suryatej Advisors LLP	63	Saloni Suresh Jain
6	Genext Hardware & Parks Pvt. Ltd.	64	Brcca Services Pvt Ltd
7	New Aartizen Family Office Llp	65	Nitij Arenja
8	Niranjan Lakhumal Hiranandani	66	Anuj Arenja
9	Corel Traders Private Limited	67	Atul Rawat Family Private Trust
10	Hemant Sood – HUF	68	Utsav Parekh
11	Sonia Aggarwal	69	Vishal Somani
12	Prerna Chaudhary	70	Iccha Manghnani
13	Babulal Bhagwandas Khandelwal	71	Neha Abrol
14	Vijay Babulal Khandelwal	72	Pranav Jain
15	Ashok Babulal Khandelwal	73	Shridhar Narayan
16	Vikas Babulal Khandelwal	74	Mahendra Girdharilal Wadhwani
17	Anant Foundation	75	Ashish Chugh
18	Parizad Farrokh Sidhwa	76	Aerotex Holdings Private Limited
19	Prashant Raghunath Deshpande	77	Amit Arora
20	Sachin Pravin Bhansali	78	Aarti Manmohan Shetty
21	Manisha Ajay Samat	79	Shashikala Manmohan Shetty
22	Rani G. Samat	80	Romesh Brijmohan Sharma
23	Sarla P Baid	81	Pooja Shetty
24	Sarmishta P.Bhansali	82	Sanjay Jiwandas Khatri
25	Ramjilal Balaram Sharma-HUF	83	Girish Kanji Dand

Sr. No.	Name of the Allottee	Sr. No.	Name of the Allottee
26	Ramjilal Sharma	84	Abhinav Rishi Angirish
27	Raju Ramjilal Sharma HUF	85	Laxmi Nagrath
28	Tanaya Foundation	86	Renu Lachman Hingorani
29	Priyanka Sharma	87	Anil Kumar Ishwar Dayal Gupta
30	Geeta Nanik Rupani	88	Neerja Gupta
31	Nanik Kisharam Rupani	89	Modi Nikita Nimish
32	Parag Vipin Shah	90	Prakash Hiranand Bhagnari
33	Reena Nanik Rupani	91	Vanmala Prakash Choksi
34	Rishi Sehdev	92	Prakash Sajanlal Choksi
35	Sita Offers and Bourse Expertise LLP	93	Nimish Champaklal Modi
36	Vinit Vinayak Prabhugaonkar (Huf)	94	Mehul Jitendra Bhagadia
37	Anand Krishnan	95	Sumisha Kishor Lalchandani
38	Thirteen Initiatives LLP	96	Diya Narender Chandwani
39	Sharan Pawan Aggarwal	97	Narendra Mansharamani
40	Rajendra Bhageria Huf	98	Ravi Kishan Chug
41	Vinayak Vishwanath Kamath	99	Abchlor Technology Solutions Llp
42	Sanjay Kothari	100	Shyreena Aggarwal
43	Memg Family Office LLP	101	Ullal Ravindra Bhat
44	Chittor Asha Govindaraju	102	Kaushik Desai
45	Akhil Bansal	103	Gayatri Sharma
46	Rakesh Chhabra	104	Om Prakash Agarwal
47	Anurag Shrivastava Huf	105	Kanta Gul Hinduja
48	Sameer Puri	106	Anoop Khatri
49	Manju Agarwal	107	Manoj Nankishore Tekriwal
50	Mohit Srivastava	108	Shashikant Banka
51	Saascorp LLP	109	Amitkumar Danji Babaria
52	Follis Advisory Llp	110	Goenka Capital Market Services (Proprietor: Ajay Goenka)
53	Alok Aggarwal	111	Sanatan Financial Advisory Services Private Limited
54	Manju Agarwal	112	Keval Navin Doshi
55	India Housing Fund Series-3- (Acting through its investment manager-IIFL asset Management Ltd)	113	Sandhya Lokesh
56	Elizabeth Mathew	114	Sneh Lata Garg
57	Nitika Agarwal	115	Dhanpal Arvind Jhaveri
58	Bhuvantray Investments and Trading Company Private Limited		

Lock in Clause: As per the Resolution Plan, the shareholding of above Investors shall be subject to lock-in period as follows:

100% of the equity shares issued to person other than the Resolution Applicant, i.e., Proposed Investors, shall be locked in for 1 year from the date of issuance of shares to such Proposed Investor. Further, 20% of the equity shares issued to persons other than the Resolution Applicant, will be locked in for a period of 3 years from the date of issuance. The bifurcation of the same is as follows:

Sr. No.	Name of the Allottee	Total Shares (100%)	80% Lock-In - 1 Year No. of shares	20% Lock-In - 3 Year No. of shares
1	Ishwar Alimchandani and Padu Alimchandani	50,00,000	40,00,000	10,00,000
2	Ullal Ravindra Bhat	1,50,00,000	1,20,00,000	30,00,000

Sr. No.	Name of the Allottee	Total Shares (100%)	80% Lock-In - 1 Year No. of shares	20% Lock-In - 3 Year No. of shares
3	Abchlor Investments Private Limited	31,25,000	25,00,000	6,25,000
4	Kaushik Desai	5,00,000	4,00,000	1,00,000
5	Sun-N-Sand Hotel Pvt. Ltd.	1,50,00,000	1,20,00,000	30,00,000
6	Suryatej Advisors LLP	25,00,000	20,00,000	5,00,000
7	Genext Hardware & Parks Pvt. Ltd.	12,50,000	10,00,000	2,50,000
8	New Aartizen Family Office Llp	12,50,000	10,00,000	2,50,000
9	Niranjan Lakhumal Hiranandani	2,50,00,000	2,00,00,000	50,00,000
10	Corel Traders Private Limited	25,00,000	20,00,000	5,00,000
11	Hemant Sood HUF	50,00,000	40,00,000	10,00,000
12	Sonia Aggarwal	50,00,000	40,00,000	10,00,000
13	Prerna Chaudhary	50,00,000	40,00,000	10,00,000
14	Babulal Bhagwandas Khandelwal	6,25,000	5,00,000	1,25,000
15	Vijay Babulal Khandelwal	6,25,000	5,00,000	1,25,000
16	Ashok Babulal Khandelwal	6,25,000	5,00,000	1,25,000
17	Vikas Babulal Khandelwal	6,25,000	5,00,000	1,25,000
18	Anant Foundation	25,00,000	20,00,000	5,00,000
19	Parizad Farrokh Sidhwa	6,25,000	5,00,000	1,25,000
20	Prashant Raghunath Deshpande	1,12,50,000	90,00,000	22,50,000
21	Sachin Pravin Bhansali	50,00,000	40,00,000	10,00,000
22	Manisha Ajay Samat	12,50,000	10,00,000	2,50,000
23	Rani G. Samat	7,50,000	6,00,000	1,50,000
24	Sarla P Baid	6,25,000	5,00,000	1,25,000
25	Sarmishta P.Bhansali	12,50,000	10,00,000	2,50,000
26	Gayatri Sharma	1,50,000	1,20,000	30,000
27	Ramjilal Balaram Sharma - HUF	1,25,000	1,00,000	25,000
28	Ramjilal Sharma	3,75,000	3,00,000	75,000
29	Raju Ramjilal Sharma HUF	1,25,000	1,00,000	25,000
30	Tanaya Foundation	25,00,000	20,00,000	5,00,000
31	Priyanka Sharma	2,50,000	2,00,000	50,000
32	Geeta Nanik Rupani	5,00,000	4,00,000	1,00,000
33	Nanik Kisharam Rupani	5,00,000	4,00,000	1,00,000
34	Parag Vipin Shah	38,75,000	31,00,000	7,75,000
35	Reena Nanik Rupani	2,50,000	2,00,000	50,000
36	Rishi Sehdev	75,00,000	60,00,000	15,00,000
37	Sita Offers and Bourse Expertise LLP	6,25,000	5,00,000	1,25,000
38	Vinit Vinayak Prabhugaonkar (Huf)	2,50,000	2,00,000	50,000
39	Anand Krishnan	1,25,000	1,00,000	25,000
40	Om Prakash Agarwal	2,50,000	2,00,000	50,000
41	Kanta Gul Hinduja	45,00,000	36,00,000	9,00,000
42	Thirteen Initiatives LLP	5,00,000	4,00,000	1,00,000
43	Anoop Khatri	10,00,000	8,00,000	2,00,000
44	Sharan Pawan Aggarwal	6,25,000	5,00,000	1,25,000

Sr. No.	Name of the Allottee	Total Shares (100%)	80% Lock-In - 1 Year No. of shares	20% Lock-In - 3 Year No. of shares
45	Rajendra Bhageria Huf	6,25,000	5,00,000	1,25,000
46	Vinayak Vishwanath Kamath	2,50,000	2,00,000	50,000
47	Manoj Nankishore Tekriwal	12,50,000	10,00,000	2,50,000
48	Shashikant Banka	50,000	40,000	10,000
49	Amitkumar Danji Babaria	4,00,000	3,20,000	80,000
50	Goenka Capital Market Services (Proprietor: Ajay Goenka)	80,000	64,000	16,000
51	Sanjay Kothari	6,25,000	5,00,000	1,25,000
52	Sanatan Financial Advisory Services Private Limited	18,75,000	15,00,000	3,75,000
53	Keval Navin Doshi	2,50,000	2,00,000	50,000
54	Memg Family Office LLP	1,25,00,000	1,00,00,000	25,00,000
55	Chittor Asha Govindaraju	30,00,000	24,00,000	6,00,000
56	Akhil Bansal	7,50,000	6,00,000	1,50,000
57	Rakesh Chhabra	7,50,000	6,00,000	1,50,000
58	Anurag Shrivastava Huf	5,00,000	4,00,000	1,00,000
59	Sameer Puri	17,50,000	14,00,000	3,50,000
60	Manju Agarwal	15,00,000	12,00,000	3,00,000
61	Sandhya Lokesh	3,00,000	2,40,000	60,000
62	Mohit Srivastava	10,00,000	8,00,000	2,00,000
63	Sneh Lata Garg	5,00,000	4,00,000	1,00,000
64	Saascorp LLP	12,50,000	10,00,000	2,50,000
65	Follis Advisory Llp	7,50,00,000	6,00,00,000	1,50,00,000
66	Alok Agarwal	6,00,000	4,80,000	1,20,000
67	Manju Aggarwal	7,00,000	5,60,000	1,40,000
68	India Housing Fund Series-3- (Acting through its investment manager – IIFL asset Management Ltd)	5,00,00,000	4,00,00,000	1,00,00,000
69	Dhanpal Arvind Jhaveri	12,50,000	10,00,000	2,50,000
70	Elizabeth Mathew	7,50,000	6,00,000	1,50,000
71	Nitika Agarwal	11,25,000	9,00,000	2,25,000
72	Bhuvantray Investments and Trading Company Private Limited	12,50,000	10,00,000	2,50,000
73	Chirag M. Shah	12,50,000	10,00,000	2,50,000
74	Manoj Agarwal	52,50,000	42,00,000	10,50,000
75	Pragya Agarwal	22,50,000	18,00,000	4,50,000
76	V H Bhaskaran	14,50,000	11,60,000	2,90,000
77	Saloni Suresh Jain	18,75,000	15,00,000	3,75,000
78	Brcca Services Pvt Ltd	25,00,000	20,00,000	5,00,000
79	Nitij Arenja	43,75,000	35,00,000	8,75,000
80	Anuj Arenja	18,75,000	15,00,000	3,75,000
81	Atul Rawat Family Private Trust	75,00,000	60,00,000	15,00,000
82	Utsav Parekh	37,50,000	30,00,000	7,50,000

Sr. No.	Name of the Allottee	Total Shares (100%)	80% Lock-In - 1 Year No. of shares	20% Lock-In - 3 Year No. of shares
83	Vishal Somani	25,00,000	20,00,000	5,00,000
84	Iccha Manghnani	12,50,000	10,00,000	2,50,000
85	Neha Abrol	12,50,000	10,00,000	2,50,000
86	Pranav Jain	25,00,000	20,00,000	5,00,000
87	Shridhar Narayan	12,50,000	10,00,000	2,50,000
88	Mahendra Girdharilal Wadhwani	50,00,000	40,00,000	10,00,000
89	Ashish Chugh	15,00,000	12,00,000	3,00,000
90	Aerotex Holdings Private Limited	12,50,000	10,00,000	2,50,000
91	Amit Arora	37,50,000	30,00,000	7,50,000
92	Aarti Manmohan Shetty	25,00,000	20,00,000	5,00,000
93	Shashikala Manmohan Shetty	25,00,000	20,00,000	5,00,000
94	Romesh Brijmohan Sharma	25,00,000	20,00,000	5,00,000
95	Pooja Shetty	25,00,000	20,00,000	5,00,000
96	Sanjay Jiwandas Khatri	25,00,000	20,00,000	5,00,000
97	Girish Kanji Dand	50,00,000	40,00,000	10,00,000
98	Abhinav Rishi Angirish	32,50,000	26,00,000	6,50,000
99	Laxmi Nagrath	12,50,000	10,00,000	2,50,000
100	Renu Lachman Hingorani	75,00,000	60,00,000	15,00,000
101	Anil Kumar Ishwar Dayal Gupta	2,50,000	2,00,000	50,000
102	Neerja Gupta	2,50,000	2,00,000	50,000
103	Modi Nikita Nimish	7,50,000	6,00,000	1,50,000
104	Prakash Hiranand Bhagnari	32,50,000	26,00,000	6,50,000
105	Vanmala Prakash Choksi	12,50,000	10,00,000	2,50,000
106	Prakash Sajanlal Choksi	12,50,000	10,00,000	2,50,000
107	Nimish Champaklal Modi	7,50,000	6,00,000	1,50,000
108	Mehul Jitendra Bhagadia	17,75,000	14,20,000	3,55,000
109	Sumisha Kishor Lalchandani	8,75,000	7,00,000	1,75,000
110	Diya Narender Chandwani	8,75,000	7,00,000	1,75,000
111	Narendra Mansharamani	15,00,000	12,00,000	3,00,000
112	Ravi Kishan Chug	7,75,000	6,20,000	1,55,000
113	Abchlor Technology Solutions Llp	95,000	76,000	19,000
114	Shyreena Aggarwal	37,50,000	30,00,000	7,50,000
Total		**42,50,00,000**	**34,00,00,000**	**8,50,00,000**

Note: The above list of allottees has been extracted from an Affidavit filed by the Resolution Applicant before the National Company Law Tribunal, Mumbai Bench on October 21, 2021 with a revised list of Proposed Investors. The affidavit was filed pursuant to a discussion with NSE and BSE in respect to the In-principle Applications. In a view to ensure compliance with the requirements prescribed by the Stock Exchanges, it was decided to replace eleven (11) Proposed Investors and to increase the infusions/contributions in the equity share capital.

H. Name of the resolution applicant

The resolution applicant, with respect to the Final Resolution Plan is Mr. Sharad Sanghi.

I. Name of financial creditors

We set out below the names of the financial creditors.

Sr. No.	Names of Secured Financial Creditors
1.	State Bank of India (State Bank of Hyderabad)
2.	Assets Care & Reconstruction Enterprise Ltd.
3.	Bank of India
4.	Canara Bank
5.	Bank of Baroda (Dena Bank, Vijaya Bank)
6.	ICICI Bank
7.	IDBI Bank
8.	Indian Bank
9.	Phoenix ARC (South Indian Bank)
10.	Standard Chartered Bank
11.	Canara Bank (Syndicate Bank)
12.	Union Bank of India
13.	Tata Capital Financial Services Ltd.
14.	AION Direct Singapore PTE Ltd.
15.	Apollo Asia Private Credit Master Fund Pte Ltd.
16.	Mahindra & Mahindra Financial Services Ltd.
17.	Indian Bank (Allahabad Bank)
18.	Bank of Maharashtra
19.	Central Bank of India
20.	Union Bank of India (Corporation Bank)
21.	DBS Bank Ltd.
22.	EXIM Bank
23.	IndusInd Bank
24.	UCO Bank
25.	Reliance Commercial Finance Ltd

J. Provision in resolution plan for raising further capital

Section VII of the Resolution Plan: Other Stipulations for the Final Resolution Plan:

"*G. If as per business needs, the Company is required to raise further equity capital, then the Company shall have the right to raise such additional equity capital by way of any instrument and the same shall be permissible*"

The present proposed rights issue is being undertaken based on the above provision.

OBJECTS OF THE ISSUE

Background of the Company

- Jyoti Structures Ltd (JSL) / (Company) was incorporated on May 27, 1974. The Company is engaged in execution of Engineering, Procurement, Construction (EPC) projects in power transmission, substation and distribution. The company has three manufacturing plants at Nashik and Raipur with an annual capacity of 1,16,160 MT and a state-of-art proto-type tower testing facility at Ghoti, Igatpuri, India.

- Having started in 1974 as a private limited Company with a professional team, the Company was publicly listed in 1989, and majority equity of the Company has been with public shareholders since then. The Company grew exceptionally and became a tier one Company in the EPC Transmission and Distribution space.

- After a sound track-record of over three decades, our Company faced distress. State Bank of India filed a petition for initiation of Corporate Insolvency Resolution Process under the provisions of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal, Mumbai Bench in 2017. After due process, the Hon'ble National Company Law Tribunal, Mumbai vide order dated March 27, 2019, approved the Resolution Plan. Pursuant to the Company obtaining necessary regulatory approvals and effectuating other steps, the Resolution Plan was implemented on November 9, 2021.

- Post resolution, the Company is now a promoter-less, professionally managed and controlled by the board of directors.

- As part of the Resolution Plan, our Company cleared part of the resolution plan dues. The part payment was made out of the funds raised partly through Preferential Issue of shares in December 2023 and Rights Issue that was made during April 2024.

Brief details of the Rights Issue launched in April 2024 are as follows:

The total funds raised through the Rights Issue in April 2024 amount to ₹ 17,463.11 Lakhs.

Utilisation of Rights Issue Proceeds as of Decmber 31, 2024:

(₹ in Lakhs)

Particulars	As per Objectives	Utilisation till 31st December 2024
Restructuring Plan Dues:		
- DFC	3,539.00	3,539.00
- Employee Dues	1,708.00	1,708.06
- Operational Creditors	1,253.00	1,186.05
Sub-Total (Restructuring Plan Dues)	**6,500.00**	**6,433.11**
Finance Purpose	6,000.00	5,497.87
General Corporate Purpose	4,263.11	4,257.11
Issue Related Expenses	700.00	629.98
Balance in Bank (To be Utilised as per Objectives)		645.04
Grand Total	**17,463.11**	**17,463.11**

Note: The actual utilization has been in accordance with the stated objectives, with no variations.

Our Company had appointed CARE Ratings Limited as the Monitoring Agency for the Rights Issue in April 2024. Both our Board and the Monitoring Agency have monitored the utilization of the proceeds from the issue. As required under the relevant SEBI ICDR Regulations, the Monitoring Agency has submitted a report to our Board. The Monitoring Agency Report is available at the following link: https://jyotistructures.in/right-issue.

Issue Proceeds and Objects of Utilisation:

The details of the Issue Proceeds are set forth in the table below:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds#	49,908.79
Less: Issue Expenses	2,000.00
Net Proceeds	47.908.79

 # assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio

The Net Proceeds from the Issue are proposed to be utilized towards the following objects:

(A) Payment of NCLT approved resolution plan dues

(B) Meeting costs, expenses, charges and other payment commitments / obligations including margin requirements associated with financing to be raised from banks and financial institutions for the operations of the Company.

(C) General corporate purposes

The main objects clause and the objects ancillary to the main objects clause of our Memorandum of Association enables us to undertake our existing business activities and the activities proposed to be funded from the Net Proceeds.

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be used as under:

(₹ in lakhs)

Particulars	Amount
Payment of NCLT approved resolution plan dues	15,206.78
Meeting costs, expenses, charges and other payment commitments/ obligations including margin requirements associated with financing to be raised from banks and financial institutions for the operations of the Company.	20,500.00
General Corporate Purposes*	12,202.01
Total net proceeds	47,908.79

**The amount to be utilized for general corporate purposes will not exceed 25% of the Gross Proceeds.*

MEANS OF FINANCE

The funding requirements mentioned above are based on our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management, subject to applicable law. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

PROPOSED UTILIZATION AND SCHEDULE OF DEPLOYMENT OF FUNDS

Our Company proposes to deploy the Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in lakhs)

Particulars	Amount proposed to be funded from Proceeds	Amount to be utilised by March 2026
Payment of NCLT approved resolution plan dues	15,206.78	15,206.78
Meeting costs, expenses, charges and other payment commitments/obligations including margin requirements associated with financing to be raised from banks and financial institutions for the operations of the Company	20,500.00	20,500.00
General Corporate Purposes*	12,202.01	12,202.01
Expenses of the present Issue	2,000.00	2,000.00
Total Rights Issue proceeds	**47,908.79**	**47,908.79**

* *The amount to be utilised for general corporate purposes will not exceed 25% of the Gross Proceeds.*

The funding requirement and the deployment of the Net Proceeds is based on Resolution Plan approved by the NCLT to the extent of payment of resolution plan dues. The proposed deployment of Net Proceeds towards General Corporate Purposes will be as per internal management estimates and not appraised by any bank or financial institution or any other independent agency.

Subject to applicable law, if the actual utilisation towards any of the objects is lower than the proposed deployment such balance will be used as may be determined by our Company, in accordance with applicable laws. For further details, see the "***Risk Factors –7 Our funding requirements and proposed deployment of Gross Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on factors, some of which may be beyond our control***" on page 29.

In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal Year is not completely met (in full or in part), due to factors such as (i) economic and business conditions; (ii) the timing of completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, in compliance with all applicable laws and regulations.

In the event the Net Proceeds are not completely utilized for the purposes stated above and as per the estimated schedule of utilisation specified above, the same would be utilized as may be determined by our Company, in accordance with applicable laws.

DETAILS OF THE OBJECTS

The details of the Objects of the Issue are:

(A) Payment of NCLT approved resolution plan dues

As per the Resolution Plan, our Company is required to pay dues to Financial Creditors, Operational Creditors, Employee Creditors and others over a period of 12 years, as applicable.

Out of the said dues, our Company has cleared payments aggregating to ₹ 6,433.11 lakhs out of the proceeds of Rights Issue that was made during April 2024. The Company now plans to pay dues to the extent of ₹15,206.78 lakhs out of the proceeds of the present Rights Issue as under:

Sr No.	Category of Claimants	Instalment (₹ in lakhs)
1	Dissenting Financial Creditors	9,775.78
2	Employees	1,931.00
3	Operational Creditors	3,500.00
	Total	**15,206.78**

As elaborated in the table above, the selection of creditors will be based on criteria given below and in compliance with the Resolution Plan, which provides a Schedule of Payment and which the Company must adhere to. For further details, refer to "***Resolution Plan - C. The Payment of Restructured Dues is as follows***" on page 68 of this Letter of Offer

a) Dissenting Financial Creditors: As per the NCLT approved resolution plan, the total dues to DFC were ₹ 20,280 lakhs of which the company has paid till date ₹ 10,500 lakhs. The balance of ₹ 9,775.78 lakhs is proposed to be paid from proceeds of present Rights Issue.

b) Employees: As per the NCLT approved resolution plan, out of the current year employee dues of ₹ 3,000 lakhs the company has paid ₹ 1,069 lakhs and the balance amount of ₹ 1,931 lakhs will be paid based on the verification of records and data as available with the Company;

c) Operational Creditors: As per the NCLT approved resolution plan, the current year operational creditor dues of ₹ 3,500 lakhs will be paid based on the verification of records and data as available with the Company;

Brief background on the Resolution Plan

- The Company successfully underwent resolution under Insolvency and Bankruptcy Code, 2016 and the Resolution Plan was implemented on November 09, 2021. The Resolution Plan inter alia, stipulates payment to various creditors. The company is not individual or family run. It is Board controlled, professionally managed.

- As per resolution plan, inter alia, dues pertaining to following categories of creditors are to be paid on yearly basis:

Category of Creditors	Amount Proposed to be Repaid (₹ in lakhs)	Repayment timelines
Financial creditors	3,67,400	12 years
Workmen and Other Employees	14,743	5 years
Statutory Payments	1,100	12 years
Operational Creditors	11,500	7 years
Unsecured Financial Creditors	1,000	12 years

- The resolution plan provides that the above-mentioned resolution plan dues payment will be done from the cash flow of the Company.

- Further **Clause G of Section VII – Other stipulations for the final resolution plan (Page number 75**) stipulates as follows**:**

G. *If as per business needs, the Company is required to raise further equity capital, then the Company shall have the right to raise such additional equity capital by way of any instrument and the same shall be permissible.*

The Resolution Plan sets out the payment obligations of the company which is summarized below:

1. **Secured Financial Creditors –** *As per the Resolution Plan, an amount of ₹3,67,400 lakhs is proposed to be paid over a period of 12 years.*

In addition, the Resolution Plan provided that any bank guarantee invoked up to implementation of the Resolution Plan, the same will be added to fund based debt extended by the issuing bank and will be serviced on the same basis and terms along with the restructured repayment schedule. The Resolution Plan provides that the Company will have the right to prepay the restructured debt owed to the Financial Creditors at the NPV of the principal outstanding.

The Company shall utilize an amount of ₹ 9,775.78 lakhs from the proceeds of this rights issue make the payments towards the next instalment of Dissenting Financial Creditors

2. **Workmen Employee Dues** – *The outstanding amount payable to employees, including workmen is ₹14,743* lakhs*, which is proposed to be paid in full excluding any interest and penalties etc. as admitted by the Resolution Professional* **over** *a 5-year period, out of the cash flows of the Company including from the equity infusion as per the terms of this Resolution Plan.*

3. **Operational Creditors (except workmen and other employees, and statutory/government dues) –** *The admitted amount of claims of the operational creditors of the Company is ₹48,086 lakhs. In line with the repayment to financial creditors of the Company, 24% of the amount (₹11,500 lakhs) in full settlement is proposed to be* **paid** *up over a 7-year period.*

Basis the Resolution Plan and orders of the Hon'ble NCLT, the present instalment due to Employees and Operational Creditors is ₹ 5,431 lakhs .

The company shall utilize an amount of ₹ 5,431 lakhs from the proceeds of this rights issue make the payments towards the abovementioned instalments of the Employees and Operational Creditors.

(B) Meeting costs, expenses, charges and other payment commitments/obligations including margin requirements associated with financing to be raised from banks and financial institutions for the operations of the Company– ₹ 20,500 lakhs.

➢ The sector in which the Company is operating is in a phase of high demand

➢ The Central Electricity Authority (*CEA*) has projected the power generation capacity in India increasing from 400 GW to 700+ GW by year 2030, primarily with additional renewable generation (*Source: Central Electricity Authority*).

➢ All this addition to the power generation capacity will need evacuation infrastructure. There will be need to set up transmission lines, sub-stations and distribution networks. The power transmission and distribution sector shall witness investment of over ₹6 lakh crores in the next 5-7 years across various schemes. The Company is well positioned to tap this business potential.

➢ Our Company is in the EPC business wherein we require the following Non-Fund Based Facility consisting of following types of bank guarantees (*BGs*) to be given to its customers, potential customers and Letter of Credits (LCs) to its vendors:

- Bid Bond Guarantee: This is typically in the range of 1% to 2% of the contract value issued at the stage of bidding for contracts. It is returned either on award of the contract or the contract being awarded to any other company.
- Performance Bank Guarantee (*PBG*): This is typically in the range of 5% to 10% of the contract value issued upon award of any contract and valid until its completion.
- Advance Bank Guarantee (*ABG*): This is typically 10% of the contract value and is issued upon award of any contract to obtain an equivalent amount of payment that can be utilised for contract execution.
- Retention / Defect Liability Guarantee (*RBG*): This is typically 10% of the contract value and is issued upon completion of the contract when the customer takes over the project. Upon issue of this retention guarantee, the customer pays the retention amount that it has withheld during the contract execution.

- Letter of Credit (*LC*) Facility: The company issues LCs to its vendors for procurement of various components of contracts. The typical period for the LC maturity ranges from 90 days to 120 days.

➢ The issue of above-described Bank Guarantees and Letter of Credits, typically entails margin money deposit, costs, expenses, fees, charges and other payment commitments, obligations including commissions etc.

➢ Presently , based on the existing order book and contracts bid by the Company, it is estimated that the requirement of Bank Guarantee in the form of performance bank guarantee (*PBG*) at 10% and advance bank guarantee (*ABG*) at 10% would be in the range of ₹19,000 lakhs to ₹20,000 lakhs.

➢ Accordingly, the Company has estimated that an amount of ₹20,500 lakhs would be utilised from the proceeds of the Rights issue towards meeting related financial obligations, including:
- Margin requirements
- Processing fees
- BG / LC commission
- Arranger fees / Commission

The Company has already secured business of over ₹2,50,000 lakhs and is continuing to pursue further opportunities to benefit from the sector momentum.

For details regarding the list of major orders received since November 2021 which includes their current status, estimated completion date and associated project expenses, refer to "***Our Business – Major Projects Completed in last three years and ongoing projects***" on page 173 of this Letter of Offer.

The Company is in the process of arranging required non-fund based facilities for the execution of ongoing projects and for new projects. The specific project wise margin amount to be contributed towards the BGs and LCs will depend on terms and conditions of banks issuing the same. However Company has estimated ₹ 20,500 lakhs for this purpose as mentioned above

The expenses towards the above stated projects will be incurred depending on the progress of such individual projects.

The contract values are subject to change based on finally executed scope of work which is determined upon completion of contract.

The sector in which the company operates viz. EPC power transmission, distribution work is witnessing an exceptional period of demand due to the major investment in renewable power generation which needs power transmission and distribution to evacuate the power generated and significant strengthening of interstate transmission, replacement of ageing infrastructure.

The Company is considering bidding for projects worth over ₹12,50,000 lakhs over the next two to three quarters. In order to tap into these potential business opportunities and to scale up the operations of the Company, resulting in growth of the revenue and margins of the Company, the Company is exploring avenues for raising requisite financing from banks and financial institutions.

(C) General Corporate Purposes

In terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes is estimated not to exceed 25% of the proceeds of the gross issue.

Our management will have flexibility in applying 25% of the proceeds of the gross issue towards general corporate purposes, including but not restricted to financing capital expenditure, refurbishing of factory building, plant & machinery and allied equipment, acquisition of additional capacity by any means as required including unidentified acquisition, and/or funding any shortfall in any of the abovementioned objects, meeting operational exigencies including salary payments and payment to vendors, etc. or any other purpose as may be approved by our Board, subject to compliance with the necessary provisions of the applicable laws.

The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company from time to time.

The amount deployed towards general corporate purpose, will not be deployed for working capital requirements.

(D) Issue Expenses

The estimated Issue related expenses are as follows:

(₹ in lakhs)

Particulars	Expenses	% in Total Issue of expense	% of Total Issue Size
Fees to Lead Manager, brokerage, marketing and selling commission	1,430.0	71.50%	2.87%
Fees payable to the Registrar to the Issue	15.0	0.75%	0.03%
Fees to auditors, consultants, legal counsel, market research firm and other professional services providers	475.0	23.75%	0.95%
Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	44.0	2.20%	0.09%
Printing and stationery	10.0	0.50%	0.02%
Advertising and PR Exercise	5.0	0.25%	0.01%
Miscellaneous costs	21.0	1.05%	0.04%
Total	**2,000.0**	**100%**	**4.00%**

Interim use of Net Proceeds

Our Company will have the flexibility to deploy the Net Proceeds towards the Objects outlined above in compliance with all applicable laws and regulations. Pending utilization for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the RBI Act as may be approved by our Board or Committee. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company or for any investment in equity markets.

Monitoring of utilisation of funds

Our Company has appointed a Monitoring Agency for the Issue to monitor the utilization of the Gross Proceeds and the Monitoring Agency will submit a report to our Board as required under Regulation 82 of the SEBI ICDR Regulations. Our Company will disclose the utilization of the Gross Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges

Pursuant to SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Letter of Offer and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor. Further, in accordance with Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the Gross Proceeds from the Objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the Gross Proceeds from the Objects of the Issue as stated above. This information will also be published on the website of the Company simultaneously with the interim or annual financial results of our Company and explanation for such variation (if any) will be included in our Director's Report after placing such information before the Audit Committee.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Appraising Entity

The issue proceeds will be used for making payment of the Resolution Plan dues and for meeting costs, expenses, charges and other payment commitments/obligations including margin requirements associated with financing to be raised from banks and financial institutions for the operations of the Company. The amount to be deployed towards the Objects of the Issue are based on management estimates and have not been appraised by any bank/ financial institution or independent agency.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Other Confirmations

No part of the Net Proceeds will be paid by us as consideration to our Directors and Key Managerial Personnel, except in the normal course of business and in compliance with applicable laws. Our Company has not entered into and is not planning to enter into any arrangement/ agreements with our Directors and Key Managerial Personnel in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the objects of the Issue as set out above.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO JYOTI STRUCTURES LIMITED (‘JSL’/‘THE COMPANY’), ITS MATERIAL SUBSIDIARIES AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

Date: February 06, 2025

To
The Board of Directors,
Jyoti Structures Limited
6th Floor, Valecha Chambers,
New Link Road, Andheri (W),
Mumbai, Maharashtra, India - 400053.

Arihant Capital Markets Limited
1011 Solitaire Corporate Park
Bldg No. -10, 1st Floor,
Guru Hargovindji Road, Chakala,
Andheri (East),
Mumbai - 400093
(Arihant Capital Markets Limited referred to as the "**Lead Manager**")

Dear Sir/Ma’am,

Subject: Statement of possible special tax benefits ("the Statement") available to Jyoti Structures Limited ('JSL'/ 'the Company'), its Material Subsidiaries and its shareholders in connection with the proposed rights issue of equity shares of face value of ₹2/- each ("Equity Shares”) the Company in accordance with the requirement under Schedule V1 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations")

We report that the enclosed statement in the **Annexure A** and **Annexure B**, states the possible special tax benefits under direct tax laws i.e. Income-tax Act,1961 and Income tax Rules, 1962 including amendments made by the Finance Act, 2022 (hereinafter referred to as "**Income Tax Laws**") , and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 (hereinafter referred to as "**Indirect Tax Laws") ** as amended, including the relevant rules and regulations, circulars and notifications issued there under, available to the Company and its shareholders. Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and do not cover any general tax benefits available to the Company or its shareholders. The tax benefits listed herein are only the possible special tax benefits which may be available under the current direct and indirect tax laws presently in force in India. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The benefits discussed in the enclosed Statement in the **Annexure A** and **Annexure B** are not exhaustive. The preparation of the contents stated in the **Annexure A** and **Annexure B** is the responsibility of the Company’s management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest in the Issue based on this statement.

We have conducted our examination in accordance with the ‘*Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’* ***(‘the Guidance Note’)*** issued by the Institute of Chartered Accountants of India (‘ICAI’). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We confirm that while providing this certificate, we have complied with the Code of Ethics issued by the Institute of

Chartered Accountants of India. We also have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, '*Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,*' issued by the ICAI.

We do not express any opinion or provide any assurance as to whether:
(i) The Company or its shareholders will continue to obtain these benefits in future;
(ii) The conditions prescribed for availing the benefits, where applicable, have been/would be met with;
(iii) The revenue authorities/ courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment. We will not be liable to any other person in respect of this Statement.

We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Letter of Offer " (**Offer Documents**") of the Company or in any other documents in connection with the Issue.

We hereby give consent to include this statement of special tax benefits in the Offer Documents and in any other material used in connection with the Issue.

This certificate is issued for the sole purpose of the Issue, and can be used, in full or part, for inclusion in the Offer Documents and any other material used in connection with the Issue, and for the submission of this certificate as may be necessary, to any regulatory/statutory authority, recognized stock exchange, any other authority as may be required and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law.

This certificate may be relied on by the Company, Lead Manager, their affiliates, and the legal counsel in relation to the Issue.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued pursuant to the Issue commence trading on the recognized stock exchange. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date the Equity Shares commence trading on the recognized stock exchange.

Yours faithfully,

For and on behalf of M/s SARC & Associates
Chartered Accountants
Firm Registration Number: 006085N

Name: CA Rajendra Shankar Bagade
Partner
ICAI Membership Number: 104026
UDIN:

Date: February 06, 2025
Place: Mumbai

Encl: As above

CC: 25104026BMINSZ4039

M/s Rajani Associates
Krishna Chambers, 204-207,
59 New Marine Lines, Churchgate,
Mumbai, Maharashtra, 400020

ANNEXURE A

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO JYOTI STRUCTURES LIMITED (THE "COMPANY"), ITS MATERIAL SUBSIDIARIES AND ITS SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (HEREINAFTER REFERRED TO AS "INCOME TAX LAWS")

The law stated below is as per the Income-tax Act, 1961 as amended by Finance Act, 2024.

A. Special tax benefits available to the Company under the Income Tax Laws

1. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%) from the Financial Year 2019- 20, provided such companies do not avail specified exemptions/incentives (e.g. deduction under Section 10AA, 32(1)(iia), 33ABA, 35(2AB), etc.)

   The Amendment Act, 2019 also provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("MAT") under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available. Corresponding amendment has been inserted under Section 115JAA dealing with MAT credit.

   The Company has not exercised the above option till date.

2. Deductions from Gross Total Income

Deduction in respect of employment of new employees – 80JJAA of the Act:

Subject to the fulfillment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

Deduction in respect of inter-corporate dividends – Section 80M of the Act

Up to 31st March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax (“DDT”), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1st April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid. The company is required to deduct Tax at Source ("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a shareholder, which is a domestic company as defined in section 2(22A) of the Income Tax Act, 1961, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section inter-alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

B. Special tax benefits available to the shareholders under the Income Tax Laws

The basis of charge of Indian income-tax would depend upon the residential status of the shareholder during a tax year.

The Indian tax year runs from April 1 until March 31.

1. If the shareholder is an Indian tax resident, he is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act.

2. A shareholder who is treated as a non-resident for Indian income-tax purposes, is generally subject to tax in India only on his India-sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) and income received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.

   Accordingly, since Jyoti Structures Limited is incorporated in India, its shares are deemed to be "situated" in India and any income in respect of Jyoti Structures Limited shares and/or gains arising to a non-resident shareholder on transfer of such shares is taxable in India under the IT Act.

3. In case of non-resident shareholders, the tax rates and the consequent taxation, mentioned in this part shall be further subject to any benefits available under the Double Taxation Avoidance Agreement ("DTAA"), if any, between India and the country of residence of the non-resident, subject to satisfying the relevant conditions including but not limited to:
   a. conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument ("MLI") as ratified by India with the respective country of which the said shareholder is a tax resident;
   b. non-applicability of General Anti-Avoidance Rule ("GAAR"); and
   c. providing and maintaining necessary information and documents as prescribed under the IT Act read with applicable rules, circulars and/or notifications.

4. All references to equity shares hereinafter refer to listed equity shares unless stated otherwise.

1. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not, surcharge would be restricted to 15%, irrespective of the amount of dividend.

   As a consequence of abolition of DDT under section 115-O w.e.f. FY 2020-21, the exemption available under section 10(34) in respect of dividend income has been discontinued. Thus, any dividend declared by the Company in future would be taxable in the hands of the shareholders under the head 'Income from Other Source' under section 56 of the IT Act at normal applicable rates.

   The Company would be under an obligation to deduct tax at source under section 194 at the rate of 10% on payment of dividend to resident shareholders. In the absence of Permanent Account Number ("PAN") of the shareholder, tax would be deductible at the rate of 20% as provided under section 206AA.

Section 194, further provides no deduction shall be made in the following cases –

(i) (a) the dividend is paid to a resident individual shareholder by any mode other than cash; and (b) the amount of aggregate dividend distributed or paid or likely to be distributed or p aid during the financial year to the resident individual shareholder, does not exceed ₹5,000; or

(ii) The dividend is paid to Life Insurance Corporation of India, General Insurance Corporation of India or any other insurer, etc in respect of any shares owned by them or in which they have full beneficial interest.

Further, as per section 196, no deduction of tax shall be made by any person from any sums payable to –

(i) the Government, or
(ii) the Reserve Bank of India, or
(iii) a corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income, or
(iv) a Mutual Fund specified under clause (23D) of section 10

No deduction of tax is required in case of resident individuals if 15G/15H certificate is furnished as per section 1 97A(1)/(1C). Further, section 197A(1E) provides no deduction of tax shall be made from any payment to any person for, or on behalf of, the New Pension System Trust referred to in clause (44) of section 10.

Section 206AB provides for a higher withholding rate in case of any person (other than (a) a non -resident who does not have a permanent establishment in India or (b) a person who is not required to furnish the return of income for the assessment year relevant to the concerned previous year and is notified by the Central Government in the Official Gazette in this behalf) who has not filed the return of income for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year. The withholding tax rates in case of such person shall be higher of the following:

(i) at twice the rate specified in the relevant provision of the IT Act; or
(ii) at twice the rate or rates in force; or
(iii) at the rate of 5%.

Further, where the provisions of section 206AA of the IT Act are applicable to such person, tax shall be deducted at higher of the two rates provided in section 206AB and in section 206AA of the IT Act.

It is pertinent to note that since the dividend income will not be exempt in the hands of the shareholder, expenses incurred in relation to earning such income would not be liable for disallowance under section 14A of the IT Act.

Section 57(i) grants deduction of any reasonable sum paid by way of commission or remuneration paid to a banker or any other person for the purpose of realising dividend or interest on securities on behalf of the assessee. Further, under clause (iii) of section 57, deduction is allowable for any other expenditure (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of making or earning the income.

However, w.e.f. FY 2020-21, Finance Act, 2020 has inserted a proviso to section 57 to restrict deduction in respect interest expenses to 20% of such dividend income. Further, deduction shall not be permissible for any other expense that an assessee may incur wholly and exclusively for earning such income.

Section 80M intends to eliminate the cascading tax effect in case of inter-corporate dividends by providing a deduction in respect of dividends received by a domestic company, to the extent such dividend is distributed by it on or before the due date. In this case, due date means one month prior to the date for furnishing the return of income under sub- section (1) of section 139 of the Act. Any shareholder being a domestic company may be entitled to the benefit of section 80M.

Finance Act, 2021 has amended section 234C of the IT Act w.e.f. FY 2020-21 pursuant to which interest at the rate of 1% shall not apply in respect of shortfall of advance tax payment on account of under estimation or failure to estimate dividend income as defined in section 2(22), excluding sub-clause (e) thereof.

2. The characterization of gains/losses, arising from sale of shares, as Capital Gains or Business Income would depend on the nature of holding in the hands of the shareholder and various other factors. The Central Board of Direct Taxes ("CBDT") has clarified in Circular No. 6/2016 dated February 29, 2016 that income arising from transfer of listed shares and securities, which are held for more than 12 months would be taxed as "Capital Gains" unless the shareholder itself treats these as its stock-in-trade and income arising from transfer thereof as its business income.

3. Section 112A of the Act provides for concessional rate of tax at the rate of 12.50% in respect of long-term capital gains gain exceeding Rs.1,25,000 (As per Finance Act 2024) arising from the transfer of a long-term capital asset (i.e., capital asset held for the period of 12 months or more) being an Equity Share in a company or a unit of an equity- oriented fund wherein Securities Transaction Tax ('STT') is paid on both acquisition and transfer, without giving effect to indexation. It is pertinent to note here that the rate of 10% was applicable with respect to transfer done prior to July 23, 2024, whereas as per the Finance Act 2024, for transfer done on or after July 23, 2024, the long-term capital gain would be taxed at the rate of 12.50% without any indexation benefits. Further, the benefit of lower rate is extended in case STT is not paid on acquisition allotment of equity shares through Right Issue of Shares.

4. Further, section 111A of the Act provides for tax @ 20% for transfer after July 23, 2024 in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) arising from the transfer of a short-term capital asset (i.e. capital asset held for the period of less than 12 months as per Section 2 (42A) of the Act) being an Equity Share in a company or a unit of an equity-oriented fund wherein STT is paid on transfer. It is pertinent to note here that the rate of 15% was applicable with respect to transfer done prior to July 23, 2024.

5. Finance Act, 2023 has amended section 115BAC of the Act to provide that with effect from FY 2023-24 relevant to AY 2024-25, Individuals, HUF, Association of Persons (other than a co-operative society), Body of Individuals and Artificial Juridical Person will be taxed on its total income at the reduced tax rates ('New Tax Regime'). As per Finance Act 2024, New Tax Regime becomes default option for the taxpayer. The income would however have to be computed without claiming prescribed deductions or exemptions as per the Act.

Such person will however have the option to be taxed on its total income as per the tax rates under the old tax regime. The option is required to be exercised - (i) on or before the due date specified under section 139(1) of the Act for furnishing the income-tax return for such AY, in case of person having income from business or profession and such option once, exercised shall apply to subsequent AYs; or (ii) along with the income-tax return to be furnished under section 139(1) of the Act for every AY in case of a person not having income from business or profession.

A person having income from business or profession who has exercised the option of shifting out of the New Tax Regime shall not be able to exercise the option of opting back to the New Tax Regime till he has business income. However. a person not having income from business or profession shall be able to exercise this option every year.

C. Possible special tax Benefits available to the Material Subsidiaries

The material subsidiaries have opted for reduced tax rate of 25.17% (22% plus surcharge of 10% and cess of 4%) as per the provisions of the section 115BAA of the act.

The material subsidiaries can claim following deductions/exemptions: -

A. <u>Deduction In respect of inter-corporate dividends under Section 80M of the Act.</u>

Up to 31March 2020, any dividend paid to a shareholder by a company was liable to payment of Dividend Distribution Tax ("DDT") by such company, and the dividend was exempt from tax in the hands of the recipient shareholder. Pursuant to the amendment made by the Finance Act, 2020, DDT was abolished, and dividend received by a shareholder on or after 1April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid.

With respect to a shareholder which is a domestic company as defined in section 2(22A) of the Act, section 80M inter alia provides that where the gross total income of a domestic company in any FY includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of the said section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the "due date". For the purposes of the section, "due date" means the date one month prior to the date for furnishing the income tax return under section
139(1) of the Act.

The Company is entitled to claim such deduction subject to fulfilment of conditions specified under section 80M of the Act.

B. <u>Deduction in respect of employment of new employees under Section 80JJAA of the Act</u>

As per section 80JJAA of the Act, while computing income under the head business and profession in case of an assessee to whom section 44AB (i.e., tax audit) applies, a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in the FY, shall be allowed for three AYs including the AY relevant to the FY in which such employment is provided. The Company is entitled to claim such deduction subject to fulfilment of conditions specified under section 80JJAA of the Act. Further, where the Company wishes to claim such possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

Notes:

1. The benefits in A, B and C above are as per the current tax law as amended by the Finance (No. 2) Act, 2024.
2. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.
3. In respect of non-resident shareholders, the taxation and tax rates discussed above may be further subject to any benefit available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile. Applicability of DTAA benefit shall be subject to furnishing of relevant documents/declarations viz. tax residency certificate, Form 10F, etc. by the non-resident shareholders.
4. Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR ten crores.
5. If the company opts for concessional income tax rate under section 115BAA of the Act, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.
6. Health and Education Cess @ 4% on the tax and surcharge is payable by all category of tax payers.
7. If the company opts for concessional tax rate under section 115BAA of the Act it will not be allowed to claim any of the following deductions:
    - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
    - Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
    - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)

- Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
- Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
- Deduction under section 35CCD (Expenditure on skill development)
- Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M;
- No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

8. Further, it is also clarified in section 115JB(5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.
9. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
10. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

ANNEXURE B

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO JYOTI STRUCTURES LIMITED (THE "COMPANY"), ITS MATERIAL SUBSIDIARIES AND ITS SHAREHOLDERS UNDER THE CENTRAL GOODS AND SERVICES TAX ACT, 2017, INTEGRATED GOODS AND SERVICES TAX ACT, 2017, RESPECTIVE STATE GOODS AND SERVICES TAX ACT, 2017 ('GST ACT), CUSTOMS ACT, 1962 ('CUSTOM ACT'), CUSTOMS TARIFF ACT, 1975 ('TARRIF ACT') (HEREINAFTER REFERRED TO AS "INDIRECT TAX LAWS")

1. Special tax benefits available to the Company and material subsidiaries under the Indirect Tax Laws

There are no special indirect tax benefits available to the Company.

2. Special tax benefits available to the shareholders under the Indirect Tax Laws

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes:

a. The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
b. The above statement covers only above-mentioned indirect tax laws benefits and does not cover any direct tax law benefits or benefit under any other law.
c. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
d. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Industry report on power transmission, distribution and smart metering

Review and outlook

December 2024

Jyoti Structures Ltd

Figures

Tables

Module 1: Macroeconomic outlook – World and India

Monetary stance begins to ease as inflation moderates; growth holds steady

Global economic growth remains steady, but moderate, with emerging economies growing faster than developed ones. The US seems to be outperforming other advanced economies in calendar 2024, while India remains one of the fastest growing among emerging economies.

The global economic environment remained moderate in 2023, with central banks raising policy rates, leading to elevated credit costs for industrial and retail sectors and impacting investments during the year. This, supported by easing of global supply of key commodities, helped rein in inflation. The global GDP grew 3.3% amid a high-interest-rate environment and moderating inflation.

The International Monetary Fund (IMF) estimates that global GDP will grow 3.2% each year in 2024 and 2025. Growth is expected to be divergent, with advanced economies experiencing slightly modest growth and emerging economies logging steady growth through the two years.

India is expected to emerge relatively stronger amid the global uncertainties, logging 8.2% GDP growth in fiscal 2024 and 6.8% in fiscal 2025.

To recall, in calendar 2020, the Covid-19 pandemic not only became a public health crisis, but also a financial crisis. Lockdowns, business closures, and disruptions in trade and movement wreaked havoc on the global economy. Major economies globally de-grew in 2020; only China expanded 2.2% during the year. Subsequently, green shoots appeared as economies adapted to the new normal despite reduced mobility. Additional fiscal support in large economies, particularly developed nations, also contributed to the improving overall economic outlook.

The IMF expected the global economy to bounce back and grow 6.1% in 2021. However, recovery that year on a low base was set back by a gamut of factors. Some of these were geopolitical uncertainties and inflation amid a commodity super-cycle induced by supply-chain disruptions stemming from geopolitical challenges.

The second half of 2022 was largely spent battling elevated inflation, while economic growth took a back seat. To tackle inflation, central banks globally adopted monetary tightening. Although there were signs (such as a gradual cooling of inflation) that the global economy would achieve a soft landing, the delay in controlling inflation crippled economic growth.

Table 1: Real GDP growth

YoY (%)	CY18	CY19	CY20	CY21	CY22	CY23	CY24P	CY25P
World	3.6	2.9	-3.1	6.0	3.5	3.3	3.2	3.2
Advanced economies	2.3	1.7	-4.5	5.2	2.6	1.7	1.8	1.8
- Euro area	1.8	1.6	-6.1	5.2	3.4	0.4	0.8	1.2
- US	2.9	2.3	-3.4	5.7	1.9	2.9	2.8	2.2
- UK	1.7	1.7	-9.3	7.4	4.3	0.3	1.1	1.5
- Germany	1.1	1.05	-4.6	2.6	1.8	-0.3	0.0	0.8
- Japan	0.6	-0.2	-4.5	1.7	1.0	1.7	0.3	1.1
Emerging and developing economies	4.6	3.7	-2.0	6.6	4.1	4.4	4.2	4.2
- China	6.7	6.0	2.2	8.1	3.0	5.2	4.8	4.5
- India*^	6.5	3.9	-5.8	9.7	7.0	8.2	6.8	6 to 7 %

**India numbers are on a fiscal-year basis, where CY18 would correspond to fiscal 2019*

^CRISIL MI&A Research projections for CY24; IMF projections for CY25

E – estimated; P – projected; NA – not available

Source: IMF World Economic Outlook, October 2024

Easing monetary cycles expected in the medium term

Globally, inflation has been falling since mid-2022, supported by lower fuel and energy prices, especially in the US, euro area and Latin America.

Since 2021, most central banks globally have been increasing interest rates to suppress demand and lower underlying (core) inflation. This latest series of rate increases has been more rapid and synchronous, compared with the previous global monetary tightening cycle just before the global financial crisis. The slowdown in new-home construction reflects the impact of this more-restrictive monetary policy.

Since mid-2022, inflation, excluding volatile food and energy prices, has been declining in most (but not all) major economies. Although the high-interest-rate approach adopted by central banks has had a positive impact on moderating inflation momentum, easing global commodity prices also contributed to this trend in 2023. Consequently, many economies faced lower inflation in 2023 compared with 2022. Moderation is expected to be quicker for advanced economies in 2024 compared with emerging markets, primarily due to stronger monetary frameworks and lower susceptibility to commodity price fluctuations. The gradual softening of labour markets and estimated downward pricing trends in energy are expected to further help in bringing the headline inflation near the target levels by end-2025.

Nevertheless, the average headline and core inflation remain significantly above target in almost all countries aiming to curb inflation. Moreover, differences across economies reflect their varying exposure to underlying shocks.

Table 2: Inflation movement across key economies

YoY (%)	CY18	CY19	CY20	CY21	CY22	CY23	CY24P^	CY25P^
Advanced economies								
- Euro area	1.8	1.2	0.3	2.6	8.4	5.4	2.4	2.2
- US	2.4	1.8	1.2	4.7	8.0	4.1	3.0	2.0
- UK	2.5	1.8	0.9	2.6	9.1	7.3	2.8	2.4
- Germany	1.9	1.4	0.4	3.2	8.7	6.0	2.7	2.3
- Japan	1.0	0.5	0.0	-0.2	2.5	3.3	2.4	2.2
Emerging and developing economies								
- China	2.1	2.9	2.5	0.9	2.0	0.2	0.5	1.5
- India	3.4	4.8	6.2	5.5	6.7	5.4	4.5	4.6

E – estimated; P – projected

^Projections for CY24 and CY25 are based on S&P Global forecasts

Source: IMF World Outlook, July and October 2024; S&P Global June 2024 regional releases

Inflation has started easing due to the steps taken by central banks (such as increasing repo rates) and a decline in food and energy prices. It is now near the target levels with demand pulls easing. That said, services-led inflation and employment remain strong, limiting the pace of decline.

These factors have now triggered the much-awaited policy-rate-cut cycle after a long period of waiting by central banks for the moderation of stubborn inflation. Bank of Canada and the European Central Bank lowering rates by 25 basis points (bps) in June 2024. The US Federal Reserve also cut rates by 50 bps in its September 2024 meeting, indicating an easing of monetary policy. This relationship between demand, inflation and rate cuts is now expected to be the dominant narrative in the medium term.

GDP review and outlook

The Indian economy logged a strong 7.8% on-year growth in the fourth quarter of fiscal 2024, compared with 5.9% pencilled-in by the National Statistical Office (NSO) in its second advance estimates in February 2024. With this, real GDP growth printed at 8.2% on-year (provisional estimate) for fiscal 2024, higher than the 7.0% in the previous fiscal, driven by fixed investments on the demand side and industry on the supply side.

In fiscal 2025, GDP grew 6.7% on-year in the first quarter, aided by a significant pickup in private consumption in contrast to fiscal 2024, but limited by slower government spending and slower manufacturing.

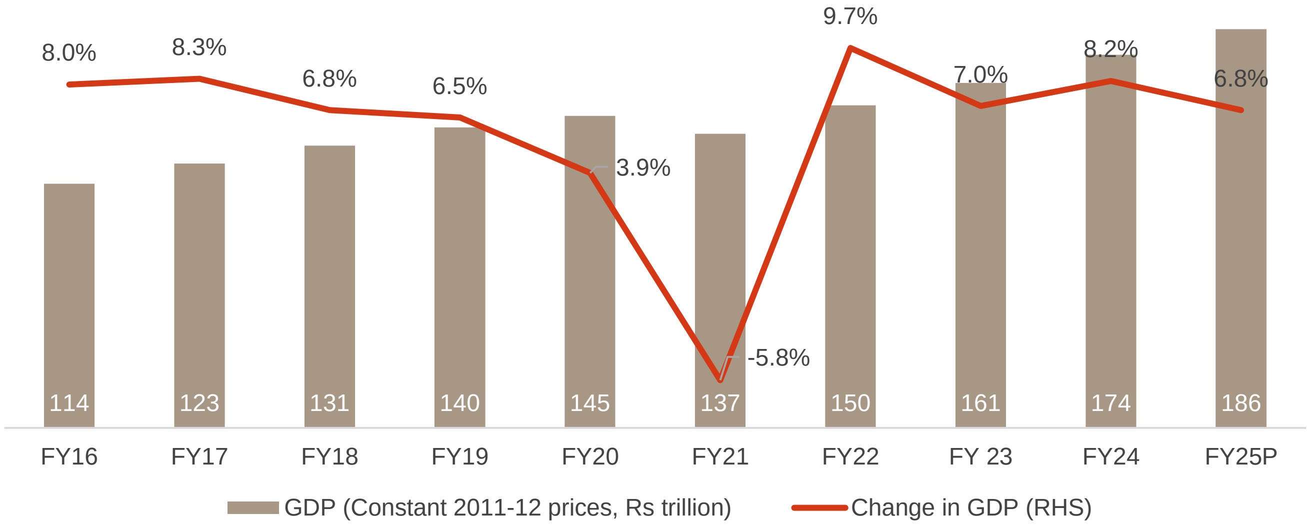
Despite weak agricultural growth of 1.4% in fiscal 2024 vs. 4.7% in fiscal 2023, the overall GDP growth was robust, indicating that the surge in non-agriculture sectors more than offset the slowdown in agriculture. Construction, the most labour-intensive sector, is estimated to have been one of the fastest-growing segments in fiscal 2024, at 9.9%, compared with 4.9% on average in the previous decade. This was attributable to the government’s infrastructure spending and a revival in the housing sector. Manufacturing, too, picked up (9.9% vs. -2.2%), supported by lower input prices. Utilities posted a healthy growth of 7.5% (vs. 9.4%), propelled by a surge in electricity production. Consequently, growth momentum was seen in fiscal 2024 as well, at 8.2%, despite a high base.

India’s GDP grew 7.2% on-year to ~Rs 160 trillion in fiscal 2023, building on the robust 9.1% growth in fiscal 2022, suggesting strong growth momentum, propelled largely by government-led investments with stable to increasing trends for both investment and private consumption.

The strong growth in fiscal 2022 to ~Rs 149 trillion came from a low base, surpassing the pre-pandemic level in fiscal 2020. Growth in fiscal 2022 would have been higher, but for the brutal second wave in the first quarter, which impacted consumer sentiment and hurt demand in contact-intensive sectors. The resurgence of Covid-19 since March 2021 forced many states to implement localised lockdowns and restrictions to curb the pandemic. The country reported the highest number of daily cases in the beginning of May 2022. The second round of lockdowns was less restrictive for economic activity than the previous one. Manufacturing, construction, agriculture and other essential activities were permitted in most states. Travel, too, was permitted, unlike during the first wave, where all travel services were shut down. The third wave in the fourth quarter of fiscal 2022 had a minimal impact on the economy due to high vaccination rates and adaptation to the new normal.

Following a strong GDP print over fiscals 2022 to 2024E, GDP growth is expected to moderate to 6.8% in fiscal 2025 as fiscal consolidation will reduce the fiscal impulse to growth, credit conditions can tighten this year moderating urban demand, and slower global growth can restrict the upside to goods exports due to the normalisation of supply chains and an expected pickup in trade volume in calendar 2024. Nevertheless, this would still mean India will log the fastest growth among major economies and fare better than the 6.7% growth seen in the decade preceding the pandemic.

Figure 1: Historical GDP growth and outlook



P – projected

Source: Ministry of Statistics and Programme Implementation ("MoSPI"), CRISIL MI&A Research

The onset of the pandemic and the subsequent imposition of a nationwide lockdown from March 25, 2020, led to an estimated 5.8% decline in GDP to Rs 137 trillion in fiscal 2021. Although the economy was under pressure in the first half of the fiscal due to the pandemic-induced, lockdown-led demand shocks and weak global demand, low oil and commodity prices provided some respite. The second half of fiscal 2021 saw an uptick in mobility and economic activity, as sentiment improved, and people became accustomed to living with the pandemic. The opening up of vaccinations in the fourth quarter, albeit limited to a smaller section of the population initially, boosted the sentiment, containing the contraction to 5.8% in fiscal 2021. Additionally, to stimulate economic growth, the government implemented a slew of measures during the pandemic-impacted year, under the Atmanirbhar Bharat Abhiyan. The Production-Linked Incentive ("PLI") scheme followed, tying in with the Make in India programme.

In the medium term, the Indian economy is projected to grow 6-7% on-year, boosted by healthy public capital expenditure (capex), domestic-consumption-led growth, the ongoing supply-chain de-risking strategy of global companies that should boost manufacturing in India and the thrust provided by the PLI scheme. However, the slowdown in global economies could negatively impact Indian exports, limiting GDP growth to some extent.

Table 3: India's GDP and macroeconomic outlook

Macro variable	FY22	FY23	FY24s	FY25P	Rationale for the outlook
Real GDP (%, y-o-y)	9.1	7.2	8.2	6.8	High interest rates and lower fiscal impulse (from reduction in the fiscal deficit) are expected to weigh on growth. But growth will become more balanced as the last year's laggards — agriculture and private consumption — are poised to rise. High rural demand and easing food inflation are expected to lift consumption.
Consumer price index (CPI) inflation (%, y-o-y)	5.5	6.7	5.4	4.6	Overall, the consumer price inflation (CPI) to average 4.6% in fiscal 2025, compared with 5.4% last fiscal. Non-food inflation is expected to remain benign. Food inflation is expected to be lower this fiscal with health Kharif sowing.

Macro variable	FY22	FY23	FY24s	FY25P	Rationale for the outlook
Current account balance/GDP (%)	1.2	-2	-0.7	-1.0	Higher imports given the uptick in consumption demand this fiscal is expected to widen the trade deficit and put some pressure on the current account deficit (CAD). That said, healthy services trade surplus and remittances should keep a tab on CAD.
Rs/$ (March-end)	76.2	82.3	83	84	Although the CAD is expected to remain manageable, it may face some risks amid the uneven global growth scenario and geopolitical uncertainties. That said, India's healthy domestic macros should cushion the rupee.

P – projected

^Second advance estimates

Source: Reserve Bank of India ("RBI"), National Statistical Office ("NSO"), CRISIL MI&A Research

India to remain one of the fastest-growing economies globally

Despite headwinds, India is expected to remain one of the fastest-growing economies in the world. Indeed, this was already the case before the pandemic. The country's macroeconomic indicators were gradually improving — the twin deficits (current account and fiscal) were narrowing, and the growth-inflation mix was improving, too, and durably so. The government had also adopted an inflation-targeting framework to provide an institutional mechanism for controlling inflation, while modernising central banking. Consumption recovery, government investments, and healthy balance sheets for a large percentage of India Inc indicates strong fundamentals that are expected to continue in the medium term.

Table 4: Economy-wise GDP growth outlook

Country	2021	2022	2023	2024P
China	8.5	3.0	5.2	4.8
Germany	3.2	1.8	-0.3	0.0
India*	9.1	7.0	8.2	6.8
Indonesia	3.7	5.3	5.0	5.0
Japan	2.6	1.0	1.7	0.3
Malaysia	3.3	8.9	3.6	4.8
Thailand	1.6	2.5	1.9	2.8
UK	8.7	4.3	0.3	1.1
US	5.8	1.9	2.9	2.8

**India numbers are on a fiscal-year basis*

E – estimated; P – projected

Note: All forecasts are from the IMF

Source: IMF World Economic Outlook October 2024, CRISIL MI&A Research

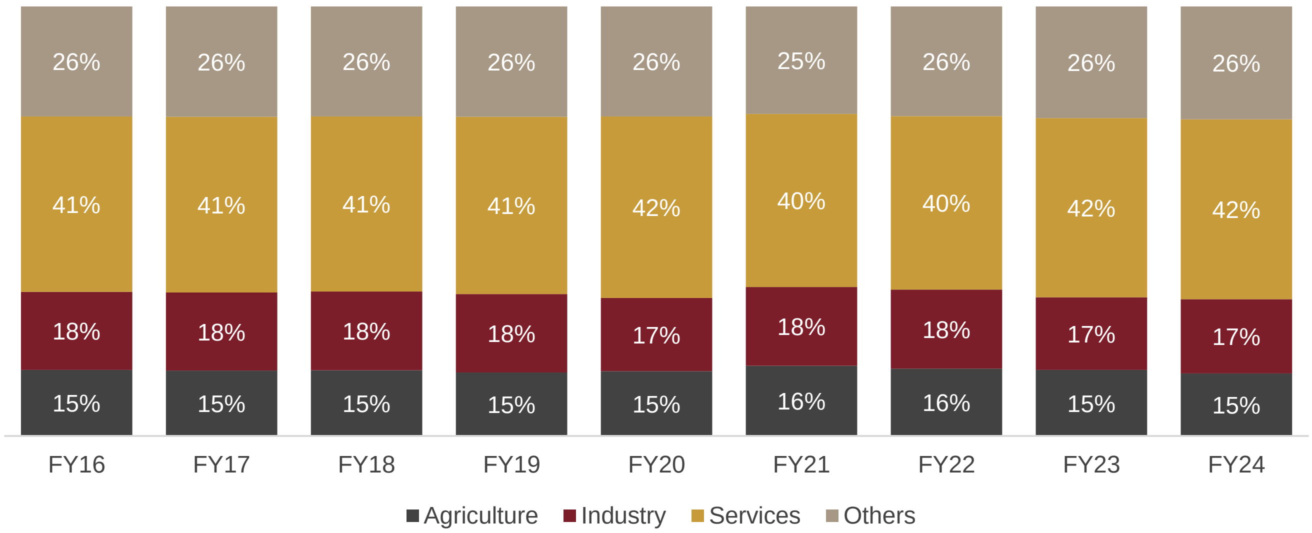
Contribution of key sectors to gross value added

An analysis of India's gross value added (GVA) shows it has grown consistently over the years except in fiscal 2021, when it was impacted by the pandemic-induced lockdown. The services sector has remained a significant contributor to GVA over the years. Growth in services exports, accounting for half of the country's overall exports, has continued to outpace the economic growth.

The growth in the manufacturing GVA (3% CAGR between fiscals 2017 and 2022) is attributable to various government initiatives such as Atmanirbhar Bharat, Make in India and the PLI scheme. Although the share of industry in the GVA has remained constant at 18%, a large percentage of PLI capex is yet to be commissioned. This is expected to aid growth in the share of both manufacturing and exports.

The agriculture GVA logged a 3% CAGR, driven by the government's subsidy support to farmers and various other initiatives such as the PM Krishi Sinchayee Yojana ("PMKSY"). Normal monsoon, implementation of various government schemes and favourable agricultural commodity prices over the past two fiscals have aided the growth.

Figure 2: Contribution of key sectors (industry, agriculture and services) to GVA



Source: MoSPI, CRISIL MI&A Research

Multi-pronged policy focus boosts rural segment

The rural economy has benefitted from two consecutive years of good monsoon and increased spending under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), irrigation programmes, the Direct Benefit Transfer (DBT) scheme, the Pradhan Mantri (PM) Kisan scheme, the PM Ujjwala Yojana for cooking gas, the PM Awas Yojana for housing, and the Ayushman Bharat Yojana for healthcare. A continuous improvement in rural infrastructure, such as electricity and roads has also been supplementing these initiatives, leading to reduced leakages and higher income in the hands of the rural populace, enhancing their ability and willingness to spend on discretionary products and services. The rural economy accounts for almost half of India's GDP and has performed much better than the urban economy in the aftermath of the pandemic.

There are three reasons for this. First, agricultural activity has continued largely unhindered, with normal monsoon and lower spread of the pandemic in rural areas, given lower population density. Second, the government offered support, making available an additional Rs 500 billion for MGNREGA and disbursing over Rs 2.6 trillion for the PM-Kisan scheme until July 2023. Third, the structure of the non-agricultural rural economy has helped it bear the Covid-induced shock better. The rural economy accounts for 51% of India's manufacturing GDP, but the rural share in services GDP (excluding public administration, defence and utilities) is much lower, at ~26%.

Private investment and rural consumption growth key for fiscal 2025

In the second half of fiscal 2024 (October 2023 to March 2024), the index of industrial production (IIP) grew 5.7% on average, lower than the 6.3% growth reported in the first half. This was consistent with the NSO's provisional estimates for the fiscal that pegged the GVA growth at ~6.5% in the second half compared with 8.0% in the first half.

The fall in IPP growth in the second half was driven by weak growth in consumer non-durables, possibly indicating weak consumption in the bottom income segment of the population, particularly in rural areas. In fiscal 2025 as well, industrial growth hinges on consumption revival. Rural demand that had slipped last fiscal, awaits better agricultural growth. Although the monsoon has been above normal until August, its intensity and the distribution of rainfall will determine agricultural prospects.

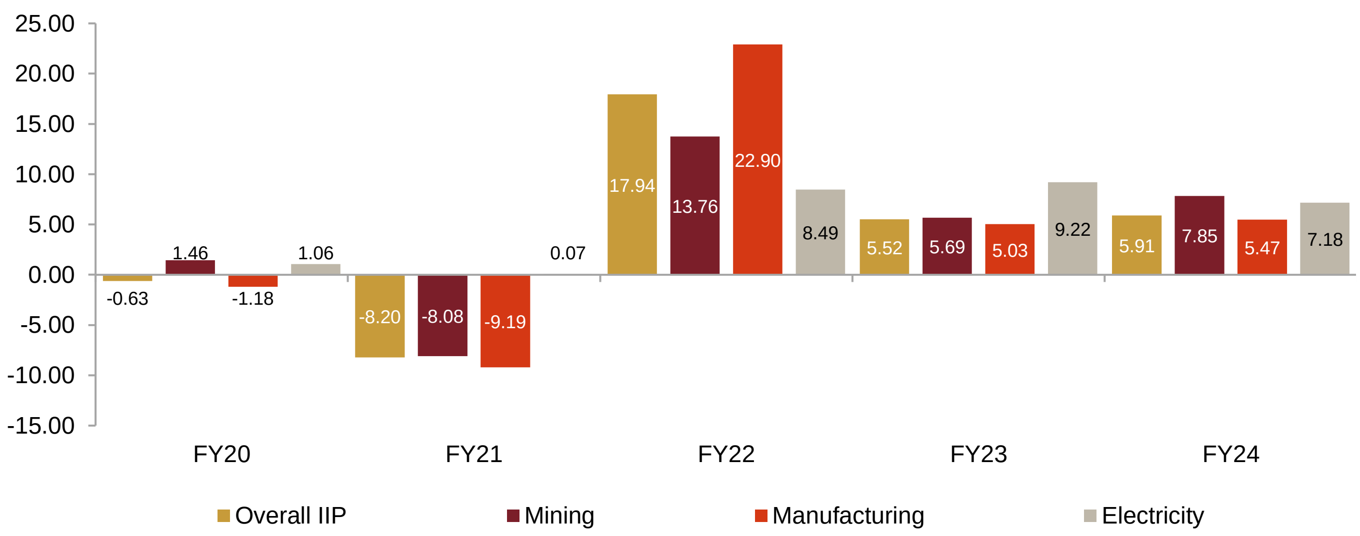
Further, private consumption has been a weak link, estimated to have grown just 4.0% in fiscal 2024, much below the 8.2% GDP growth. We expect government support to weaken further in the current fiscal as it pursues the path to fiscal consolidation. However, a pickup in private capex is critical to sustaining the investment momentum.

A normal monsoon and easing inflation, though, could support rural demand in the current fiscal. However, transmission of past rate hikes by the RBI to lending rates and the regulatory measures undertaken to clamp down risky consumer credit is expected to drag domestic demand this fiscal.

Growth in India's major trading partners is expected to be uneven in calendar 2024 as well, with the EU expected to post tepid growth, though the US should retain its strong momentum. Overall, global trade flows could revive from a low base of the previous year, but geopolitical uncertainty in the Middle East remains a risk, restricting a broad-based recovery in exports.

The fiscal started off on a good note, with merchandise exports logging steady growth in the first quarter. This, along with key multilateral organisations' forecasts of better on-year trade growth, are encouraging. The government's increased focus on foreign trade agreements should also provide a fillip. That said, growth in imports thus far has surpassed exports, widening the trade deficit. The expected moderation in domestic growth should keep a tab on growth in imports, and therefore on trade deficit. At the same time, the surplus in services trade and robust remittances flow suggest that the current account is expected to remain in the safe zone.

Figure 3: IIP on-year growth trend



Source: MoSPI, CEIC, CRISIL MI&A Research

Policy rate cuts to commence this fiscal

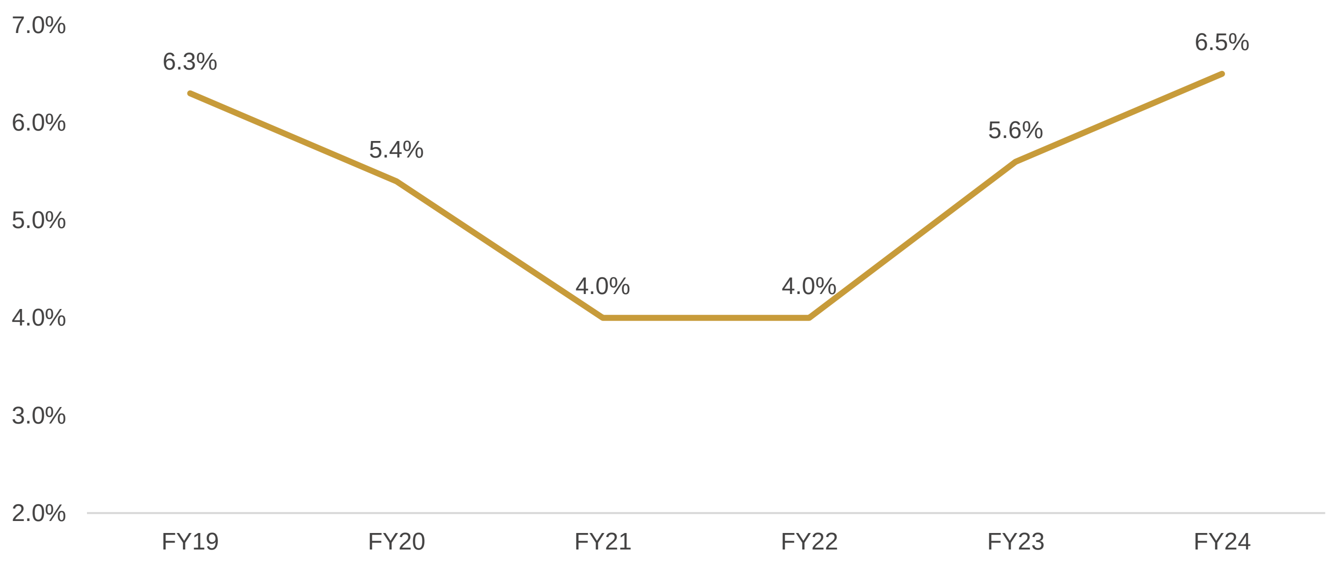
The RBI's Monetary Policy Committee (MPC) held policy rates steady through fiscal 2024. However, slowing inflation, a smaller fiscal deficit and an imminent turn in the US Federal Reserve's policy rates will lay the ground for the MPC to start cutting rates in fiscal 2025.

That said, although consumer price inflation has remained within the RBI's tolerance band of 2-6% since August 2023, the transmission of past rate hikes, liquidity tightening and the recent regulatory actions by the RBI are expected to curb banks and NBFCs' credit growth, which in turn could moderate domestic demand in fiscal 2025, especially in the urban areas.

In addition, with the government pursuing fiscal consolidation, the expected policy rate cuts by the RBI and robust foreign capital inflows, the 10-year government security (G-sec) yield is also expected to soften from March 2024 levels. CRISIL MI&A Research expects the yield to average 6.8% by March 2025, compared with 7.1% in March 2024.

Other than lower gross borrowings, policy rate cuts by the RBI and lower domestic inflation should pull down yields. India's inclusion in the JP Morgan Emerging Market Bond Index from mid-2024 should contribute to the drop in yields. In fact, announcement of the inclusion has already led to a surge in foreign inflows into the Indian debt market to reach their highest level since 2017.

Figure 4: Annual trend of repo rate



Source: RBI

The RBI's Monetary Policy Committee kept the policy rate and stance unchanged in fiscal 2024, evaluating the impact of previous rate hikes on growth and inflation. Inflationary pressures are expected to ease. We expect Consumer Price Index (CPI) inflation to average 4.6% in fiscal 2025 from an estimated 5.4% in the previous fiscal. Healthier farm output under the assumption of a normal monsoon and the expectation of benign commodity prices should help moderate inflation in the current fiscal. However, severe weather events pose a risk to food prices. The surge in crude oil prices is a risk for non-food inflation.

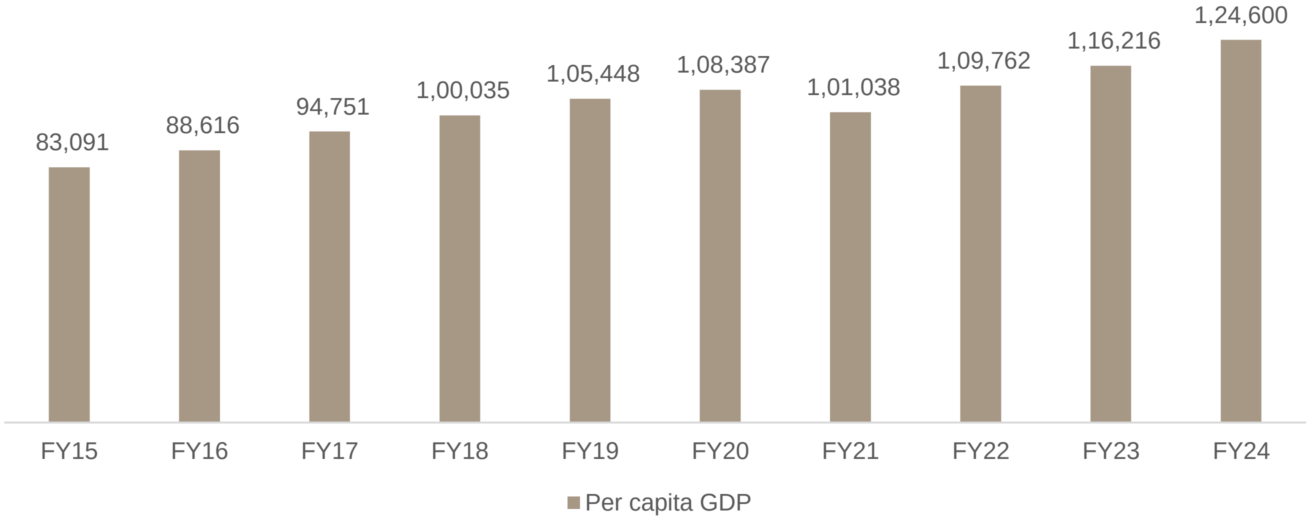
Easing monetary cycles globally, coupled with the improving inflation outlook, should allow the RBI to initiate rate cuts this fiscal.

Softer core and non-food inflation continues to offer relief to the MPC. Overall, the macroeconomic environment is likely to turn favourable for a rate cut. Barring any shocks, the RBI is expected to initiate rate cuts this fiscal, starting October at the earliest.

GDP per-capita trends

India's GDP per capita in real terms logged 5.46% CAGR between fiscals 2015 and 2020, rising to ~Rs 108,000 from ~Rs 83,000. The pandemic-induced lockdown led to a decline in income and widespread job losses, pushing GDP per capita down 6.8% on-year to ~Rs 101,000 in fiscal 2021, back to the fiscal 2018 level. With GDP output sustaining in the 7-9% range over fiscals 2022-2024, GDP per capita has grown at a CAGR of 7.2% over fiscals 2022 to 2024, surpassing the pre-Covid-19 level of fiscal 2020 in 2022 itself.

Figure 5: India's GDP per capita (Rs)

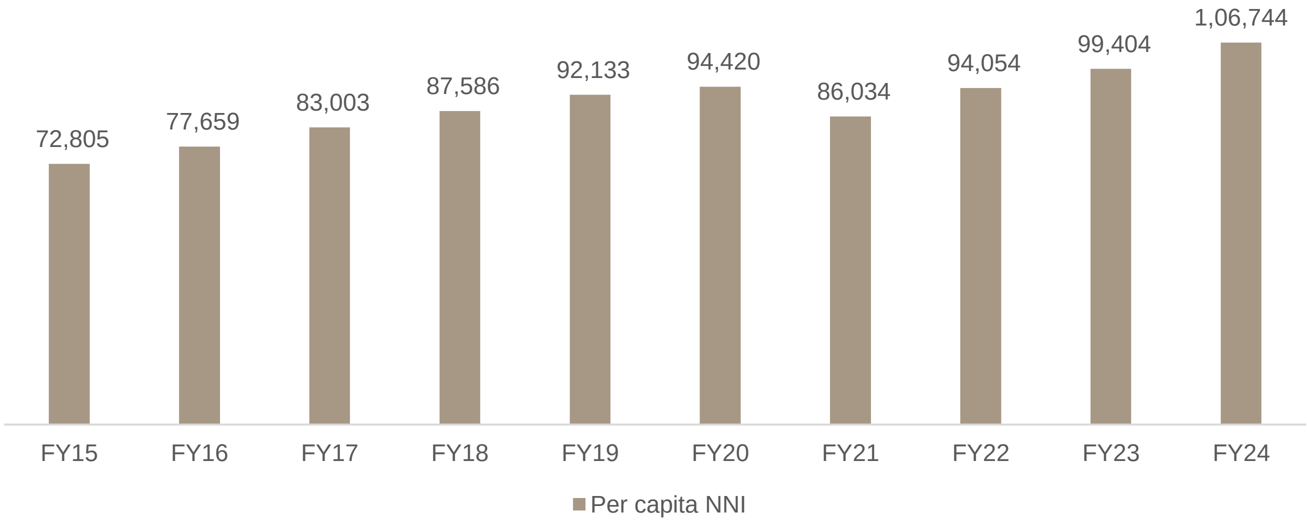


Note: Data is based on constant prices, 2011-12 base; FY24 data is provisional

Source: National Accounts Statistics, CRISIL MI&A Research

India's national income per capita in real terms logged 5.3% CAGR between fiscals 2015 and 2020, increasing from ~Rs 73,000 to ~Rs 94,000. Owing to the pandemic, it decreased 8.9% on-year to ~Rs 86,000 in fiscal 2021 (back to the fiscal 2018 level). Tracking economic output trends, national income per capita has grown 7.4% on-year to ~Rs 106,744 in fiscal 2024, with CAGR of 7.5% growth over fiscals 2022-2024.

Figure 6: India's national income per capita (Rs)



Note: Data is based on constant prices, 2011-12 base, FY24 data is provisional

Source: National Accounts Statistics, CRISIL MI&A Research

Power demand shows strong correlation with GDP per capita

A 30-year data assessment indicates a strong correlation between power demand and overall GDP growth. Cross-country and cross-state comparisons also indicate the same. Hence, tracking GDP growth and its impact on per capita power demand is considered an established means of understanding the prospects of the power sector.

Further, India's manufacturing GVA share of 17% as of fiscal 2024 (provisional estimate) is lower than that of its other Association of Southeast Asian Nations (ASEAN) peers, which play the role of factories to the world. That said, the ongoing supply-chain de-risking strategy of global players amid geopolitical disruptions, the Indian government's focus on initiatives such as Make in India and PLI, and the emergence of new-age sectors amid energy transition creating new manufacturing needs are set to improve the contribution of manufacturing to India's GDP. This would further boost power demand prospects.

Alongside these developments, an efficient transmission and grid infrastructure would help reduce aggregate technical and commercial (AT&C) losses and improve energy efficiency in the power sector.

Module 2: Overview of investments in power sector: Generation, transmission

A transmission system serves as the crucial link to connecting power generation sources to the distribution network, which, in turn, is responsible for supplying power to consumers. The primary objective of these systems is to assist the transfer of electricity from power generation facilities, reinforce the existing transmission infrastructure to accommodate projected increase in demand and effectively harness distributed power generation resources in various regions. Power transmission in India requires a transmission license, granted for 25 years by the relevant regulatory commissions.

In India, the transmission system follows a two-tier structure, consisting of intra-state transmission (InST) lines and inter-state transmission system (ISTS) lines, with a few specialised transmission lines serving distinct purposes. ISTS lines are developed and managed by inter-state transmission licensees. Currently, a majority of the ISTS network is under the ownership and operations of the Power Grid Corporation of India Ltd (PGCIL). The ISTS evacuates power from inter-state generating stations (ISGS) that serve beneficiaries in multiple states, transmitting power from ISGS to the delivery points of the state grid, and transferring excess power from regions or states with surpluses to those with deficits in accordance with relevant regulations.

Conversely, the InST system is established and maintained by state transmission utilities (STUs) or InST licensees. InST focuses on evacuating power from the generating facilities of a state, including those operated by both the state and private sectors, catering to beneficiaries within that state. It also handles the transmission of power, stretching from the ISTS boundary to various substations within the grid network of the state, and ensures delivery of power to load centres across that state.

Capacity addition in generation

Fuel-wise capacity addition

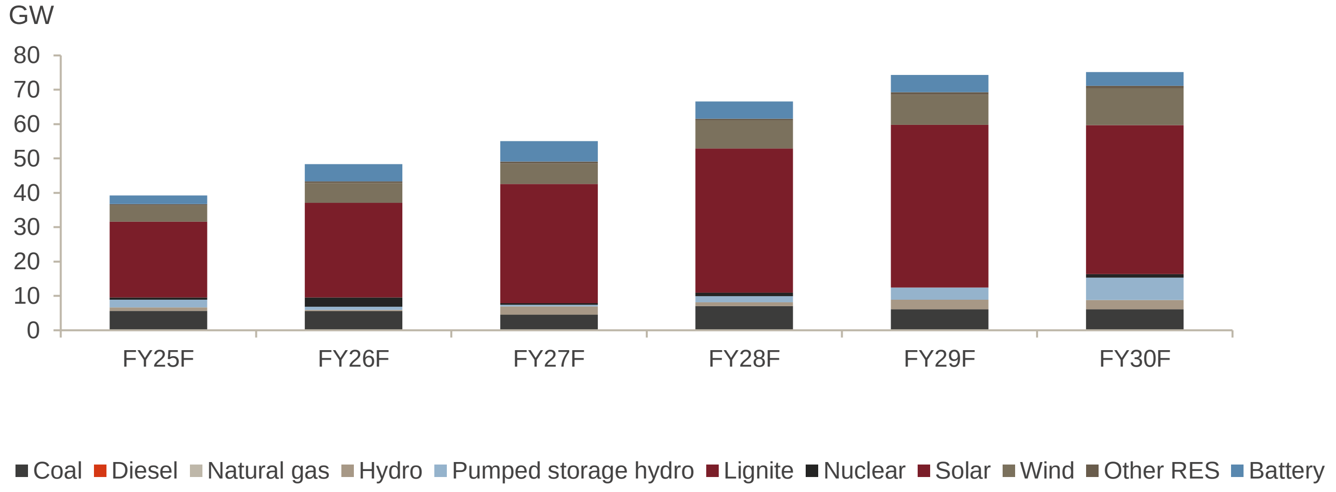
Indian power generation installed base is dominated by conventional sources (coal, hydro, natural gas, nuclear, lignite and diesel), accounting for ~67% of the installed base; the remaining 33% comes from solar, wind and other renewables as of fiscal 2024. The renewables base along with storage is projected to record a lofty rise over the next six years, with these sources expected to account for ~86% of the new additions.

While approximately 28.4 gigawatts (GW) of coal power generation capacity was under construction as of August 2024, 34-36 GW of coal-based power is likely to be further commissioned between fiscals 2025 and 2030. An addition of 10-12 GW of hydroelectric power and 4-6 GW of nuclear capacity is also expected during this period. Increase in coal plant capacity has remained favourable in fiscal 2024, with 5,404 megawatts MW of capacity added, as compared to 1,460 MW of capacity added in fiscal 2023.Projects worth 5-6 GW in coal capacity are close to commissioning this fiscal; however, no capacity addition has been seen till August 2024.

Further, 260-270 GW of renewable capacity is expected to come online between fiscals 2025 and 2030, comprising solar additions of ~82% followed by wind at 17% and other renewable sources at 1%.

Technologies such as pumped storage (PSP) and batteries are expected to gain momentum in the coming years. PSP is expected to account for ~4% of the cumulative total upcoming capacity (conventional + renewable) by fiscal 2030 and batteries for 8%.

Figure 7: Expected capacity addition over FY25-30



Source: CRISIL MI&A

Investments in the sector

CRISIL MI&A Research foresees investment of Rs 29-30 trillion in the power sector over fiscals 2025-2030. A shift in allocation of investments is expected during this period compared with fiscals 2019-2024 — the share of the power generation sector is anticipated to increase and that of the distribution sector to decrease.

Investments in the generation segment are expected to increase to Rs 21-22 trillion compared with ~Rs 7.5 trillion between fiscals 2019 and 2024, driven by renewable as well as conventional power capacity additions, which together are expected to total 355-365 GW.

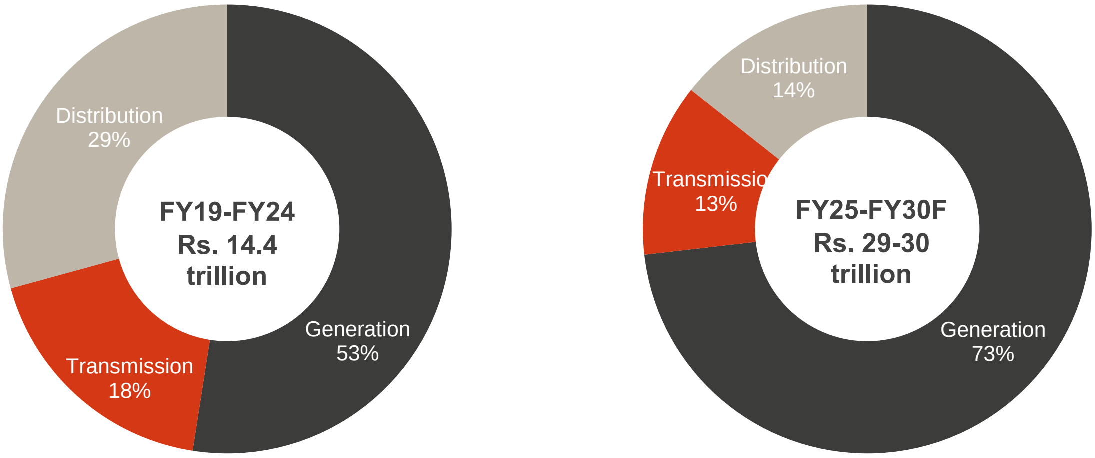
The distribution segment is expected to attract investments worth Rs 3.5-4.5 trillion over fiscals 2025 to 2030 vis-à-vis ~Rs 4.2 trillion between fiscal 2019-2024 led by the government's thrust on the Revamped Distribution Sector Scheme, improving access to electricity and providing 24x7 power to all.

According to the International Energy Agency's World Energy Outlook 2022, annual average global grid investment is expected to rise to $550 billion by 2030 and ~$580 billion by 2040 from $300 billion per year from 2012 to 2021, under its Stated Policies Scenario (STEPS). In emerging markets and developing economies, annual average grid investments are expected to rise to ~$330 billion by 2030 from $135 million per year from 2012 to 2021.

In the Indian transmission sector, investments are projected to be Rs 3-4 trillion over fiscals 2025 to 2030. Investments in the sector are expected to be driven by the need for a robust and reliable transmission system to support continued generation additions and the strong push to the renewable energy sector as well as rural electrification. Also, strong execution capability coupled with healthy financials of PGCIL will drive investments

The power-transmission segment is estimated to see buoyant activity over the rest of this decade, riding on renewable-energy integration into the grid and normative expenditure on grid strengthening and augmentation at both central and state levels. Central transmission authorities estimate a potential investment of Rs 1-2 trillion till fiscal 2030 from renewable energy integration and central level grid augmentation alone, state level investments would add to this.

Figure 8: Segment-wise Indian investment trend

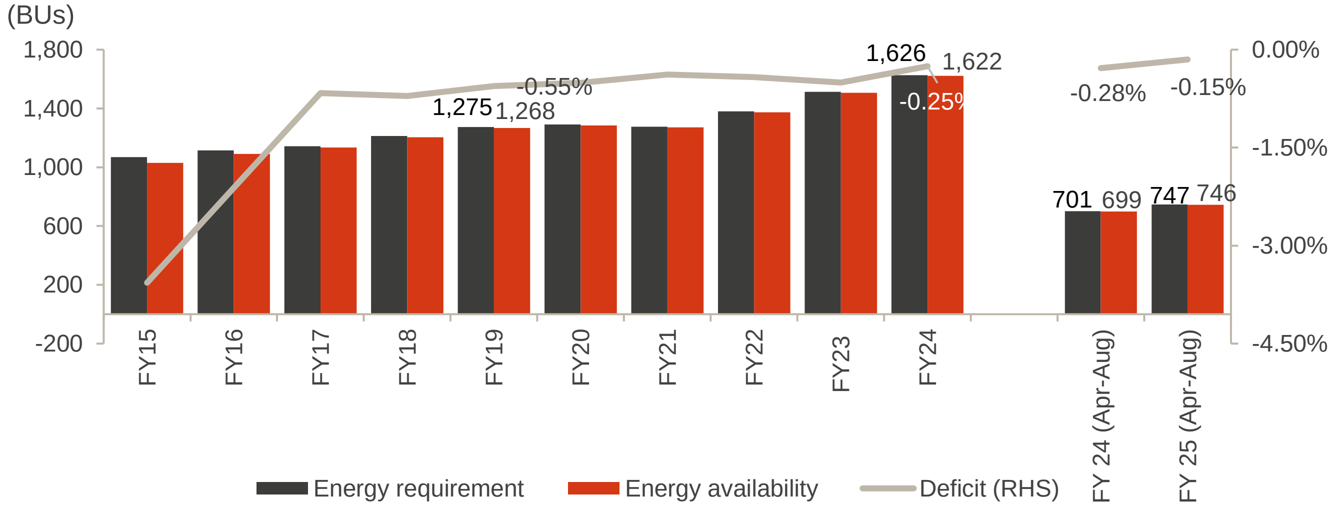


Source: CRISIL MI&A

Power deficit scenario

CRISIL MI&A Research anticipates 6.5-7.5% growth in power demand in fiscal 2025, and projects a deficit of 0.25-0.3% on account of increasing renewable capacity additions, transmission line augmentation, and improvement in distribution infrastructure. May 2024 saw a historic peak power demand of 250 GW; the entirety being serviced thus leading to a 0% deficit for the month. Although base deficit has reached below 1% in almost all major states except for Jharkhand and Andaman and Nicobar Islands as of fiscal 2025 (April-August), CRISIL MI&A Research believes that terming this scenario as a power surplus situation is not appropriate. There is still off-grid untapped latent demand in the country, and 100% intensive rural electrification and 24x7 power supply have not yet been achieved.

Figure 9: Energy requirement vs energy availability *(BUs)*



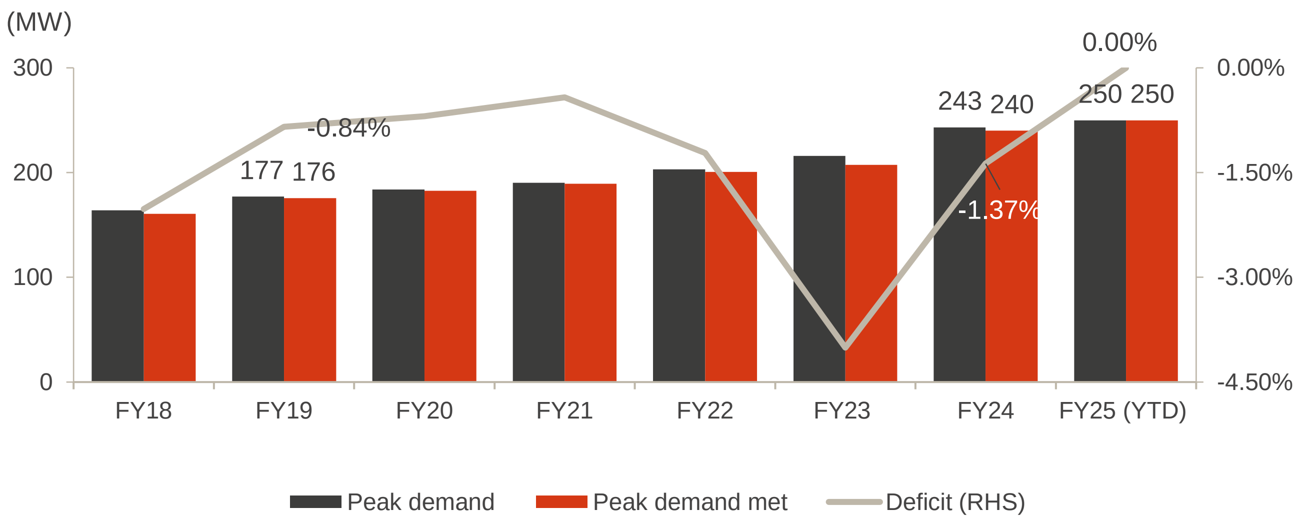
Source: CEA, CRISIL MI&A

In fiscal 2024, the energy deficit across states and union territories (UTs) declined to 0.3% vis a vis 0.5% seen in fiscal 2023. Peak demand in August 2023 reached 239 GW which then touched 243 GW in September 2023 which led to these months registering deficits of 0.6% and 0.4% respectively.

In fiscal 2024, northern region witnessed ~2 GW of thermal capacity additions while the western region saw ~1.4 GW of capacity addition with commissioning of KAPP (700 MW x2) nuclear power plants in Gujarat along private coal addition in Maharashtra of 150 MW.

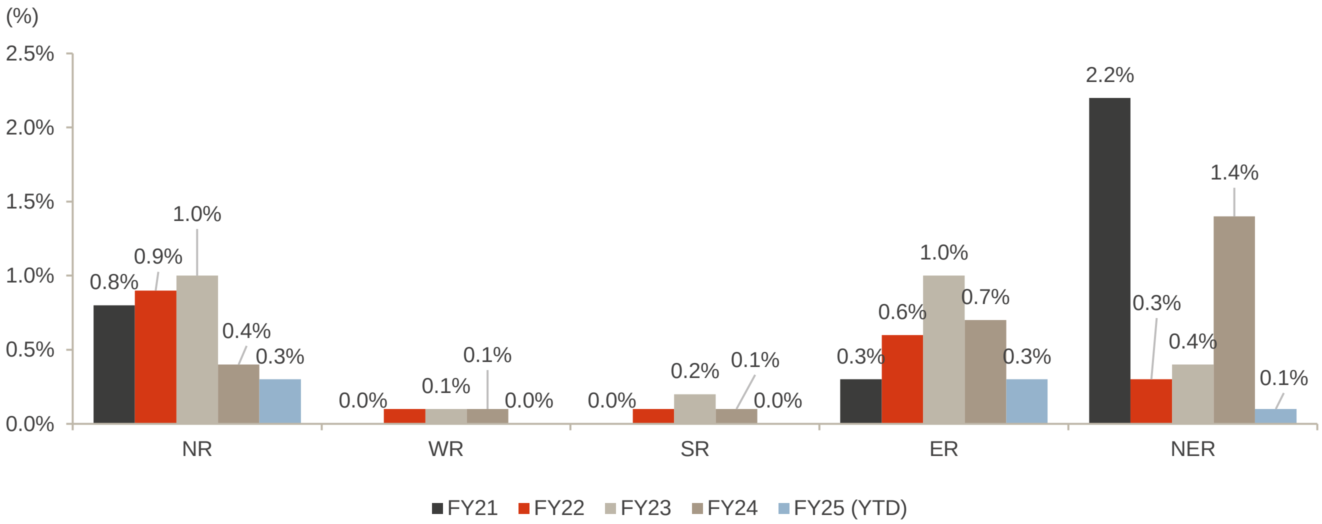
Along with this, commissioning of new plants/units, such as Unit 2 (800 MW) of Darlipali STPS and Unit-4 (250 MW) of Nabi Nagar TPP for the eastern region, Unit-8 (660 MW) of Suratgarh TPS for Rajasthan, Unit-10 (660 MW) of Harduaganj TPS in Uttar Pradesh, hydro plants in Sikkim, and newly commissioned Vyasi HPS in Uttarakhand (120 MW) in the past has brought down the deficit numbers for the northern, eastern and north-eastern regions. Additionally, augmenting of the transmission network (inter, intra and regional) aids in narrowing this deficit.

Figure 10: Peak demand vs peak supply



Note: YTD refers to April-August 2024
Source: CEA, CRISIL MI&A

Figure 11: Region-wise energy deficit



Note: YTD refers to April-August 2024

Source: CEA, CRISIL MI&A

Moving from thermal to renewables

Major traditional power generation companies (gencos) have been shifting towards RE capacities in response to the uncertainty surrounding the phasing out of thermal power generation in the distant future. NTPC Ltd, in addition to its role as a nodal agency alongside the Solar Energy Corporation of India (SECI), has established its wholly owned subsidiary, NTPC Renewable Energy Ltd (NTPCREL), to diversify its energy production mix. The company aims to achieve 60 GW of installed RE capacity by 2032.

The Adani group, which has been actively seeking distressed thermal assets, but has no new thermal projects under Adani Power Ltd, continues to emphasise on renewables expansion through its publicly listed sister company, Adani Green Energy Ltd. As of June 2024, Adani Green Energy Ltd had an operational portfolio of around 10.9 GW and around 11 GW in various stages of development. While ReNew Power has operational capacity of 9.5 GW and pipeline capacity of 6.1 GW, JSW Energy had operational solar capacity of 675 MW as of June 2024. In fiscal 2024, Torrent Power had a renewable portfolio of ~4.2 GW, which included 1,236 MW of operational and 3,041 MW of under construction capacities. Similarly, Tata Power had operational renewable energy capacity of 4,524 MW in the fiscal 2024. SJVN, a Himachal Pradesh state PSU, had an operating renewable energy portfolio of 405 MW in fiscal 2024 and a pipeline of 1,980 MW of projects. Other industrial houses with renewable portfolios include Grasim Industries, Mahindra & Mahindra and L&T, with operational solar capacities of 894 MWp, 1.54 GWp and 2,192 MWp, respectively, in fiscal 2024. In fact, Mahindra & Mahindra has outlined plans to add a further 5.5 GWp of capacities by fiscal 2027.

These developments clearly indicate that major traditional power gencos are acknowledging and participating in the global transition towards RE generation, as part of their strategy to safeguard their future.

Similarly, private power gencos have unveiled long-term plans to establish significant energy storage capacities by participating in tenders issued by central and state agencies. The Greenko Group and JSW Neo Energy, a subsidiary of JSW Energy, have announced pumped hydro projects. State-owned power utilities have joined the bandwagon, with a pipeline of 7.5-8.5 GW in pumped hydro projects, led by Andhra Pradesh, West Bengal, and Karnataka. The central government has announced its intention to solicit bids for large battery storage-based tenders. So far, till September 2024, cumulatively more than 12 GW of contracted capacity has been allocated with storage element. Central REIAs (Renewable Energy Implementing Agencies) SECI, NHPC, NTPC and SJVN accounted for ~80% of these capacities signifying increased involvement of both central and state sectors in this area. SECI has also come up with FDRE (firm and dispatchable RE power) tenders, requiring round-the-clock injection of renewable power in the grid. The new-age tenders are also expected to increase the installed base of renewable and hydro power in the country.

With this shift, the emerging risks are management of the intermittent nature of renewables coupled with the difference in time of generation vis-a-vis demand. However, the nodal agencies are managing and planning for these risks through novel project models and incorporation of storage elements to ensure smooth transition.

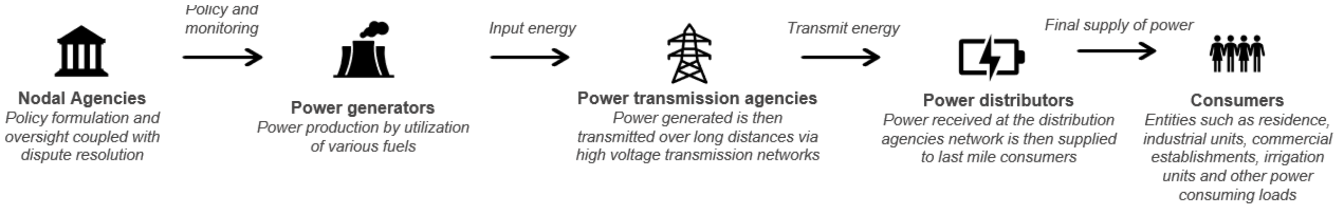
Review and outlook for the transmission system in India

Transmission system in India: Value chain

The Indian power value chain has three distinct servicing segments: generators, power transmission entities and power distributors. These segments share regulatory oversight, with Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commissions (SERCs) serving as the authorities responsible for tariff determination and dispute resolution for most players in these segments.

The distribution segment plays a pivotal role in ensuring the continuous flow of payments throughout the system. Generators and transmission entities establish direct agreements with the distribution segment, which ultimately serves as the payer in the value chain. Nevertheless, the distribution segment is grappling with its own set of challenges, including significant operational losses in terms of energy and revenue, as well as issues related to infrequent tariff revisions.

Figure 12: Overview of the generation, transmission and distribution ecosystem in India



Source: CRISIL MI&A

The ecosystem is handled by an interlinked set of nodal agencies and authorities, responsible for various aspects of the power grid ranging from regulatory issues to technical requirements:

Table 5: Central and state government agencies maneuvering the power sector

Centre	State
Ministry of Power (MoP)	Regional Load Dispatch Centre (RLDC)
Ministry of New and Renewable Energy (MNRE)	State Load Dispatch Centre (SLDC)
Central Electricity Regulatory Commission (CERC)	State Electricity Regulatory Commission (SERC)
Central Electricity Authority (CEA)	State distribution utilities
Power System Operation Corporation (POSOCO)	State Energy Development Authority
Central Transmission Utility (CTU)	State Transmission Utility (STU)
Solar Energy Corporation of India (SECI)	
Power Grid Corporation India (PGCIL)	
Appellate Tribunal for Electricity (APTEL)	
Rural Electrification Corporation (REC)	
Power Finance Corporation (PFC)	

Source: CRISIL MI&A

Formation and integration of state grids

Figure 13: Evolution of power grid in the country

Post-independence

Fragmented grid with free standing networks close to load centres

- Installed capacity was 1,300 MW
- 132 kV was the highest transmission capability

1950s-1960s

Voltage level increased to 220 kV from 132 kV

Third 5-Year Plan (1961-1966)

Regional planning was introduced, and country's power market was segregated into five regions – Northern, Western, Southern, Eastern, and Northeastern

1960s-1970s

Regional electricity boards were established

- Promotion of state base power systems across the regions and exchange of power among the states in the region
- Inter-state lines categorised as "centrally sponsored", with states provided interest-free loans to undertake projects outside the state. 55 lines were constructed under this programme, connecting 13 states across regions

1975

NHPC and NTPC established with a view to promote power generation within states in the regions and construct transmission lines to transmit power to neighbouring states

1989

Transmission divisions of NHPC and NTPC separated and PGCIL established

Main objective for establishing PGCIL was to improve connectivity of central plants and to focus on inter-regional transmission

1992

Eastern and northeastern regions linked via Birpara-Salakati 220 kV line and later by 400 kV D/C Bongaigaon-Malda D/C line

2003

Western region linked with easter and northeastern regions via 400 kV Rourkela-Raipur line, thus creating a central India system

2006

Northern region linked to central India system via Muzaffarpur-Gorakhpur 400 kV D/C line

2007

Northern region linked to western region via Agra-Gwalior 765 kV S/C line, leading to creation of 'New Grid'

2013

Southern grid connected to New Grid via Raichur-Solapur 765 kV S/C line. This culminated in the formation of a unified national grid, operating at a single frequency

Source: CRISIL MI&A

At the time of independence, the power systems in the country were self-contained networks that had been established in and around urban and industrial areas. Total installed generating capacity in the country was a mere 1,300 MW, and the power distribution system relied on small generating stations supplying power directly to local load centres in a radial fashion. The highest transmission voltage used was 132 kilovolt (kV).

In 1950s and 1960s, the voltage level of the state-owned network increased from 132 kV to 220 kV. During the 1960s and 1970s, several states (including Uttar Pradesh, Maharashtra, Madhya Pradesh, Gujarat, Odisha, Andhra Pradesh and Karnataka) developed a 400 kV network for efficient bulk power transfer over long distances. As state grids expanded and became more robust in most parts of the country, it paved the way for the establishment of regional grids.

Evolution of regional grids

In the Third Five-year Plan, the concept of regional planning in the power sector was introduced, marking a significant shift in power system development. As a result, the country was divided into five distinct regions: northern, western, southern, eastern and north-eastern. This approach aimed to streamline power system planning and development. In 1964, regional electricity boards were established in each of these regions, serving as entities that promoted the integrated operation of state-based power systems within the region and encouraged the exchange of power among states.

To incentivise states to invest in transmission infrastructure for power exchange, interstate transmission lines were categorised as "centrally sponsored," and states were offered interest-free loans outside their state plans. A total of 55 interstate transmission lines were constructed under this initiative, with 13 of them connecting states in different regions. These lines played a crucial role in establishing the initial inter-regional connections, allowing for the exchange of power in a radial fashion.

Until 1975, the responsibility of developing transmission infrastructure rested with state electricity boards or electricity departments in the states and union territories. However, in 1975, in a concerted effort to augment power generation capacities, central sector generation utilities such as the National Hydroelectric Power Corporation

(NHPC) and the National Thermal Power Corporation (NTPC) were established. These corporations set up large power generation facilities to benefit states within a specific region. Additionally, they undertook the development of associated transmission lines for efficient evacuation of power and its delivery to the states benefiting from these facilities, transcending boundaries. This development significantly boosted the establishment of regional grid systems, and by the 1980s, robust regional networks had taken shape.

Development of inter-regional grids

In 1989, a significant development occurred when the transmission divisions of central power gencos were separated to establish PGCIL. This move was aimed at providing strong impetus to the implementation of transmission systems related to central power generation stations and the inter-regional transmission programme. This programme was based on comprehensive planning conducted by the CEA. Up until that point, both power generation and transmission systems in the country had been designed and constructed with emphasis on regional self-sufficiency.

The initial inter-regional connections established under the centrally sponsored initiative, which aimed to build interstate infrastructure for state utilities, were used to facilitate limited power exchange among various regions. However, regional power grids operated independently, had varying operating frequencies and power transfers on the inter-regional links could only occur one-way.

Development of national grid

The national grid comprises the transmission infrastructure responsible for evacuating power from generating stations and inter-regional connections, including ISTS and InST managed by the STU. Consequently, development of the national grid has been an ongoing and gradual process. The grid functions as an extensive interconnected synchronous transmission network, uniting all regional and state grids to operate at a single uniform frequency.

In 1992, the eastern region (ER) and the NER were synchronised and interlinked through the Birpara-Salakati 220kV double circuit transmission line, and later, via the 400 kV D/C Bongaigaon-Malda line. In 2003, the WR was synchronously interconnected with the ER-NER system through the 400kV Rourkela-Raipur D/C line, thereby creating the Central India system comprising ER-NER-WR.

Subsequently, in 2006, the northern region (NR) was linked to this system with the commissioning of the Muzaffarpur-Gorakhpur 400kV D/C line, forming an upper India system that included NR-WR-ER-NER. In 2007, the NR was also synchronously interconnected with WR, through the Agra-Gwalior 765kV S/C line-1 (operating at 400kV level), resulting in the formation of the NEW grid.

In December 2013, the southern grid was integrated into the all-India grid, known as the NEW grid, via the Raichur-Solapur 765 kV S/C line. This led to the creation of a unified national grid, operating at a single frequency, underlining the concept of one grid, one nation, and one frequency.

Establishment of parallel licensees

The Electricity Act of 2003 in India introduces provisions for creation of 'parallel licensees,' allowing multiple providers of power supply and distribution services to operate competitively, within the same geographic region. These parallel licenses can be granted by State Electricity Regulatory Commissions (SERCs).

As per stipulations in the Electricity Act of 2003, securing a parallel license for electricity distribution necessitates that a private company has its own substations and a network of lines within the designated area specified in the license application. Under these rules, the licensee is obligated to contribute 30% equity towards infrastructure investments. Regulatory approval ensures an annual guaranteed return of 16% on the equity invested. However, there has been a long-term proposition to modify this requirement, attracting substantial opposition from state distribution companies (discoms). If this amendment is passed, new licensees could utilise the existing network infrastructure by paying "wheeling charges," effectively shifting the investment risk to the incumbent licensee while enabling the new entrant to enjoy the benefits. This implies that private licensees might leverage the extensive network established in the past without making significant investments, and the wheeling charges may not even cover the interest on the initial investment. This proposed change has garnered significant criticism from state discoms and is yet to be approved and implemented.

However, implementation of parallel licensing faces several regulatory hurdles. Granting a license for a large area with multiple existing licensees and the potential for new load growth requires careful consideration of various factors and establishment of a transparent framework for the concurrent operation of multiple distribution licensees. Without proper planning and clarity, there is a risk of underutilising assets, becoming locked into specific resources, and the possibility of selective consumer targeting. The regulatory commission has already identified few of these risks in other cases.

To summarise, while parallel licensing offers opportunities for competition and consumer choice in the power transmission and distribution sector, it also poses challenges that need to be addressed to ensure smooth implementation and maximisation of benefits for all stakeholders involved.

Kinds of bidding model

Tariff models in India - RTM to TBCB

In 2008, the Indian government introduced guidelines for competitive bidding in transmission services, under sections 61, 62, and 63 of the Electricity Act, 2003. This new approach brought about highly beneficial results for all participants in the power value chain, especially end-consumers. Prior to implementation of tariff-based competitive bidding (TBCB), the Power Grid Corporation of India (PGCIL) served as the designated agency for all interregional transmission lines, using the regulated tariff mechanism (RTM) to ensure project cost recovery, regardless of any time or cost overruns.

With the introduction of TBCB, PGCIL needed to compete with private sector entities through tariff-based bidding for projects. Consequently, the TBCB mechanism has led to emergence of new private sector power transmission developers and significant drop in tariffs, ultimately benefiting end-consumers. As a result, private sector groups such as Sterlite and Adani have swiftly risen as prominent independent power transmission companies (IPTCs), though PGCIL still maintains a significant reach.

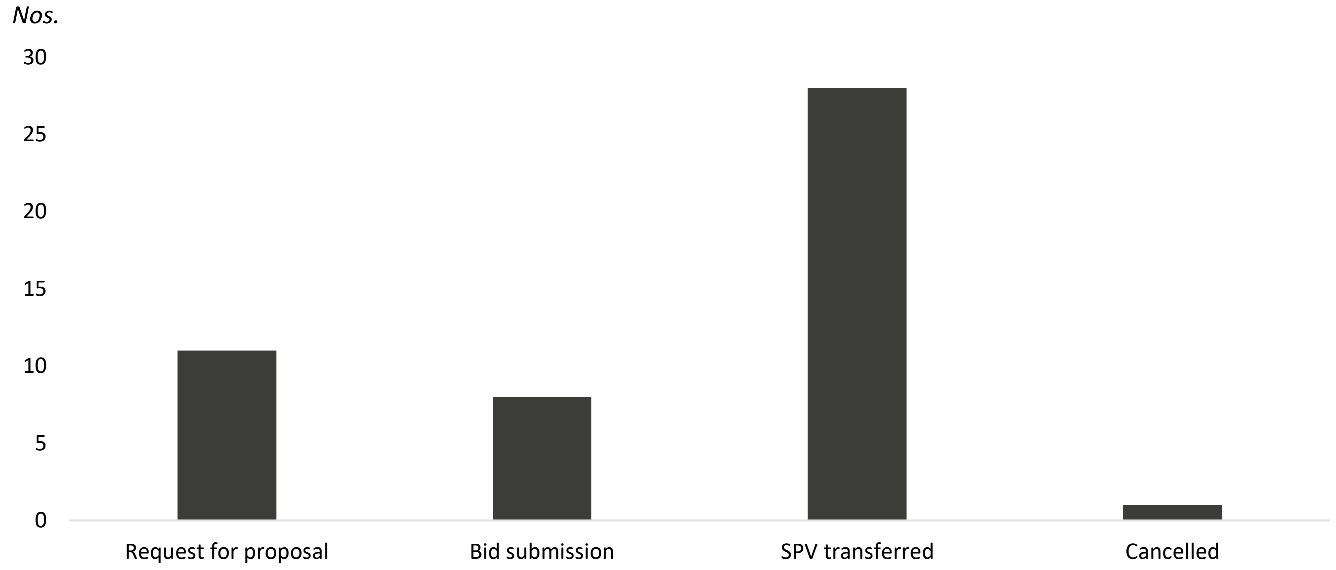
The Tariff Policy of 2016 mandates that all upcoming inter-state transmission projects should be developed through a competitive bidding process. However, the Consultation Paper on Determination of Threshold Limit for Transmission projects, under TBCB framework, suggests that the Central Government should retain the authority to exempt specific projects of strategic importance or those required to address urgent situations, on a case-by-case basis. As of August 2024, 113 projects have been allocated under the TBCB mechanism, of which 54 have been commissioned or are ready for commissioning while 59 are under-construction.

An analysis of various projects implemented through the TBCB route, by the Uttaranchal Electricity Regulatory Commission, reveals that the competitive bidding method has helped reduce tariffs by 20% to 56%, vis-à-vis the regulated tariff mechanism. By encouraging private sector participation, the TBCB model also mitigates financial burden on the government. Furthermore, this approach fosters risk-sharing with private organisations and promotes the adoption of innovative technologies through their involvement, among other advantages.

Upcoming transmission bids

As of August 2024, there are 48 projects under various stages of the bidding process. PFC Consulting Ltd (PFFCL) and REC Power Development and Consultancy Ltd (RECPDCL) are the agencies responsible for conducting the bidding process.

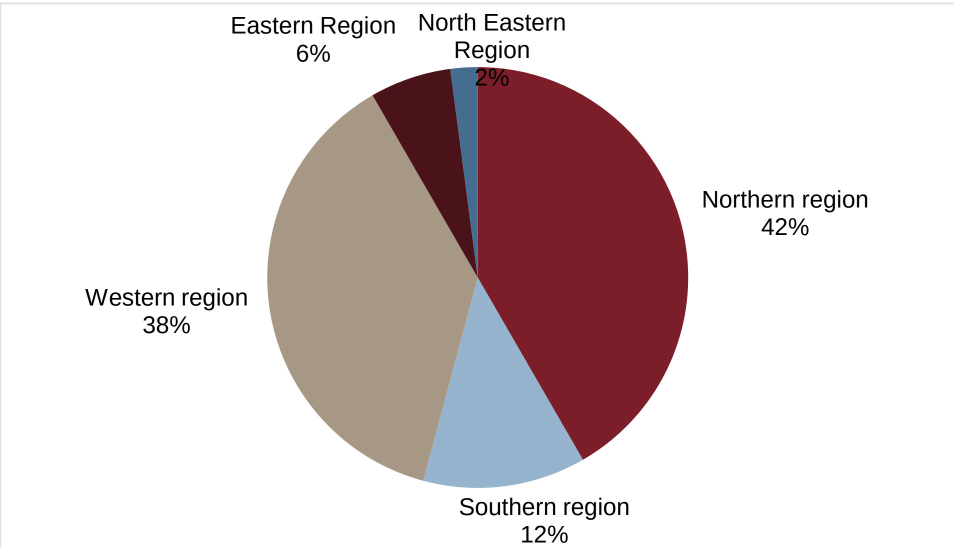
Figure 14: Status of projects as of August 2024



Source: CTUIL, CRISIL MI&A Research

The northern region accounts for ~42% of the 48 projects, with 16 in Rajasthan.

Figure 15: Upcoming bids in different regions as of August 2024

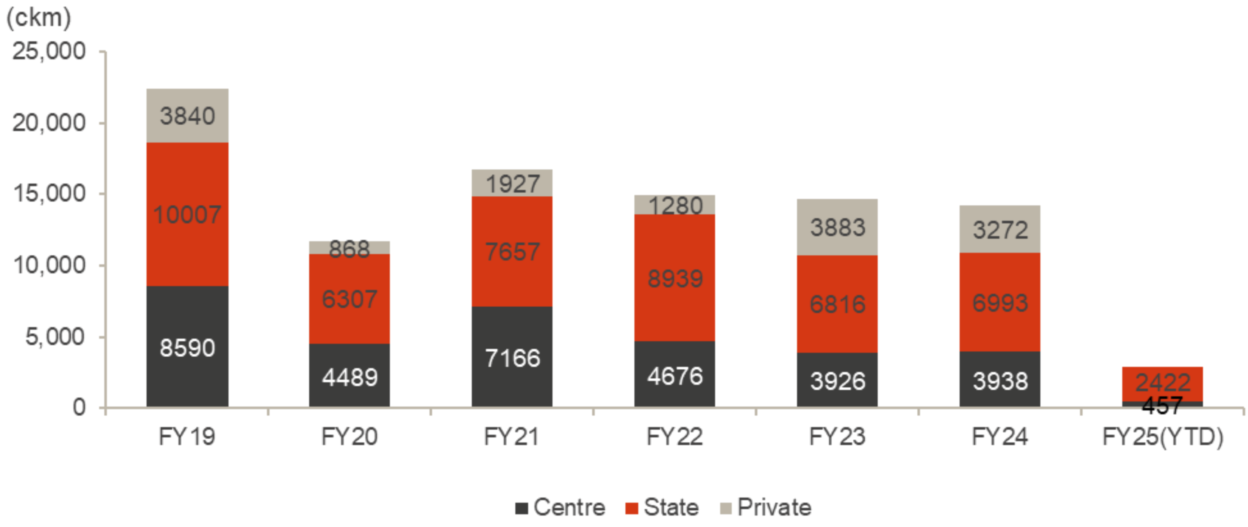


Source: CTUIL, CRISIL MI&A

Trends in transmission capacity addition

Transmission systems in India play a crucial role, given the skewed distribution of energy resources and main load centres across the country. As power demand and energy from renewable sources are set to increase, transmission systems will play an imperative role in linking generation and distribution of power to the end consumer.

Figure 16: Transmission line addition in circuit kilometer (ckm) over fiscals 2019-2025(YTD)



Note: YTD refers to April-August 2024

Source: CEA, CRISIL MI&A

The domestic market declined in fiscal 2020 due to underlying slow momentum in the renewable energy segment, with which several of the transmission line plans were associated.

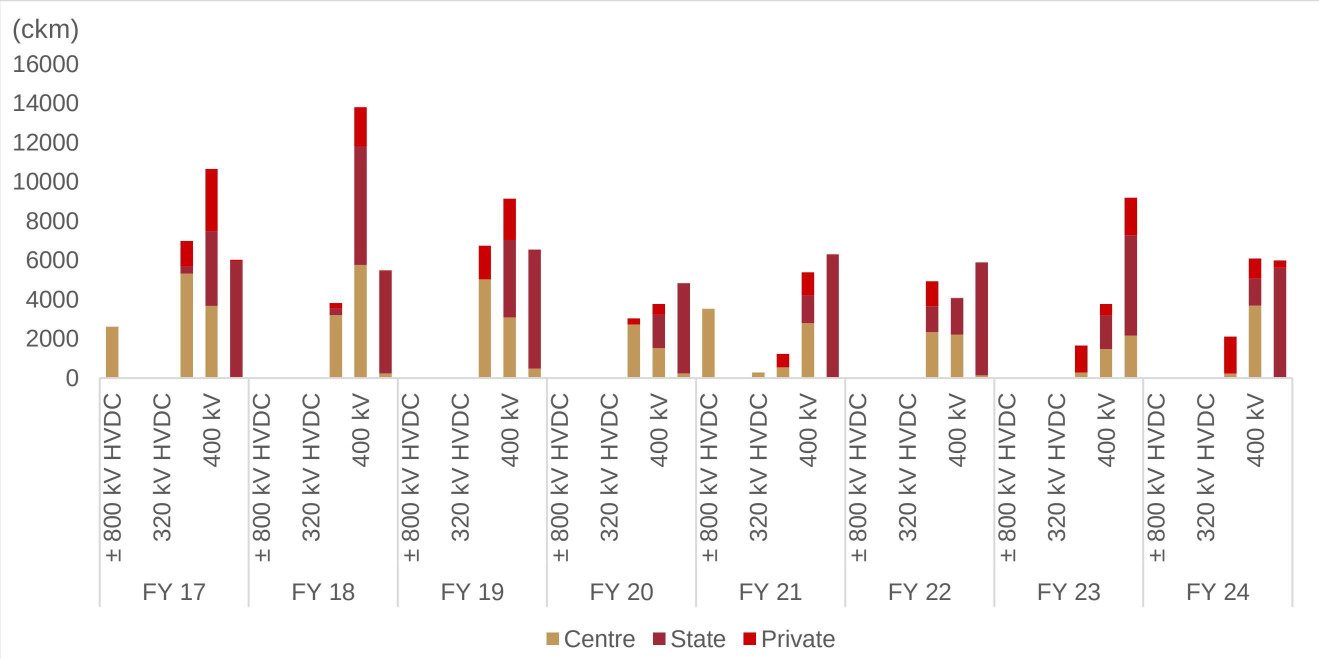
Subsequently, the pandemic outbreak in fiscal 2021 led to disruptions in the addition of transmission lines, delaying their construction and commissioning. Further, the Supreme Court ruling mandating the undergrounding of all transmission cables in the habitat area of the Great Indian Bustard (GIB) — a critically endangered indigenous bird —also significantly hampered progress in commissioning several transmission lines in Gujarat and Rajasthan, lowering overall installations.

However, these issues have since been resolved. The renewable energy segment rebounded post the pandemic, with even higher government targets giving a boost to grid planning. With plans for ramping up renewable energy grid integration, coupled with projects being connected directly to ISTS, inter- and intra-state ordering is expected to improve from PGCIL, as well as state transmission entities. There is high focus and emphasis on creating grid capacity for renewable energy power by 2030 to ensure steps in line with India's overall clean energy commitments. As a consequence, total opportunity in the segment is expected at Rs 3.5-4 trillion over the remainder of the decade. Additionally, following the relaxation of the GIB ruling, stakeholders have been instructed to install appropriate bird diverters to mitigate the impact on fauna. This adjustment is expected to facilitate the resumption of commissioning for transmission lines in Gujarat and Rajasthan, particularly in areas crucial for efficient green power evacuation from the region.

Evolution of transmission network at different voltage levels

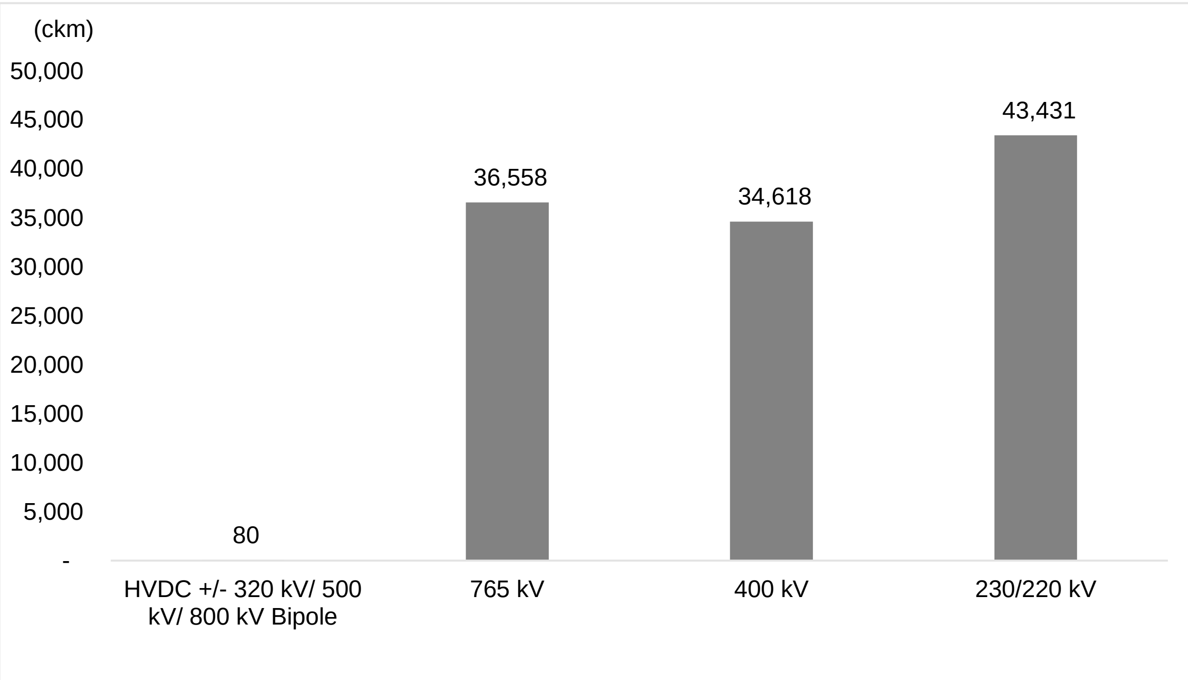
Share of the central player in capacity addition came down from 44% in fiscal 2017, to 27% in fiscal 2024. This share has been replaced by additions made by private and state players. Additionally, we note that states added nearly 58% of AC capacities during the same period. On the other hand, central agencies have been majorly active on DC side additions. Over fiscals 2017 to 2024, the 400 kV line witnessed maximum additions at 56,708 ckm, closely followed by 220 kV at 52,901 ckm.

Figure 17: Transmission capacity addition at different voltage levels (fiscals 2017-2024)



Going forward, as per the National electricity plan (NEP), central transmission utility (CTU) is expected to tender ~39,826 ckm of transmission line by fiscal 2027 while state transmission utility (STU) are expected to tender ~43,154 ckm of transmission lines. Most of the additions are expected to take place in high voltage lines (like 800 kV, 765 kV, 400 kV) to minimise the transmission losses.

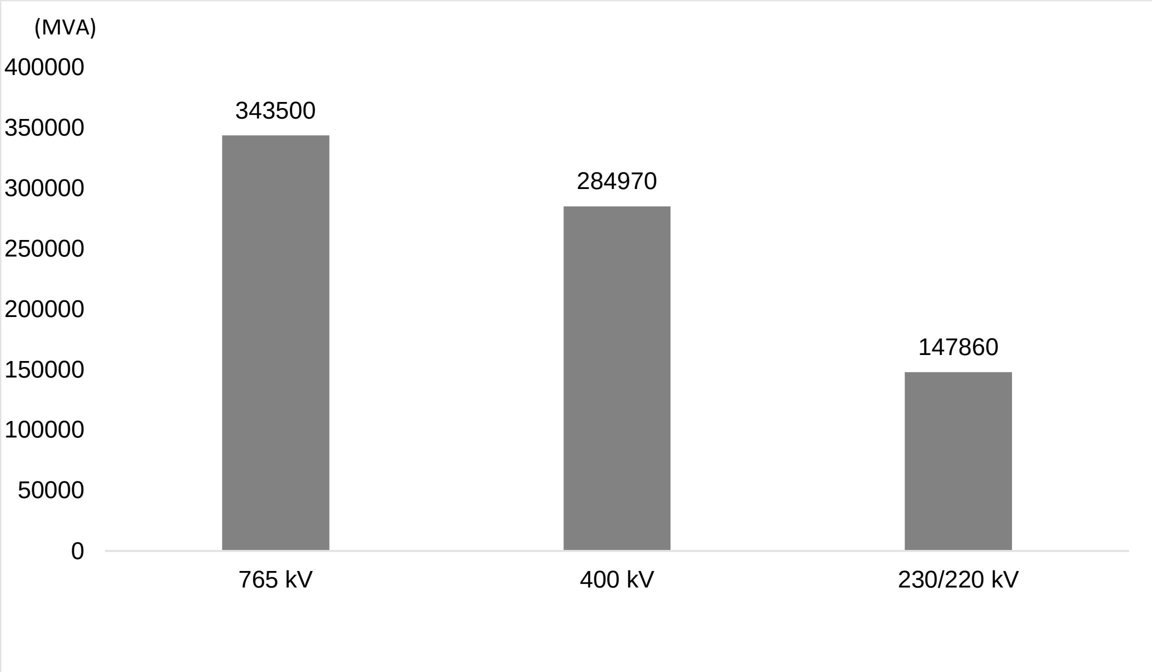
Figure 18: Outlook for voltage-wise line additions for fiscal 2022-2027 as per NEP



Source: CEA, CRISIL MI&A Research

Similarly, 6,12,430 MVA of substation capacity is likely to be added by fiscal 2027

Figure 19: Outlook for voltage-wise substation additions for fiscal 2022-2027

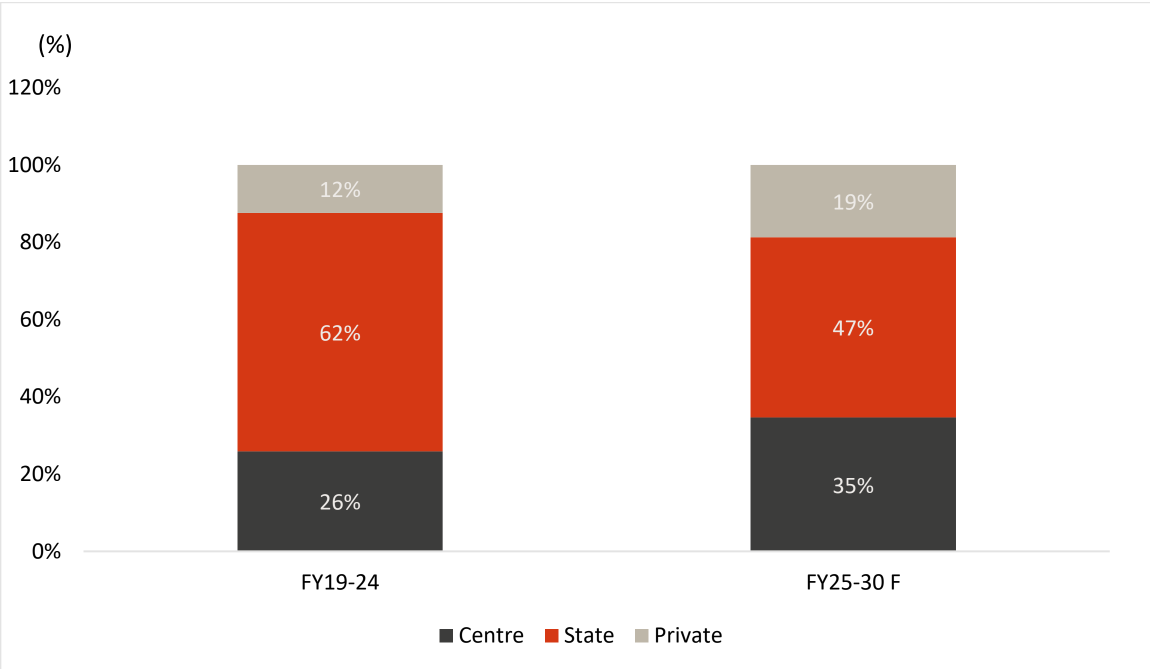


Source: CEA, CRISIL MI&A Research

Trends in transmission capacity additions in India

Trends in Centre, state and private spending, and expectations

Figure 20: Outlook of share of transmission investments



Methodology note: Investments of the private sector are estimated by looking at trends in the share of TBCB compared to RTM bids in the past and the potential outlined by the government.

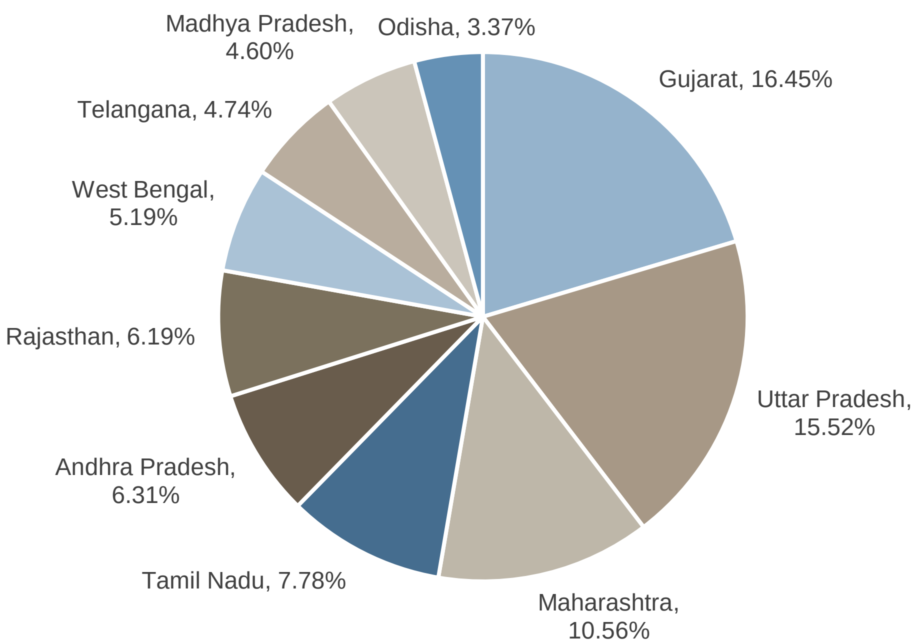
Source: CRISIL MI&A

Between fiscals 2019 and 2024, the Indian transmission sector saw investments of nearly Rs 2.6 trillion. Of this, state players held the highest share of 62%, followed by companies operating at the Centre (26%) and private players (12%). Between fiscals 2025 and 2030, investments are likely to increase to Rs 3-4 trillion, driven by expansion of renewable energy projects driven by the government target of installing 500 GW of renewable capacity by 2030.

To accommodate the additional RE capacity into the national grid, transmission lines of 114,687 ckm in ISTS and InSTS and substation projects of 777,330 mega volt-amperes ("MVA") are expected to be added over fiscals 2022-2027 as per the National Electricity Plan (NEP) volume-II. Additionally, as per the CEA's plan to integrate 500 GW of RE by fiscal 2030, ~ 45,528 ckm of additional ISTS lines will be required.

Of the total investments, the share of the private sector is expected to expand by ~700 bps by fiscal 2029, accounting for ~19%.

Figure 21: Transmission line additions estimated over fiscal 2022-2027



Note: The data pertains to intra-state transmission line additions (ckm)
Source: CEA, CRISIL MI&A Research

To achieve the targeted 500 GW RE capacity by 2030, the central government has proposed an additional of 63,502 ckm of transmission lines under intrastate transmission ("InSTS") by 2027 on top of the existing 277,028 ckm (August 2024). Central government agencies will issue the tenders for these lines and bidding will be open for government-owned (central and state) and private players. The top 10 states (by InSTS transmission line additions) are expected to account for ~81% of the transmission line additions by 2027 under InSTS. Gujarat is expected to lead the way with nearly 16.4% share in expected additions followed by Uttar Pradesh (15.5%) and Maharashtra (10.5%).

Regulations and policies influencing transmission investments

Separation of CTU from PGCIL

Section 38 of the Electricity Act, 2003 grants the central government the authority to designate a government company as a CTU, responsible for carrying out all functions pertaining to the planning and coordination of the ISTS, as well as other functions specified in the Act. PGCIL, a Central Public Sector Enterprise (CPSE) under the MoP, was officially designated as a CTU on November 27, 2003. Over time, numerous private transmission developers also entered the sector.

While serving as a CTU, PGCIL was engaged in transmission planning, but, in its role as a developer, it was also involved in the implementation and participated in the bidding process for constructing the transmission system. This dual role raised concerns about conflicts of interest. Consequently, the responsibilities of PGCIL as a CTU were separated and transferred to CTU India Ltd, a newly established entity, with the aim of ensuring transparency and a level playing field for all transmission developers.

In the initial phase, CTU India Ltd, a wholly owned subsidiary of PGCIL, was designated as a CTU through a gazette notification issued on March 9, 2021, and it commenced operations on April 1, 2021. Further, the process of establishing the CTU as an independent government company is progressing. The separation of the CTU from PGCIL is expected to enhance transparency and encourage investments in the transmission sector.

Central Electricity Regulatory Commission (Sharing of Inter-state Transmission Charges and Losses) Regulations, 2020

The CERC issued the Central Electricity Regulatory Commission (Sharing of Inter-state Transmission Charges and Losses) Regulations, 2020, referred to as CERC sharing regulations, on May 4, 2020. These regulations became effective on November 1, 2020, replacing the previous Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010. According to these regulations, the yearly transmission charges (YTC) set or adopted by CERC for elements related to the ISTS are to be distributed among users of these transmission systems. These users, termed as Designated ISTS Customers (DICs), encompass various entities, such as power generation stations, STUs, distribution licensees (including state electricity boards or their successors), state electricity departments, as well as any other directly connected entity to ISTS and intra-state entities or trading licensees with medium-term or long-term access to ISTS, all contributing on a monthly basis to fully recover the YTC and any adjustments thereof.

The mechanism for dividing ISTS transmission charges, as outlined by CERC, involves combining charges for the national, regional, transformer, and AC system components, as detailed in the sharing regulations. These charges are collected on an actual basis, considering the peak block for the billing period and technical and commercial data provided by DICs, ISTS transmission licensees, the CTU, National Load Despatch Centre (NLDC), Regional Load Despatch Centres (RLDCs), and State Load Despatch Centres (SLDCs) for the entity responsible for implementation.

The mechanism for sharing ISTS losses involves calculating transmission losses on an all-India average basis for each week, spanning from Monday to Sunday. DICs' drawing schedules are created in accordance with the grid code, considering transmission losses in the previous week.

The CERC sharing regulations also specify particular provisions for addressing transmission charges and losses in specific situations, such as cases involving mismatches in the commissioning of generating stations or associated transmission systems of ISTS licensees.

The billing, collection, and disbursement responsibilities fall on the CTU, who raises transmission bills, collects transmission charges, and disburses them to ISTS transmission licensees. Bills for using ISTS are categorised into: the first bill, issued monthly, includes transmission charges for the billing period; the second bill, a quarterly bill raised in April, July, October, and January, is meant to adjust variations due to revisions in transmission charges allowed by CERC, including incentives; the third bill, raised monthly, covers transmission deviation charges. The regulations allow a 1.5% rebate for bill payments within five days of presentation and a 1% rebate for payments made within 30 days, following the initial presentation of bills.

The CTU collects transmission charges for the first bill related to the transmission system and disburses the collected amount to transmission licensees based on their YTC. In case of a deficit in collection of transmission charges, the amount to be disbursed to transmission licensees is proportionally reduced from their share of YTC. Under the second bill, the CTU collects and disburses transmission charges to the respective transmission licensees, and under the third bill, it collects and reimburses transmission deviation charges to DICs, also proportionally to their first bill in the following billing month. Collected charges are first allocated to late payment surcharges on outstanding transmission charges and then to the outstanding transmission charges themselves, starting from the oldest overdue bill. Payment of bills is due 45 days from the bill's service date. For delayed payments, a late payment surcharge of 1.5% per month is levied on the relevant DIC beyond the due date.

Revised standard bidding documents (SBDs) for award of transmission services on a competitive bidding basis

To stimulate private sector involvement in the transmission space, the MoP introduced "Tariff-based Competitive Bidding (TBCB) Guidelines for Transmission Service" and "Guidelines for Encouraging Competition in Development of Transmission Projects" in April 2006. Subsequently, in 2008, the ministry released SBDs, which included the Request for Qualification (RfQ), Request for Proposal (RfP), and Transmission Service Agreement (TSA). Given that these SBDs and guidelines had been in use for some time, requests were received to align them with other infrastructure SBDs to attract more private investments in the transmission sector. In response to these stakeholder requests, the SBDs, "TBCB Guidelines for Transmission Service," and "Guidelines for Encouraging Competition in Development of Transmission Projects" were revised and reissued on August 6, 2021.

The key changes in the revised SBD include a reduction in the equity lock-in period, moving from the previous 51% for two years from the date of commissioning (COD) and 26% for three years thereafter to 51% for one year from COD. The revision also entails the CTU signing the TSA, provisions for quoting a single tariff in the bid, a shift from a build-own-operate-maintain (BOOM) model to a build-own-operate-transfer (BOOT) model, and the inclusion of independent engineers during the construction phase to monitor, ensure quality, and quantify cost and time-related matters.

The revised SBDs and guidelines aim to streamline the process for private developers in the transmission sector, address their concerns regarding risk-sharing, promote competition, and facilitate the timely completion of transmission projects. All of these provisions are expected to attract more private investments into the transmission sector.

Revamping the planning process to facilitate renewable energy transmission

The Electricity (Transmission System Planning, Development, and Recovery of Inter-State Transmission Charges) Rules 2021 were introduced to facilitate easier access for power sector utilities to the national electricity transmission network. These rules establish a system of transmission access known as general network access (GNA) within the ISTS, allowing states and power generation facilities to acquire, hold, and transfer transmission capacity based on their specific needs. Consequently, the rules are designed to introduce a more logical, accountable, and equitable approach to transmission planning and associated costs.

A significant departure from the existing system is that power plants will no longer need to specify their intended beneficiaries when seeking transmission access. Furthermore, the rules empower state-owned power distribution and transmission companies to independently determine their transmission requirements and construct the necessary infrastructure. States will also have the flexibility to procure electricity through short-term and medium-term contracts, optimising their power purchase costs.

To streamline the transmission planning process and expedite approvals, the regional power committees responsible for transmission planning have been disbanded, eliminating the need for redundant regional level consultations. Additionally, modifications have been made to the terms of reference for the National Committee on Transmission (NCT), granting both the CTU and the NCT the authority to approve ISTS projects with a budget of up to Rs 5 billion. This change is aimed at accelerating the implementation of the essential ISTS infrastructure and aiding in the achievement of the renewable energy target of 500 GW by 2030.

Interconnection with neighbouring countries

Situated in the heart of the South Asia and sharing political borders with South Asian Association for Regional Cooperation (SAARC) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation BIMSTEC nations, including Nepal, Bhutan, Bangladesh, Sri Lanka, Afghanistan, Pakistan, and Myanmar, India has assumed a crucial role in facilitating the planning of interconnections with many of these countries. This aims to optimise the utilisation of regional energy resources within South Asia, fostering increased cooperation among neighbouring nations and the sharing of resources across the region. Furthermore, this endeavour will bolster the energy security of entire South Asia. As of September 2024, the cumulative capacity for power transfer through cross-border interconnections with neighbouring countries currently stands at approximately 4,874 MW. This capacity is projected to increase by about 4,120 MW, resulting in a total capacity of approximately 8,994 MW by fiscal 2030.

Electricity (Late Payment Surcharge) Rules, 2021

The MoP introduced these regulations with the aim of creating a favourable environment for the growth of the electricity sector while safeguarding the interests of consumers. Recognising the financial burden imposed on distribution companies (discoms) and ultimately consumers due to the high late payment surcharge (LPS) set by regulatory commissions at 18%, these regulations established the LPS base rate at the marginal cost of funds based on the State Bank of India's one-year lending rate plus 5%. Additionally, the regulations included provisions for a gradual increment in the LPS rate at 0.5% per month for delayed payments, with a maximum cap of 3% over the base rate or the rate specified in the PPA. Furthermore, these regulations clarified that any payments received from a discom would first be allocated to clear the LPS and then applied to the monthly energy bills. In the event that the bill remains unpaid for 25 days, access to the grid would be restricted.

Transmission system for evacuation of power from Ladakh (10 GW)

The Ministry of New and Renewable Energy (MNRE) has decided to establish renewable energy (RE) projects, including solar and wind power, with a combined capacity of 10,000 MW in Ladakh. Ladakh, characterised by its cold desert landscape, offers ample land availability and boasts of one of the highest solar irradiation levels in the country. In response to MNRE's request, the Union Territory Administration of Ladakh has identified suitable land for these RE projects. However, the region currently lacks the necessary transmission infrastructure to transport power generated by large-scale RE projects.

In light of this, MoP directed PGCIL to formulate a detailed project report (DPR) for power evacuation and grid integration of the proposed 10 GW RE projects in Ladakh. After thorough discussions, it has been determined that a 5 GW transmission link from Pang to Kaithal, along with a 12 GWh battery energy storage system (BESS), will facilitate the evacuation of 13 GW of RE (comprising 9 GW of solar and 4 GW of wind) from Ladakh. This solution will also optimise the utilisation of transmission capacity.

An interconnection plan has been devised to link the Pang RE project in Leh with the existing Ladakh grid, ensuring a reliable power supply to Ladakh and Jammu & Kashmir. Given the challenging terrain and adverse weather conditions, the scheme proposes the establishment of a state-of-the-art voltage source converter (VSC)-based high voltage direct current (HVDC) system and an extra high voltage alternating current (EHVAC) system. Furthermore, a 1 GWh battery energy storage system will be developed as part of the transmission project to provide round-the-clock power to the VSC terminal in Ladakh and maintain power flow over the HVDC corridor to prevent icing and keep the line operational during periods of no generation.

The transmission system is expected to get implemented in 5 years due to the extreme climatic conditions and limited working time in Ladakh. To alleviate the burden of transmission charges on RE power users, the central government is considering a proposal to offer a grant covering 40% of the project cost.

Transmission system for evacuation of power from Rajasthan and Karnataka (9 GW)

The government of India has approved schemes to evacuate 9 GW of renewable energy power from states of Rajasthan and Karnataka. The schemes are part of 500 GW RE capacity by 2030.

The power evacuation scheme for Rajasthan Renewable Energy Zone (REZ) is expected to evacuate 4.5 GW of renewable energy power. The scheme comprises 1 GW from Fatehgarh complex, 2.5 GW from Barmer Complex and 1 GW from Nagaur (Merta) Complex. This power will be transferred to Mainpuri, Fatehpur and Orai in Uttar Pradesh.

The system strengthening scheme of Karnataka is expected to evacuate 4.5 GW of renewable energy power from Koppal and Gadag area. Both these schemes are examples of the intensive work to enhance RE integration with focus on key regions and will add to transmission system requirement.

Key risks and monitorable for the sector

Slowdown in conventional generation capacity: The deceleration or interruptions in increasing generation capacities could result in a decrease in investments in transmission projects, which would negatively affect companies engaged in transmission tower engineering, procurement, and construction (EPC). Nonetheless, strong expansions in RE capacity and initiatives to enhance transmission networks are anticipated to compensate for the deceleration in traditional energy sectors. Furthermore, major industry players are considering international markets where capacity additions are being executed.

Execution delays: Execution delays can arise from a range of external factors, including issues related to securing rights-of-way, delays in obtaining environmental clearances, political instability, and security threats such as terrorist attacks, as well as internal factors like a shortage of labour or raw materials. Companies with more extensive expertise and experience in dealing with such challenges would be better equipped to navigate these situations compared to smaller enterprises.

Raw material cost management: Commodity prices are renowned for their susceptibility to volatility, influenced by various macroeconomic and global factors. The significant price fluctuations in metals such as aluminium, zinc, copper, and steel can yield adverse consequences. To shield themselves from price hikes, companies often include price escalation clauses in their contracts. A prevalent approach employed by industry participants is to establish contracts with their suppliers for the procurement of raw materials at project initiation. Additionally, companies frequently engage in forward contracts to safeguard their profit margins.

Efficient management of working capital: It is essential to have a robust system for monitoring working capital, optimising the utilisation of working capital resources and maintaining continuous vigilance. This becomes particularly important due to the extended duration of projects and lengthy accounts receivable cycles. Additionally, effectively managing interest costs is critical, as they tend to be variable and must be controlled to manage the overall cost of funding.

Forex fluctuations: Companies face exposure to foreign currency risks when the currency used for invoicing differs from the currency in which payments are ultimately made. Unfavourable fluctuations in exchange rates during the time between bid submission and contract award can potentially affect profits unless appropriate hedging measures are in place.

Availability of adequate workforce: The availability of both skilled and unskilled labour is crucial for the successful completion of projects. Labour is particularly necessary for tasks such as foundation casting, tower assembly, and line stringing. Typically, there is a ready supply of labour for foundation casting. Furthermore, there is a growing trend of labour migration to foreign countries, driven by the prospect of higher wages.

Impact of RDSS

Distribution investments include creation of distribution infrastructure. This may include work under the following:

- Rural electrification: Electrification of unelectrified villages, hamlets or areas with an objective to make electricity available to all within the area of supply.
- Supply to agricultural pump sets or community lift irrigation schemes
- Reduction of sub transmission and distribution system losses, which will comprise:
  - Creation of new 33KV and 11KV substation near the load centre
  - Reduction in the ratio of length of low voltage lines to high voltage lines, including low tension system. The desirable ratio of low voltage lines to high voltage lines would be as specified by the respective regulatory commission
  - Adoption of aerial bunched conductors
  - Capacitor installation
  - Change of conductor or double circuiting of lines
- System strengthening of the sub-transmission system to effect improvement in:
  - Voltage regulation at the existing or envisaged load demand
  - Reliability of the system to reduce outage time and to cater to outage of the line and/or transformer
- System augmentation schemes: Addition of transformation capacity at substations to match the envisaged loading condition.
- System improvement: To provide switchgear, control gear and protection to reduce fatal accidents and the failure rate of transformers.

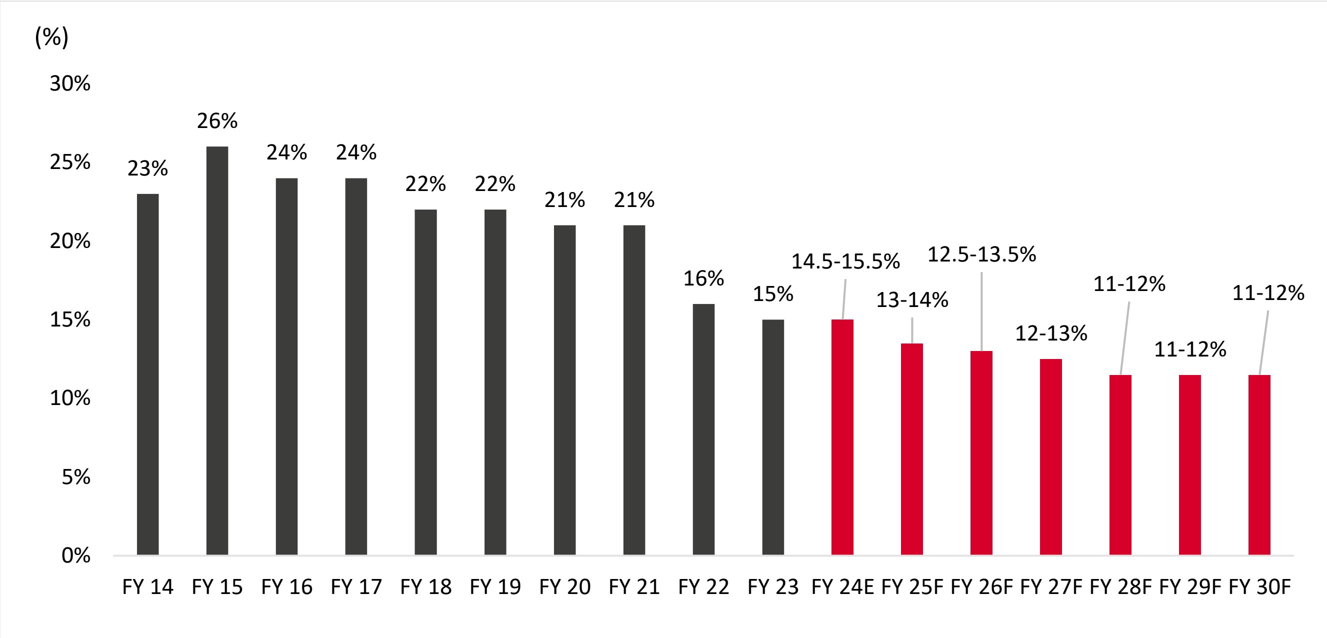
Table 6: Distribution investment over fiscals 2024-2030

	FY24	FY25F	FY26F	FY27F	FY28F	FY29F	FY30F
Total investment loss reduction and smart metering (Rs billion)	16	60	107	169	218	282	366
Total distribution sector investment	886	834	719	651	678	680	681
Share of RDSS in total investment	2%	7%	15%	26%	32%	42%	54%

Note: Sunset year for RDSS is FY26, CRISIL MI&A however expects RDSS investments to conclude only post fiscal 2030.
Source: CRISIL, MI&A

The share of RDSS in total distribution investments is estimated to be ~54% by fiscal 2030 as execution of the scheme picks up pace. These investments are aimed at improving the operational and financial parameters of the loss-making distribution space, one of which is aggregate technical and commercial (AT&C) loss.

Figure 22: AT&C loss trajectory



Source: PFC, CRISIL MI&A

The financial strain on discoms, which affects their ability to invest in enhancing distribution infrastructure using advanced technologies, is expected to persist over the medium term. However, the government has introduced several measures to mitigate the challenges faced by discoms. One such initiative is the RDSS, designed as a reform-oriented and performance-based program. Its primary goal is to enhance the quality and reliability of power supply to consumers while ensuring the financial sustainability and operational efficiency of the distribution sector. State governments are required to commit to settling outstanding payments to discoms related to electricity dues from government departments and affiliated offices. Additionally, the scheme encourages the installation of smart prepaid or prepaid metres in government departments and attached offices, among other measures. As a result of the scheme, losses fell significantly from 21.91% in fiscal 2021 to 16.23% in fiscal 2022, and further to 15.37% in fiscal 2023

Under RDSS, discoms will be evaluated annually on their performance, based on an evaluation matrix. Before being considered for evaluation, the discom needs to meet the following pre-qualification criteria:

- Audited annual accounts by December-end of the following year during the first two years of operation of the scheme (that is for fiscals 2022 and 2023). Thereafter, audited annual accounts by September-end of the following year from the third year onwards.
- Quarterly un-audited accounts within 60 days of the end of each quarter during the first two years of the scheme’s operation (that is for fiscals 2022 and 2023). Thereafter, audited quarterly accounts within 45 days from the third year onwards.
- Ensure that no new regulatory assets have been created in the latest tariff determination cycle.
- State government to ensure 100% payment of subsidy for the previous year and advance payment of subsidy up to the current period in line with Section 65 of EA 2003 and wipe out the remaining subsidy amount by the end of the project period.
- All government departments/ attached offices/ local bodies/ autonomous bodies/ boards/ corporations have made 100% payment of current electricity dues for the year under evaluation.

- Number of days payable to creditors, including gencos, for the year under evaluation is equal to or less than the projected trajectory as per results of the evaluation framework.
- Tariff order for the current year in which evaluation is being done and true up of penultimate year has been issued and implemented with effect from April 1 of the respective current fiscal.

Subsidy payment and the state government's electricity dues form a significant chunk of overall receivables for discoms, which impacts the AT&C losses. While implementation progress has been slow, RDSS aims to improve discom infrastructure to curb technical losses and to do away with all subsidy arrear receivables and ensure timely electricity payment by state government departments. This is expected to contain AT&C losses at 15% by fiscal 2027.

Green energy corridor (GEC)

In 2012, there arose a necessity to establish dedicated infrastructure for the transmission and distribution of power generated from renewable energy sources in states with significant renewable energy potential. Following an assessment conducted by PGCIL, eight states known for their renewable energy potential (Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Tamil Nadu) submitted their proposals for creating intra-state transmission infrastructure. The GEC Phase I project received approval from the MNRE during fiscal 2016. This scheme encompassed both inter-state and intra-state components.

The intra-state aspect was designed for implementation by the eight renewable energy-rich states. It aimed to complete approximately ~9,676 circuit kilometres of transmission lines and substations with a total capacity of 22,689 MVA. These facilities were intended to support the evacuation of over 24,000 MW of large-scale renewable power and enhance the grid infrastructure within the implementing states. The respective state transmission utilities (STUs) are overseeing implementation of this project. As of June 2024, the status of the intra-state component was as follows: nearly 9,135 ckm of transmission lines and 21,313 MVA of substation capacities have been established.

Table 7: Status GEC Phase-I (intra-state component)

State	Transmission lines (ckm)		Substations (MVA)	
	Target	Achievement	Target	Achievement
Andhra Pradesh	1,073	854	2,157	1,265
Gujarat	1,908	1,636	7,980	7,980
Himachal Pradesh	502	498	937	793
Karnataka	618	618	2,702	2,702
Madhya Pradesh	2,773	2,773	4,748	4,748
Maharashtra	771	704	0	0
Rajasthan	1,054	984	1,915	1,915
Tamil Nadu	1,068	1,068	2,250	1,910
Total	**9,767**	**9,135**	**22,689**	**21,313**

Source: MNRE, CRISIL MI&A Research

Originally, the intra-state projects were scheduled for completion by December 2022; however, the deadline was extended due to various factors, including issues related to right-of-way ("RoW"), legal cases, delays in obtaining forest clearances, tender issuance delays due to a protracted land acquisition process for substations, and delays in awarding work due to a limited number of bidders for several projects, leading to multiple rounds of re-tendering.

The inter-state component of the scheme, entrusted to PGCIL, was successfully concluded in March 2020. This segment involved the establishment of transmission lines spanning 3,200 ckm and substations with a combined capacity of 17,000 MVA.

Table 8: Status of GEC phase 1 (inter-state component)

State/Region	Line constructed (CKM)
Rajasthan	1,194
Gujarat	621
Gujarat – Rajasthan	604
Rajasthan-Punjab	734
Tamil Nadu	48
Total	**3,201**

Source: Ministry of Power, CRISIL MI&A

Under GEC Phase 1, funding for intra-state transmission schemes included 20% equity from the state government, a 40% grant from the National Clean Energy Fund ("NCEF") and a 40% soft loan. Meanwhile, inter-state transmission schemes were to be financed with 30% equity provided by PGCIL and a 70% soft loan. Under a cooperative framework between the Indian and German governments, KfW Germany extended a soft loan of €1 billion to support both intra- and inter-state transmission projects related to green energy corridors. Specifically, for inter-state transmission projects, PGCIL entered into a loan agreement with KfW Germany to secure financial assistance totalling €500 million. Furthermore, PGCIL also obtained an additional loan from ADB. In the case of intra-state transmission projects within the GEC, Tamil Nadu, Rajasthan, Himachal Pradesh, Andhra Pradesh, Gujarat and Madhya Pradesh signed loan agreements with KfW Germany to access financial support of €76 million, €49 million, €57 million, €68 million, €114 million, and €124 million, respectively.

In March 2022, the Indian government also granted approval for GEC Phase 2, which encompasses the addition of transmission lines of 10,753 ckm and substation capacity of 27,546 MVA across seven states over a five-year period (Fiscals 2022 to 2026). The scheme primarily aims to establish the necessary infrastructure for evacuating 20 GW of RE from Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu and Uttar Pradesh. The implementation of this scheme will be overseen by the respective STUs. A state-wise overview of transmission projects under the scheme, as evaluated by the Central Electricity Authority ("CEA"), is provided below.

Table 9: GEC phase 2 planned infrastructure

State	Line length (ckm)	Substation (MVA)	RE addition envisaged (MW)
Gujarat	2,470	7,460	5,100
Himachal Pradesh	62	761	317
Karnataka	938	1,225	2,639
Kerala	224	620	452
Rajasthan	659	2,191	2,478
Tamil Nadu	624	2,200	4,000
Uttar Pradesh	2,597	15,280	4,000
Total	**7,574**	**29,737**	**18,986**

Source: Ministry of Power, CRISIL MI&A

MNRE devised this programme to support states establish intra-state transmission infrastructure for the integration of RE projects. The central financial assistance ("CFA") proposed under this scheme will help mitigate intra-state transmission charges, thereby helping maintain affordable electricity prices.

The scheme has been approved at an estimated project cost of Rs 120.88 billion, excluding interest during construction. The CFA, which accounts for 33% of the project cost, totals Rs 39.7 billion. A breakdown of the project cost and approved CFA for each state is provided below. The remaining 67% of the project cost will be funded through loans from KfW/REC/PFC.

Table 10: Project cost approved under GEC phase 2

State	Project cost without IDC (Rs billion)	CFA (Rs billion)
Gujarat	36.67	12.00
Himachal Pradesh	4.89	1.62
Karnataka	10.36	3.42
Kerala	4.20	1.39
Rajasthan	9.07	2.91
Tamil Nadu	7.20	2.38
Uttar Pradesh	48.48	16.0
Total	**120.8**	**39.70**

Source: Ministry of Power, CRISIL MI&A

The remaining 67% of the project cost will be available as loans from KfW/REC/PFC.

Investments made under the GEC

The inter-state component of GEC Phase 1 saw the investments to the tune of Rs 113.69 billion, while the intra-state component Rs 101.41 billion. For GEC Phase 2, it is anticipated that investments of approximately Rs 120 billion will be made over the course of its execution.

Distribution segment trends

Electricity discoms are confronted with challenges associated with billing, metering and revenue collection, which contribute to elevated AT&C losses. These challenges are part of the broader structural issues encompassing governance and regulation. Furthermore, discoms heavily rely on government subsidies and delays in receiving these subsidies from the state government exacerbates their financial strain.

The average cost of supply (ACS) for a distribution utility is the total expense it incurs to provide electricity to its consumers. ACS comprises five key components: the cost of power procurement, employee expenses, interest costs, depreciation and other miscellaneous costs. The cost of power procurement constitutes the largest portion of the total supply cost, accounting for an average of 76.42% between fiscals 2021 and 2023. Distribution utilities work diligently to reduce this component by making efficient procurement decisions through merit-based selection, dynamic trading on power exchanges, and negotiation of low-cost PPA.

The Aggregate Revenue Requirement (ARR) represents the total income received by a distribution utility from the sale of electricity, subsidies and grants billed (including UDAY grant) and regulatory income. The discrepancy between ACS and ARR results in a deficit for a discom. When measured against the gross input energy supplied by a utility, this difference is calculated in rupees per unit. A positive differential signifies financial strain, indicating that the discom is unable to recover its supply costs through its revenue, while a negative gap implies a more favourable financial situation for the discom. However, a more accurate gauge to assess a discom is the cash-adjusted ACS-ARR gap.

The cash-adjusted figure considers the actual subsidies received rather than the subsidies billed by discoms. This adjustment is made because state governments tend to delay full subsidy payments to discoms, leading to substantial subsidy arrears. Additionally, adjustments are made for closing and opening debtors as well as regulatory income to provide a precise picture of the revenue received by discoms.

On a national scale, the cash-adjusted ACS-ARR gap increased from Rs 0.33 per kilowatt-hour (kWh) in fiscal 2022 to Rs 0.55 per kWh in fiscal 2023.

Table 11: Comparison of cash-adjusted ACS-ARR gap for fiscal 2022 and fiscal 2023

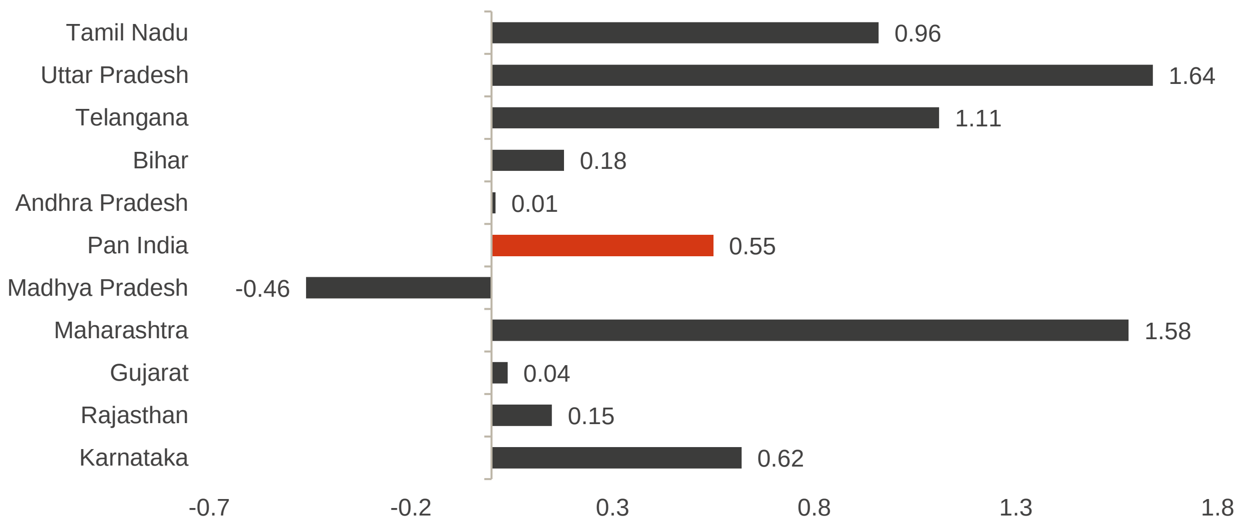
State	FY22	FY23	Change
Madhya Pradesh	0.32	-0.46	Improved
Tamil Nadu	1.01	0.96	Improved
Gujarat	-0.06	0.04	Deteriorated
Karnataka	-0.43	0.62	Deteriorated
Bihar	1.26	0.18	Improved
Rajasthan	-0.23	0.15	Deteriorated
Maharashtra	0.21	1.58	Deteriorated
Andhra Pradesh	0.55	0.01	Improved
Telangana	1.44	1.11	Improved
Uttar Pradesh	1.51	1.64	Deteriorated

Source: PFC, CRISIL MI&A

Out of the 10 key states, five saw improvement in their cash-adjusted ACS-ARR gap for fiscal 2023 compared to the previous year. This positive change was primarily attributed to higher disbursement of subsidies by state governments, including clearing outstanding arrears, and more efficient revenue collection practices. The notable increase in subsidy disbursements can be attributed to the RDSS, which mandated that states settle all subsidy arrears and ensure complete and punctual subsidy payments to discoms.

In fiscal 2023, with the focus from the RDSS scheme to clear all past subsidy arrears across the state distribution sector, tariff subsidy received was 8.1% higher than tariff subsidy billed. State discoms received a total of Rs 1,800 billion in tariff subsidy, of which Rs 135 billion was in arrears. Madhya Pradesh, Maharashtra, Andhra Pradesh and Rajasthan collectively accounted for approximately 74% of the arrears cleared in fiscal 2023.

Figure 23: Trends in ACS-ARR gap across key states for fiscal 2023



Source: PFC, CRISIL MI&A

The AT&C loss, which represents the real extent of loss for a discom, is a composite of energy loss (comprising technical loss, theft and billing inefficiency) and commercial loss (comprising payment defaults and collection inefficiency). While some level of technical inefficiency is inherent in the system, discoms can reduce AT&C losses by enhancing the efficiency of their billing and collection processes. The RDSS is designed to minimise AT&C losses by enhancing distribution infrastructure, implementing smart metering, and achieving a 100% subsidy realisation rate.

On a national scale, AT&C losses declined to 15.37% in fiscal 2023, an improvement from the 16.23% recorded in fiscal 2022.

The discoms of five states were responsible for approximately 50% of the nationwide AT&C losses, namely Uttar Pradesh, Maharashtra, Madhya Pradesh, Rajasthan and Telangana in fiscal 2023. Among these, Bihar and Uttar Pradesh's discoms demonstrated substantial improvements. However, the cumulative AT&C losses for discoms in Bihar remained notably high at 25.01%.

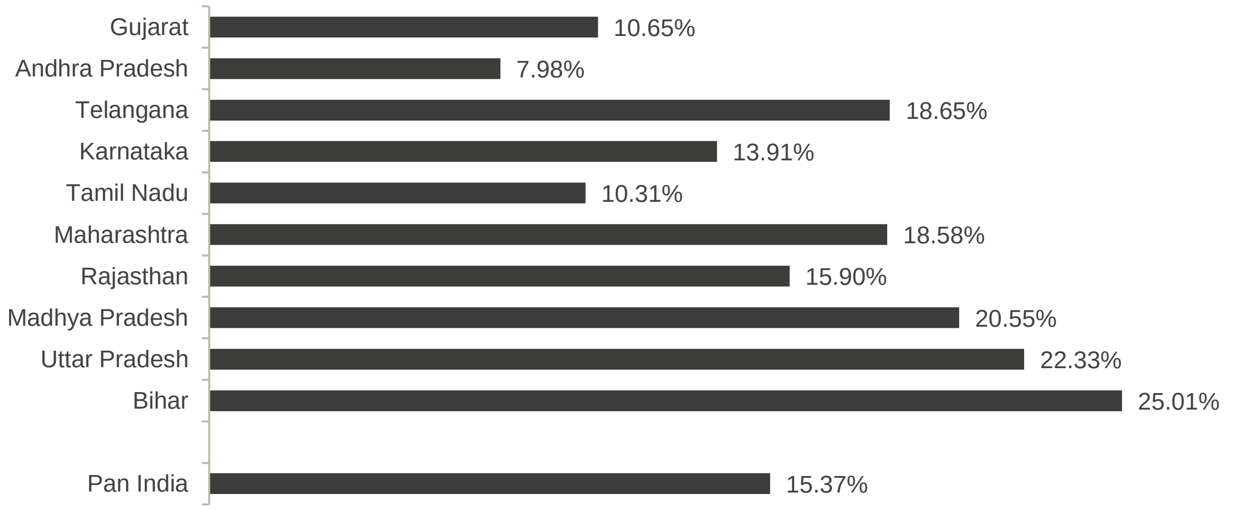
Table 12: AT&C loss comparison of fiscal 2022 and fiscal 2023

State	FY 22	FY 23	Change
Madhya Pradesh	21.36%	20.55%	Improved
Tamil Nadu	11.44%	10.31%	Improved
Gujarat	9.70%	10.65%	Declined marginally
Karnataka	11.51%	13.91%	Declined
Bihar	31.81%	25.01%	Improved
Rajasthan	17.49%	15.90%	Improved
Maharashtra	16.49%	18.58%	Declined
Andhra Pradesh	10.56%	7.98%	Improved
Telangana	10.65%	18.65%	Declined
Uttar Pradesh	31.02%	22.33%	Improved

Source: PFC, CRISIL MI&A

Six of the ten states saw improvement in AT&C losses in fiscal 2023, mainly due to improvement in collection efficiency from both retail customers and tariff subsidy.

Figure 24: State-wise AT&C loss for fiscal 2023

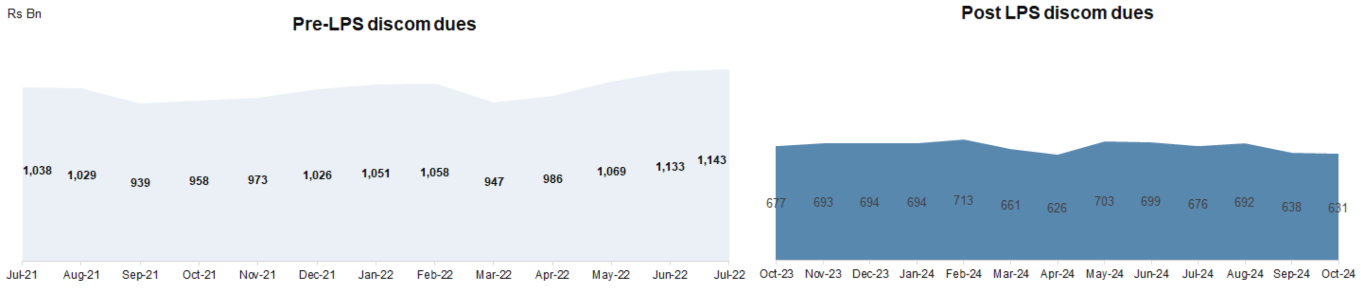


Source: PFC, CRISIL MI&A

Dues of discoms: Trends and current status

The Ministry of Power unveiled the Late Payment Surcharge (LPS) Rules on June 3, 2022, with the aim of addressing the issue of discoms failing to settle their outstanding bills to power generators. These rules empower the Power System Operation Corporation Ltd (POSOCO) to impose penalties on discoms for their failure to pay both current dues and overdue payments. This penalty involves restricting discoms' access to the short-term energy market.

Figure 25: Outstanding dues of discoms



Source: Praapti, CRISIL MI&A

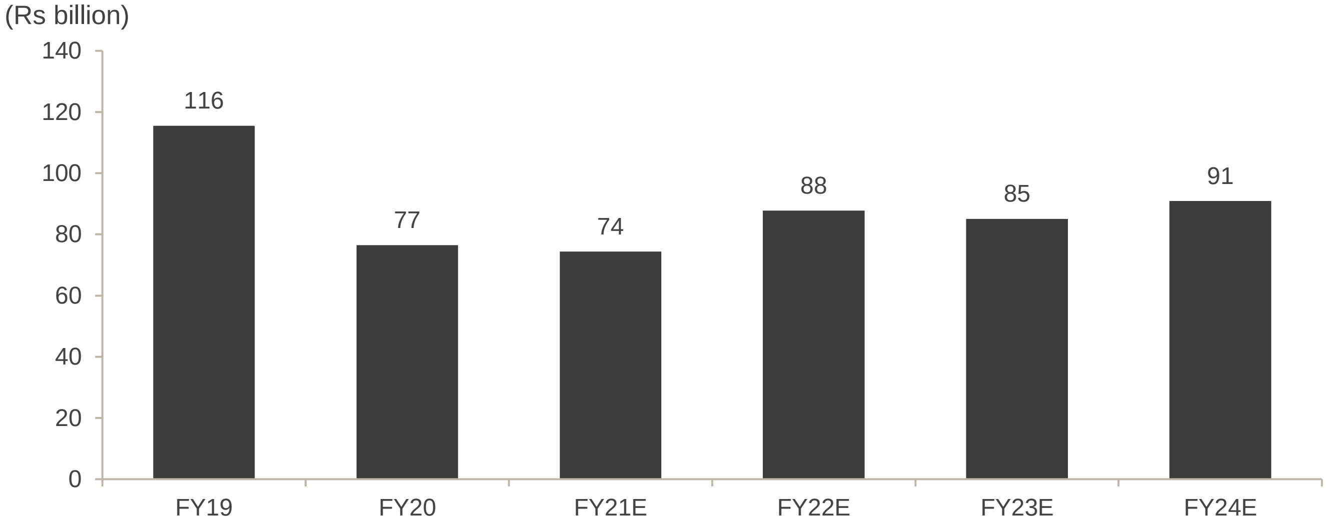
As seen from above, post introduction of LPS rules, discom dues have reduced significantly and remain under check.

Module 3: Transmission tower manufacturing segment

Domestic market

The transmission tower industry's market size is estimated at Rs 91 billion in fiscal 2024.

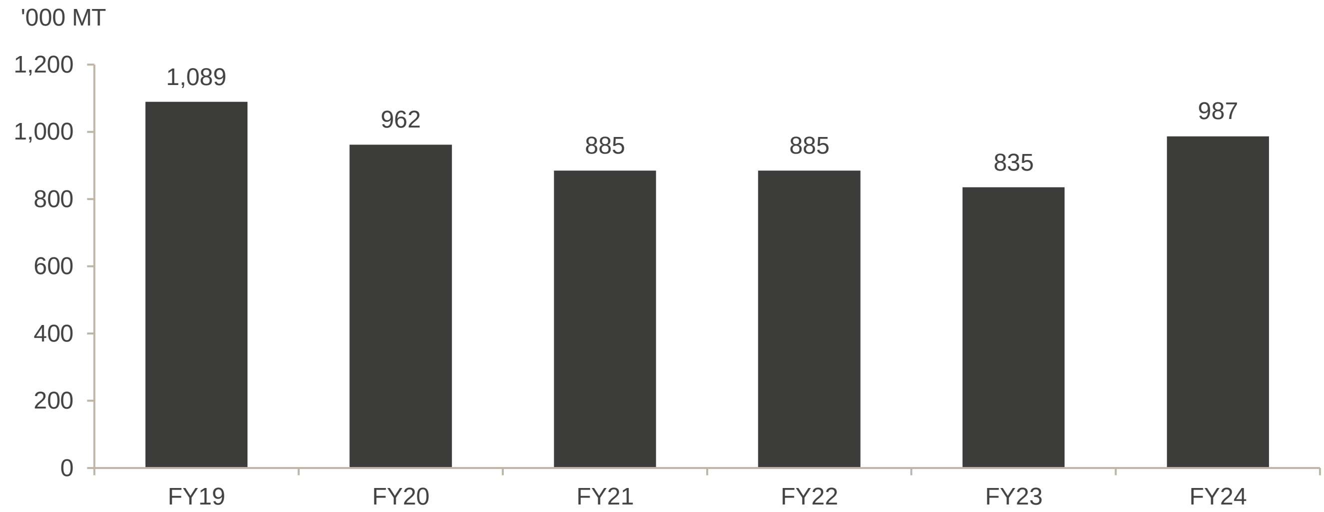
Figure 26: Size of domestic transmission towers industry



Source: Indian Electrical and Electronic Manufacturer Association (IEEMA), CRISIL MI&A Research

Market size is being driven by an increase in prices of steel, with prices rising at 6% CAGR over the period of fiscal 2019 to fiscal 2024, improving overall realisations due to ability of cost pass through in government contracts. However, domestic production for transmission towers fell at 2% CAGR, owing to a slowdown in domestic demand, primarily because of Covid-19 related disruptions and commodity super cycle, this has seen a rebound in fiscal 2024 as green energy integration picked up speed.

Figure 27: Transmission tower production in India

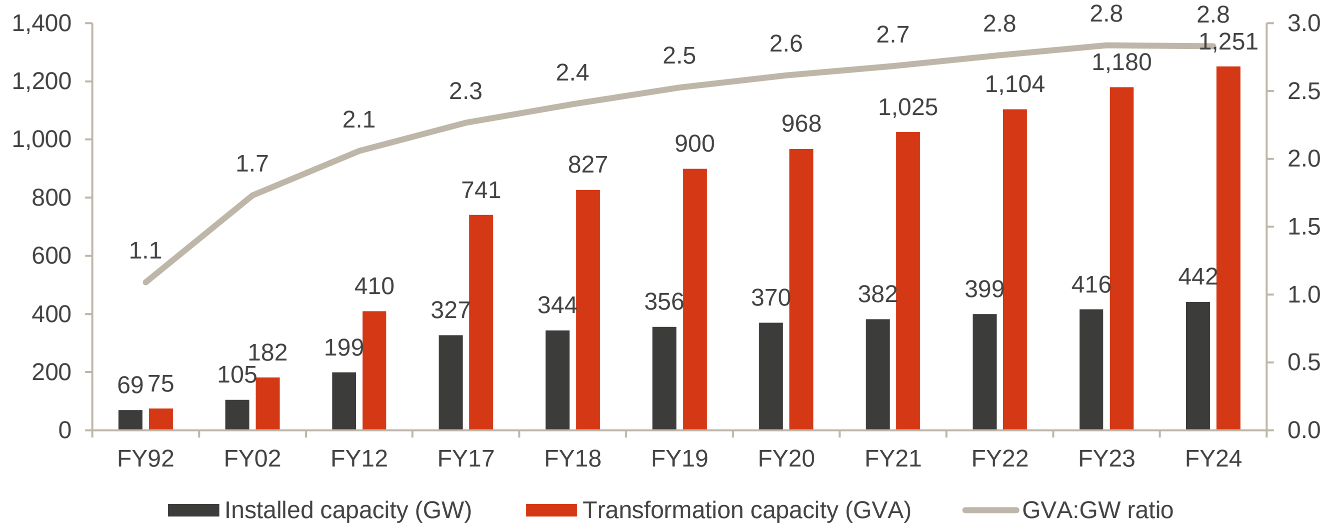


Source: IEEMA, CRISIL MI&A

Transformation capacity expansion necessary for power system decongestion

High transformation capacity is key to ensure uninterrupted flow of electricity. A specific transformation capacity must be added to the system for every MW of new generation capacity. In the context of India, the ratio of 220kV of transformation capacity and above to added generation capacity (MVA:MW) has historically been low. By end-March 1985, this ratio was 1.1 times, which has since improved to 2.8 times as of March 2024.

Figure 28: Installed capacity vs. transformation capacity



Source: CEA, CRISIL MI&A Research

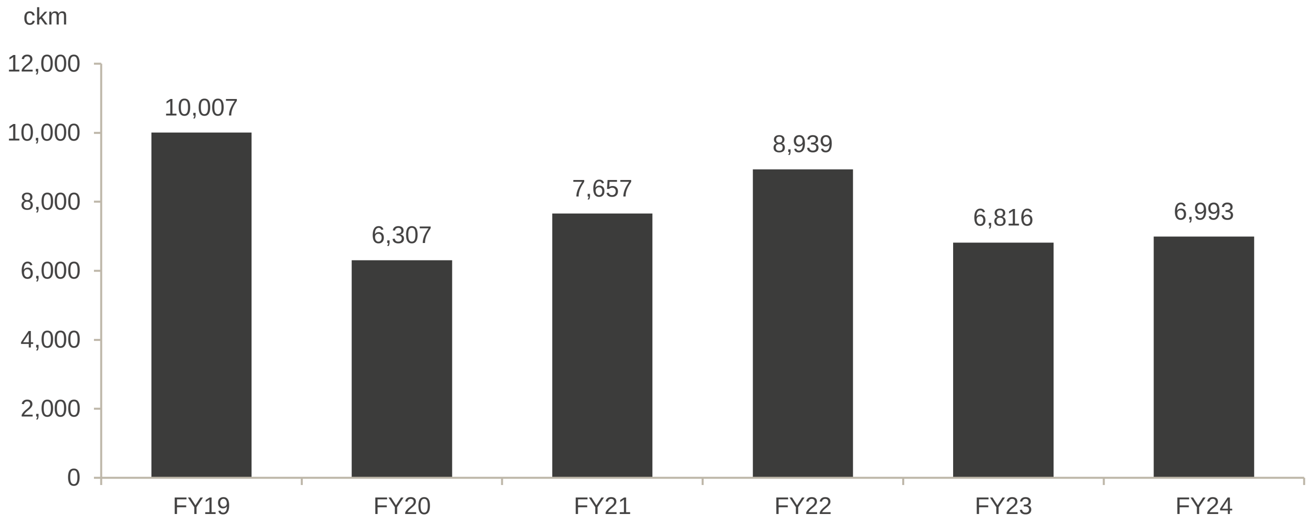
Insufficient transformation capacity has led to line congestion, particularly in interstate power transmission. And given the government's commitment to reduce congestion, it is expected that transformation and transmission capacities will continue to expand.

We anticipate robust expansion in the high voltage transmission lines segment, particularly in the 400kV and 765kV categories, owing to their critical role in interstate transmission. Higher voltage enhances power density, minimises losses, and enables efficient transmission of large power volumes. It also reduces the need for extensive right-of-way, addressing a significant challenge faced by the sector of land availability for the setting up of transmission infrastructure.

State investment in transmission system strengthening increasing

In contrast to the previous few years, where the central sector drove investments in the sector, focus has shifted to intra-state transmission additions and improving the intra-state transmission network. The rise in investments by states is to decongest the transmission networks to accommodate higher renewable energy, and improve interstate transmission of power and grid availability for open access of power.

Figure 29: Transmission line addition by states

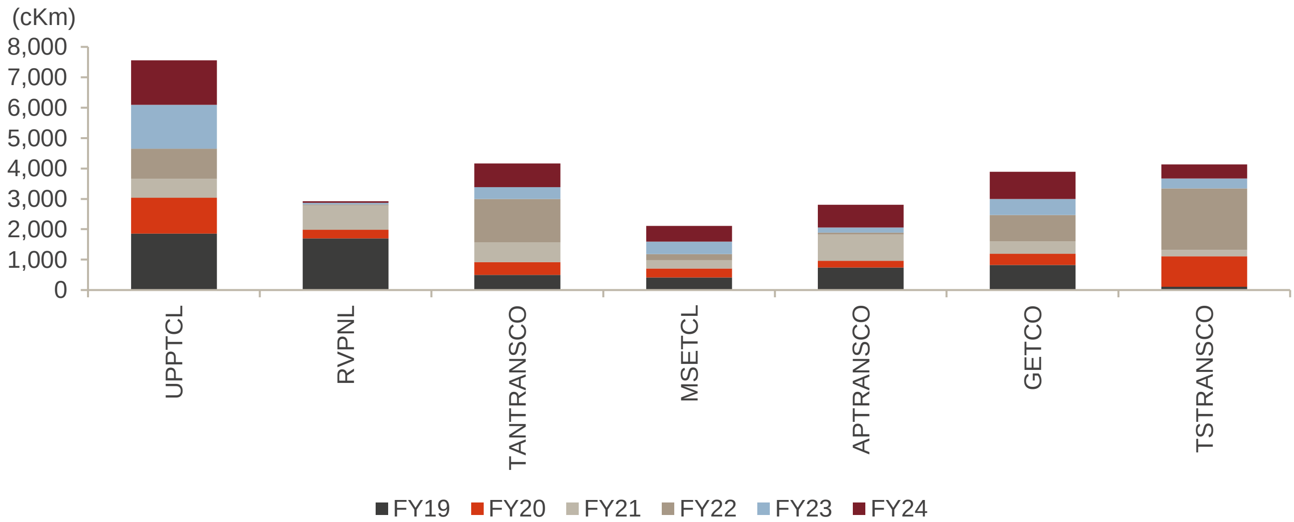


Source: CEA, CRISIL MI&A Research

State transmission line addition totalled 46,719 ckm during fiscal 2019 to 2024. High demand was seen in Uttar Pradesh, Rajasthan, Gujarat, Telangana and Tamil Nadu, with system strengthening initiatives for the western and southern regions. Now, the eastern and north-eastern regions have also seen the approval of several strengthening projects.

Also propelling incremental demand in the transmission tower space over next few years is development of transmission networks for the expected increase in solar and wind energy projects. Generation companies, particularly those in the southern states, such as Andhra Pradesh, Karnataka, Telangana and Tamil Nadu, along with Gujarat, are expected to add renewable energy capacities, with increased congestion in specific regions of these states necessitating expansion of transmission network for green energy evacuation.

Figure 30: Transmission line addition by various STUs



UPPTCL: Uttar Pradesh Power Transmission Corporation, RVPNL: Rajasthan Rajya Vidyut Prasaran Nigam, TANTRANSCO: Tamil Nadu Transmission Corporation, Maharashtra State Electricity Transmission Company, APTRANSCO: Transmission Corporation of Andhra Pradesh; GETCO: Gujarat Energy Transmission Corporation; TSTRANSCO: Transmission Corporation of Telangana

Source: CEA, CRISIL MI&A Research

Renewable energy integration also prompting transmission capacity addition

The rapid addition of renewable capacities requires adequate grid infrastructure to evacuate the incremental power. This has increasingly emerged as a concern, with renewable energy developers lowering participation in tenders where this has been a key issue. Specifically, for wind, majority of the best wind sites are concentrated in a few states, such as Andhra Pradesh, Gujarat, Karnataka, Rajasthan and Tamil Nadu, which leads to increased congestion in specific regions of these states.

However, nodal agencies (PGCIL and SECI) have planned various schemes to alleviate grid congestion and improve connectivity to renewable energy projects. The GEC scheme is aimed at developing specific evacuation corridors for renewable energy in key renewable rich states. The government has planned to integrate growing renewable energy into the national grid by setting up interstate and intra-state schemes for the evacuation of power from wind and solar projects, termed as green energy corridors.

That said, GEC's target of ~9,700 ckm of intra-state transmission lines by December 2020 has overshot the timeline, both because of right-of-way issues and forest clearances. The constructed lines stood at 9,767 ckm till July 2023, while the interstate transmission units under Phase I of the ISTS programme were already completed by PGCIL in 2020. Along the lines of Phase I, GEC Phase II has also been approved and aims to construct lines of 7,574 ckm to integrate ~19 GW of renewable energy, with investments estimated at Rs 120 billion.

Private sector participation expected to pick up

At present, private sector participation in the transmission and distribution (T&D) space is low. However, with the introduction of TBCB and viability gap funding schemes for intra-state projects, the share of private sector players in the power transmission sector is expected to increase gradually.

This move will shift the burden from PGCIL, although PGCIL is also allowed to bid for the projects. Even for the outlined renewable energy projects, half are to be awarded via the TBCB route.

Some key private players that are executing projects under TBCB include Sterlite Grid (nine projects), Adani (five projects), Apraava Energy (four projects) Renew, Indigrid (three projects), Resurgent Power (Tata) Megha Engineering and techno Electric (two projects each).

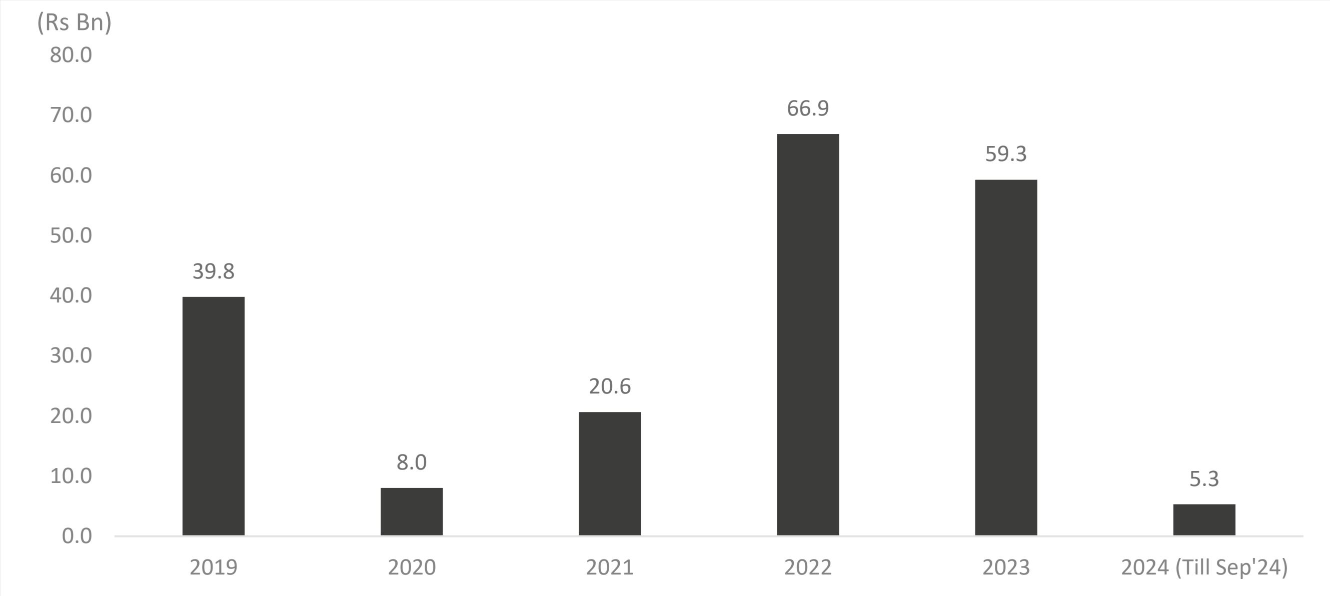
In fact, participation of private players will be key amid increased awarding of projects under TBCB. As of August 2024, 113 projects were allocated under the TBCB mechanism, of which 54 have been commissioned or are ready for commissioning, 59 are under various stages of execution.

PGCIL's investment plans

As of September 2024, PGCIL's board had approved projects totalling ~Rs 200 billion between 2019 to 2024 (Till September 2024), comprising part of the PGCIL ordering for the coming years. This stems from interstate project plans, both under GEC and routine system strengthening undertaken by PGCIL.

Further, while TBCB is available as a mode for bidding and private participation, projects of urgency and national importance are by default awarded to PGCIL, furthering the entity's investment.

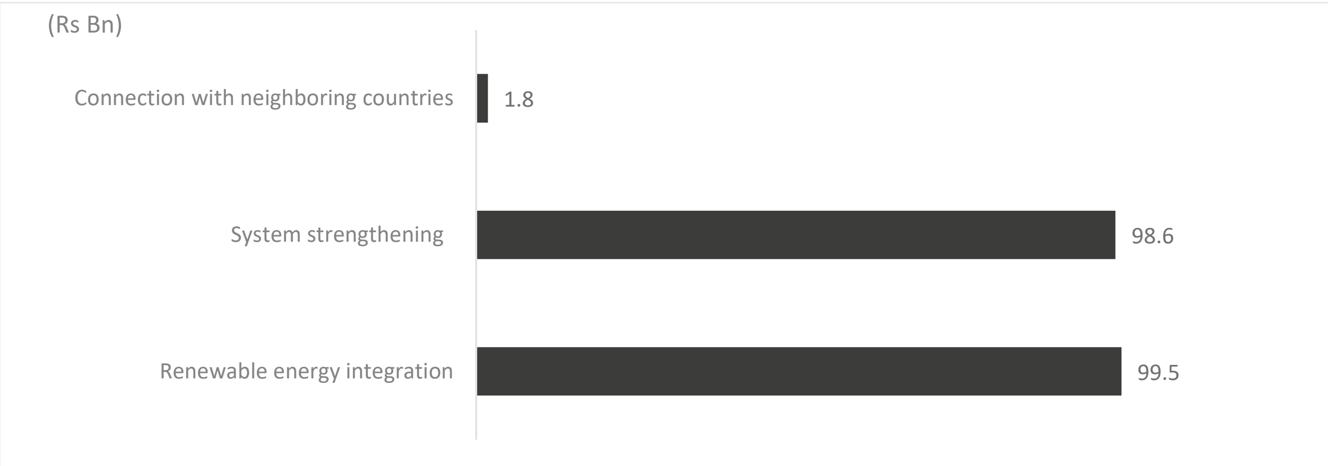
Figure 31: Investment approved by PGCIL from 2019 to 2024 (YTD)



Source: PGCIL, CRISIL MI&A Research

These investments are focused on renewable energy integration, system strengthening and connection with neighbouring countries.

Figure 32: PGCIL Investment approvals by project category (2019-2024 YTD*)



2024 YTD- September 2024

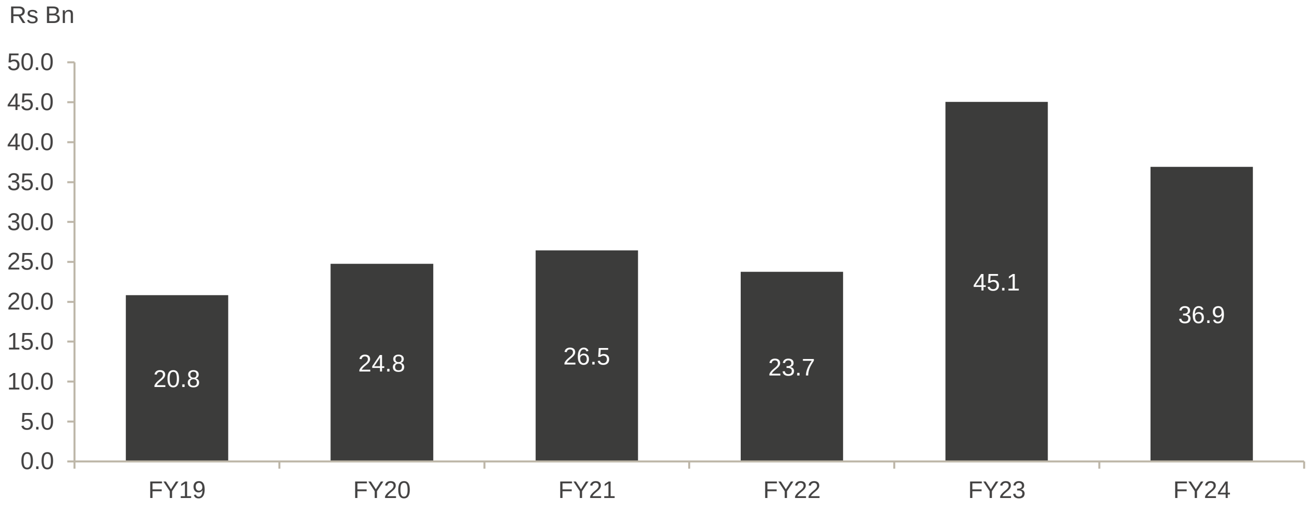
Source: PGCIL, CRISIL MI&A Research

Export market

Growth and drivers

Exports of the domestic transmission tower industry grew at ~12% CAGR from fiscal 2019 to 2024. In fiscal 2023, exports rose a sharp 90% on-year to Rs 45 billion, before dropping to Rs 37 billion in fiscal 2024.

Figure 33: Export of Indian transmission towers



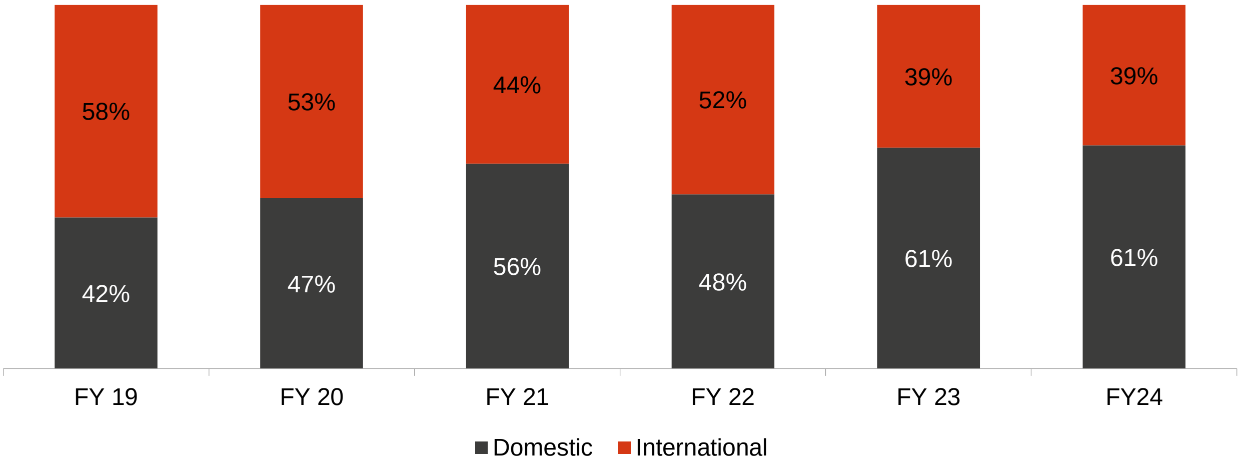
Source: Department of Commerce, CRISIL MI&A Research

Neighbouring markets were the main customers of India made towers, with Bangladesh, Nepal, Afghanistan and Sri Lanka accounting for ~27% share of exports. Middle Eastern countries are also prime consumers of Indian made transmission towers, with Saudi Arabia, Oman and the UAE accounting for 11% share of overall exports. Indian tower manufacturers have also made in-roads in South American market with Colombia and Peru accounting for 8% of all exports from fiscal 2019-fiscal 2024.

Export of transmission towers is reliant on investments in T&D in the foreign countries. These investments are driven by either domestic policies or investments by international organisations, such as the World Bank.

Domestic players already have established presence in several regions to benefit from the growing opportunities. Key Indian players have an established presence in the Middle East and North Africa and SAARC regions, and in the Americas, which have allowed bidding for local as well as multilateral development projects in these regions, especially in African and SAARC countries.

Figure 34: Order book break-up of key players



Note: Companies included are Kalpataru Power Transmission Ltd and KEC International Ltd
Source: Company filings, CRISIL MI&A

Several opportunities in different parts of the world further support exports in this space.

For instance, the Brazilian government has unveiled extensive plans to enhance the transmission network and expand renewable energy capabilities. The Ministry of Mines and Energy (MME) has introduced the 10-year Energy Expansion Plan 2031 (PDE 2031), which outlines an investment of BRL 126.4 billion for the transmission sector over 10 years starting 2022. PDE 2031 includes the addition of 75 GW in generation capacity, 33,600 km of transmission lines and 117,100 MVA of substations.

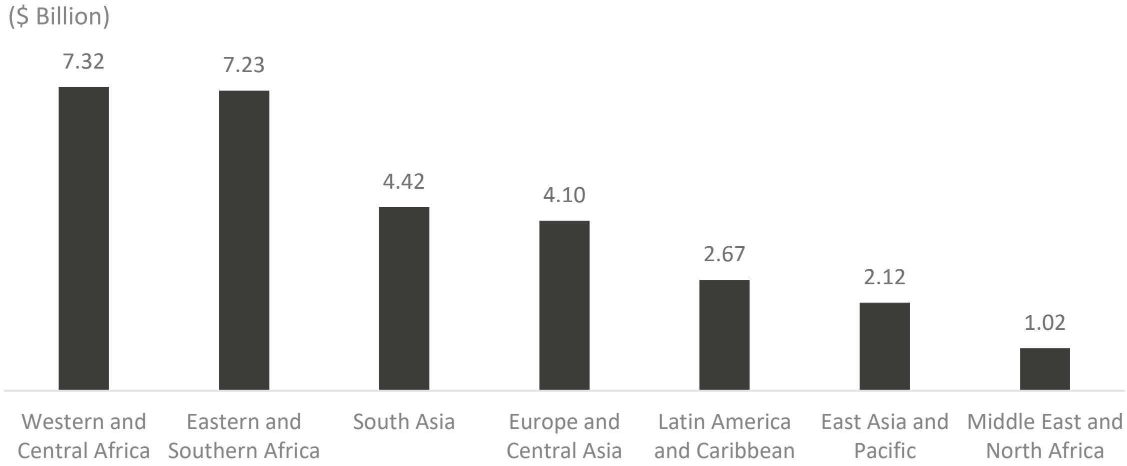
Across the Middle East, countries are prioritising the development of power transmission infrastructure as they shift away from oil-based economies, incorporate renewable energy sources into their transmission networks, and enhance connectivity between regional grids.

Further, multilateral organisations such as the World Bank are consistently involved in investing in numerous power transmission projects across regions such as Africa, Central Asia and South-East Asia. As a result, the power transmission sector’s exports are anticipated to benefit from the emergence of opportunities for T&D equipment in connection with these projects. The Covid-19 pandemic led to a postponement of capital expenditure in Africa and the Middle East, but there has been a resurgence in spending, coupled with a resumption of execution momentum in projects funded by multilateral organisations.

The World Bank, for instance, pledged a substantial $27.9 billion for renewable energy and transmission and distribution projects from fiscals 2019-2024. These pledges are spread across 228 active projects worldwide funded by various World Bank entities, with a significant proportion located in Africa and South Asia. The World Bank's ‘Lighting Africa' initiative aims to extend electricity access to 250 million people in rural areas through off-grid connections by 2030, addressing the persistently low levels of electricity access in these regions.

Multi-laterally funded projects create long-term revenue visibility for the sector due to the large scale on which they are undertaken, in addition to lowering counterparty risk, as executing agencies are exposed to these agencies instead of local authorities.

Figure 35: The World Bank's commitment for various regions (FY19-FY25 YTD)



Note: World Bank commitments are as on September-2024; World Bank commitments earmarked for sectors such as "Energy Transmission and Distribution" and "Renewable Energy" have been considered; FY25 YTD- April-September 2024

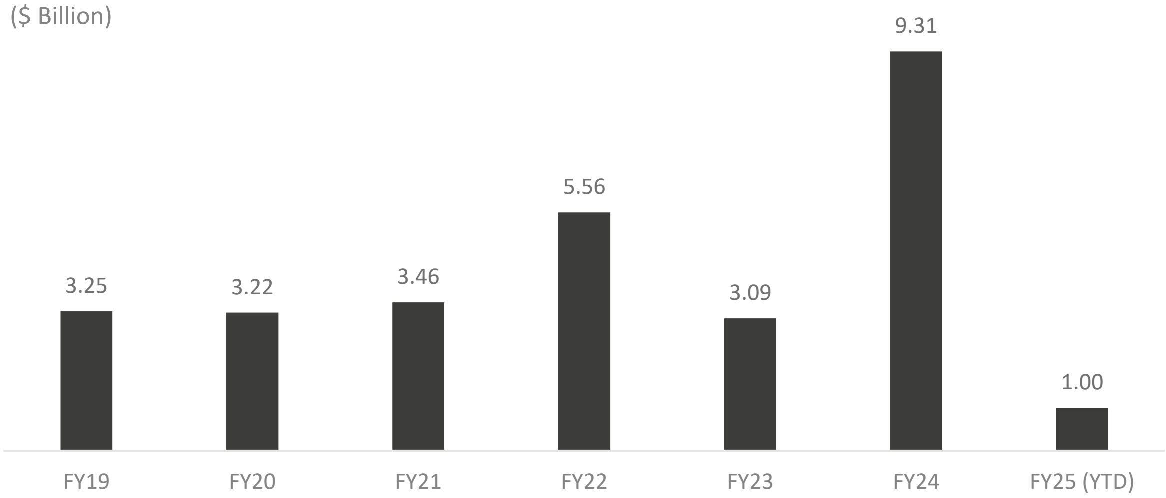
Source: World Bank, CRISIL MI&A

Africa is emerging as a key demand driver with large investments planned. Inter-regional connectivity projects in Africa have a funding commitment of $1.51 billion. The key regional connectivity projects are in Cameroon, Chad, Mozambique, Malawi, Tanzania, Zambia Guinea and Mali. Total commitment from World Bank in the western, central eastern and southern region stands at ~$14.55 billion.

The World Bank-supported projects in South Asia, apart from India, are in Bangladesh, Pakistan and Maldives with the highest fund commitment of $2.44 billion in Pakistan. The projects in South Asia, are aimed at modernising electricity T&D, improving electricity distribution efficiency, rural electrification and integration of power plants to the grid. World Bank has announced a total commitment of $4.42 billion for the South Asian region. SAARC countries are also seeing a lot of traction in the transmission infra segment. The region is expected to see high investments in grid infrastructure to increase supply from renewable sources and cross-border integration. For instance, ADB had approved a loan of $0.156 billion to Nepal to modernise its T&D system in 2020.

Latin American countries are also seeing a lot of traction, as countries are moving towards smart grid expansion with renewable integration. Chile has set target of meet 70% of its total energy need from renewable energy by 2030 and aims to become carbon neutral by 2050. While Argentina have set a target to generate 20% of total generation from renewable sources till 2025, which will require these countries to invest in the T&D segment.

Figure 36: Trend in amount committed by the World Bank



Note: World Bank commitments are as on September-2024; World Bank commitments earmarked for sectors such as "Energy Transmission and Distribution" and "Renewable Energy" have been considered; FY25 YTD- April-September 2024

Source: World Bank, CRISIL MI&A

Competitive scenarios in the power transmission tower manufacturing segment

In the first half of fiscal 2008, Power Grid Corporation of India Ltd (PGCIL) relaxed the eligibility criteria and started vendor development initiatives to develop indigenous capabilities and create a wider vendor base. Low entry barriers coupled with attractive returns attracted new players from other related businesses such as electric equipment and construction. This intensified competition.

However, most new entrants encountered execution issues as they had limited relevant execution experience, which resulted in project delays. Subsequently, from fiscal 2013, PGCIL refrained from awarding projects to these players until they completed the existing projects. As a result, aggregate market share of established players in PGCIL orders increased from 55% in fiscal 2012 to 64% in fiscal 2015 and to 71% in fiscal 2016.

The share of these players dipped to 55% in fiscal 2018, on account of the re-entry of Gammon India Ltd, which had won a large tender worth Rs 2.4 billion. Skipper Ltd, which had won ~18% of total line capacity (in value terms), also re-entered the market by winning a project (7% market share) in a joint venture with Unitech. Newer players such as EMCO Ltd and Angelique International Trans Global also grabbed quick market share post entry. However, competition declined again subsequently, especially with PGCIL ordering declining and focus on intra-state tendering.

Figure 37: Market share in PGCIL orders

Contractor name	2009-10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	9M FY20
KEC international	2%	0%	7%	31%	20%	11%	20%	20%	17%	26%	0%
Kalpataru Power	5%	12%	9%	18%	15%	14%	13%	3%	13%	0%	89%
Larsen & Tourbo	9%	5%	9%	14%	13%	16%	21%	12%	13%	21%	0%
Tata Projects	21%	19%	19%	0%	18%	19%	3%	15%	0%	16%	0%
EMC Limited	8%	19%	11%	0%	0%	4%	14%	17%	14%	0%	0%
Top 5 players	**45%**	**55%**	**55%**	**63%**	**66%**	**64%**	**71%**	**67%**	**56%**	**63%**	**89%**
Skipper Ltd	0%	0%	0%	0%	1%	8%	18%	0%	7%	0%	0%
Simplex Infrastructures	0%	0%	0%	0%	0%	1%	0%	9%	4%	4%	0%
Others	55%	45%	45%	37%	33%	27%	12%	24%	33%	33%	11%
New Entrants Total	**55%**	**45%**	**45%**	**37%**	**34%**	**36%**	**29%**	**33%**	**44%**	**37%**	**11%**

Note: This is as per the latest data released by PGCIL. Post this, player participation data has not been published.

Source: PGCIL, CRISIL MI&A

In the intra-state market, large players face tough competition from regional players where smaller contracts of sub 100 ckm often see low participation from the established names.

However, superior technical expertise, wider scale of operations and higher installed manufacturing base have helped the larger players hold on to their market share.

Table 13: T&D capabilities of domestic players

Particulars	KEC	Kalpataru	Skipper	Jyoti Structures
Areas of operation[1]	Designing, manufacturing and testing transmission towers. Laying transmission lines and sub-station construction	Designing, manufacturing and testing transmission towers. Laying transmission lines and sub-station construction	Designing, manufacturing and testing transmission towers. EPC in power T&D	Designing, manufacturing and testing transmission towers. EPC in power T&D
Tower manufacturing facilities	6 (3 in India, 1 each in Brazil, the UAE and Mexico)	2 (Gujarat and Chhattisgarh)	3 (West Bengal)	3 (2 Maharashtra & 1 Chhattisgarh))
Tower manufacturing capacity	3,72,200 MT[2]	2,40,000 MT	3,00,000 MT[3]	1,16,160 MT
Tower testing facilities	4 (3 in India, 1 in Brazil)	1 (Gujarat)	1 (West Bengal)	1 (Maharashtra)
Tower testing facilities capabilities	Up to 1,200 kV- Lattice and Guyed towers, Tubular Towers and Monopoles	Up to 1,200 kV	Up to 1,200 kV	Up to 1,200 kV
Areas served	North and South America, Africa, Middle East, Asia, Oceania, Europe	Africa, CIS Countries, Middle East, SAARC countries, Asia, Europe, America	South America, Middle East, Asia, Oceania, Europe, Africa	Asia, Africa, North America, Middle East, Oceania, South America

Note: KEC - KEC International, Kalpataru - Kalpataru Projects International. The information for KEC, Kalpataru and Skipper is as per disclosures by these companies in their respective annual report for fiscal 2023. SAARC- South Asian Association for Regional Cooperation, CIS- Commonwealth of Independent States. 1 - Areas of operation have been kept limited to the power sector. 2 - Capacity for transmission towers, poles and hardware. 3 - Manufacturing capacity for Skipper is inclusive of all the engineering products.
Source: KEC International, Kalpataru Projects International, Skipper, CRISIL MI&A Research

Jyoti Structures Ltd's (JSL) expertise includes delivering turnkey projects involving designing, testing, manufacturing, erecting and commissioning of transmission lines, sub-stations and power distribution projects in India and abroad. With operations resuming fully after a bankruptcy process, the company's revenue increased to Rs 4630.2 million in fiscal 2024, compared with just Rs 1.5 million in fiscal 2021. JSL has till date commissioned 31,000 circuit kilometre (ckt) of transmission lines. Between fiscals 2021 and 2024, it executed more than 1,000 ckt of projects. Through last fiscal, it commissioned 11 engineering, procurement and construction (EPC)/supply projects for Transmission Lines upto 765 kV, underscoring experience and expertise in the sector.

Apart from winning key mandates across clients and geographies, JSL has also shown the ability to win repeat orders. For instance, it commissioned seven projects for a client in fiscal 2024. JSL has two manufacturing plants in Nashik, Maharashtra, with a combined capacity of 73,920 MT, and one plant in Raipur, Chhattisgarh with an annual capacity of 42,240 MT. The company also has a R&D centre in Ghoti for testing of towers up to 1200 kV. This centre tests towers for JSL's own operations and for external clients. The facility has tested more than 480 towers till fiscal 2024.

Highlights of the key private transmission line operators

Table 14: Key indicators for private transmission line operators for fiscal 2023

Particulars	Sterlite Power Transmission	Adani Transmission (India)
Total income	6,581	797
Profit before tax	230	389
Profit/(loss) for the year	(33)	318
Tangible networth	1,467	2,823
Total debt	4,611	516
Operating margin	19.4%	91%
Net margin	(0.5%)	40%
ckm	13,945 (cumulative)	3,834

Note: The above financials for Sterlite Power Transmission are at a consolidated level. Adani Transmission (India), is a subsidiary of Adani Energy Solutions Limited, the financials are standalone.
Source: Company filings, CRISIL MI&A Research

Tower testing

Installation of transmission towers can encounter delays because of quality issues. The delays prompt installation agencies to revisit and revise the tower design, installation methods and tower specifications. Hence, testing transmission towers is crucial to assess their performance in adverse weather conditions, their impact on public safety, and their compliance with relevant standards and regulations.

In the transmission line industry, prototypes of the structures undergo testing to enhance structural reliability of the transmission line systems. Tower tests serves various critical purposes, with one key objective being the validation and fine-tuning of the tower design to align with the specific transmission design codes.

To facilitate this, several tower manufacturers and accredited government laboratories have set up specialised facilities to test transmission towers, both for commercial purposes and research and development. These facilities employ various testing techniques, including full-scale prototype testing of the towers and tower components under simulated conditions, real-time strain gauge monitoring of load-bearing members, and reliability testing.

To be sure, tower testing encompasses the evaluation of several parameters. In a traditional proof test, the primary goal is to validate the design. This entails applying static loads, ensuring that the support rests on level-fixed foundations, and restraints at the load points are maintained in accordance with the design model. When a proof test is required, it should be conducted on a full-scale prototype structure or a similar tower design before mass production. Such a test assesses the towers and the capacity of their connections to withstand the specified design loads under controlled conditions. Proof tests also serve the purpose of confirming the accuracy of fit-ups.

It is important to note here that while this test can evaluate the tower's response to design loads, it may not entirely account for dynamic loads, less-than-ideal foundations, and complexities associated with the connected wires at the load points.

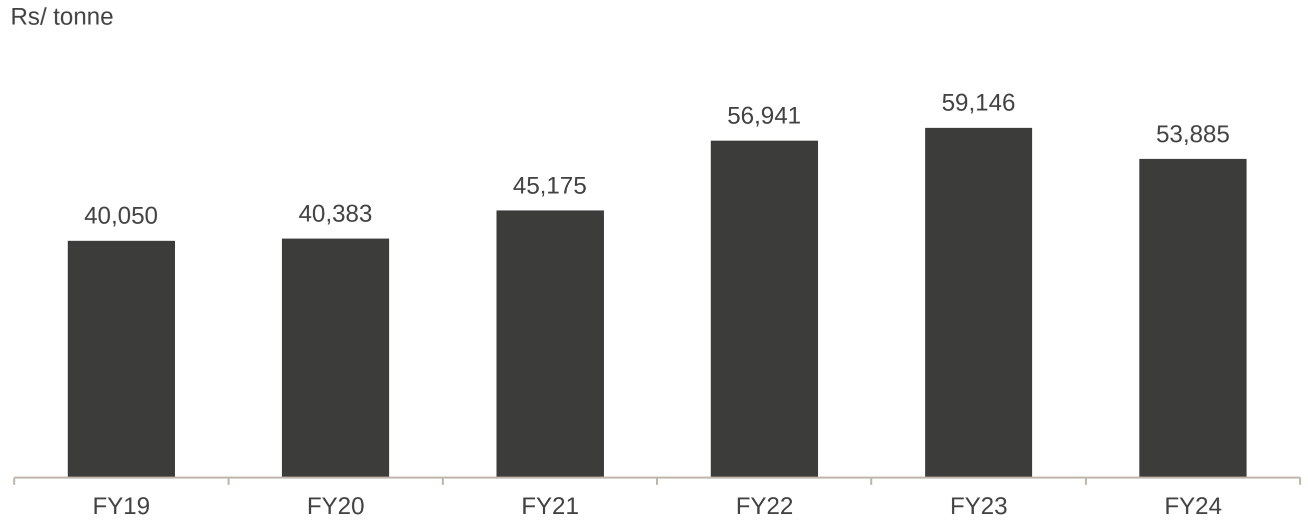
That said, a testing facility comprises a testing platform capable of assessing tower bending, torsional motion and shearing forces. It also assess the durability of anchors to absorb transverse, longitudinal and vertical forces exerted on the towers. The set-up allows for the application of various combinations of prescribed load tests at specified rates, and is equipped with devices and equipment to measure loads as well as deflection. Additionally, the facility features a remote control for the loading mechanisms as well as precise measurement instruments.

Profitability trends and commodity prices

Commodity prices impact profitability

Operating expenses constitute a major portion of costs for power transmission companies, of which raw material forms a significant portion. Raw materials include steel, aluminium, zinc, bolts and nuts, etc.

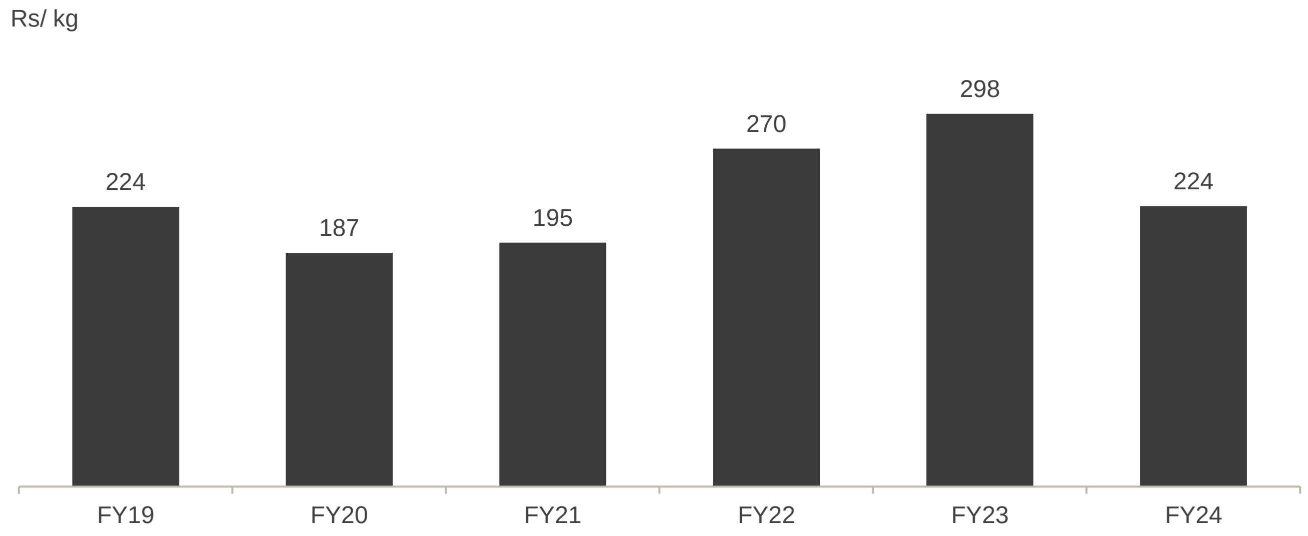
Figure 38: Steel price movement



Note: Above prices are for Primary TMT

Source: CRISIL MI&A

Figure 39: Zinc price movement



Note: Above prices are for non-alloyed zinc (>=99.99% zinc)

Source: CRISIL MI&A

Steel constitutes a significant portion of the raw material costs. The average price of reinforced steel rose 26% on-year to Rs 56,941 per tonne in fiscal 2022 and by 3% to Rs 59,156 in fiscal 2023, before settling 9% lower at Rs 53,885 per tonne in fiscal 2024. Volatility in prices of thermal coal key raw materials for long steel production—had caused the rally in steel prices over fiscals 2022 and 2023. On the other hand, raw material prices corrected in fiscal 2024 amid steady supply conditions. Input costs are expected to remain stable over the medium term. The price of zinc, an essential coating material, rose 38% in fiscal 2022 and 11% in fiscal 2023 before slipping sharply by ~25% in fiscal 2024. Zinc LME prices edged up owing to sanctions by the LME and the CME on Russian-origin metal. Supply concerns in Australia and Canada also pushed up prices. The increase was driven more by traders or speculation than by fundamentals. However, prices are expected to remain rangebound in subsequent quarters owing to weak demand, especially from China, despite improving macroeconomic conditions in some regions.

Projects awarded by domestic central and state utilities are covered by a price variation clause, which is linked to the IEEMA (Indian Electrical and Electronics Manufacturers Association) index, enabling companies to pass on increase or decrease in steel prices to their customers.

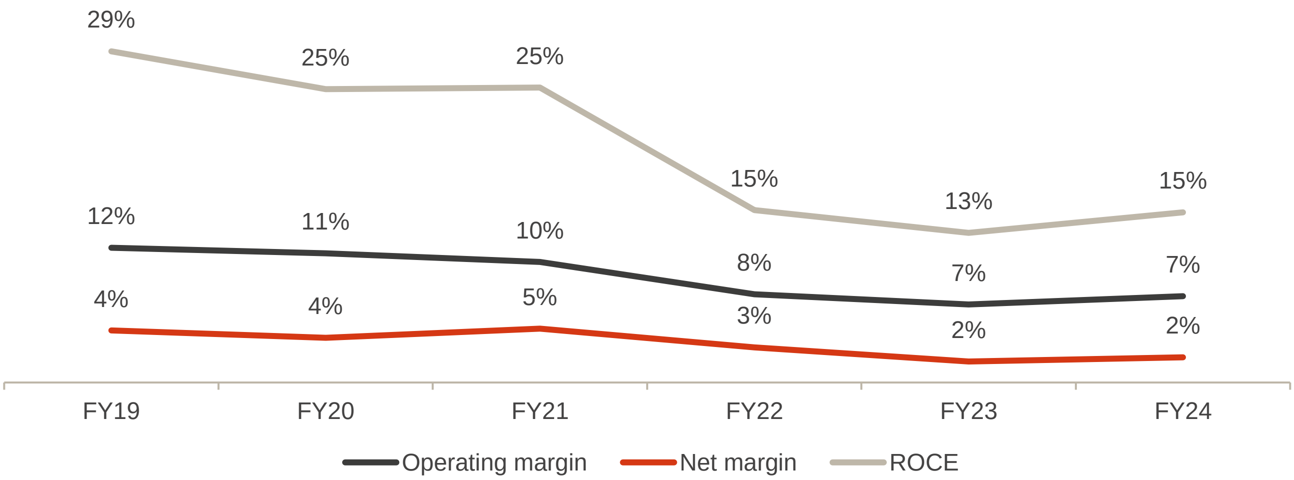
International contracts, on the other hand, are fixed price contracts, where the players while bidding have to build in margins to account for future variability in raw material prices, which can be through hedging or long-term contracts.

Trend in profitability margins

Operating margin rose to 7.5% in fiscal 2024 after contracting two years in a row. It had dropped to 6.7% in fiscal 2023 from 7.6% in fiscal 2022 and 10.4% in fiscal 2021. Increase in profits were on account of revenue growth due to healthy demand and order book execution. The decline in earlier fiscals was owing to a surge in the prices of steel and zinc—key raw materials for transmission towers. Prices of steel and zinc saw a favourable dip in fiscal 2024, down ~9% and ~24% on-year, respectively.

Notably, realisations are higher in domestic orders owing to variable cost pass-through clauses in contracts. On the other hand, international orders with fixed price contracts have boosted the profitability for key players who have won significant overseas orders.

Figure 40: Trends in profitability margins



Note:

1. *Companies included are consolidated financials aggregated for Kalpataru Power Transmission Ltd and KEC International Ltd*
2. *The above financial data is as per the internal reclassification of financial statements based on CRISIL Methodology.*

Source: Company report, CRISIL MI&A

Previously, higher commodity prices pushed up realisations in the domestic segment since a price escalation clause is embedded in all contracts. On the other hand, fixed price export contracts drove down realisations even as elevated commodity prices led to a jump in raw material costs. Thus, operating margin contracted ~280 bps in fiscal 2022 and ~87 bps in fiscal 2023. It rose 73 bps in fiscal 2024 as a fall in commodity prices helped exporters, especially those with high-value overseas orders.

Working capital indicators

The transmission tower industry has high working capital requirements given long gestation periods. However, major players have had average debtor days of 137 days over fiscals 2019-2024. Fiscal 2024 saw debtor days recorded by some players fall below the 100-day mark for the first time due to healthy growth in high-value contracts in their international order books (owing to better customer profiles and advance payment). More central government-led projects lined up for bidding under GEC and RE integration drives also aided the sector. On the other hand, the large scale of operations has translated into more bargaining power, with average creditor days at 155 days.

Extensions to the working capital cycle due to the increasing share of state transmission utilities in the domestic market, typically more prone to payment or procedural delays, are a key monitorable. The PGCIL's investment plans and GEC construction have led to more tenders from the central government and debtor days have declined from a high of 154 days during fiscal 2019 to 96 days in fiscal 2024. Even while bidding for international projects, players focus on contracts that offer relatively high advance payments and require timely execution, i.e. projects sponsored by multilateral funding agencies such as The World Bank and the Asian Development Bank. This also improves the working capital cycle, helping exporters limit the number of debtor days.

Table 15: Trend in debtor and creditor days

Fiscal year	FY19	FY20	FY21	FY22	FY23	FY24
Debtor days	154	152	151	133	138	96
Creditor days	158	147	160	158	156	151

Note:

1. *Companies included are consolidated financials aggregated for Kalpataru Power Transmission Ltd and KEC International Ltd*
2. *The above financial data is as per the internal reclassification of financial statements based on CRISIL Methodology.*

Source: Company filings, CRISIL MI&A Research

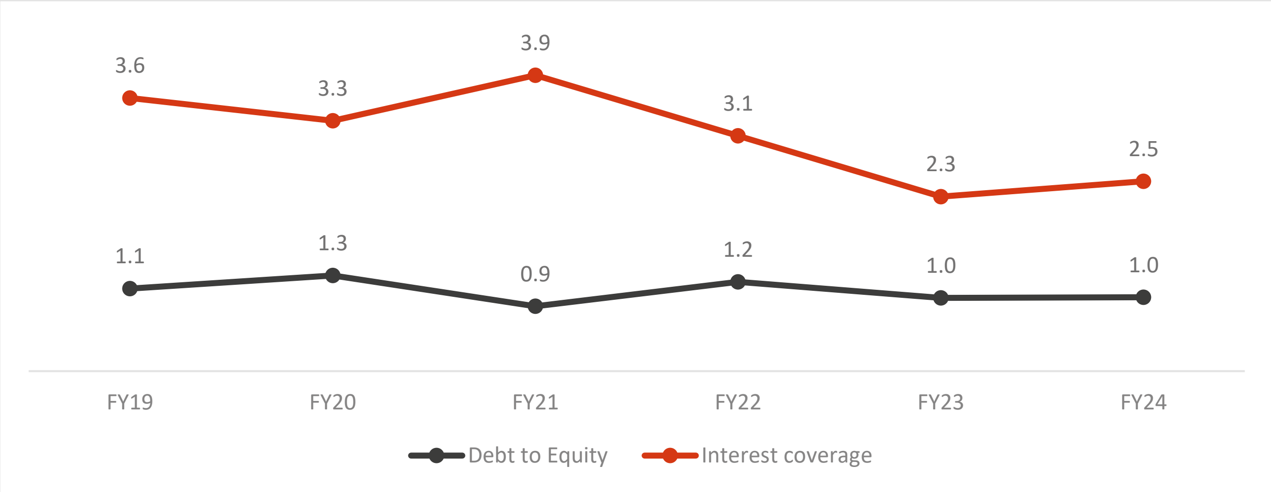
Debt metrics

Large players have been able to maintain low gearing over the past few years despite heightened competition and extended project execution cycles.

Timely diversification into international markets amid sluggish domestic demand helped players maintain their profitability. Previously, in fiscal 2020, the interest coverage ratio fell because of a rise in total debt. In fiscal 2021, the ratio increased to 3.9x amid low interest rates; however, it fell to 3.1x in fiscal 2022 and to 2.3x in fiscal 2023 as high raw material costs drove down profitability.

Subsequently, owing to a decline in raw material costs as well as debtor days, interest coverage improved to 2.5x in fiscal 2024.

Figure 41: Key debt indicators of the industry



Note:

1. *Companies included are consolidated financials aggregated for Kalpataru Power Transmission Ltd and KEC International Ltd*
2. *The above financial data is as per the internal reclassification of financial statements based on CRISIL Methodology.*

Source: Company filings, CRISIL MI&A Research

Module 4: Overview of transmission and sub-station EPC

EPC segment background

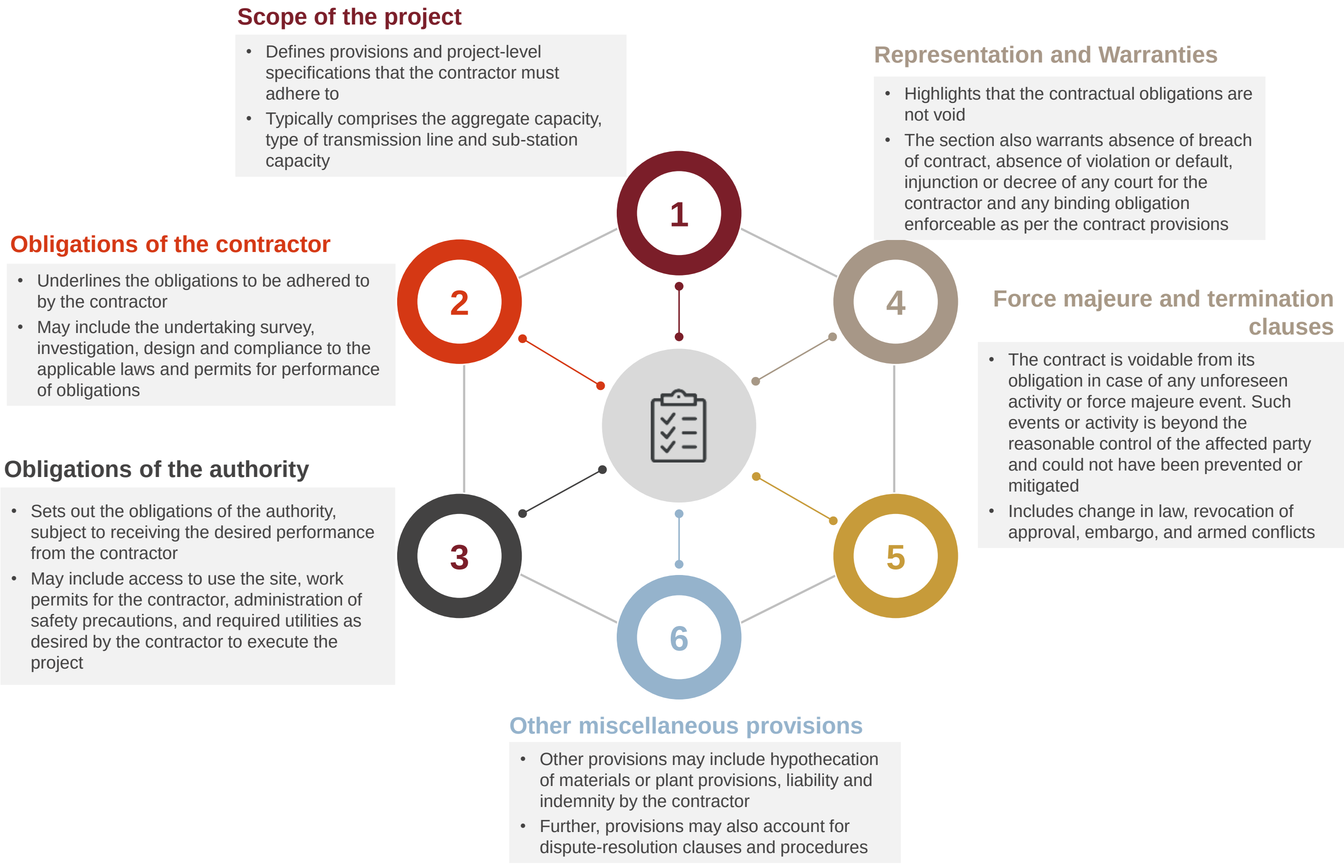
A nation's transmission and transformation capabilities are integral to shaping its power network. Transmission lines play a crucial role in linking power generating stations to load centres, given their infrequent co-location. The power grid comprising this intricate network of transmission lines operates across various voltage levels, commonly has up to 765 kV on the AC side and 800 kV on the DC side. Higher voltage lines are essential for transmitting power over extended distances, while lower voltage levels typically serve load centres in close proximity. The transformation capacity associated with these voltage levels is of paramount importance in ensuring grid and load security, as it ensures supply of accurate power voltage, thereby mitigating potential mishaps. Transmission EPC and service providers are important value chain participants aligned to construction of transmission lines. They may be contracted by transmission line operators or may themselves bid for line operation at times.

Engineering, procurement, and construction (EPC) companies are engaged in on-ground execution of transmission lines or sub-stations. The role of an EPC contractor varies depending on the scope of work. For instance, a contract may include provision to supply the equipment as well, whereas in others, the project owner may provide the equipment to the EPC contractor. Some transmission service providers (TSPs) opt for an in-house EPC team, while others choose to outsource as they provide numerous benefits in terms of adherence to cost and project timelines.

The typical construct of an EPC contract has defined timelines and completion milestones which need to be followed to avoid penalties. An EPC contractor must comply with applicable laws and permits, as required. From a contractor's perspective, these can include securing connectivity permits for right of way (RoW) to construct a transmission line and even land acquisition at times. The onus of procuring these permits solely lies on the EPC contractor, which increases the probability of delays, attracts penalties and under-recoveries.

Under the T&D business, key activities such as RoW and forest clearances typically fall under the purview of the client. However, EPC contractors are involved in in supporting capacity, undertaking activities such as data collection, preparation and submission of proposals to concerned authorities. Contracts are also split between tower manufacturing (designing, testing and supplying) and erection (survey, foundation, tower erection, stringing, and commissioning). These activities are scheduled in the inception phase, which forms the basis for milestone-based payments during the contract period.

Figure 42: Construct of an EPC project



Source: CRISIL MI&A Research

EPC business model and associated risks

An EPC contractor's scope of work can vary from providing end-to-end services such as procurement of raw material and equipment operations and maintenance (O&M) to only carrying out installation and construction.

Under the turnkey model, the EPC contractor provides end-to-end solutions, while under the turnkey model with only partial procurement, the scope reduces to installation and construction of the transmission lines and procuring items not issued by client.

The EPC business is subject to risk factors, which might impact returns and the financial position of the contractor. Some key risk factors are described below:

a. Operational risk – The contractor must ensure EPC projects generate required output efficiency and adhere to performance standards, where non-performance may lead to payment penalties. In case of non-availability of mandated components, there may be issues/delays in procurement of such equipment as per the agreement.

b. Financial and regulatory risk – In the Indian context, government transmission projects have a price escalation clause which is often linked to indices of underlying key commodities. However, international or private contracts may not include the same. Any delay, cancellation of orders as per agreed pricing will hamper financial returns as prices cannot be renegotiated. The fixed nature of the contract exposes the contractor to price volatility risks such as a swing in commodity prices. Working capital may be affected due to project delays and also in the case where advances received from the consumer attracts interest. Further, any unexpected changes in policies for which for the contractor does not have a recourse as per the agreement of reimbursement may again impact project profitability.

c. Construction risk – Delays in construction due to factors such as more time taken for connectivity approvals or land acquisition will impact project cost and may attract penalties in case of extensive delays. Other factors such as unanticipated change in design and supply shortages can lead to delay in construction.

Transmission line set-up

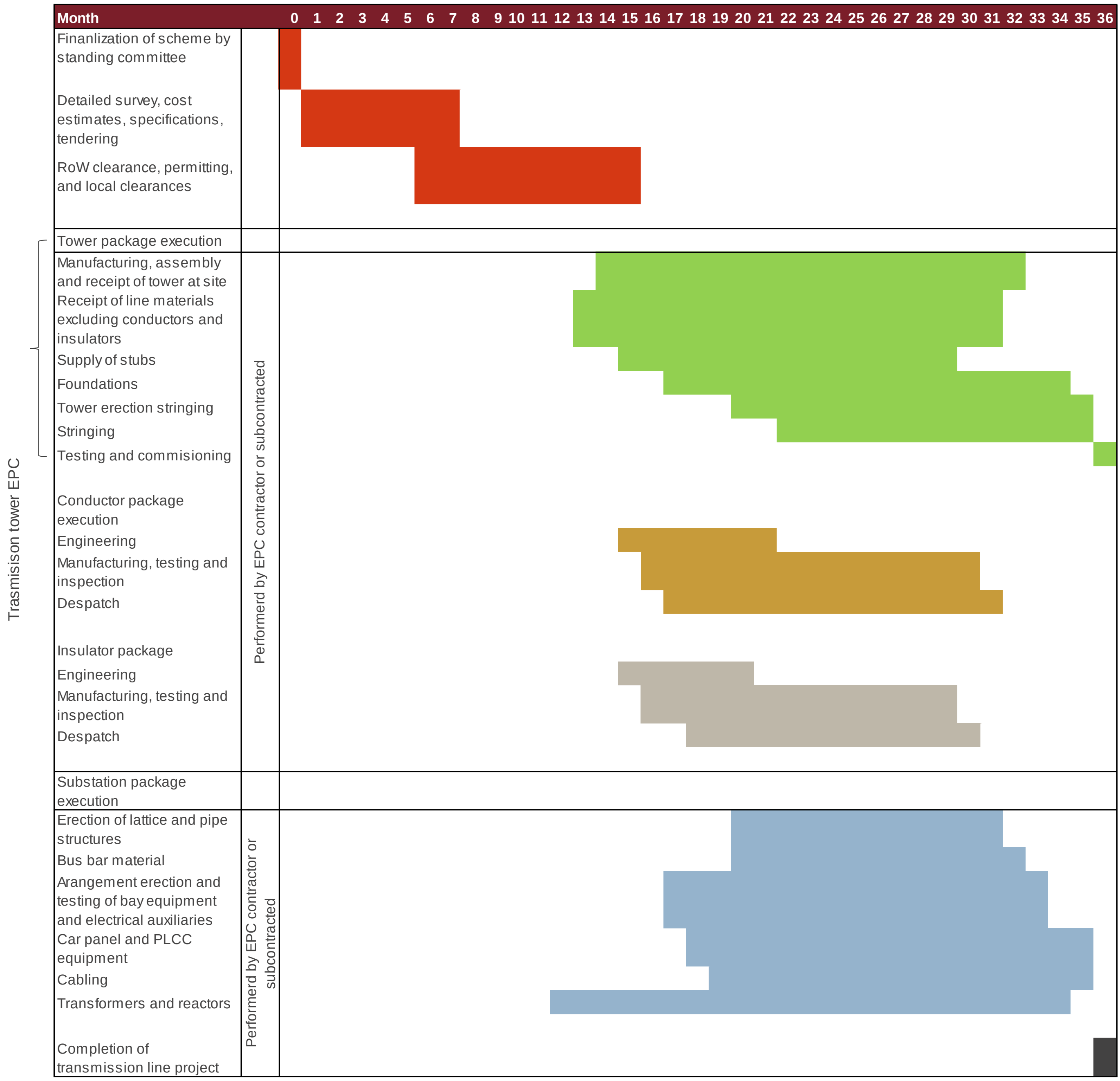
A power transmission tower is a tall steel structure used to support overhead electricity conductors for power transmission. Its main function is to isolate the high-voltage conductors that it supports and separate them from the surroundings and other transmission towers.

The key raw materials used to manufacture a tower are reinforced steel angle bars which undergo various mechanical processes (punching, drilling, etc.) to be assembled into the final structure. Another important raw material used is zinc for galvanisation of various parts to make the steel corrosion-resistant. The towers are usually assembled at site to enable easier transportation. In hilly and mountainous terrain, entire towers are erected using helicopters.

Erection schedule

The entire process of setting up a transmission network is spread over about two to three years (including surveys and cost estimation by a tendering party like PGCIL), depending on the topography of the region where the transmission line has to be set up and the length of the line. The following diagram shows the indicative time taken for each activity in the implementation schedule of a transmission line:

Figure 43: Typical transmission and sub-station execution schedule



Source: CRISIL MI&A Research

For transmission tower EPC players, the revenue cycle typically ranges from 18-24 months (not counting project delays). Revenue realisation, however, happens continuously over the course of the project in the following manner:

Table 16: Approximate revenue realisation cycle

Project Timeline	Stages of the project	Revenue realisation
3-9 Months	Bidding for PGCIL/STC tenders	-
	Awarding of contract	-
	Contract signing	Mobilization advance (5-10%)

9 Months-2.5 Years	Project execution	80-90% on pro-rata basis
1-2 Months	Payment of retention money	Usually up to 10%

Source: CRISIL MI&A Research

The companies realise most of their revenue as and when they achieve pre-defined milestones of the project. As a milestone/lot is achieved/delivered, the EPC raises an invoice with the TSP which is to be cleared within pre-defined number of days. PGCIL/STC usually pays a 10% mobilisation advance against a performance guarantee, which is normally an interest-bearing advance. However, this may differ from contract to contract. This advance is adjusted against the pro-rata payment and interest is eliminated thereafter. Retention money is paid to the supplier once the entire line is erected, tested and approved i.e. only after commissioning.

Table 17: Highlights of few players active in T&D EPC space

Particulars	Ashoka Buildcon	IRCON International	KEC International	Kalpataru Projects International
Incorporation	1993	1976	2005	1981
Marquee projects/ sector experience*	50,000+ km power lines	9,654 RKM railway electrification, Eight 400 kV HT sub-stations	500 kV HVDC 200 km TL Tajikistan to Afghanistan, 750 kV S-C 353 km TL in Ukraine	380 kV TL AR RASS to Qassim, SA; 132 kV underground cabling in UAE; Air Insulated SS in Togo
Total income	9,987	12,917	19,967	19,690
Profit/(loss) for the year	521	930	347	516
Tangible net worth	(3,888)	4,929	3,804	4,139
Total debt	5,443	2,567	3,812	3,910
Areas served	India, Guyana, Benin, Maldives, Bangladesh, Ivory Coast, Saudi Arabia	South America, Asia, Africa, Europe	North and South America, Africa, Middle East, Asia, Oceania, Europe	Africa, CIS Countries, Middle East, SAARC, Asia, Europe, America

Note:

1. **:Marquee projects/sector experience mentioned are only indicative and intended to highlight the company's presence in the sector. This is not an exhaustive list of the projects the entity has executed in the space*
2. *Financials are for the year FY24 in Rs crore.*
3. *The above financial data is as per the internal reclassification of financial statements based on CRISIL Methodology.*
4. *CIS - Commonwealth Independent States, SAARC - South Asian Association for Regional Cooperation, TL-Transmission lines*

Note: Company filings and CRISIL MI&A Research

Table 18: Key orders received by players in the T&D space

Date	Order name and scope	Country	Order value (Rs. Billion)
Apr-23	765 kV Transmission line, 765/400 kV AIS Substation & 765 kV GIS Substations	India	15.6
Apr-23	Orders in the T&D business	India, SAARC, Middle East, East Asia Pacific and Americas	Not specified
Apr-23	Orders in the T&D business	Overseas	1.5
Jun-23	Orders in the T&D business	India, Americas	Not specified

Jun-23	Orders in the T&D business	India and overseas	6.35
Jul-23	Orders in the T&D business	Overseas	20.36
Jul-23	Orders in the T&D business	India, Middle East, Europe and Americas	Not specified
Aug-23	400 kV Transmission line and substation development along with supply of towers	India, Africa, Americas	10.65
Sep-23	Orders in the T&D business	India and overseas	5.52
Sep-23	T&D order for Design, Supply and Installation of 380 kV Overhead Transmission Line	Saudi Arabia	11.45
Sep-23	765 kV Transmission line and supply of towers, hardware and poles	India, Americas	Not specified
Sep-23	380 kV Overhead transmission line project	Middle East	Not specified
Oct-23	Orders in the T&D business	India and overseas	19.93
Oct-23	T&D projects and supply order	India, Middle East, Australia and Americas	13.15
Nov-23	220 and 400 kV Overhead Transmission lines	Middle East	Not specified
Nov-23	110kV Transmission lines	Europe	Not specified
Nov-23	Supply of Towers	Middle East, Africa and Americas	Not specified
Nov-23	Supply of Hardware and Poles in Americas	Americas	Not specified
Nov-23	220kV cabling works for Steel producer	India	Not specified
Dec-23	400/220 kV Transmission lines and 220/132 kV GIS & AIS Substation	India	Not specified
Dec-23	Supply of Towers, Hardware and Poles	Americas	Not specified
Dec-23	220 kV Sub-station, 500 kV Transmission line, 132 kV transmission line	India, Thailand, Nepal	Not specified
Dec-23	Orders in the T&D business	Kuwait, Nepal, India and USA	Not specified
Jan-24	765 kV Transmission line and 765 kV GIS Substation	India	Not specified
Jan-24	220 kV Transmission line	SAARC	Not specified
Jan-24	Supply of Towers, Hardware and Poles	Americas	Not specified
Mar-24	765 kV Transmission line and 765 kV GIS Substation	India	Not specified
Mar-24	Supply of Transmission Hardware	Americas	Not specified

Note: These are the orders from fiscals 2024
Source: Company filings, CRISIL MI&A

Indian companies in the space have built a geographically diversified portfolio, with operations across multiple regions. Players have reported orders ranging from supply of equipment such as tower, hardware, poles etc. to undertaking complete turnkey scope of the project. The orders executed are also across multiple voltage levels going up-to 765 kV.

Module 5: Smart meters

Demand for smart meters in India

Availability of reliable, quality and affordable electricity is key to a country's economic development.

Since 2014, the central government has introduced schemes such as Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS), and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) to assist states and discoms in improving their power distribution infrastructure.

Implementation of DDUGJY and IPDS in rural and urban areas, respectively, has supported strengthening of the distribution system. As a result, India has achieved universal electricity access by connecting ~26 million homes under Saubhagya. This has been the largest expansion of electricity access in the world in such a timeframe. Implementation of the schemes has resulted in improved access to electricity. Steps have also been taken towards automation and use of information technology in the distribution space under IPDS and Restructured Accelerated Power Development & Reforms Programme, which includes the setting up of data centres, GIS mapping of consumers, asset mapping, online energy auditing and accounting, consumer care centres, advanced metering infrastructure on feeders and distribution transformers, provision of smart metering to reduce losses, etc, in urban areas.

However, consumers are still unable to access reliable 24x7 electricity in many parts of the country. AT&C losses and the ACS-ARR gap remain high. The sub-optimal performance of the distribution sector is because of structural and management deficiencies and still some weakness in the infrastructure.

One way to improve the operational efficiencies of discoms, maintain their financial sustainability and improve consumer services is through the replacement of analog meters set up at homes to smart meters to record electrical usage. These digital meters can transmit information on energy consumption to the utility (as these are connected to the internet) at frequent intervals and can help consumers monitor consumption precisely, thereby enabling more informed energy choices. These meters also nullify power theft and help improve a discom's billing efficiency.

Revamped Distribution Sector Scheme

The CEA notified (Installation and Operation of Meters) (Amendment) Regulations, 2019 on December 23, 2019. This was further amended by (Installation and Operation of Meters) (Amendment) Regulations, 2022 on February 28, 2022. The amendments stipulate that all new consumer meters will be smart meters with a prepayment feature. Further, existing meters, other than smart meters, were to be replaced with smart meters with an advance payment feature within a timeframe specified by the central government.

In Union Budget 2021-22, the government announced RDSS with an outlay of Rs 3.04 trillion, partly funded by the central government to the tune of Rs 976 billion, aimed at reducing financial stress across discoms. The package, slated to be distributed over the next five years, will subsume other schemes (DDUJY and IPDS) under its ambit. The Ministry of Power notified the timelines for installation of smart meters vide its August 17, 2021, and May 23, 2022 gazette notifications. The amendment has mandated the installation in phases (as per timelines stipulated under the RDSS) for all discoms to the RDSS scheme.

As has been the case with the Atmanirbhar Bharat discom liquidity package, PFC and REC will be the key nodal lenders for disbursal of funds to the discoms. The government has laid down guidelines and criteria for availing funding under the scheme, which aims to improve the operational efficiency, distribution infrastructure, and governance and compliance standards of state discoms.

As per the RDSS guidelines, implementation of smart meters will be taken up in mission mode in identified contiguous areas. Installation would be taken up in two phases:

- The first phase is to be completed by December 2023, where the following areas will be taken up on priority: All union territories
- All electricity divisions of 500 Atal Mission for Rejuvenation and Urban Transformation (AMRUT) cities, with AT&C losses >15% in the base year
- Industrial and commercial consumers
- All government offices at the block level and above
- Other areas with high losses, which would mandatorily include electricity divisions having more than 50% consumers in urban areas and with AT&C losses of over 15%, and other electricity divisions with more than 25% AT&C losses

The second phase is to be completed by March 2025 and will include electricity divisions with more than 50% consumers in urban areas and with AT&C losses of 15% or less, and other electricity divisions with AT&C losses of 25% or less.

Table 19: Smart meters sanctioned and award under various schemes, including RDSS as October 2, 2024

State	Smart meters sanctioned	Smart meters awarded
Uttar Pradesh	30,978,280	30,978,280
Tamil Nadu	30,140,849	140,849
Maharashtra	23,564,747	23,564,747
West Bengal	21,208,759	3,724,273
Bihar	17,208,939	13,698,600
Gujarat	16,510,860	10,794,960
Rajasthan	14,900,527	625,571
Madhya Pradesh	13,444,401	4,884,284
Kerala	13,290,166	805
Punjab	9,830,007	1,045,200
Assam	6,921,329	7,016,629
Chhattisgarh	5,962,115	7,070,288
Andhra Pradesh	5,610,846	5,610,846
Himachal Pradesh	2,952,685	1,070,832
Jammu and Kashmir	2,134,095	2,072,762
Uttarakhand	1,584,205	1,584,205
Jharkhand	1,341,306	1,041,772
Haryana	1,000,000	1,000,000
Goa	741,160	0
Tripura	547,489	415,647
Meghalaya	460,000	0
Puducherry	403,767	04
Nagaland	317,210	317,210
Mizoram	290,039	656
Arunachal Pradesh	287,446	286,940

State	Smart meters sanctioned	Smart meters awarded
Delhi	260,000	260,000
Andaman and Nicobar	158,773	75,200
Manipur	154,400	154,400
Sikkim	144,680	144,680
Ladakh	58,930	58,930
Chandigarh	29,433	29,433
Telangana	8,882	8,882
Odisha	4,500	4,500
Total	222,450,825	117,681,385

Source: Ministry of Power, CRISIL MI&A Research

Business models

Smart meters in India are being installed under two modes – totex (total expenditure) mode and opex (operational expenditure).

The RDSS has recommended implementation in totex mode through PPP. Under this mode, a service provider, i.e., advanced metering infrastructure service provider (AMISP), will supply, maintain and operate the metering infrastructure. It will undertake capital as well as operational expenditure under design, build, fund, own, operate, and transfer, or similar modes, and will be reimbursed for a portion of its capital expenditure initially, with the remaining payment made over the operation and maintenance (O&M) period.

Under opex mode, a single agency (AMISP) contracted will incur capex and opex during the built-up and O&M phases. The discom will then pay the agency a cost per meter every month over the recovery period (typically up to seven years).

As per the RDSS, the discom is to also receive budgetary support from the central government, which will be 15% of the approved cost for metering works, including the operational cost, subject to a maximum of Rs 900 per consumer prepaid smart meter. The remaining amount will be paid by the discoms over the O&M period.

As part of the main features and guidance notes of the SBD for appointment of an AMISP for smart prepaid metering in India, issued by the government on October 22, 2021 under the RDSS, the accounting process of AMISP payment will be as follows:

- Transaction nature: Payment to the AMISP by the discom will be considered as opex on the discom's account
- Regulatory treatment: The discom is to consider AMISP payments as opex while filing ARR and tariff review petition with the SERC

Source: CRISIL MI&A Research

Sehul S. Bhatt

CRISIL Limited MUMBAI

Mr. Sehul Bhatt
Director, CRISIL MI&A Research

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OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section "**Forward-looking Statements**" on page 19 of this Letter of Offer for a discussion of the risks and uncertainties related to such statements and the section "**Risk Factors**" on page 24 of this Letter of Offer for a discussion of certain risks that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements.*

We have included various operational and financial performance indicators in this Letter of Offer, many of which may not be derived from our Audited Consolidated Financial Statement or Limited Reviewed Financial Statement or otherwise be subject to an examination, audit or review by our auditors or any other expert. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Audited Consolidated Financial Statement or Limited Reviewed Financial Statement and other information relating to our business and operations included in this Letter of Offer.

Unless otherwise indicated, the industry-related information contained in this Letter of Offer is derived from the 'Industry report on power transmission, distribution and smart metering Report' issued in December, 2024 , which have been exclusively commissioned and paid for by our Company for agreed fees for the purposes of confirming our understanding of the industry exclusively in connection with the Issue and exclusively prepared and issued by CRISIL Limited. Copies of the CRISIL Report shall be available on the website of our Company at https://www.crisil.com/content/crisilcom/en/home.html. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. The data from the CRISIL Report included in this section may have been re-ordered by us for the purposes of presentation.

Overview / Primary business of our Company

Our Company is in the business of Engineering, Procurement and Construction (EPC) execution of projects in the following three verticals:

a) Power Transmission Lines upto 800 kV
b) Substations up to 800 Kv
c) Distribution Project

As part of the above scope of services, the Company has the following in-house capability:

a) Design and engineering
b) Tower testing facility to test prototype transmission towers upto 1,200 kV
c) Three transmission tower manufacturing plants, two in Nashik and one in Raipur with a combined capacity of 1,16,160 MT annually. Details of the manufacturing capacity and utilisation are provided on pages 171 of this Section.
d) Construction services

Our Company has constructed over 31,000 circuit KMs of transmission lines, over 1,800 bays of substations and electrified over 37,325 villages.

Our major clients are described in the section titled "*Major clients*" in the chapter titled "***Our Business***" on page 161 of this Letter of Offer. They include owners of power transmission and distribution. Over the four-decade history of the company, we have executed projects in and exported products to clients in countries USA, United Kingdom, Canada, France, South Africa, Bangladesh, Tanzania, Kenya, Kuwait, Rwanda, Tajikistan, United Arab Emirates, Algeria, Philippines, Kenya, Georgia, etc.

The Domestic and Export Sales are as under:

Particulars	Half-year till September 30, 2024	FY 2024	FY 2023
Domestic	13,174.52	40,633.78	22,923.12
Export	6,714.45	5,668.36	-
Total Revenue	**19,888.97**	**46,302.14**	**22,923.12**

Our total installed capacity stands at 1,16,160 MT over three manufacturing units from which in the past three years. The detailed manufacturing capacity and utilisation is given under the heading ***Capacity and Capacity Utilization*** on page 171. Presently the Nashik Unit 1 facility with a capacity of 41,100 MT annually is being utilised. We have manufactured 3,138 MT in FY 2023 and 7,139 MT in FY 2024 and 5,695 MT for the half year period ended September 30, 2024at this facility.

A combination of pre-qualifications (having executed projects for transmission lines and substations upto 800 kV and distribution projects, in-house design and testing capability, sizable manufacturing capacity, global experience and quality standards (ISO 9001; ISO 1401; OHSAS 18001) have helped us to create an entry barrier for smaller / newer players.

Key milestones:

Year	Particulars
1974	Company Incorporated
1979	Established first tower manufacturing plant at Nashik and started operations as a job worker
1987	First EPC Transmission Line project
1989	Listed on Stock Exchanges
1991	First EPC Transmission Line project from Power Grid Corporation of India Limited

Year	Particulars
1992	First EPC Substation project
1995	Annual Turnover exceeds Rs 10000 lakhs
1996	First Substation project from Power Grid Corporation of India Ltd. First 800 kV Transmission Line project from UP State Electricity Board Established tower testing station at Ghoti (Nashik)
2007	Annual Turnover exceeds Rs 1,00,000 lakhs
2009	First overseas 765 kV Transmission Line project
2011	First 765 kV Substation project
2016	Achieved milestone of 30,000 ckt Kms of commissioning Transmission Lines
2017	Referred to Corporate Insolvency Resolution Process (CIRP)
2019	Hon. NCLT approved the Resolution Plan for revival of the Company*
2021	Resumption of business operations after the Resolution Plan got implemented
2024	Tested our 488th tower at our Tower Testing Station Ghoti. Tower type for the project being 400 kV M/C.

*For further details of the material terms of the resolution plan entered between the Company and its lenders as under the Resolution Plan, refer to "**Key Highlights of Resolution Plan**" on page 68 of this Letter of Offer.

Nature of the product(s)/services and the end users

Our offerings can be classified further into Services and Supplies.

<u>Services</u>

- EPC execution of Transmission Line, Substation and Distribution projects.
- Design, Detailing, Testing of Transmission Line Towers, Poles, and Telecom Towers

Segment	Scope of Supply contract	Scope of Services contract
Transmission Line	Supply contract covers Design, Detailing, Testing of Transmission Line Towers, Fabrication, Inspection and dispatch of materials to designated stores along with bought-out items (such as Insulators, Hardware, Accessories, Earth wire, OPGW Conductors etc.)	Services portion of the contract broadly cover Survey, Soil Investigation, Foundations, Erection of Transmission Line Towers, Stringing of Conductors & OPGW, Testing & Commissioning.
Substation	Supply of Substation equipment such as Gantry Structures, Circuit Breakers, Isolators, FFH, Earthing materials, CT, PT, Hardware, Fittings, Bus Post Insulators LA, Control & Relay, Power & Control Cables, Panels, Power Cable and Power Transformers with Station Transformer, etc.	Survey, preparation of access road, levelling of project site (if required), foundation, civil works, erection of all Equipment with earthing, testing & commissioning,
Distribution	Supply of Poles (RSJ, PSC, STB etc.), Distribution Transformer, AB Cable, Conductor, LA, Insulators, Power Meters, APL & BPL Kit, HT & LT Cables, Hardware, Fittings etc.	Survey, Profiling, installation of line and substation materials for all LT, 11 kV, & 33 kV, testing & commissioning

Achievements / accomplishments

In-house design of towers and testing at the Company's own test bed. In the past, we have executed Transmission Line projects spread over 1,000 km in a single contract that was completed in a record time of 2 years.

a) Transmission Lines
   i. Supplied over 14,00,000 MT of structures to various utilities around the world.
   ii. Constructed over 31,500 circuit kilometers of lines up to 800 kV.
   iii. Worked with all major utilities all over the world.

iv. Successfully executed and commissioned projects in difficult terrains like Himalayan ranges, deserts, snow covered regions, water-logged areas and river crossings.
v. Executed river crossing projects including 1,000 mtrs. span over river Ganges with 142 mtrs. Tall towers.
vi. Executed 4,200 mtrs of gulf crossing in Mediterranean Sea.
vii. Tested more than 488 types of towers upto 1200 kV

b) Substations
i. Constructed over 1800 bays ranging from 11kV to 765kV.
ii. Commissioned over 8000 MVA Transformer capacity.

c) Distribution Lines
i. Provided Service Connections to 28,69,000 households.
ii. Commissioned 58,930 Nos. Distribution Transformer Substations.
iii. Laid over 23,760 kilometers of Aerial Bunched cable.
iv. Laid over 1,75,000 kilometers of AAAC Conductor.
v. Executed over 812 Nos. Feeder Renovation.

STRENGTHS

Engineering Expertise

We use various Software viz. Computer Aided Analysis; BOCAD, Itower, AutoCAD and tools such as Digitization of Toposheets, Digital Terrain Models, Theodolites and GID equipments which help us in ROW resolution.

We own an exclusive proto fabrication and assembly unit which interfaces between design and testing process to ensure minimal errors. The entire project management is digitized helping in detailed calculations related to tower foundation, construction line length and tension thus improving precision and efficiency.

We have executed projects over difficult terrains such as Himalayan Range, Deserts and River Crossing across 1,000 m wide rivers. Backed by capabilities in engineering, we are in a position to bid for lump sum turnkey projects which have better margins and limited competition.

Tower Testing Expertise

We own in-house tower testing station at Ghoti, Igatpuri, near Nashik with capabilities to test tower upto 1,200 KV. The facility has tested over 488 towers of different configurations for clients from over 50 countries. Key global clientele for tower testing apart from India, are from , Canada, Australia, Australia, Abu Dhabi, and Saudi Arabia.

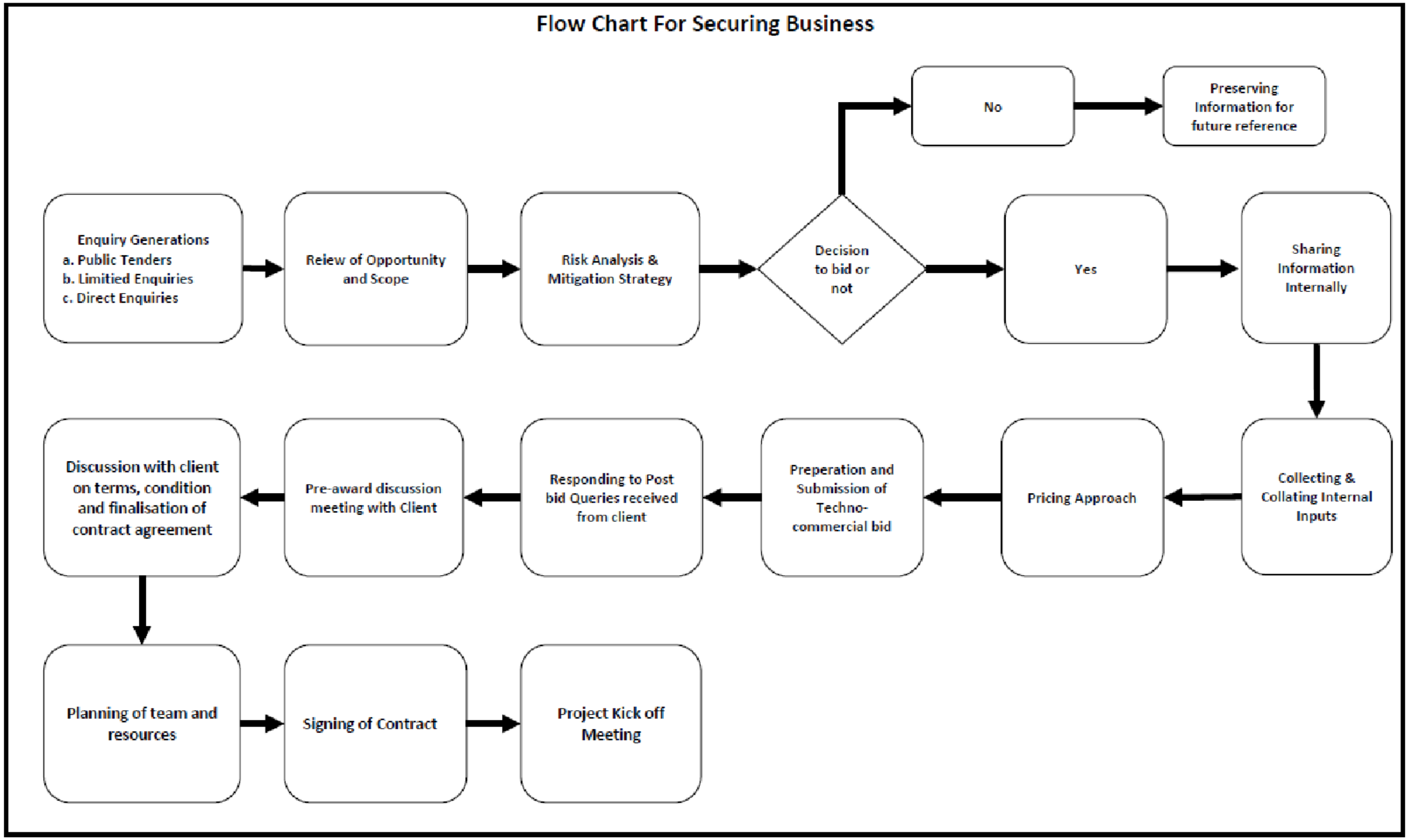
Manufacturing capability

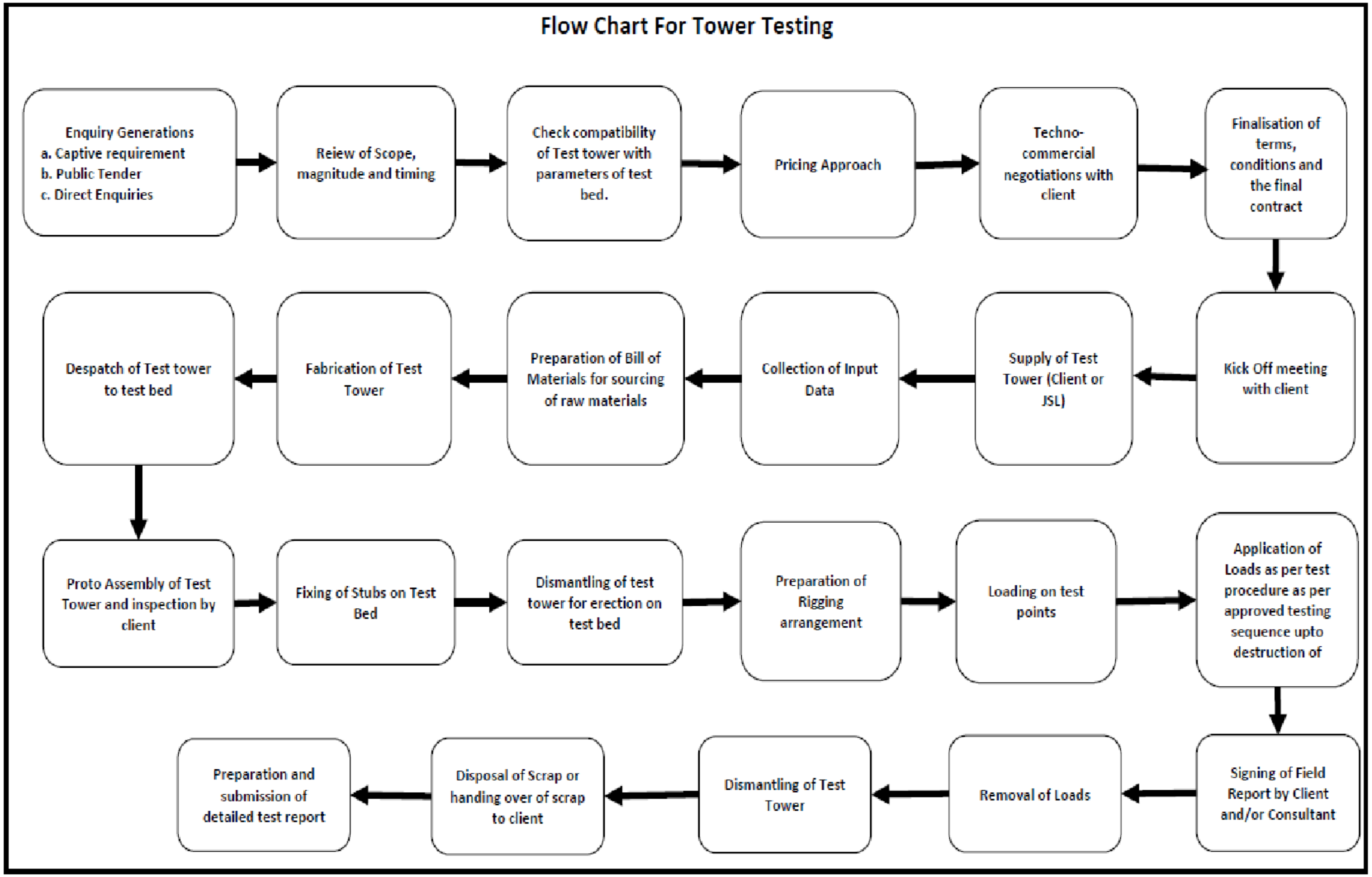
We have 3 (three) manufacturing facilities in India – 2 in Nashik (Maharashtra) and 1 in Raipur (Chhattisgarh). The total capacity of these facilities is 1,16,160 MT per annum of tower materials comprising transmission line towers, substation structures, telecom towers, railway structures and other galvanized steel structures. As on date, we have totally manufactured over 1.4 million metric tonnes of transmission towers and other structures.

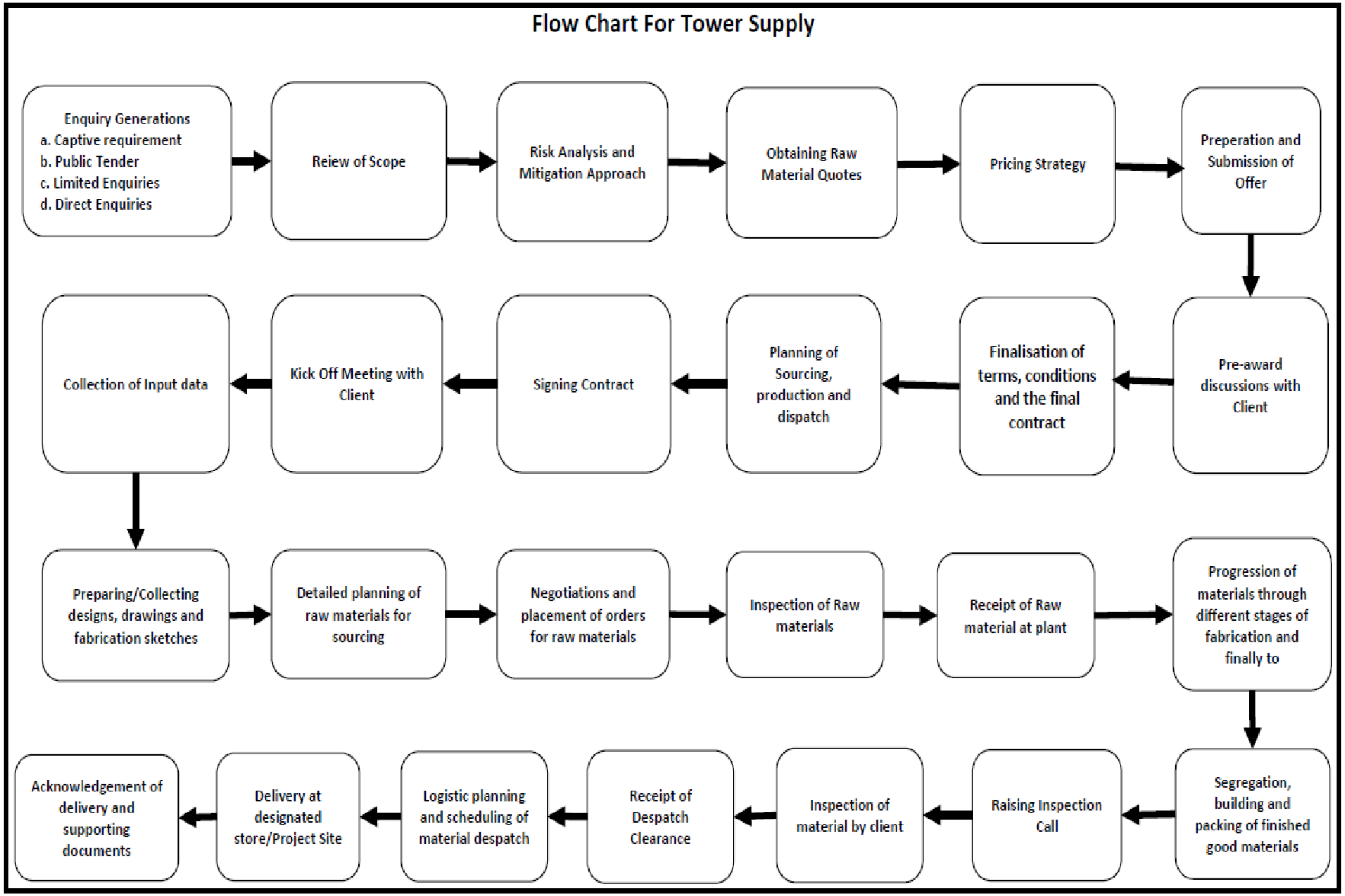
Owing to the financial distress faced by the Company in the past several years, our manufacturing facilities were not operational. After implementation of the Resolution Plan on November 9, 2021, one of the plants in Nashik has been put into operational mode in August 2021. The other plants are expected to become operational over a period of time as the Company's order book expands with corresponding banking limits being made available to the Company in accordance with the Resolution Plan.

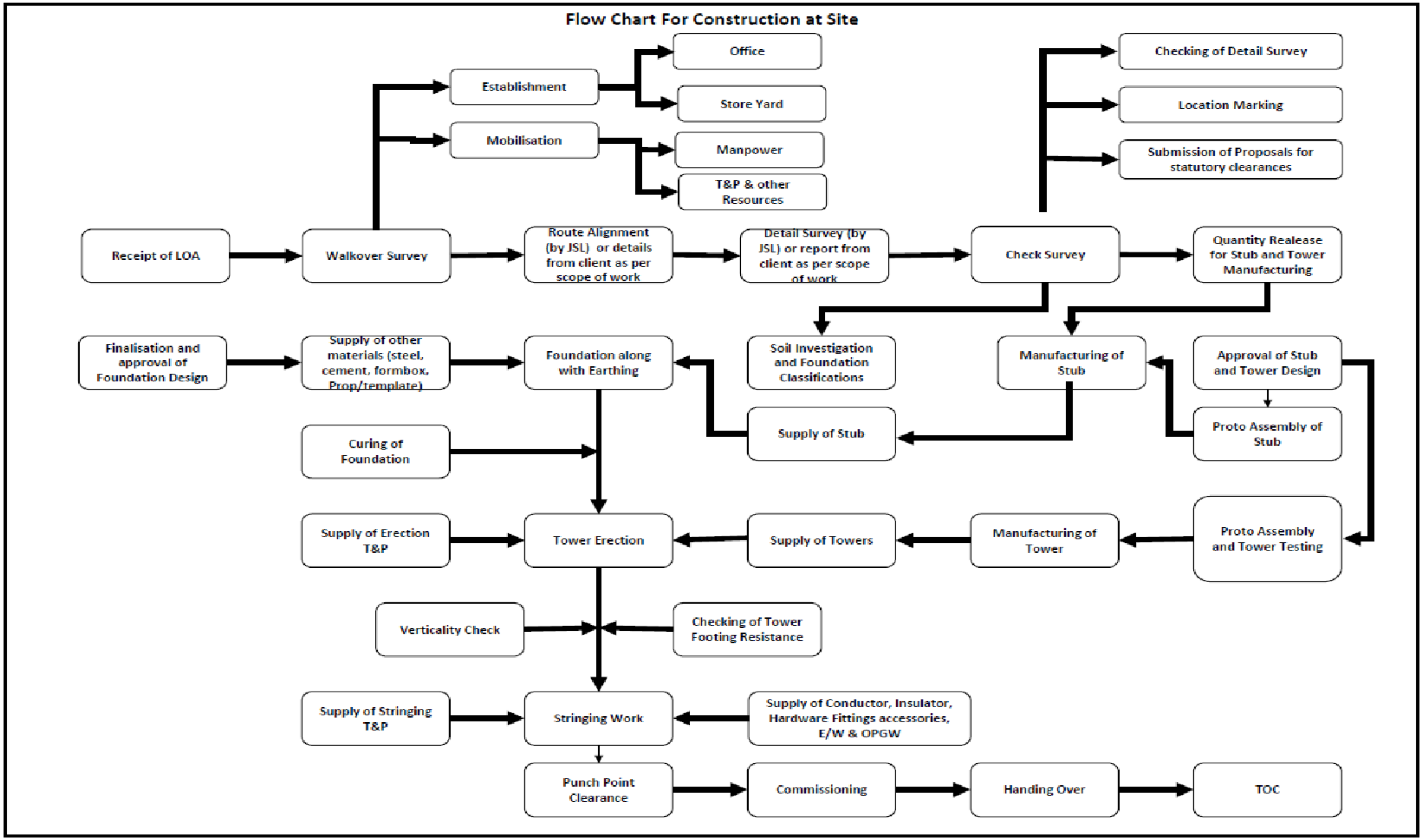
Our manufacturing facilities are equipped for fabrication and galvanizing of transmission towers, microwave towers, structures for solar panel installation, wind mill tower and railway electrification structures. All our facilities are ISO 9001, ISO 14001 and OHSAS 18001 certified.

Flow charts for major activities of our Company




Flow Chart For Tower Testing
Enquiry Generations
a. Captive requirement
b. Public Tender
c. Direct Enquiries
Reiew of Scope, magnitude and timing
Check compatibility of Test tower with parameters of test bed.
Pricing Approach
Techno-commercial negotiations with client
Finalisation of terms, conditions and the final contract
Kick Off meeting with client
Supply of Test Tower (Client or JSL)
Collection of Input Data
Preparation of Bill of Materials for sourcing of raw materials
Fabrication of Test Tower
Despatch of Test tower to test bed
Proto Assembly of Test Tower and inspection by client
Fixing of Stubs on Test Bed
Dismantling of test tower for erection on test bed
Preparation of Rigging arrangement
Loading on test points
Application of Loads as per test procedure as per approved testing sequence upto destruction of
Signing of Field Report by Client and/or Consultant
Removal of Loads
Dismantling of Test Tower
Disposal of Scrap or handing over of scrap to client
Preparation and submission of detailed test report


Flow Chart For Tower Supply
Enquiry Generations
a. Captive requirement
b. Public Tender
c. Limited Enquiries
d. Direct Enquiries
Reiew of Scope
Risk Analysis and Mitigation Approach
Obtaining Raw Material Quotes
Pricing Strategy
Preperation and Submission of Offer
Pre-award discussions with Client
Finalisation of terms, conditions and the final contract
Planning of Sourcing, production and dispatch
Signing Contract
Kick Off Meeting with Client
Collection of Input data
Preparing/Collecting designs, drawings and fabrication sketches
Detailed planning of raw materials for sourcing
Negotiations and placement of orders for raw materials
Inspection of Raw materials
Receipt of Raw material at plant
Progression of materials through different stages of fabrication and finally to
Segregation, building and packing of finished good materials
Raising Inspection Call
Inspection of material by client
Receipt of Despatch Clearance
Logistic planning and scheduling of material despatch
Delivery at designated store/Project Site
Acknowledgement of delivery and supporting documents


Flow Chart For Construction at Site
Office
Establishment
Store Yard
Mobilisation
Manpower
T&P & other Resources
Checking of Detail Survey
Location Marking
Submission of Proposals for statutory clearances
Receipt of LOA
Walkover Survey
Route Alignment (by JSL) or details from client as per scope of work
Detail Survey (by JSL) or report from client as per scope of work
Check Survey
Quantity Realease for Stub and Tower Manufacturing
Finalisation and approval of Foundation Design
Supply of other materials (steel, cement, formbox, Prop/template)
Foundation along with Earthing
Soil Investigation and Foundation Classifications
Manufacturing of Stub
Approval of Stub and Tower Design
Supply of Stub
Proto Assembly of Stub
Curing of Foundation
Supply of Erection T&P
Tower Erection
Supply of Towers
Manufacturing of Tower
Proto Assembly and Tower Testing
Verticality Check
Checking of Tower Footing Resistance
Supply of Stringing T&P
Stringing Work
Supply of Conductor, Insulator, Hardware Fittings accessories, E/W & OPGW
Punch Point Clearance
Commissioning
Handing Over
TOC

Major Clients:

We have broad base of clients globally and continues to expand it by adding new customers from existing geographies as well as newer geographies. The major clients of Company include most of the State Government Electricity Board, Major private developers and Global clients.

Plant, machinery, technology, process etc.

The following is the list of critical plant & machineries available at our plants at Nashik and Raipur:

Sr. No.	Machinery
FABRICATION	
1	CNC Angle Punching Lines
2	Manual Angle Lines
3	E.O.T. Cranes
4	Plate Shearing Machine
5	Hydraulic Notching
6	Heel Cutting
7	Band Saw
8	Bending Furnace
9	Induction Heating
10	Bending Machine
11	Angle Straightening Machine
12	Hydraulic Presses
13	Gas Cutting / Pug Cutting
GALVANISING	
14	Zinc Bath I (8.4x1.0x1.6 M)
15	Pre treatment Tank
16	Post Treatments Tank
17	Effluent Treatment Plant
18	Sewage Treatment Plant
19	Cooling Tower
QUALITY ASSURANCE	
20	Shapping Machine
21	Surface Polishing Machine
22	Tensile Testing Machine
23	Impact Testing
24	Spectro Chemical Testing Machine
25	Hardness Testing
26	Coatmeasure
27	Degital Level
28	Electronic Weighing Scale
STEEL STORES & FINISHED GOODS	
29	Goliath, Tower and Hydra Cranes
30	Weighing Scale
OTHERS	
31	Diesel Generator Set
32	Submersible Pump
33	Weighing Scale
34	Weighing Scale
35	Transformer

The manufacturing of towers entails multiple sub-activities such as cleaning, bending, cutting, drilling, punching, polishing, chemical treatment, hot dip galvanisation, shifting of raw materials from one section to another section during various stage, intermittent and final inspection as well as testing etc.

All the machines, tools and plants mentioned in the list are used during different processes of manufacturing and select set of machines and equipment are used for providing utility services running the operations at plants.

Subsisting collaborations / performance guarantee

As on date, we do not have any collaboration for any of our products / services.

Raw Materials and other utilities

The primary raw materials and components we use are Steel angles Mild Steel angles and High Tensile angles). The raw materials required during erection of tower include steel plates, zinc, bolts & nuts, washers / step bolts.

These materials are bought locally, and we do not anticipate any problem in procurement of the same.

Water is mainly used for sanitation purposes and is sourced locally from the municipal supply. We do not anticipate any difficulties for regular supply of the same.

Power at our manufacturing units is available from MSEDCL for Nashik Plants and from CSEDCL for Raipur Plant and we have not faced any interruptions in the supply during the past.

Manpower

As on date, the location wise and category wise summary of team is as follows:

Location	Team
Head Office (Mumbai)	65
Nashik	190
Ahmedabad	15
Project sites	213
Others	10
Total	493
Factory & testing station workers	166

All the above workforces are on the payroll of the company except for the contractual workers at the project site.

Business Strategy

Our Company has been an active EPC player in global arena for more than 4 decades, is open to take up project(s) across the regions (qualifying through our internal evaluation criteria). The business potential from each geography is a function of the planned capex of the customers from respective region.

Over the last four decades, the key factors which enabled our Company build expertise and achieve success are as follows:

a. Deep roots, withstood the test of time, consistently diversified and enhanced the scale of operations across multiple economic cycles.
b. Talent pool capable to excel at challenges encountered.
c. Track-record of performance.
d. Large pool of 500+ customers.
e. Cost efficient operational structure to offer attractive techno-commercial solutions to customers in competitive environment.
f. Fully integrated set of world class assets having direct control of value & delivery chain enabling cost and time advantage.
g. Best positioned to garner larger share of the humongous business opportunity available.
h. Capable of replicating success in existing adjacencies (Underground Power Cabling) and emerging adjacencies (Smart Metering).

Our strategy is to fully leverage existing capabilities and resources to tap available business and periodically keep on assessing the need to further enhance the capacities and add capabilities to stay ahead of competition.

Capacity and Capacity utilization

Our installed and utilized capacity are as under:

Unit/Plant	State	Installed Capacity (in MT)	Capacity Utilisation (in MT)			Capacity Utilisation in as a percentage (%) of Installed Capacity		
			2022-2023	2023-2024	2024-2025 (April to September)	2022-2023	2023-2024	2024-2025 (Annualized)
Nashik Unit 1 51A/52A/53A, D. Road, Satpur MIDC Industrial Complex, Nashik -422007, Maharashtra, India.	Maharashtra	41,100	3,138	7,139	5,695	7.63%	17.37%	27.71%
Nashik Unit 2 Plot No. E-60/61, MIDC Satpur, Nashik -422007, Maharashtra, India.	Maharashtra	32,820	Plant Not Operational			Not Applicable^		
Raipur Unit 1 1037/1046, Sarora Ring Road, Urla Industrial Complex, Raipur -493221, Chhattisgarh, India	Chhattisgarh	42,240	Plant Not Operational			Not Applicable^		
Total		**1,16,160**	**3,138**	**7,139**	**5,695**	**7.63%**	**17.37%**	**27.71%**

Notes:
^As on date, no operations / productions are carried out in units at Nashik 2 and Raipur.

Intellectual Property Rights:

All designs are tailor-made as per customer defined parameters, specifications, and fully compliant with relevant domestic and/or international standards. The Intellectual Rights for these designs are held by respective clients, as it is a paid service.

Property

Property details*	State	Leased / Owned	Used for
Nashik 1 Unit 51A/52A/53A, D.Road, Satpur MIDC Industrial Complex, Nashik – 422007.	Maharashtra	Leasehold land. Owned Plant & Building	Manufacturing of a) Transmission Line Towers b) Sub -Station Structures c) Telecom Towers d) Railway Structures or similar structures
Nashik 2 Unit Plot No. E-60/61, MIDC Satpur, Nashik – 422007.	Maharashtra	Leasehold land. Owned Plant & Building	Manufacturing of a) Transmission Line Towers b) Sub -Station Structures c) Telecom Towers d) Railway Structures or similar structures

Property details*	State	Leased / Owned	Used for
Igatpuri Unit Igatpuri, Village-Deola, Bhandardara Road, Ghoti, Nashik – 422002.	Maharashtra	Freehold land. Owned Plant & Building	Testing of Transmission Line Towers upto 1200 KV and Mono Poles
Raipur Unit 1037/1046, Sarora Ring Road, Urla Industrial Complex, Raipur – 493221.	Chattisgarh	Leasehold land. Owned Plant & Building	Manufacturing of a) Transmission Line Towers b) Sub -Station Structures c) Telecom Towers d) Railway Structures or similar structures
Ahmedabad Unit 1, Rajyog, Sarkhej Gandhinagar Highway, Khoraj, Gandhinagar 382421	Gujarat	Rented Office	Design, Detailing, Drawings & Shop Sketches for Transmission Line Towers & Sub Station Structures and
Mumbai Office 5th & 6th floor, Valecha Chambers New Link Road, Andheri (W) Mumbai – 400053	Maharashtra	Freehold Ownership	Registered Office

Subsidiaries

The details of our subsidiary (including step-down subsidiaries) companies are as under:

Sr. No.	Name	Our holding	Country
1	JSL Corporate Services Ltd	100%	India
2	Jyoti Energy Ltd	100%	India
3	Jyoti Structures FZE	100%	UAE
4	Jyoti Structures Nigeria Ltd	100%	Nigeria
5	Jyoti Structures Kenya Ltd.	100%	Kenya
6	Jyoti Structures Namibia (Pty) Ltd.	70%	Namibia
7	Jyoti Structures Africa (Pty) Ltd	70%	South Africa
8	Jyoti International Inc	100%	USA
9	Jyoti America LLC	100%	USA
10	Jyoti Structures Canada Limited	100%	Canada

The subsidiaries at Serial 3 to 10 are project/country specific subsidiaries that were formed to meet country/client requirements to bid for the projects. They were formed for project specific purposes. Since the projects are over, these subsidiaries are no longer operational and are dormant and non-functional. The Indian subsidiaries at Serial No.1 and 2 are in existence but there are no activities.

Joint Venture company

The Company had joint venture with Gulf Jyoti International Inc., UAE and its step-down subsidiary Company GJIL Tunisia Sarl. The financial statements / financial information of these Joint Ventures are not available and hence the same have not been considered.

In the absence of audited financial statements or management certified accounts, of Joint Ventures (JV) viz Gulf Jyoti International Inc., the share in the profit / (losses) and assets and liabilities of the aforesaid JV's has not been included in the Consolidated Financial Statements, and therefore the investment in the aforesaid JV has been stated at the same value as determined based on the management certified financial statements as on March 31, 2017. The same has been fully impaired in the earlier year(s).

Major Projects Completed in last three years and ongoing projects:

The resolution plan stood implemented on November 9, 2021, with the infusion of equity by the investors, issuance of securities to financial creditors and transfer of control to the present management, in terms of the resolution plan. As such the first full year of operations was of FY 2022-23. Status of execution of major projects is given below:

Sr. No.	Project Details	LOA Value (including project cost and excluding GST)*
1)	**MP II - 220 kV & 132 kV TL Turnkey Transmission Lines (20 Lines) MP Power Package II Project** **Scope:** (Route length - 448 Kms) Manufacture & supply of Transmission Line towers, supply of line materials, survey, Soil investigation, foundations, erection, stringing, testing and commissioning of all Transmission Lines on turnkey basis. **% of Work Completion / Expected Completion - Completed** 100% of contract scope completed which includes: i. 20 lines out of 20 lines completed ii. Overall summary of work completed (a) Engineering: 100% (b) Procurement: 100% (c) Construction: 100%	11,837.00
2)	**Khavda I - 765 kV Hexa-bundle conductor Khavda-Bhuj DC Transmission Line** **Scope:** (Route length - 109 Kms) Optimization, design, proto type testing, Manufacture & supply of Transmission Line towers, supply of line materials, survey, soil investigation, soil improvement, pile & open cast foundations, erection, stringing, testing and commissioning of Transmission Lines on turnkey basis. **% of Work Completion / Expected Completion - Completed** 100% - Line was completed in Dec-23	32,357.00
3)	**66KV Mundra – I - 66 kV Transmission Lines in Mundra Port & SEZ** **Scope:** (Route length - 34 Kms) Manufacture & supply of Transmission Line towers, supply of line materials, survey, pile & open cast foundations, erection, stringing, testing and commissioning of following Transmission Lines on turnkey basis: i. CZC SS MITAP II to Bhadreshwar ii. LILO from MRSS-MITAP to CZC SS (MITAP II) iii. Port Ring Network **% of Work Completion / Expected Completion -** Completed 100% Linewise completion status is as follows: i. Line 1 was completed in May-23, ii. Line 2 was completed in May-23, and iii. Line 3 was completed in Jan-24	2,868.00
4)	**Mundra -II - 400 kV & 220 kV TL Mundra Mega Project** **Scope:** (Route length - 10 Kms)	1,147.00

Sr. No.	Project Details	LOA Value (including project cost and excluding GST)*
	Manufacture & supply of Transmission Line towers, supply of line materials, survey, open cast foundations, erection, stringing, testing and commissioning of Transmission Line on turnkey basis. **% of Work Completion / Expected Completion -** Completed - Line was completed in Feb-24	
5)	**Khavda – II - 765 kV DC KPS2-Lakadia Transmission Line** **Scope:**(Route length - 27 Kms)Manufacture & supply of Transmission Line towers, supply of line materials, survey, open cast foundations, erection, stringing, testing and commissioning of Transmission Line on turnkey basis. **% of Work Completion / Expected Completion -** Status of work* cleared by client: 100% of the work cleared for execution has been completed comprising of following: i. Engineering: 100% ii. Procurement: 100% iii. Construction: 95% Expected Completion – March 2025	3,925.00
6)	**Goa & Karnataka Projects - Goa Tamnar Transmission Project**	18,494.00
	Scope: (Route Length - 174 Kms) Manufacture & supply of Transmission Line towers, supply of line materials, survey, pile & open cast foundations, erection, stringing, testing and commissioning on turnkey basis of following:	
	i. 400 kV Xeldom-Narendra Transmission Line (Route length - 98 Kms) 400 kV Xeldom-Narendra: - Currently on hold for want of forest clearance i. Engineering: 100% ii. Procurement: 50% iii. Construction: 58% Expected completion – July 2026 (Currently on hold for want of forest clearance)	
	ii. 400 kV Xeldom-Mapusa Transmission Line- (Route length - 53 Kms) 400 kV Xeldom-Mapusa: 100% completed i. Engineering: 100% ii. Procurement: 100% iii. Construction: 100% September 2024 – 100% completed	
	iii. 220 kV DC Xeldom-Xeldom Transmission Line (Route length - 23 Kms) 220 kV Xeldom-Xeldom: 100% completed i. Engineering: 100% ii. Procurement: 100% iii. Construction: 100% Aug 2024 – 100% completed	
7)	**Gadag Phase – II - 400 kV Gadag-Koppal Transmission Line** Scope: (Route length - 49 Kms) Manufacture & supply of Transmission Line towers, supply of line materials, survey, open cast foundations, erection, stringing, testing and commissioning of Transmission Line on turnkey basis.	2,897.00

Sr. No.	Project Details	LOA Value (including project cost and excluding GST)*
	% of Work Completion - 82% i. Engineering: 100% ii. Procurement: 100% iii. Construction: 65% Expected Completion : March - 2025	
8)	**FGH3-Bhadla - 400 kV Fatehgarh-3 to Bhadla-3 Transmission Line** **Scope:**(Route length - 223 Kms) Optimization, design, proto type testing, Manufacture & supply of Transmission Line towers, supply of line materials, survey, soil investigation, open cast foundations, erection, stringing, testing and commissioning of Transmission Lines on turnkey basis. % of Work Completion - 45% i. Engineering: 90% ii. Procurement: 65% iii. Construction: 30% Expected Completion - June 2025	22,153.00
9)	**Pirana (PG) – Pirana (T) - 400 kV MC Pirana (PG) – Pirana (T) Transmission Line** **Scope:**(Route length - 62 Kms)Design, proto type testing, Manufacture & supply of Transmission Line towers, supply of line materials, survey, soil investigation, soil improvement, pile & open cast foundations, erection, stringing, testing and commissioning of Transmission Lines on turnkey basis and reconductoring of 5.2 Kms on existing 400 kV Transmission Line % of Work Completion - 25% i. Engineering: 50% ii. Procurement: 25% iii. Construction: 46% Expected Completion - August 2025	24,497.00
10)	**KPS-III - Lakadia 765 Kv - Khavda Phase IV Part A** Scope: (Route length - 191 Kms) Manufacturing, Testing, Supply, Transportation to Project Site incl Erection & Civil works incl. EAR insurance. % of Work Completion – 2.50% i. Engineering: NA ii. Procurement: 5% iii. Construction: 4% Expected Completion - October2025	17,704.00
11)	**KPS-III - Manufacture, Inspection and Supply of Towers on FOR site basis**. Scope - Supply of Towers % of Work Completion : i. Engineering: 0% ii. Procurement: 5% iii. Supply: 0% Expected Completion : April 2025	8,947.00
12)	Navinal project - 765 kV D/C Transmission Line - LILO of Bhuj II - Lakadia 765 kV D/C line at Navinal (Mundra) (GIS) S/S in the state of Gujarat	45,002.00

Sr. No.	Project Details	LOA Value (including project cost and excluding GST)*
	Scope: Erection & civil works, covering Survey, Soil Investigation, Unloading, Storage, and handling at site incl EAR insurance, erection of towers, stubs, stringing, testing & commissioning of 765kV D/C Transmission Line % of Work Completion - 0% i. Engineering Yet to commence ii. Procurement yet to commence iii. Construction – 0.92% Expected Completion - April -26	
13)	PGCIL - ±800kV HVDC Bipole Line (Hexa Lapwing) between KPS2 (HVDC) & Nagpur (HVDC) Transmission Line- Part 01 starting from KPS2 Khavda, Gujarat. Scope: Supply: Design, Development, Testing, supply of Towers, Bolts-Nuts, Conductor, Insulators, and Hardware, Conductor Accessories, Earth wire and Accessories, OPGW & Fittings, Earthing etc. Installations: Survey, Soil Investigation, Foundation, Stone columns, Erection of Towers and Stringing, Testing & Commissioning. % of Work Completion - 0% i. Engineering Yet to commence ii. Procurement yet to commence iii. Construction Yet to commence Expected Completion – July-2028	62,964.10
	Total	**2,54,792.10**

Note: A typical Transmission Line Engineering Procurement & Construction (**EPC**) Project comprises of following major activities:

i. **Engineering**: This includes tower designs & testing, and foundation designs.

ii. **Procurement**: This includes manufacture/sourcing of towers, and sourcing of other line materials like conductor, insulators, hardware & accessories, and OPGW.

iii. **Construction**: This includes survey, soil investigation, to cast foundations, erection of towers, stringing of conductor & OPGW, testing and commissioning

*LOA is a Letter of Award, which includes the expense, labour, ancillary cost and profit margin of the Project. The Company bids for a project and is awarded the project if it is the lowest bidder. Since the amount mentioned in the LOA comprises various costs, costs overrun, expenses and profit margin, it is not possible for us to estimate or extract exact cost for the project.

OUR MANAGEMENT

The composition of our Board is governed by the provisions of the Companies Act, the rules prescribed thereunder, the SEBI Listing Regulations, the norms of the code of corporate governance as applicable to listed companies in India and the Articles of Association. Our Articles of Association require us to have not less than three (3) and not more than fifteen (15) Directors. As on the date of this Letter of Offer, our Board comprises six (6) Directors, including one (1) Whole-time Director, one (1) Non-Executive Director, and four (4) Independent Directors including one (1) Woman Director.

The following table sets forth the details regarding our Board as on the date of this Letter of Offer:

Sr. No.	Name, Address, Designation, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other directorships
1.	**Rajendra Prasad Singh** **Address:** A-1, PWO Housing Complex Sector 43, Gurgaon, 122002 **Designation:** Chairman and Independent Director **DIN:** 00004812 **Date of Birth:** July 17, 1948 **Term:** For a period of 5 years with effect from February 13, 2024 to February 12, 2029 **Period of Directorship:** Since August 21, 2019 **Occupation:** Consultant	76	1. Bajel Projects Limited 2. Jammu And Kashmir State Power Trading Company Limited 3. Techno Electric & Engineering Company Limited
2.	**Govind Prasad Saha** **Address:** 156, Ellett Road, Karaka, Road 1, Auckland, 2580, New Zealand **Designation:** Independent Director **DIN:** 09256986 **Date of Birth:** December 6, 1947 **Term:** For a period of 5 years up to September 12, 2029 **Period of Directorship:** Since September 13, 2021 **Occupation:** Service	77	Nil

Sr. No.	Name, Address, Designation, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other directorships
3.	**Monica Akhil Chaturvedi** **Address:** Bungalows No.1, Premium Tower, Lokhandwala Complex, Azad Nagar, Andheri West, Mumbai, Maharashtra, 400053 **Designation:** Woman Independent Director **DIN:** 02193359 **Date of Birth:** January 23, 1967 **Term:** For a period of 5 years up to September 19, 2029 **Period of Directorship:** Since August 6, 2021 **Occupation:** Consultant	58	1. Inspectorate Arma Private Limited 2. Eduthinkers Management Private Limited 3. Rebelcorp Private Limited 4. Optimiser Ventures Private Limited 5. Infinitus Infrastructure Private Limited
4.	**Abhinav Rishi Angirish** **Designation:** Non-Executive and Non-Independent Director **Address:** B/1602, Oberoi Sky Heights, Lokhandwala Complex, Opp. Joggers Park, Lokhandwala Back Road, Andheri West, Mumbai, Maharashtra, 400053 **Designation:** Non-Executive Director **DIN:** 01323243 **Date of Birth:** December 14, 1977 **Period of Directorship:** Since March 17, 2021 **Occupation:** Business	47	1. Abchlor Portfolio Management Services Private Limited 2. Abchlor Investments Private Limited
5.	**Abdul Hameed Khan** **Address:** 2101 Rizvi Oak, B-Wing, Sadguru Wamanrao Pai Road, Near Times of India. Malad East, Mumbai **Designation:** Whole-time Director and Chief Financial Officer **DIN:** 09508070 **Date of Birth:** March 18, 1978	46	Nil

Sr. No.	Name, Address, Designation, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other directorships
	Term: For a period of 3 years with effect from June 22, 2023 to March 31, 2026 **Period of Directorship:** Since June 22, 2023 **Occupation:** Service		
6.	**Raajeev B Batra** **Address:** 702, Laxmi Niwas, 16th Road, Khar West, Mumbai - 400054 **Designation:** Independent Director **DIN:** 10654756 **Date of Birth:** August 8, 1966 **Term:** For a period of 3 years with effect from June 03, 2024 to June 02, 2027 **Period of Directorship:** Since June 3, 2024 **Occupation:** Service	58	Nil

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of filing of this Letter of Offer, whose shares have been or were suspended from being traded on any of the Stock Exchange during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Letter of Offer.

Revival Committee

The company to fulfil all its commitments as per the Resolution Plan, a Revival Committee was formed. In view of the stringent requirements, it was considered essential to make sustained efforts for revival and closely monitor the implementation of the Resolution Plan. The committee will report to the Board and act as an interface between the Board and the company management.

The Revival Committee was formed with the following members:

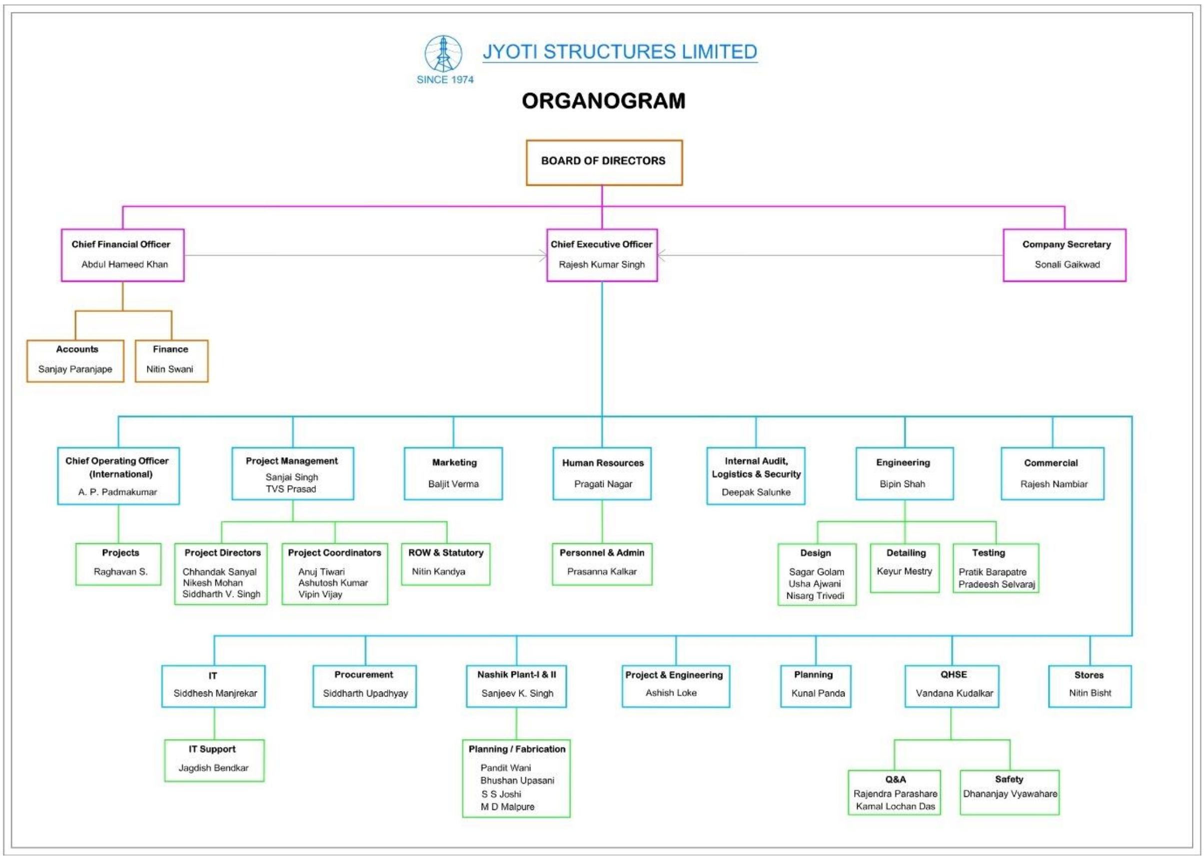
1. **Mr. I. C. Jaiswal (Former Executive Director, Power Grid Corporation of India)**: Mr. Jaiswal possesses 39 years of working experience, for substantial part as HOD/ Team Leader, in Power Utility Companies (Power Generation Projects 12 years in NTPC Ltd and Power Transmission Projects 20 years in POWERGRID), post initial 7 years in Construction of Industrial Engineering Projects including a short tenure on shop floor in Manufacturing. He possesses the capability and foresight to deal with critical challenges in Project Planning & Implementation, Contracts Management, Execution and Target Management Measures. Mr. Jaiswal has experience of closely dealing with the WORLD BANK and other multi-lateral funding agencies such as ADB and JBIC for 28 years in the various areas of Project Development including Procurement and Project Implementation, Funding, Loan Processing and Finalization and has worked with the World Bank (South Asia Sustainable Development - Energy Division, Washington) as International Consultant for Power Transmission Projects of Nepal.

2. **Mr. K. R. Thakur:** Mr. Kanayo R. Thakur is a graduate in Mechanical Engineering with an experience of working in companies such as Engineers India Limited and Nuclear Power Corporation of India Limited. He has been associated with the transmission industry since 1980. Under his leadership, several prestigious turnkey EHV transmission projects, in India and abroad, including design, engineering, procurement, quality management have been implemented and commissioned. His experience also covers design, engineering, implementation and establishment of state-of-the-art manufacturing facilities and also tower testing centre, for the transmission industry. He is one of the former Promoters of our company prior to NCLT order which led to the formulation of the Resolution Plan.

3. **Mr. Prakash K. Thakur:** Mr. Prakash K. Thakur is a Civil Engineer from the University of Mumbai and also holds a Master of Business Administration (MBA) in Finance from Carnegie Mellon University, USA. After his MBA, he worked with AES Corporation of USA, which is one of the largest independent power producers in the world and New Zealand Transpower at Wellington, which is the owner of transmission network in New Zealand. He possesses over 30 years of experience in the power transmission line industry. His experience encompasses areas of creation of strategic alliances, business development and strategic planning. Prior to his induction on the Board of the Company, as a president, he played a lead role in achieving improved performance and setting new records. He has been instrumental in establishing in UAE and South Africa and taking the company's operations on a global scale. He is one of the former Promoters of our company prior to NCLT order which led to the formulation of the Resolution Plan.

4. **Mr. Rajesh Kumar Singh (Chief Executive Officer of the Company):** Mr. Rajesh Kumar Singh has been the CEO of our Company with effect from August 12, 2024 and he deals with the day- to-day management of the affairs of the Company. He obtained a Bachelor of Engineering in mechanical engineering from NIT Silchar and a Project Management Professional PMP certification from Project Management Institute, USA. He brings over 28 years of diverse experience in managing intricate projects within stipulated timeframes and budgets. His expertise includes project management, optimization, cost analysis, contract administration, resource planning and management, risk mitigation, as well as cash flow management. With a proven track record of profit-loss responsibility, he has played a pivotal role in various capacities, spearheading a team that successfully completed the longest private High Voltage Direct-Current line in India.

ORGANISATIONAL STRUCTURE



Details of Key Management Personnel and members of the Senior Management of our Company

The details of our Key Managerial Personnel, the members of our Senior Management in terms of the Companies Act and the SEBI ICDR Regulations (as applicable) as at the date of this Letter of Offer, are set forth below:

Sr. No.	Name	Designation
Key Managerial Person		
1.	Abdul Hameed Khan	Chief Financial Officer
2.	Sonali Krishnaji Gaikwad	Company Secretary and Compliance Head
3.	Rajesh Kumar Singh	Chief Executive Officer
Senior Management		
1.	A. P. Padmakumar	International Chief Operating Officer
2.	Pragati Nagar	Human Resource Head

SECTION V – FINANCIAL INFORMATION

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JYOTI STRUCTURES LIMITED

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

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH PERIOD ENDED DECEMBER 31,2024

(Rs. in Crores)

Sr. No.	Particulars	For the Quarter Ended			For the Nine Months Ended		For the Year Ended
		31-12-2024	30-09-2024	31-12-2023	31-12-2024	31-12-2023	31-03-2024
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	**Income**						
	(a) Revenue from operations	137.35	107.49	55.80	333.14	322.43	451.38
	(b) Other Income	1.29	1.80	7.17	4.39	10.55	11.64
	Total Income	**138.64**	**109.29**	**62.97**	**337.53**	**332.98**	**463.02**
2	**Expenses**						
	(a) Cost of materials consumed	47.73	38.14	22.80	128.86	161.38	200.02
	(b) Change in inventories of finished goods, work-in-progress and stock-in-trade	15.60	6.89	(3.29)	10.20	5.46	6.68
	(c) Erection and sub-contracting expenses	36.23	26.77	29.76	92.08	112.28	156.55
	(d) Employee benefit expenses	14.87	13.91	13.49	33.58	23.81	35.21
	(e) Finance cost	-	0.03	0.07	0.08	0.43	1.01
	(f) Depreciation and amortization expense	2.12	1.98	1.76	5.90	5.36	7.45
	(g) Other expenses	10.85	14.88	(2.70)	43.71	9.52	36.58
	Total Expenses	**127.40**	**102.60**	**61.89**	**314.41**	**318.24**	**443.50**
3	**Profit / (Loss) before exceptional items and tax (1-2)**	**11.24**	**6.69**	**1.08**	**23.12**	**14.74**	**19.52**
4	Exceptional items	-	-	-	-	-	-
5	**Profit / (Loss) before tax(3-4)**	**11.24**	**6.69**	**1.08**	**23.12**	**14.74**	**19.52**
6	**Tax expense**						
	(i) Current Tax	-	-	-	-	-	
	(ii) Deferred Tax	(0.24)	(0.37)	-	(0.51)	-	(9.32)
	Total Tax	**(0.24)**	**(0.37)**	-	**(0.51)**	-	**(9.32)**
7	**Profit/ (Loss) for the period (5-6)**	**11.48**	**7.06**	**1.08**	**23.63**	**14.74**	**28.84**
8	**Other Comprehensive Income for the period**						
	A. Items that will not be reclassified to profit or loss	(0.02)	0.24	0.51	0.22	(0.12)	0.08
	B. Items that will be reclassified to profit or loss	(0.06)	0.05	0.07	0.08	0.16	0.20
	Total Other Comprehensive Income for the Period	**(0.08)**	**0.29**	**0.58**	**0.30**	**0.04**	**0.28**
9	**Total Comprehensive Income for the period comprising profit/(loss) and other comprehensive Income for the period (7+8)**	**11.40**	**7.35**	**1.66**	**23.93**	**14.78**	**29.12**
10	Net Profit Attributable to owners	11.48	7.06	1.08	23.63	14.74	28.84
11	Net Profit Attributable to non controling Interest (NCI)	-	-	-	-	-	-
12	Other Comprehensive Income Attributable to owners	(0.08)	0.29	0.58	0.30	0.04	0.28
13	**Total Comprehensive Income Attributable to owners**	**11.40**	**7.35**	**1.66**	**23.93**	**14.78**	**29.12**
14	Total Comprehensive Income Attributable to non controling Interest (NCI)	-	-	-	-	-	-
15	Paid-up equity share capital, face value of INR 2/- each	180.23	175.47	143.59	180.23	143.59	146.19
16	Other Equity as shown in the Audited Balance Sheet	-	-	-	-	-	(171.75)
17	**Earnings per share**						
	(a) Basic earnings/ (loss) per share (In INR)	0.133	0.084	0.016	0.275	0.212	0.412
	(b) Diluted earnings/ (loss) per share (In INR)	0.129	0.080	0.015	0.266	0.207	0.395

Sr. No.	Notes
1)	The above results have been reviewed by Audit Committee and approved by the Board of Directors at their meetings held on February 3,2025. The statutory auditors of the Company have conducted a "Limited Review" of the above Consolidated Unaudited Financial results for the Quarter and Nine Months ended December 31, 2024.
2)	The above results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act 2013 and other accounting principles generally accepted in India.
3)	Other Expenses is net of Foreign Exchange Gains and net of provisions in respective quarters, as applicable.
4)	Employee benefits expense is net of writeback of excess provision made in earlier year of Rs. 4.88 Cr which is reflected in earlier quarters
5)	The Company is in the business of execution of projects related to power transmission and as such there are no separate reportable operating segments as defined by Ind AS 108 - "Operating Segments".
6)	On May 6, 2024, 11,64,20,710 Equity Shares of face value of Rs. 2/- each have been allotted at Rs. 15/- per share (including premium of Rs. 13/- per equity share) on rights issue basis totaling to Rs. 174.63 Cr
7)	On May 29, 2024, 2,30,00,000 convertible warrants have been converted into equity shares at face value of Rs. 2/- each have been allotted at Rs. 13.20 per share (including premium of Rs. 11.20 per equity share)
8)	On October 16, 2024, 2,30,00,000 convertible warrants have been converted into equity shares at face value of Rs. 2/- each have been allotted at Rs. 13.20 per share (including premium of Rs. 11.20 per equity share)
9)	During the nine months ended December 31, 2024, the Company has allotted Equity 77,82,500 equity shares of Rs. 2/- each under Employee Stock Option Scheme .
10)	Previous period figures have been re-arranged, re-grouped, re-calculated and re-classified, wherever necessary.

By Order of the Board of Directors
For Jyoti Structures Limited

Monica Chaturvedi

Abdul Hameed Khan
Chief Financial Officer &
Whole Time Director
DIN: 09508070

Monica Akhil Chaturvedi
Independent Director
DIN: 02193359

JYOTI STRUCTURES LTD. MUMBAI

Place : Mumbai
Date :February 3, 2025

SARC & ASSOCIATES

Chartered Accountants

Mumbai Branch Office:
B- 1202 & 1203, Venus Tower, 12th Floor,
Above Axis Bank, Veera Desai Road,
Azad Nagar, Andheri (W), Mumbai- 400 053.
Mob.: 91 9820036070. Tel : +91 22 26742301
Email:rajendra@sarcmail.in

Independent Auditor's Review Report on the Consolidated Unaudited Financial Results for the Quarter and Nine-Month period ended December 31, 2024 of Jyoti Structures Limited, in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

To
The Board of Directors
Jyoti Structures Limited
Mumbai.

1. We have reviewed the consolidated unaudited financial results of **Jyoti Structures Limited** (the "Parent") and its subsidiaries (the holding and its subsidiaries together referred to as "Group") for the quarter ended **December 31, 2024** and the year to date results for the period **April 01, 2024 to December 31,2024,** which are included in the accompanying 'Statement of Consolidated Unaudited Financial Results for the Quarter and Nine months ended **December 31, 2024'** (the "Statement"). The Statement has been prepared by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015")

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013

SARC & ASSOCIATES F. Reg. No. 006085N MUMBAI Chartered Accountants and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the SEBI under regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended), to the extent possible.

4. The Statement includes the results of the following entities & not reviewed by us: -

	Subsidiaries (including step down subsidiaries-SDSs)	%	**Country**
1	JSL Corporate Services Limited	100	India
2	Jyoti Energy Limited	100	India
3	Jyoti Structures FZE	100	United Arab Emirates
	(i) Jyoti Structures Nigeria Ltd. (SDS)	100	Nigeria
	(ii) Jyoti Structures Kenya Ltd. (SDS)	100	Kenya
	(iii) Jyoti Structures Namibia (Pty) Ltd. (SDS)	70	Namibia
4	Jyoti Structures Africa (Pty) Ltd.	70	South Africa
	Branches (project sites)		
1	JSL Bhutan I		
2	JSL Georgia		
3	JSL Kenya		
4	JSL SouthAfrica		
5	JSL Tanzania		
6	JSL Tunisia (Audited)		
7	JSL Uganda (Audited)		

5. The Statement does not includes the results of the following entities. According to the information and explanations given to us by the Management, these interim financial statements / financial information / financial results are not material to the Group.

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

6. Based on our review conducted as stated in paragraph 3 and subject to paragraph 4-5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S A R C & ASSOCIATES F. Reg. No. 006085N MUMBAI Chartered Accountants

7. The accompanying Statement includes the unaudited interim standalone financial results in respect of 4 subsidiaries, whose interim financial results reflect: -

(Amount in Rs Crore)

Particulars	For Quarter ended December 31, 2024	Nine Months ended April, 01,2024 to December 31,2024
Total Revenues	Nil	Nil
Net Profit/(loss) after tax	(0.23)	(0.23)
Other Comprehensive Income	Nil	Nil
Total Assets	47.74	47.74

These unaudited interim standalone financial results/financial information have not been reviewed by their auditors and have been approved and furnished to us , by the Management and our conclusion on the Statement, in so far as it relates to the amount and disclosures included in respect of these subsidiaries is based solely on such unaudited interim standalone/consolidated financial results/financial information. According to the information and explanations given to us by the Management, these unaudited interim standalone financial results/financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the unaudited interim standalone financial results/financial information certified by the Management of 4 subsidiaries.

8. We have relied on Management Representation regarding the existence and valuation of all the Assets (viz. Fixed Assets, Investments, Trade Receivables, Stock, Bank Accounts, Other Assets, Receivable from Related Parties) & Liabilities (viz. Provisions, Borrowings, Statutory & Other Liabilities).

Other Matter

9. The Company has initiated reconciliation process with Trade Receivables to determine the continuation of contracts, details of work in progress with age, stage of completion, progress billing, disputed and undisputed dues. The reconciliation process is under process . The Company has made a provision of **Rs. 10.25 Cr** as provision for estimated credit loss till date. We have relied on the Management Representations on the carrying amount and provision for expected credit loss as at **December 31, 2024.**

10. The Consolidated Unaudited Financial Statements include Unaudited Management Accounts of five branches and Audited accounts of two branches of Tunisia & Uganda (Total Seven branches - project sites) reported for the quarter and period ended **December 31, 2024**; The financial statements include the assets, liabilities, income and expenditure in respect of the branches (project sites) are subject to changes. In the absence of details, we are unable to comment on the impact, it may have on the consolidated financial statements. We have relied on the information provided by the Company.

S A R C & ASSOCIATES F. Reg. No. 006085N MUMBAI Chartered Accountants

A summary table is reproduced below of the seven branches (project sites).

Particulars	Nine Months Period ended December 31,2024
	Branches (project sites) Total (Rs. in Crore)
Total Income	59.20
Total Expenditure	-2.52
Other Comprehensive Income / (Expenses)	0.74
Total Profit/(Loss) including Other Comprehensive Income	**57.42**
Assets	
Trade Receivable	180.98
Bank Balances	0.02
Other Assets	9.80
Total Assets	**190.80**
Liabilities	
Sundry Creditors	7.99
Statutory Liabilities	4.04
Other Liabilities	16.28
Total Liabilities	**28.31**

11. Subsidiaries and their Dues

Unaudited financial statements of the two overseas subsidiaries are not available as at reporting date. Net Worth of the Overseas Subsidiaries and one of the Indian Subsidiary has been fully eroded on account of the accumulated losses. No Operations have been conducted during the year in Overseas Subsidiaries. Consequently, we are unable to comment upon the impact if any, on impairment of Investments and balances owed by them to the Company. The Management believes that impairment is not required at the reporting date. These unaudited interim standalone/consolidated financial results/financial information have not been reviewed by their auditors and have been approved and furnished to us , by the Management and our conclusion on the Statement, in so far as it relates to the amount and disclosures included in respect of these subsidiaries is based solely on such unaudited interim standalone/consolidated financial results/financial information. According to the information and explanations given to us by the Management, these unaudited interim standalone/consolidated financial results/financial information are not material to the Group.

S A R C & ASSOCIATES
F. Reg. No. 006085N
MUMBAI
Chartered Accountants

List of Subsidiaries (Including Step Down Subsidiaries-- SDSs)	Whether Net Worth Eroded	Amount Invested (Rs. in Crore)	Receivable /(Payable) (Rs. in Crore)
Indian Subsidiaries:			
1) Jyoti Energy Limited	Yes	0.05	0.46
2) JSL Corporate Services Limited	No	3.50	(4.61)
Overseas Subsidiaries (Including Step Down Subsidiaries-- SDSs):			
1) Jyoti Structures FZE	Yes	3.17	(14.94)
(i) JSL FZE Namibia-(SDS)	Yes	-	4.21
(ii) JSL FZE Kenya-(SDS)	Yes	-	(2.38)
(iii) JSL FZE Nigeria -(SDS)	Yes	-	0.31
2) Jyoti Structures Africa (Pty.) Limited	Yes	0.00*	59.68

*Investment Amount is Rs. 419/-

Our conclusion on the Statement is not modified in respect of our reliance on the interim unaudited standalone/ consolidated financial results/financial information certified by the Management .

For SARC & Associates,
Chartered Accountants,
Firm Registration No.: 006085N

SARC & ASSOCIATES F. Reg. No. 006085N MUMBAI Chartered Accountants

CA. Rajendra S. Bagade
(Partner)
Mem. No.: 104026
UDIN: 25104026BMINSY6240
Date: 03/02/2025
Place: Mumbai.

JYOTI STRUCTURES LIMITED
Corporate Office: Valecha Chambers
6th Floor, New Link Road Oshiwara
Andheri (West) Mumbai -400053
Corporate Identity No: L45200MH1974PLC017494

SINCE 1974

Ref: JSL/HO/CS/GEN/24-25/1371

Date: February 03,2025

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

Dear Sir/Madam,

Sub: Declaration regarding Limited Review Report with Unmodified Opinion on Unaudited Financial Results (Standalone & Consolidated) for the Quarter and Nine months ended December 31,2024.

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016, we hereby declare that the Statutory Auditors of the Company i.e. M/s SARC & Associates, Chartered Accountants, have issued the Limited Review report on Standalone and Consolidated Unaudited Financial Statements of the Company for the Quarter and Nine months ended December 31,2024 with unmodified opinion.

Kindly take the above on your record.

Thanking You.
Yours faithfully,
For **Jyoti Structures Limited**

JYOTI STRUCTURES LTD. MUMBAI

Abdul Hameed Khan
Chief Financial Officer & Whole Time Director

SARC & ASSOCIATES
Chartered Accountants

Mumbai Branch Office:
B- 1202 & 1203, Venus Tower, 12th Floor,
Above Axis Bank, Veera Desai Road,
Azad Nagar, Andheri (W), Mumbai- 400 053.
Mob.: 91 9820036070. Tel : +91 22 26742301
Email:rajendra@sarcmail.in

Independent Auditor's Review Report on the Unaudited Consolidated Financial Results of JYOTI STRUCTURES LIMITED for half year ended September 30,2024 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended

Review Report
To The Board of Directors
Jyoti Structures Limited
Mumbai.

1. We have reviewed the accompanying statement of unaudited Consolidated financial results ('the statement') of Jyoti Structures Limited (the "Holding Company") and its subsidiaries (the holding and its subsidiaries together referred to as "Group") and its share of the net profit/(loss) after tax and total comprehensive income/loss for the quarter ended September 30, 2024 and the consolidated year to date results for the period 1st April,2024 to 30th September 2024. The Statement being submitted by the holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations'). Attention is drawn to the fact that the consolidated figures of the foreign subsidiaries, for the corresponding half year ended September 30, 2024, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013

and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the SEBI under regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended), to the extent possible.

4. The Statement includes the results of the following entities & not reviewed by us: -

	Subsidiaries (including step down subsidiaries)	**%**	**Country**
1	JSL Corporate Services Limited	100	India
2	Jyoti Energy Limited	100	India
3	Jyoti Structures FZE	100	United Arab Emirates
4	Jyoti Structures Nigeria Ltd.	100	Nigeria
5	Jyoti Structures Kenya Ltd.	100	Kenya
6	Jyoti Structures Namibia (Pty) Ltd.	70	Namibia
7	Jyoti Structures Africa (Pty) Ltd.	70	South Africa
	Branches (project sites)		
1	JSL Bhutan I		
2	JSL Georgia		
3	JSL Kenya		
4	JSL SouthAfrica		
5	JSL Tanzania		
6	JSL Tunisia (Audited)		
7	JSL Uganda		

5. The Statement does not includes the results of the following entities. According to the information and explanations given to us by the Management, these interim financial statements / financial information / financial results are not material to the Group.

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

SARC & ASSOCIATES F.Reg. No. 006085N MUMBAI Chartered Accountants

6. Based on our review conducted as stated in paragraph 3 and subject to paragraph 4-5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. The accompanying Statement includes the unaudited interim standalone financial results in respect of 4 subsidiaries, whose interim financial results reflect: -

(Amount in Rs Lacs)

Particulars	**Half year ended September 30, 2024**
Total Revenues	Nil
Net Profit/(loss) after tax	(0.38)
Other Comprehensive Income	Nil
Total Assets	5,125.11

These unaudited interim standalone financial results/financial information have not been reviewed by their auditors and have been approved and furnished to us , by the Management and our conclusion on the Statement, in so far as it relates to the amount and disclosures included in respect of these subsidiaries is based solely on such unaudited interim standalone/consolidated financial results/financial information. According to the information and explanations given to us by the Management, these unaudited interim standalone financial results/financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the unaudited interim standalone financial results/financial information certified by the Management of 4 subsidiaries.

8. We have relied on Management Representation regarding the existence and valuation of all the Assets (viz. Fixed Assets, Investments, Trade Receivables, Stock, Bank Accounts, Other Assets, Receivable from Related Parties) & Liabilities (viz. Provisions, Borrowings, Statutory & Other Liabilities).

Other Matter

9. The Company has initiated reconciliation process with Trade Receivables to determine the continuation of contracts, details of work in progress with age, stage of completion, progress billing, disputed and undisputed dues. The reconciliation process is not yet completed. The Company has made a provision of Rs. 9.75 Cr as provision for estimated credit loss till date. We have relied on the Management Representations on the carrying amount and provision for expected credit loss as at September 30, 2024.

SARC & ASSOCIATES F.Reg. No. 006085N MUMBAI Chartered Accountants

10. The Consolidated Financial Statements include Unaudited Management reported amounts of the Six branches (project sites) and Audited amount of one branch for the quarter ended September 30, 2024; The financial statements include the assets, liabilities, income and expenditure in respect of the branches (project sites) are subject to changes. In the absence of details, we are unable to comment on the impact, it may have on the consolidated financial statements. We have relied on the information provided by the Company.

A summary table is reproduced below of the seven branches (project sites).

Particulars	**Branches (project sites)**
	(Rs. in Lacs)
Total Income	5134.97
Total Expenditure	-242.36
Other Comprehensive Income	93.30
Total Profit/(Loss) including Other Comprehensive Income	**4985.91**
Assets	
Trade Receivable	17,174.49
Bank Balances	2.11
Other Assets	909.65
Total Assets	**13,100.33**
Liabilities	
Sundry Creditors	777.60
Statutory Liabilities	371.08
Other Liabilities	1,614.11
Total Liabilities	**2,762.80**

11. **Subsidiaries and their Dues**

Unaudited financial statements of the two overseas subsidiaries are not available as at reporting date. Net Worth of the Overseas Subsidiaries and an Indian Subsidiary has been fully eroded on account of the accumulated losses. No Operations have been conducted during the year in Overseas Subsidiaries. Consequently, we are unable to comment upon the impact if any, on impairment of Investments and balances owed by them to the Company. The Management believes that impairment is not required at the reporting date. These unaudited interim standalone/consolidated financial results/financial information have not been reviewed by their auditors and have been approved and furnished to us , by the Management and our conclusion on the Statement, in so far as it relates to the amount and disclosures included in respect of these subsidiaries is based solely on such unaudited interim standalone/consolidated financial results/financial information. According to the information and explanations given to us by the Management, these unaudited interim standalone/consolidated financial results/financial information are not material to the Group.

SARDA & ASSOCIATES
F.Reg. No. 005085N
MUMBAI
Chartered Accountants

List of Subsidiaries (Including Step Down Subsidiaries)	Whether Net Worth Eroded	Amount Invested (Rs. in Lacs)	Receivable /(Payable) (Rs. in Lacs)
Indian Subsidiaries:			
Jyoti Energy Limited	Yes	5.00	44.71
JSL Corporate Services Limited	No	350.00	(462.24)
Overseas Subsidiaries (Including Step Down Subsidiaries):			
Jyoti Structures FZE	Yes	317.04	(1,672.67)
JSL FZE Namibia	Yes	-	420.73
JSL FZE Kenya	Yes	-	(225.84)
JSL FZE Nigeria	Yes	-	30.54
Jyoti Structures Africa (Pty.) Limited	Yes	0.00*	6,001.08

*Investment Amount is Rs. 419/-

Our conclusion on the Statement is not modified in respect of our reliance on the unaudited interim standalone/ consolidated financial results/financial information certified by the Management .

For SARC & Associates,
Chartered Accountants,
Firm Registration No.: 006085N

SARC & ASSOCIATES * F.Reg. No. 006085N MUMBAI * Chartered Accountants

CA. Rajendra S. Bagade
(Partner)
Mem. No.: 104026

UDIN: 24104026BKASDL8493

Date: 06/11/2024
Place: Mumbai.

JYOTI STRUCTURES LIMITED

Regd. Office: "Valecha Chambers", 6th Floor, New Link Road,

Oshiwara, Andheri (West), Mumbai - 400 053. Corporate Identity Number: L45200MH1974PLC017494

Tel : 4091 5000 Fax : 40915014/15, e-mail : investor@jsl.co.in, Website: www.jyotistructures.in

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30,2024

(INR in Lacs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2024 (Un-Audited)	30-06-2024 (Un-Audited)	30-09-2023 (Un-Audited)	30-09-2024 (Un-Audited)	30-09-2023 (Un-Audited)	31-03-2024 (Audited)
1	**Income**						
	(a) Revenue from operations	10,749.33	8,829.25	8,146.42	19,578.58	26,662.95	45,138.46
	(b) Other Income	179.95	130.44	289.10	310.39	337.83	1,163.68
	Total Income	**10,929.28**	**8,959.69**	**8,435.52**	**19,888.97**	**27,000.78**	**46,302.14**
2	**Expenses**						
	(a) Cost of materials consumed	3,813.82	4,298.83	4,238.61	8,112.65	13,787.06	20,001.60
	(b) Change in inventories of finished goods, work-in-progress and stock-in-trade	689.48	(1,230.25)	(44.91)	(540.77)	946.56	668.21
	(c) Erection and sub-contracting expenses	2,676.51	2,908.75	2,444.19	5,585.26	8,251.48	15,654.64
	(d) Employee benefit expenses	1,390.88	481.01	110.31	1,871.89	1,031.78	3,520.57
	(e) Finance cost	2.93	5.06	30.91	7.99	36.34	100.89
	(f) Depreciation and amortization expense	197.71	180.64	167.60	378.35	360.15	744.60
	(g) Other expenses	1,488.36	1,797.03	369.19	3,285.39	1,221.98	3,658.25
	Total Expenses	**10,259.69**	**8,441.07**	**7,315.90**	**18,700.76**	**25,635.35**	**44,348.76**
3	**Profit / (Loss) before exceptional items and tax (1-2)**	**669.59**	**518.62**	**1,119.62**	**1,188.21**	**1,365.43**	**1,953.38**
4	Exceptional items	-	-	-	-	-	-
5	**Profit / (Loss) before tax(3-4)**	**669.59**	**518.62**	**1,119.62**	**1,188.21**	**1,365.43**	**1,953.38**
6	**Tax expense**						
	(i) Current Tax	-	-	-	-	-	-
	(ii) Deferred Tax	(36.69)	9.50	-	(27.19)	-	(932.13)
	Total Tax	**(36.69)**	**9.50**	**-**	**(27.19)**	**-**	**(932.13)**
7	**Profit/ (Loss) for the period (5-6)**	**706.28**	**509.12**	**1,119.62**	**1,215.40**	**1,365.43**	**2,885.51**
8	**Other Comprehensive Income**						
	A. Items that will not be reclassified to profit or loss	23.59	-	(29.03)	23.59	(62.43)	7.95
	B. Items that will be reclassified to profit or loss	4.59	8.90	3.19	13.49	9.40	19.56
9	**Total Comprehensive Income for the period comprising profit/(loss) and other comprehensive income for the period (7+8)**	**734.46**	**518.02**	**1,093.78**	**1,252.48**	**1,312.40**	**2,913.02**
10	Net Profit Attributable to owners	706.28	509.12	1,119.62	1,215.40	1,365.42	2,885.51
11	Net Profit Attributable to non controling Interest (NCI)	-	-	-	-	-	-
12	Other Comprehensive Income Attributable to owners	28.18	8.90	(25.84)	37.08	(53.03)	27.51
13	Total Comprehensive Income Attributable to owners	734.46	518.02	1,093.78	1,252.48	1,312.39	2,913.02
14	Total Comprehensive Income Attributable to non controling Interest (NCI)	-	-	-	-	-	-
15	Paid-up equity share capital, face value of INR 2/- each	17,547.41	17,406.97	14,090.55	17,547.41	14,090.55	14,618.55
16	Other Equity as shown in the Audited Balance Sheet	-	-	-	-	-	(17,174.71)
17	**Earnings per share**						
	(a) Basic earnings/ (loss) per share (In INR)	0.084	0.063	0.161	0.144	0.198	0.412
	(b) Diluted earnings/ (loss) per share (In INR)	0.080	0.059	0.159	0.138	0.194	0.395

Sr. No.	Notes
1)	The above results have been reviewed by Audit Committee and approved by the Board of Directors at their meetings held on 6th November 2024. The statutory auditors of the Company have conducted a "Limited Review" of the above Consolidated Unaudited Financial results for the Quarter and Half Year Ended 30th September, 2024.
2)	The above results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act 2013 and other accounting principles generally accepted in India.
3)	Other Expenses is net of Foreign Exchange Gains and net of provisions in respective quarters, as applicable.
4)	Employee benefits expense is net of writeback of excess provision made in earlier year / earlier quarters.
5)	The Company is in the business of execution of projects related to power transmission and as such there are no separate reportable operating segments as defined by Ind AS 108 - "Operating Segments".
6)	On 6th May 2024, 11,64,20,710 Equity Shares of face value of Rs. 2/- each have been allotted at Rs. 15/- per share (including premium of Rs. 13/- per equity share) on rights issue basis totaling to Rs. 17,463.10 Lacs.
7)	On 29th May 2024, 2,30,00,000 convertible warrants have been converted into equity shares at face value of Rs. 2/- each have been allotted at Rs. 13.20 per share (including premium of Rs. 11.20 per equity share)
8)	During the Quarter ended 30th September 2024 the Company has allotted Equity 70,22,000 equity shares of Rs. 2/- each under Employee Stock Option Scheme
9)	Previous period figures have been re-arranged, re-grouped, re-calculated and re-classified, wherever necessary.

By Order of the Board of Directors

For Jyoti Structures Limited

JYOTI STRUCTURES LTD. MUMBAI

Abdul Hameed Khan
Chief Financial Officer &
Whole Time Director
DIN: 09508070

Monica Akhil Chaturvedi
Independent Director
DIN: 02193359

Place : Mumbai
Date : 6th November, 2024

JYOTI STRUCTURES LIMITED
CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2024

PARTICULARS	As at 30-Sep-2024 Rs. in Lacs	As at 31-Mar-2024 Rs. in Lacs
ASSETS		
1) NON CURRENT ASSETS		
a) Property, Plant and Equipment	3,643.14	3,324.54
b) Other Intangible Assets	6.31	7.27
c) Intangible Assets under development	127.19	94.52
	3,776.64	**3,426.33**
d) Financial Assets		
i) Investments	101.05	87.56
ii) Other Financial Assets	372.35	371.76
	473.40	**459.32**
TOTAL NON CURRENT ASSETS	**4,250.04**	**3,885.65**
2) CURRENT ASSETS		
a) Inventories	6,311.67	7,180.12
b) Financial Assets		
i) Trade Receivables	2,09,218.03	2,03,079.24
ii) Cash and Cash Equivalents	8,363.38	3,871.70
iii) Bank Balances other than (ii) above	149.44	145.46
iv) Other Current Financial Assets	6,272.07	5,947.18
	2,30,314.59	**2,20,223.70**
c) Current Tax Asset (Net)	1,065.85	898.50
d) Other Current Assets	11,776.34	9,003.98
TOTAL CURRENT ASSETS	**2,43,156.78**	**2,30,126.18**
TOTAL	**2,47,406.82**	**2,34,011.84**
EQUITY AND LIABILITIES		
1) EQUITY		
a) Equity Share Capital	17,547.41	14,618.55
b) Instruments Entirely Equity In Nature	-	-
c) Other Equity	(5,306.35)	(17,174.71)
Equity attributable to owners	**12,241.06**	**(2,556.16)**
d) Non controlling Interest	4.69	4.69
	12,245.75	**(2,551.47)**
2) LIABILITIES		
A NON CURRENT LIABILITIES		
a) FINANCIAL LIABILITIES		
i) Long Term Borrowings	1,92,651.06	1,85,730.49
b) Other Non Current liabilities	15,546.00	15,723.59
c) Long Term Provisions	161.00	164.39
d) Deferred Tax Liabilities / (Assets) (Net)	(983.91)	(956.72)
TOTAL NON CURRENT LIABILITIES	**2,07,374.15**	**2,00,661.75**
B CURRENT LIABILITIES		
a) Financial Liabilities		
i) Short Term Borrowings	562.02	5,903.66
ii) Trade Payables	11,659.83	13,145.90
iii) Other Current Financial Liabilities	5,771.43	6,631.36
	17,993.28	**25,680.92**
b) Other Current Liabilities	9,739.48	10,178.31
c) Short Term Provisions	54.16	42.33
TOTAL CURRENT LIABILITIES	**27,786.92**	**35,901.56**
TOTAL	**2,47,406.82**	**2,34,011.84**

By Order of the Board of Directors
For Jyoti Structures Limited

Abdul Hameed Khan
Chief Financial Officer &
Whole Time Director
DIN: 09508070

Monica Akhil Chaturvedi
Independent Director
DIN: 02193359

JYOTI STRUCTURES LTD. MUMBAI

Place : Mumbai
Date : 6th November, 2024

JYOTI STRUCTURES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	PARTICULARS		Period Ended 30-Sep-2024 Rs. in Lacs	Year Ended 31-Mar-2024 Rs. in Lacs
I	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit/(Loss) after Taxes	[A]	1,215.40	2,885.51
	ADJUSTMENTS FOR:			
	i) Adjustment for Income Tax Expense		(27.19)	(932.13)
	ii) Depreciation and Amortisation		378.35	744.60
	iii) (Gain)/Loss on Sale of Property, Plant and Equipment (Net) / Loss on Asset Disposal		(4.17)	(183.91)
	iv) Interest Received		(250.32)	(115.44)
	v) Finance Costs		7.99	100.89
	vi) Employee Compensation Expense - ESOS		28.21	667.75
	vii) Provision for Loan to Joint Ventures		-	827.24
	viii) Allowance for bad and doubtful debts (expected credit loss allowance)		100.00	125.00
		[B]	**232.87**	**1,234.00**
	Operating Profit before Working Capital changes	[A+B] = [C]	**1,448.27**	**4,119.51**
	ADJUSTMENTS FOR :			
	i) Inventories		868.44	81.10
	ii) Trade Receivable & Other Receivable, financial assets, Other Current Assets		(9,123.01)	(5,594.54)
	iii) Current and Non Current Liabilities and Provisions		(2,969.43)	(554.28)
		[D]	**(11,224.00)**	**(6,067.72)**
	Cash Generated from Operations	[C+D] = [E]	**(9,775.73)**	**(1,948.21)**
	i) Taxes Paid		-	-
		[F]	-	-
	Net Cash (used in) / generated from Operating Activities **[I]**	[E+F] = [G]	**(9,775.73)**	**(1,948.21)**
II	**CASH FLOW FROM INVESTING ACTIVITIES**			
	i) Proceeds from Sale of Property, Plant and Equipment		4.17	188.80
	ii) Capital expenditure on Property, Plant and Equipment & Intangible Assets [After adjustment of (Increase)/Decrease in Capital Work-in-Progress and advances for capital expenditure]		(728.66)	(993.44)
	iii) Interest Received		250.32	115.44
	Net Cash (used in) / generated from Investing Activities	**[II]**	**(474.17)**	**(689.20)**
III	**CASH FLOW FROM FINANCING ACTIVITIES**			
	i) Proceeds from Issue of Equity Share (inclusive of Share Premium)		20,091.70	5,060.88
	ii) Repayment of Borrowings		(5,343.16)	(1,512.79)
	iii) Finance Costs Paid		(8.00)	(100.89)
	Net Cash (used in) / generated from Financing Activities	**[III]**	**14,740.54**	**3,447.20**
	Net Increase/(Decrease) in Cash and Cash Equivalents	**[I + II + III]**	**4,490.64**	**809.79**
	Cash and Cash Equivalents at the beginning of the year		3,871.70	3,061.91
	Cash and Cash Equivalents at the end of the year*		**8,362.34**	**3,871.70**

***Cash and Cash Equivalents comprises of :**

	Particulars	Period Ended 30-Sep-2024 Rs. in Lacs	Year Ended 31-Mar-2024 Rs. in Lacs
	a) Balances with Banks	8,362.31	3,871.60
	b) Cash On Hand	0.03	0.10
	Total	**8,362.34**	**3,871.70**

Reconciliation of Short Term and Long Term Borrowings

	Particulars	Period Ended 30-Sep-2024 Rs. in Lacs	Year Ended 31-Mar-2024 Rs. in Lacs
	Short Term Borrowings	562.02	5,903.66
	Long Term Borrowings	1,92,651.06	1,85,730.48
	Total	**1,93,213.09**	**1,91,634.15**
	Opening Balance	1,91,634.15	1,80,330.31
	Changes in Remeasurement of NCD at NPV Fair Value	6,920.58	12,815.88
	Change in Exchange Rate	1.52	0.76
	Less Amount Paid	(5,343.16)	(1,512.80)
	Closing Balance	**1,93,213.09**	**1,91,634.15**

By Order of the Board of Directors
For Jyoti Structures Limited

JYOTI STRUCTURES LTD. MUMBAI

Abdul Hameed Khan
Chief Financial Officer &
Whole Time Director
DIN: 09508070

Monica Akhil Chaturvedi
Independent Director
DIN: 02193359

Place : Mumbai
Date : 6th November, 2024

Independent Auditor's Report

To the Members of Jyoti Structures Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

1. We have audited the accompanying consolidated financial statements of Jyoti Structures Limited (hereinafter referred to as the "Holding Company") which includes the financial statements/information of Holding Company's 7 branches at Uganda, Tunisia, Tanzania, South Africa, Kenya, Georgia, Bhutan and its subsidiaries (Holding Company, branches, and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on audited financial statements / financial information of branches, and subsidiaries, as applicable, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the with the Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

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

4. The Consolidated Financial Statements includes the financial statements of the following entities

	Subsidiaries (including step down subsidiaries)	%	Audited/Management Certified	Country
1	JSL Corporate Services Ltd.	100	Audited	India
2	Jyoti Energy Ltd.	100	Audited	India

A/702-703, Crystal Plaza, New Link Road,
Andheri (West), Mumbai - 400053
Tel. 26733728
Email : gpsharma_2006@yahoo.co.in
www.gpsharma.com

G. P. SHARMA & Co. LLP is registered with Limited Liability with indentification No. AAK-5066

	Subsidiaries (including step down subsidiaries)	%	Audited/Management Certified	Country
3	Jyoti Structures FZE	100	Unaudited, Management Certified	United Emirates
4	Jyoti Structures Africa (Pty) Ltd.	70		South Africa
	Subsidiaries of Jyoti Structures FZE			
1	Jyoti Structures Nigeria Ltd.	100	Unaudited, Management Certified	Nigeria
2	Jyoti Structures Kenya Ltd.	100		Kenya
3	Jyoti Structures Namibia (Pty) Ltd.	70		Namibia
	Branches			
1	JSL Bhutan I		Unaudited, Management Certified	
2	JSL Georgia			
3	JSL Kenya			
4	JSL South Africa			
5	JSL Tanzania			
6	JSL Tunisia		Audited	
7	JSL Uganda			

5. The Statement does not include the financial statements of the following entities. According to the Management, the entities are not material to the Group. We have relied on the Management for the same.

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

EMPHASIS OF MATTER PARAGRAPH

6. **Approved Resolution Plan - Interlocutory Application Extension of Payment Timelines**

With regard to the due dates of repayments to various stakeholders during the year, the Holding Company has filed Interlocutory Application before Hon'ble NCLT, Mumbai Bench seeking exclusion of timelines. The Hon'ble NCLT has passed an order dated January 31, 2024 in C.P (IB)/1137(MB) 2017 extending the payment timelines till June 11, 2024. The Holding Company has represented that the exclusion order applies to dissenting financial creditors, operational creditors and employees. We have relied on the representations made by the Holding Company.

7. **Trade Receivables**

Pursuant to the Holding Company effectuating of certain steps under the Approved Resolution Plan, the Implementation Impact was reflected in March 2022 Financials. The Holding Company initiated reconciliation process of the Trade Receivables to determine the continuation of contracts, details of work in progress with age, stage of completion, progress billing, disputed and undisputed dues. The reconciliation is under process. We have relied on the Management Representations on the carrying amounts and provision for expected credit loss as at March 31, 2024.

G. P. SHARMA & CO. LLP * Chartered Accountants * Andheri (W) Mumbai

(Rs. in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables	2,03,079.24	1,99,878.82
Total Assets	2,34,011.84	2,28,541.97
% of the Total Assets	86.78%	87.46%
Expected Credit Loss Provision	875.00	750.00

8. **Overseas Branches**

The Consolidated Financial Statements include financial statements of seven foreign branches (detailed above in Opinion Paragraph).

a. The financial statements of two foreign branches have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company has converted the financial statements/financial information of such branches located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of such branches located outside India, is based on the report of such other auditors.

b. The financial statements of five foreign branches are unaudited and are included basis the management certifications. The balances/transactions in respect of branches are subject to changes on completion of audit. In the absence of details, we are unable to comment on the impact, it may have on the standalone financial statements. We have relied on the information provided by the Holding Company.

c. A summary table is reproduced below of the seven branches.

(Rs. in Lacs)

Particulars	Audited Branches	Unaudited Branches	Total
Total Income	4,852.31	155.75	5,008.06
Total Expenditure	714.10	380.05	1094.15
Other Comprehensive Income	(32.50)	0.24	(32.26)
Total Profit/(Loss) including Other Comprehensive Income	**4,105.71**	**-224.06**	**3,881.65**
Total Assets	**5,700.44**	**6,744.57**	**12,445.01**
Fixed Assets	-	-	-
Trade Receivable	5,610.67	5,848.19	11,458.86
Bank Balances	1.30	50.38	51.68
Balances from Revenue Authorities	-	-	-
Other Assets	88.47	846.00	934.47
Total Liabilities	**823.07**	**1,791.82**	**2,614.89**

Particulars	Audited Branches	Unaudited Branches	Total
Sundry Creditors	735.93	-	735.93
Statutory Liabilities	24.25	352.41	376.66
Other Liabilities	62.89	1,439.41	1,502.30

KEY AUDIT MATTERS

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

Key audit matter	How our audit addressed the key audit matter
Financial impacts arising out of Approved Resolution Plan implemented with effect from November 09, 2021 Pursuant to the Holding Company effectuating of certain steps under the Approved Resolution Plan, the impact is reflected in March 2022 Financials. Reliance was placed Management Representation regarding the existence and valuation of all the Assets (viz. Fixed Assets, Investments, Trade Receivables, Stock, Bank Accounts, Other Assets, and Receivable from Related Parties) & Liabilities (viz. Provisions, Borrowings, Statutory & Other Liabilities)	**Our procedures over the recognition financial impact included the following :** We have reviewed the extracts of resolution plan submitted by the Resolution Applicant and the NCLT order passed and ascertained the due dates of repayments to various stakeholders. A key extract from the Resolution Plan is reproduced below: Extract of Section VII – Other Stipulations for the Final Resolution Plan (Refer Clause B) : * "B. The Company will need roll-over of BG/LC Limits as described in paragraph C.2 (b) of Section I and paragraph F of section VI. This will ensure growth of revenue and margins. Which are crucial for meeting debt repayment commitments. BG limits will be allowed to be used as LCs as per the business needs. No fresh limits are being sought.". With regard to the due dates of repayments to various stakeholders during the year, the Holding Company has filed Interlocutory Application before Hon'ble NCLT, Mumbai Bench seeking exclusion of timelines. The Hon'ble NCLT has passed an order in C.P (IB)/1137(MB) 2017 extending the payment timelines till June 11, 2024. The Company has represented that the exclusion order to dissenting financial creditors, operational creditors and employees. We also reviewed the appropriateness of presentation of these events in the financial statements

SHARMA & CO. LLP

OTHER INFORMATION

10. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our and other auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

11. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
12. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective companies included in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective companies included in the Group or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

15. We communicate with those charged with governance of the Holding Company, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

18. We did not audit the financial statements/ financial information of 7 branches included in the consolidated financial statements of the Group. Out of these, the financial statements / financial information of 2 branches have been audited by auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the reports of such branch auditors. The financial statements/ financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements/ financial information of such branches located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India.
19. The consolidated financial statements includes the financial statements of subsidiaries located outside India which are unaudited and management certified, whose financial results reflect total assets of Rs. 99.70 Lacs as at March 31, 2024 and total revenue of Rs. NIL, total net Loss after tax of Rs. NIL and Rs. NIL total comprehensive loss for the year ended March 31, 2024 as considered in the consolidated financial results. According to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.
20. Our opinion on the consolidated financial statements, and our 'Report on Other Legal and Regulatory Requirements' below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

21. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the audited companies which are included in these Consolidated Financial Statements. Details are below :-

Sr. No.	Name of the Company	CIN	Holding Company/Subsidiary	Clause number of the CARO report which is qualified or adverse
1	Jyoti Structures Limited	L45200MH1974PLC017494	Holding Company	vii – Statutory Dues
2	Jyoti Energy Limited	U40108MH2001PLC132635	Subsidiary	Xvii – Cash Loss
3	JSL Corporate Services Limited	U65923MH1993PLC075210	Subsidiary	Xvii – Cash Loss

22. As required by Section 143(3) of the Act, and on the consideration of the reports of the other auditors, as available on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act we report, subject to the possible effect of the matters described in the Key Audit Matter Emphasis of Matter and Other Matter section above :-

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors as available.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on April 1, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company, and its two audited branches and its 2 subsidiaries which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.

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

   i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer note 34 to the consolidated financial statements.

   ii. The consolidated financial statements, the Holding Company, its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2024

   iii. There has been no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund by the subsidiaries incorporated in India during the year.

   Holding Company

   Unclaimed dividend amounting to Rs. 17.70 Lacs required to be transferred to Investor Education and Protection Fund by the Holding Company during the year has not been transferred as at the date of this report

   iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, have represented to us, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been received by the Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, performed by us whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. No dividend has been declared and paid during the year by the Holding Company or its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from 01st April, 2023, and the same has been complied by the Holding Company and its subsidiaries which are companies incorporated in India for the financial year ended 31st March, 2024.

23. The Holding Company and its subsidiaries which are incorporated in India has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For G. P. Sharma & Co. LLP
Chartered Accountants
FRN : 109957W/W100247

CA. Utkarsh Sharma
Partner
UDIN: 24147906BKAKTB1095
Membership No: 147906
Mumbai; 29th May 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 22(f) of the Independent Auditor's Report of even date to the members of Jyoti Structures Limited on the consolidated financial statements as of and for the year ended March 31, 2024

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. In conjunction with our audit of the consolidated financial statements of Jyoti Structures Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company excluding 7 branches and its 2 subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The respective Board of Directors of the Holding Company, its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on the Holding Company's and the subsidiaries' as audited by us internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Parent Company's internal financial controls system with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

8. In our opinion, the Holding Company excluding branches and its 2 subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For G. P. Sharma & Co. LLP
Chartered Accountants
FRN : 109957W/W100247

CA. Utkarsh Sharma

Partner
UDIN: 24147906BKAKTB1095
Membership No: 147906
Mumbai; 29th May 2024

JYOTI STRUCTURES LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

PARTICULARS	Note	As at 31-Mar-2024 Rs. in Lacs	As at 31-Mar-2023 Rs. in Lacs
ASSETS			
1) NON CURRENT ASSETS			
a) Property, Plant and Equipment	1	3,324.54	3,168.30
b) Other Intangible Assets	1.1	7.27	14.08
c) Intangible Assets under development	1.2	94.52	-
		3,426.33	**3,182.38**
d) Financial Assets			
i) Investments	2 & 3	87.56	67.99
ii) Other Financial Assets	4	371.76	408.47
		459.32	**476.46**
TOTAL NON CURRENT ASSETS		**3,885.65**	**3,658.84**
2) CURRENT ASSETS			
a) Inventories	5	7,180.13	7,261.23
b) Financial Assets			
i) Trade Receivables	6	2,03,079.24	1,99,878.82
ii) Cash and Cash Equivalents	7	3,871.70	3,061.92
iii) Bank Balances other than (ii) above	8	145.46	163.14
iv) Other Current Financial Assets	9	5,947.18	6,665.01
		2,20,223.71	**2,17,030.12**
c) Current Tax Asset (Net)	10	898.50	264.46
d) Other Current Assets	11	9,003.98	7,588.57
TOTAL CURRENT ASSETS		**2,30,126.19**	**2,24,883.15**
TOTAL		**2,34,011.84**	**2,28,541.97**
EQUITY AND LIABILITIES			
1) EQUITY			
a) Equity Share Capital	12	14,618.55	12,690.55
b) Instruments Entirely Equity In Nature	13	-	2,800.00
c) Other Equity	14	(17,174.71)	(12,955.17)
Equity attributable to owners		**(2,556.16)**	**2,535.38**
d) Non controlling Interest		4.69	4.69
		(2,551.47)	**2,540.07**
2) LIABILITIES			
A NON CURRENT LIABILITIES			
a) FINANCIAL LIABILITIES			
i) Long Term Borrowings	15	1,85,730.48	1,72,914.60
b) Other Non Current liabilities	16	15,723.59	15,843.00
c) Long Term Provisions	17	164.39	86.45
d) Deferred Tax Liabilities / (Assets) (Net)	18	(956.72)	(24.59)
TOTAL NON CURRENT LIABILITIES		**2,00,661.74**	**1,88,819.46**
B CURRENT LIABILITIES			
a) Financial Liabilities			
i) Short Term Borrowings	19	5,903.66	7,415.71
ii) Trade Payables	20	13,145.91	15,010.29
iii) Other Current Financial Liabilities	21	6,631.36	7,673.47
		25,680.93	**30,099.47**
b) Other Current Liabilities	22	10,178.31	7,053.90
c) Short Term Provisions	23	42.33	29.07
TOTAL CURRENT LIABILITIES		**35,901.57**	**37,182.44**
TOTAL		**2,34,011.84**	**2,28,541.97**
Material Accounting Policies	33		
Other Notes to Financial Statements	34		

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

For and on behalf of the Board of Directors

In terms of our report attached
For **G.P.SHARMA & CO.LLP**
Chartered Accountants
FRN: 109957W/W100247

Utkarsh Sharma
Partner
Membership No :147906
Mumbai : May 29, 2024

Abdul Hameed Khan
Whole time Director & CEO
DIN: 09508070

Sonali K Gaikwad
Company Secretary

Monica Akhil Chaturvedi
Independent Director
DIN: 02193359

Kumar V Balan
Chief Financial Officer

JYOTI STRUCTURES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	Note	Year Ended 31-Mar-2024 Rs. in Lacs	Year Ended 31-Mar-2023 Rs. in Lacs
CONTINUING OPERATIONS			
I INCOME			
Revenue from Operations	24	45,138.46	22,923.12
Other Income	25	1,163.68	184.30
TOTAL INCOME		**46,302.14**	**23,107.42**
II EXPENSES			
Cost of Materials Consumed	26	20,001.60	15,315.98
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	668.21	(2,536.31)
Erection and Sub-contracting Expense	28	15,654.64	6,460.79
Employee Benefits Expense	29	3,520.57	2,560.99
Finance Costs	30	100.89	37.80
Depreciation and Amortization Expense (Net)	31	744.60	541.37
Other Expenses	32	3,658.25	1,134.03
TOTAL EXPENSES		**44,348.76**	**23,514.65**
III Profit/(Loss) Before Tax (I-II)		**1,953.38**	**(407.23)**
IV Tax Expense:			
Current Tax		-	-
Deferred Tax (Net)		(932.13)	-
		(932.13)	-
V Profit/(Loss) for the year (III-IV)		**2,885.51**	**(407.23)**
VI Other Comprehensive income			
A. Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		7.95	(92.79)
B. Items that will be reclassified to profit or loss			
Remeasurement of MF Investment at fair value		19.56	2.83
		27.51	**(89.96)**
VII Total Comprehensive Income		**2,913.02**	**(497.19)**
VIII Net Profit Attributable to			
Owner		2,885.51	(407.23)
Non controling Interest		-	-
Other Comprehensive income			
Owner		27.51	(89.96)
Non controling Interest		-	-
Total Comprehensive income			
Owner		2,913.02	(497.19)
Non controling Interest		-	-
IX Earnings Per Equity Share (In INR)			
[Nominal value of share INR 2]			
1) Basic		INR 0.412	INR -0.064
2) Diluted		INR 0.395	INR -0.058
Material Accounting Policies	33		
Other Notes to Financial Statements	34		

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

In terms of our report attached
For **G.P.SHARMA & CO.LLP**
Chartered Accountants
FRN: 109957W/W100247

Utkarsh Sharma
Partner
Membership No :147906

Mumbai : May 29, 2024

For and on behalf of the Board of Directors

Abdul Hameed Khan
Whole time Director
& CEO
DIN: 09508070

Monica Akhil Chaturvedi
Independent Director
DIN: 02193359

Sonali K Gaikwad
Company Secretary

Kumar V Balan
Chief Financial Officer

JYOTI STRUCTURES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

	PARTICULARS		Year Ended 31-Mar-2024 Rs. in Lacs	Year Ended 31-Mar-2023 Rs. in Lacs
I	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit/(Loss) after Taxes	[A]	2,885.51	(407.23)
	ADJUSTMENTS FOR:			
	i) Adjustment for Deferred tax		(932.13)	-
	ii) Depreciation and Amortisation		744.60	541.37
	iii) (Gain)/Loss on Sale of Property, Plant and Equipment (Net) / Loss on Asset Disposal		(183.91)	150.86
	iv) Interest Received		(115.44)	(137.54)
	v) Finance Costs		100.89	37.80
	vi) Employee Compensation Expense - ESOS		667.75	-
	vii) Provision for Loan to Joint Ventures		827.24	-
	viii) Allowance for bad and doubtful debts (expected credit loss allowance)		125.00	150.00
		[B]	**1,234.00**	**742.49**
	Operating Profit before Working Capital changes	[A+B] = [C]	**4,119.51**	**335.26**
	ADJUSTMENTS FOR :			
	i) Inventories		81.10	(4,792.10)
	ii) Trade Receivable & Other Receivable, financial assets, Other Current Assets		(5,594.55)	(10,111.54)
	iii) Current and Non Current Liabilities and Provisions		(553.95)	10,966.50
		[D]	**(6,067.40)**	**(3,937.15)**
	Cash Generated from Operations	[C+D] = [E]	**(1,947.89)**	**(3,601.89)**
	i) Taxes Paid		-	-
		[F]	-	-
	Net Cash (used in) / generated from Operating Activities **[I]**	[E+F] = [G]	**(1,947.89)**	**(3,601.89)**
II	**CASH FLOW FROM INVESTING ACTIVITIES**			
	i) Proceeds from Sale of Property, Plant and Equipment		188.80	42.02
	ii) Capital expenditure on Property, Plant and Equipment & Intangible Assets [After adjustment of (Increase)/Decrease in Capital Work-in-Progress and advances for capital expenditure]		(993.43)	(1,232.10)
	iii) Interest Received		115.44	137.54
	Net Cash (used in) / generated from Investing Activities	**[II]**	**(689.19)**	**(1,052.54)**
III	**CASH FLOW FROM FINANCING ACTIVITIES**			
	i) Proceeds from Issue of Equity Share (inclusive of Share Premium)		5,060.55	-
	ii) Repayment of Borrowings		(1,512.80)	(633.66)
	iii) Finance Costs Paid		(100.89)	(37.80)
	Net Cash (used in) / generated from Financing Activities	**[III]**	**3,446.86**	**(671.46)**
	Net Increase/(Decrease) in Cash and Cash Equivalents	**[I + II + III]**	**809.78**	**(5,325.90)**
	Cash and Cash Equivalents at the beginning of the year		3,061.92	8,387.82
	Cash and Cash Equivalents at the end of the year*		**3,871.70**	**3,061.92**

***Cash and Cash Equivalents comprises of :**

	Particulars	Year Ended 31-Mar-2024 Rs. in Lacs	Year Ended 31-Mar-2023 Rs. in Lacs
a)	Balances with Banks	3,871.60	3,060.99
b)	Cash On Hand	0.10	0.93
	Total	**3,871.70**	**3,061.92**

Reconciliation of Short Term and Long Term Borrowings

Particulars	Year Ended 31-Mar-2024 Rs. in Lacs	Year Ended 31-Mar-2023 Rs. in Lacs
Short Term Borrowings	5,903.66	7,415.71
Long Term Borrowings	1,85,730.48	1,72,914.60
Total	**1,91,634.15**	**1,80,330.31**
Opening Balance	1,80,330.31	1,69,100.37
Changes in Remeasurement of NCD at NPV Fair Value	12,815.88	11,866.57
Change in Exchange Rate	0.76	(2.97)
Less Amount Paid	(1,512.80)	(633.66)
Closing Balance	**1,91,634.15**	**1,80,330.31**

For and on behalf of the Board of Directors

In terms of our report attached
For **G.P. SHARMA & CO.LLP**
Chartered Accountants
FRNo: 109957W/W100247

Utkarsh Sharma
Partner
Membership Number : 147906

Mumbai : May 29, 2024

Abdul Hameed Khan
Whole time Director
& CEO
DIN: 09508070

Monica Akhil Chaturvedi
Independent Director
DIN: 02193359

Sonali K Gaikwad
Company Secretary

Kumar V Balan
Chief Financial Officer

JYOTI STRUCTURES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Property, Plant and Equipment

(Rs. in Lacs)

1 Tangible assets	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Tools and Tackles	Furniture & Fixtures	Computer and Office Equipments	Vehicles	Total
Gross Carrying Value									
As at 31 March 2022	**118.18**	**223.70**	**2,919.59**	**21,376.15**	**8,983.03**	**667.72**	**1,826.60**	**5,750.78**	**41,865.75**
Additions	-	-	-	442.42	718.90	5.89	57.74	5.26	1,230.21
Disposals	-	-	-	1,423.24	-	102.78	255.86	187.89	1,969.77
Transfer to assets held for	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-
As at 31 March 2023	**118.18**	**223.70**	**2,919.59**	**20,395.33**	**9,701.94**	**570.84**	**1,628.48**	**5,568.15**	**41,126.21**
Additions	-	-	-	224.55	606.60	0.70	67.05	-	898.90
Disposals	-	-	-	1,293.17	636.48	103.98	856.41	1,761.86	4,651.90
Other adjustments	-	-	-	-	-	-	8.28	-	8.28
As at 31 March 2024	**118.18**	**223.70**	**2,919.59**	**19,326.71**	**9,672.06**	**467.56**	**847.41**	**3,806.29**	**37,381.50**
Accumulated Depreciation									-
As at 31 March 2022	-	**50.99**	**1,424.08**	**20,752.69**	**8,956.42**	**649.96**	**1,736.71**	**5,624.42**	**39,195.27**
Charge for the year	-	12.09	68.90	250.07	101.20	4.91	29.15	73.28	539.60
Disposals	-	-	-	1,282.38	-	93.39	213.30	187.89	1,776.96
As at 31 March 2023	-	**63.08**	**1,492.98**	**19,720.38**	**9,057.62**	**561.48**	**1,552.56**	**5,509.81**	**37,957.91**
Charge for the year	-	3.76	75.26	215.67	355.58	3.80	34.94	53.98	742.99
Disposals	-	-	-	1,293.49	636.48	103.98	856.41	1,761.86	4,652.22
Other adjustments	-	-	-	-	-	-	(8.28)	-	(8.28)
As at 31 March 2024	-	**66.84**	**1,568.24**	**18,642.56**	**8,776.72**	**461.30**	**739.37**	**3,801.93**	**34,056.96**
Net Block									-
As at 31 March 2023	**118.18**	**160.62**	**1,426.61**	**674.95**	**644.32**	**9.36**	**75.92**	**58.34**	**3,168.30**
As at 31 March 2024	**118.18**	**156.86**	**1,351.35**	**684.15**	**895.34**	**6.26**	**108.04**	**4.36**	**3,324.54**

JYOTI STRUCTURES LTD. MUMBAI

(Rs. in Lacs)

1.1 Intangible assets	Software	Goodwill on amalgamation	Total
Gross Carrying Value			
As at 31 March 2022	**2,469.25**	**306.41**	**2,775.66**
Additions	0.39	0.21	0.60
Disposals	-	-	-
As at 31 March 2023	**2,469.64**	**306.62**	**2,776.26**
Additions	-	-	-
Disposals	3.56	306.62	310.18
As at 31 March 2024	**2,466.08**	-	**2,466.08**
As at 31 March 2022	**2,460.20**	**301.42**	**2,761.62**
Charge for the year	1.77	-	1.77
Disposals	(1.21)	-	(1.21)
As at 31 March 2023	**2,460.76**	**301.42**	**2,762.18**
Charge for the year	1.61	-	1.61
Disposals	3.56	301.42	304.98
Other adjustments	-	-	-
As at 31 March 2024	**2,458.81**	-	**2,458.81**
Net Block	-	-	-
As at 31 March 2023	**8.88**	**5.20**	**14.08**
As at 31 March 2024	**7.27**	-	**7.27**

(Rs. in Lacs)

1.2 Intangible assets under Development	ERP Software	Total
Gross Carrying Value		
As at 31 March 2022	-	-
Additions	-	-
Disposals	-	-
As at 31 March 2023	-	-
Additions	94.52	**94.52**
Disposals	-	-
As at 31 March 2024	**94.52**	**94.52**
As at 31 March 2022	-	-
Charge for the year	-	-
Disposals	-	-
As at 31 March 2023	-	-
Charge for the year	-	-
Disposals	-	-
Other adjustments	-	-
As at 31 March 2024	-	-
Net Block	-	
As at 31 March 2023	-	-
As at 31 March 2024	**94.52**	**94.52**

(Rs. in Lacs)

1.2	Intangible assets under development ageing Schedule				Total
	Less than 1 Year	1-2 year	2-3 Years	More Than 3 Years	
ERP Software	94.52	-	-	-	**94.52**

JYOTI STRUCTURES LTD. MUMBAI

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

2 INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE	Subsidiary /Joint Venture	Face Value	No. of Shares 31-Mar-2024 In Nos	Amount 31-Mar-2024 Rs. in Lacs	No. of Shares 31-Mar-2023 In Nos	Amount 31-Mar-2023 Rs. in Lacs
Investment in Equity Instruments						
Unquoted, Fully paid-up - At Cost						
Jyoti International Inc. - Eq. Shares	Subsidiary	$ 0.01 Each	100	6,000.65	100	6,000.65
Less: Diminution of Investment [2]			-	(6,000.65)	-	(6,000.65)
Gulf Jyoti International LLC - Eq. Shares [3]	Joint Venture	AED 1000 Each	12,930	1,642.77	12,930	1,642.77
Less: Diminution of Investment [2]			-	(1,642.77)	-	(1,642.77)
				-		-

3 NON-CURRENT FINANCIAL ASSET - INVESTMENT	Equity Shares / Mutual Funds	Face Value	No. of Shares 31-Mar-2024 In Nos	Amount 31-Mar-2024 Rs. in Lacs	No. of Shares 31-Mar-2023 In Nos	Amount 31-Mar-2023 Rs. in Lacs
Investment in Equity Instruments						
Unquoted, Fully paid-up - At Cost						
Jankalyan Sahakari Bank Ltd. - Eq. Shares	Face Value	INR 10 Each	49,955	5.00	49,955	5.00
				5.00		**5.00**
Investment in mutual fund						
Quoted, Fully paid-up - At fair value through other comprehensive income						
SBI Blue Chip Fund	Mutual Fund		20,000	16.00	20,000	12.35
SBI Infrastructure Fund	Mutual Fund		50,000	22.59	50,000	13.88
SBI Magnum Equity Fund	Mutual Fund		12,136	25.13	12,136	19.19
UTI Bond Fund	Mutual Fund		28,352	18.84	28,352	17.57
				82.56		**62.99**
TOTAL				**87.56**		**67.99**

4	OTHER NON CURRENT FINANCIAL ASSETS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	Unsecured and considered good		
	Security and Other Deposits	371.76	408.47
	TOTAL	**371.76**	**408.47**

5	INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a)	Raw Materials		
	In Stock	2,699.83	1,344.36
	In Transit	66.72	-
b)	Construction Materials at Site	436.79	1,289.51
c)	Semi Finished Goods	-	258.71
d)	Work-in-Progress	3,146.18	3,069.10
e)	Finished Goods	249.13	661.48
f)	Stores and Consumables	79.43	64.26
g)	Bought Out Components	488.55	545.53
h)	Scrap	13.50	28.28
	TOTAL	**7,180.13**	**7,261.23**

6	TRADE RECEIVABLES	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	Unsecured		
a)	Considered good	2,03,954.24	2,00,628.82
b)	Less Allowance for bad and doubtful receivables (Expected Credit Loss Allowance)	(875.00)	(750.00)
	TOTAL	**2,03,079.24**	**1,99,878.82**

G. P. SHARMA & CO. LLP Chartered Accountants Mumbai

JYOTI STRUCTURES LTD. MUMBAI

7 Cash and Cash Equivalents	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
Cash and Cash Equivalents		
a) Balances with Banks	2,256.19	653.78
b) Fixed Deposit with SBI	1,615.41	2,407.21
c) Cash On Hand	0.10	0.93
TOTAL	**3,871.70**	**3,061.92**

8 BANK BALANCES OTHER THAN (ii) ABOVE	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a) Margin money with bank	127.27	144.95
b) Unpaid Dividend Bank Balance	18.19	18.19
TOTAL	**145.46**	**163.14**

9 OTHER CURRENT FINANCIAL ASSETS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
Unsecured and considered good		
a) Loan and Advances to Related Parties (net)	31,161.55	31,152.82
Less: Provison for Loans and Advances to related	(31,161.55)	(30,334.55)
	-	818.27
b) Other Loans and Advances		
i) Loans / Imprest to Employees	82.61	58.23
ii) Sundry Deposits	469.08	262.16
iii) Insurance Claim	97.75	-
iv) Interest Accured	5.56	32.00
v) Expenses Receivable and Other Advances	5,292.18	5,494.35
TOTAL	**5,947.18**	**6,665.01**

10 CURRENT TAX ASSETS (NET)	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
Current Tax Asset (Net)	898.50	264.46
TOTAL	**898.50**	**264.46**

11 OTHER CURRENT ASSETS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
Unsecured and considered good		
a) Prepaid Expenses	71.44	132.39
b) Advances to Supplier	5,107.98	3,768.69
c) Balance with statutory authorities	3,824.56	3,687.49
TOTAL	**9,003.98**	**7,588.57**

12 SHARE CAPITAL	31-Mar-2024		31-Mar-2023	
	No. of Shares (in Lacs)	Rs. in Lacs	No. of Shares (in Lacs)	Rs. in Lacs
Authorised :				
Equity Shares of INR 2/- each	9,815.00	19,630.00	7,365.00	14,730.00
Redeemable Preference Shares of INR 100/- each	-	-	25.00	2,500.00
Equity portion of CCPS	-	-	700.00	1,400.00
	9,815.00	**19,630.00**	**8,090.00**	**18,630.00**
Issued :				
Equity Shares of INR 2/- each	7,309.43	14,618.86	6,345.43	12,690.86
	7,309.43	**14,618.86**	**6,345.43**	**12,690.86**
Subscribed and Paid-up :				
Equity Shares of INR 2/- each fully paid up	7,309.28	14,618.55	6,345.28	12,690.55
TOTAL	**7,309.28**	**14,618.55**	**6,345.28**	**12,690.55**

a) **Movements in equity share capital**

Equity Shares	31-Mar-2024		31-Mar-2023	
	No. of Shares (in Lacs)	Rs. in Lacs	No. of Shares (in Lacs)	Rs. in Lacs
At the beginning of the period	6,345.28	12,690.55	6,345.28	12,690.55
Conversion of Compulsory Convertible Preference Shares	700.00	1,400.00	-	-
Preferencial Placement of Shares	134.00	268.00	-	-
Conversion of Warrants	130.00	260.00		
Issued during the period - Investor	-	-	-	-
Issued during the period - Banks	-	-	-	-
Outstanding at the end of the period	**7,309.28**	**14,618.55**	**6,345.28**	**12,690.55**

13 Instruments Entirely Equity In Nature	31-Mar-2024		31-Mar-2023	
	No. of Shares (in Lacs)	Rs. in Lacs	No. of Shares (in Lacs)	Rs. in Lacs
Subscribed and Paid-up :				
Compulsory Convertible Preference Shares of Rs. 4/- each	-	-	700.00	2,800.00
TOTAL	-	-	**700.00**	**2,800.00**

a) **Movements in Compulsory Convertible Preference Shares of Rs. 4/- each**

Compulsory Convertible Preference Shares	31-Mar-2024		31-Mar-2023	
	No. of Shares (in Lacs)	Rs. in Lacs	No. of Shares (in Lacs)	Rs. in Lacs
At the beginning of the period	700.00	2,800.00	700.00	2,800.00
Transfer to Securities Premium	-	1,400.00	-	-
Compulsory Convertible Preference Shares converted into Equity Shares on 12th May, 2023.	700.00	1,400.00	-	-
Outstanding at the end of the period	-	-	**700.00**	**2,800.00**

Sr No	NON CONTROLLING INTEREST	31-Mar-2024		31-Mar-2023	
		No. of Shares (in Lacs)	Rs. in Lacs	No. of Shares (in Lacs)	Rs. in Lacs
i	JSA SA		26.08		26.08
ii	JS FZE		(21.39)		(21.39)
	TOTAL		**4.69**		**4.69**

JYOTI STRUCTURES LTD. MUMBAI

JYOTI STRUCTURES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31,MARCH 2024

14. OTHER EQUITY

(Rs in Lacs)

	Reserves & Surplus						Equity component of convertible instruments	Exchange difference on translating the financial statement	Total Reserve	Non Controlling Interest	Total
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Employee Stock Option Outstanding	Retained Earnings					
Balance as at 31st March, 2022	**6.06**	**38,153.82**	**300.00**	**1,81,337.86**	**-**	**(2,26,326.98)**	-	**6,226.42**	**(302.82)**	**4.69**	**(298.13)**
Changes During The Year	-	-	-	-	-	-	-	(288.57)	(288.57)	-	(288.57)
Changes in Remeasurement of NCD at NPV Fair Value	-	-	-	(11,866.57)	-	-	-	-	(11,866.57)	-	(11,866.57)
Profit for the year	-	-	-	-	-	(407.25)	-	-	(407.25)	-	(407.25)
Other Comprehensive Income for the year	-	-	-	-	-	(89.96)	-	-	(89.96)	-	(89.96)
Total Comprehensive Income for the year	**-**	**-**	**-**	**(11,866.57)**	**-**	**(497.21)**		**(288.57)**	**(12,652.35)**	**-**	**(12,652.35)**
Adjustments of subsidiaries**	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2023	**6.06**	**38,153.82**	**300.00**	**1,69,471.29**	**-**	**(2,26,824.19)**		**5,937.85**	**(12,955.17)**	**4.69**	**(12,950.48)**
Changes During The Year	-	4,356.80	-	-	-	-	-	(916.98)	3,439.82	-	3,439.82
Changes in Remeasurement of NCD at NPV Fair Value	-	-	-	(12,815.88)	-	-	-	-	(12,815.88)	-	(12,815.88)
Employee Stock Option Outstanding	-	-	-	-	1,487.40	-	-	-	1,487.40	-	1,487.40
Defereed Employee Compensation Expense	-	-	-	-	(819.65)	-	-	-	(819.65)	-	(819.65)
Issue of Share Warrants	-	-	-	-	-	-	1,575.75	-	1,575.75	-	1,575.75
Profit for the year	-	-	-	-	-	2,885.51	-	-	2,885.51	-	2,885.51
Other Comprehensive Income for the year	-	-	-	-	-	27.51	-	-	27.51	-	27.51
Total Comprehensive Income for the year	**-**	**4,356.80**	**-**	**(12,815.88)**	**667.75**	**2,913.02**	**1,575.75**	**(916.98)**	**(4,219.54)**	**-**	**(4,219.54)**
Adjustments of subsidiaries**											
Balance as at 31st March , 2024	**6.06**	**42,510.62**	**300.00**	**1,56,655.41**	**667.75**	**(2,23,911.17)**	**1,575.75**	**5,020.87**	**(17,174.71)**	**4.69**	**(17,170.02)**

G.P. SHARMA & CO. LLP Chartered Accountants

JYOTI STRUCTURES LTD. MUMBAI

15	FINANCIAL LIABILITIES - LONG TERM BORROWINGS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a)	Non Convertible Debenture	1,73,014.45	1,60,198.57
b)	Financial Creditors	12,716.03	12,716.03
	TOTAL	**1,85,730.48**	**1,72,914.60**

16	OTHER NON-CURRENT LIABILITIES	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	Operational Creditors		
a)	Trade Payable	5,995.38	6,000.00
b)	Employee Dues	8,592.21	8,743.00
	Other Non Current Liabilities		
	Sundry Deposit	36.00	-
	TOTAL	**15,723.59**	**15,843.00**

17	LONG TERM PROVISIONS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a)	Provision for Gratuity	101.28	46.57
b)	Provision for Compensated Absences	63.11	39.88
	TOTAL	**164.39**	**86.45**

18	DEFERRED TAX LIABILITIES / (ASSETS) (NET)	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	Deferred Tax Liabilities/ (Assets) (Net)		
a)	On Account of Overseas Subsidiaries	-	(24.59)
b)	On Account of Difference in Book and Tax Depreciation	(581.99)	-
c)	Disallowances under the Income Tax Act 1961	(374.73)	-
	TOTAL	**(956.72)**	**(24.59)**

JYOTI STRUCTURES LIMITED

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

19	FINANCIAL LIABILITIES - SHORT TERM BORROWINGS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a)	Loans repayable on Demand		
	From Bank	50.12	49.37
b)	Loans repayable as per Approved Resolution Plan		
	Financial Creditors	5,853.54	7,366.34
	TOTAL	**5,903.66**	**7,415.71**

20	TRADE PAYABLES	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a)	Total outstanding dues of Micro and Small Enterprises	84.80	-
b)	Total outstanding dues of Creditors Other than above	13,061.11	15,010.29
	TOTAL	**13,145.91**	**15,010.29**

21	OTHER CURRENT FINANCIAL LIABILITIES	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a)	Unclaimed Dividend	17.70	17.70
b)	Payable to Employees	5,534.10	6,844.51
c)	Expenses and other Payables	1,079.56	811.26
	TOTAL	**6,631.36**	**7,673.47**

22	OTHER CURRENT LIABILITIES	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a)	Advances from Customers	9,376.62	6,380.23
b)	Statutory Liabilities	801.69	673.67
	TOTAL	**10,178.31**	**7,053.90**

23	SHORT TERM PROVISIONS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
a)	Provision for Gratuity	30.39	19.77
b)	Provision for Compensated Absences	11.94	9.30
	TOTAL	**42.33**	**29.07**

G. P. SHARMA & CO. LLP Andheri (W) Mumbai Chartered Accountants

JYOTI STRUCTURES LTD. MUMBAI

24	REVENUE FROM OPERATIONS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) Sale of Products	43,777.06	22,783.31
	b) Other Operating Revenues	1,361.40	139.81
	TOTAL	**45,138.46**	**22,923.12**

25	OTHER INCOME	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) Interest on Fixed Deposits	115.44	137.54
	b) Other Miscellaneous Receipt	1,048.24	46.76
	TOTAL	**1,163.68**	**184.30**

26	COST OF MATERIAL CONSUMED	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) Cost of Material Consumed	20,001.60	15,315.98
	TOTAL	**20,001.60**	**15,315.98**

27	CHANGES IN INVENTORIES	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) (Increase)/ Decrease Finished Goods Stock	469.33	(1,090.01)
	b) (Increase)/ Decrease WIP/Semi Finished Goods Stock	198.88	(1,446.30)
	TOTAL	**668.21**	**(2,536.31)**

28	ERECTION AND SUB-CONTRACTING EXPENSE	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) Construction Materials and Stores Consumed	3,434.70	2,040.57
	b) Sub-contracting Expenses	10,908.64	3,670.11
	c) Repairs to Construction Equipments/Machinery	39.11	6.16
	d) Construction Transportation Charges	1,272.19	743.95
	TOTAL	**15,654.64**	**6460.79**

29	EMPLOYEE BENEFITS EXPENSE	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) Salaries, Wages and Bonus, etc.	2,640.16	2,404.72
	b) Contribution to Provident and Other Fund	120.25	80.57
	c) Welfare Expenses	92.41	75.70
	d) Employee Compensation Expense - ESOS	667.75	-
	TOTAL	**3,520.57**	**2560.99**

30	FINANCE COSTS	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) Interest Expense	100.89	37.80
	TOTAL	**100.89**	**37.80**

31	DEPRECIATION AND AMORTIZATION EXPENSE	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) Depreciation of Tangible Assets (Note No. 1)	709.87	539.60
	TOTAL	**744.60**	**541.37**

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32	OTHER EXPENSES	31-Mar-2024 Rs. in Lacs	31-Mar-2023 Rs. in Lacs
	a) Power and Fuel	179.22	118.99
	b) Repairs to Plant and Machinery & Others	219.52	135.81
	c) Rent	1.65	1.80
	d) Rates and Taxes	103.01	169.12
	e) Insurance	90.81	106.83
	f) Travelling and Conveyance	244.11	206.54
	g) Postage, Telephone and Fax	6.13	5.89
	h) Printing and Stationery	31.88	21.79
	i) Professional and Legal Fees	1,269.02	743.02
	j) Directors' Sitting Fees	15.58	12.15
	k) Payment to auditors	23.65	15.66
	l) Net (gain)/loss on foreign currency transactions and translation	(726.37)	(1,202.57)
	m) Stores & Consumables Consumption	479.24	250.26
	n) Bank Charges	83.30	7.51
	o) BG Commission	(144.87)	39.68
	p) Bad Debts (Net of Recovery)	(351.84)	-
	q) Stamp Duty	0.52	80.72
	r) Provision for Expected Credit Loss	125.00	150.00
	s) Provision for Loans & Advances to Subsidiaries	827.24	-
	t) Provision for Impairment of Assets	-	99.00
	u) Security Service charges	219.49	140.13
	v) Listing & Other Fees	72.35	14.04
	w) Office & General Expenses	889.61	17.66
	TOTAL	**3,658.25**	**1,134.03**

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STATEMENT OF MATERIAL ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

NOTE - 33 STATEMENT OF MATERIAL ACCOUNTING POLICIES

Group's Background

The consolidated financial statements comprise financial statements of Jyoti Structures Limited ('the Holding Company'), its subsidiaries and joint venture (collectively, 'the Group') for the year ended 31st March, 2024.

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

The Group is engaged in manufacturing of transmission line towers, sub-station structures, tall antenna towers and masts. In addition, the group is also a leading player in Turnkey / EPC projects involving survey, foundation, designing, fabrication, erection and stringing activities of extra high voltage transmission lines and procurement of major bought out items, supply of lattice and pipe type structures, civil works, erection, testing and commissioning of switchyard / substations and distribution networks.

1. Basis of Preparation of Financial Statements:

(i) Compliance with Ind AS

These Consolidated Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2017.

The Consolidated Financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Consolidated Financial statements, included in the Notes to the consolidated financial statements for the year ended March 31, 2024.

(ii) Historical Cost convention:

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and plan assets under defined benefit plans that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.
Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have

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some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 'Inventories' or value in use in Ind AS 36 'Impairment of Assets', or net present value of lease payments in Ind AS 116 'Leases', as applicable.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the asset or liability
Above levels of fair values are applied consistently and generally, there are no transfers between the levels of fair value hierarchy unless the circumstances change warranting such transfer.
The principal accounting policies are set out below.

(iii) Operating Cycle

Assets and liabilities other than those relating to long-term contracts (i.e. supply or construction contracts) are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

In case of long-term contracts, the time between acquisition of assets for processing and realisation of the entire proceeds under the contracts in cash or cash equivalent exceeds one year. Accordingly, for classification of assets and liabilities related to such contracts as current, duration of each contract is considered as its operating cycle, except for amounts with respect to legal cases or long pending disputes.

2. Basis of Consolidation

(a) Subsidiaries:

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company: -

• has power over the investee;
• is exposed, or has rights, to variable returns from its involvement with the investee; and
• has the ability to use its power to affect its returns

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The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

• the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
• potential voting rights held by the Company, other vote holders or other parties;
• rights arising from other contractual arrangements; and any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company looses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component's other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company. When the end of the reporting period of the Holding Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless transaction provides evidence of an impairment of the transferred asset.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

(b) **Joint Ventures:**

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains/losses on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities

(c) The consolidated financial statements have been prepared in accordance with Ind AS 110 'Consolidated Financial Statements'. The percentage of ownership interest of the Holding Company in the Subsidiary Companies and the Joint Venture Companies as on 31st March, 2024 are as under:

Name of the Company	Percentage of Holding (%)	Country of Incorporation
Subsidiaries (including step down subsidiaries)		
JSL Corporate Services Ltd.	100	India
Jyoti Energy Ltd.	100	India
Jyoti Structures FZE	100	United Arab Emirates
Jyoti Structures Nigeria Ltd.	100	Nigeria
Jyoti Structures Kenya Ltd.	100	Kenya

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Name of the Company	Percentage of Holding (%)	Country of Incorporation
Jyoti Structures Namibia (Pty) Ltd.	70	Namibia
Jyoti Structures Africa (Pty) Ltd.	70	South Africa
Jyoti International Inc	100	United States of America
Jyoti America LLC	100	United States of America
Jyoti Structures Canada Limited	100	Canada
Joint Venture Companies		
Gulf Jyoti International LLC	30	United Arab Emirates
GJIL Tunisie Sarl	49	Tunisia

Notes:

(i) Jyoti Structures FZE holds 70% equity in subsidiary Company Jyoti Structures Namibia (Pty) Ltd.

(ii) Jyoti Structures Nigeria Ltd. and Jyoti Structures Kenya Ltd. are 100% subsidiaries of Jyoti Structures FZE.

(iii) Jyoti America LLC and Jyoti Structures Canada Limited are 100% subsidiaries of Jyoti International Inc.

(iv) Gulf Jyoti International LLC holds 49% in Joint Venture Company Gulf Tunisia Sarl.

(v) Gulf Jyoti International LLC and its Joint Venture Companies, are not considered in consolidation due to the non-availability of audited financial statements or management certified accounts.

(vi) Jyoti International Inc, a Subsidiary Company, and its step-down subsidiaries have not been considered in consolidation due to the non-availability of audited financial statements or management certified accounts.

3. Business Combinations

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

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

• deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

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• assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill

Goodwill arising on an acquisition at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is not amortised but it is tested for impairment.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be Integrated Annual Report impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4. Interests in Jointly Controlled Operations:

A jointly controlled operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under jointly controlled operations, the Group as a joint operator recognises in relation to its interest in a jointly controlled operation:
1. its assets, including its share of any assets held jointly;
2. its liabilities, including its share of any liabilities incurred jointly;
3. its revenue from the sale of its share of the output arising from the jointly controlled operation; and

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4. its expenses, including its share of any expenses incurred jointly

The Group accounts for the assets, liabilities, revenues, and expenses relating to its interest in a jointly controlled operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.

When a group entity transacts with a jointly controlled operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the jointly controlled operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the jointly controlled operation.

When a group entity transacts with a jointly controlled operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

5. Non-current assets held for sale and discontinued operations:

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. They are measured at the lower of their carrying amount and fair value less cost to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale and are presented separately from the other assets in the balance sheet. The liabilities related to the assets held for sale are presented separately from other liabilities in the balance sheet.

6. Revenue Recognition:

The Group derives revenue principally from following streams:

- Sale of products (towers and bought out components)
- Sale of services
- Construction contracts
- Other Operating Revenue

Sale of products:

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

Customers obtain control as per the incoterms. In determining the transaction price for sale of product, the Group considers the effects of variable consideration, if any. Invoices

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are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Sale of services:

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

Construction contracts:

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

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

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

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

Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, discounts, if any. The Group considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether

NOTE - 33 STATEMENT OF MATERIAL ACCOUNTING POLICIES

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

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

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

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Other Operating Revenue

Export benefits under Mercantile Export from India Scheme (MEIS), Service Export from India Scheme (SEIS), Duty Drawback benefits and Remission of Duties and Taxes on Export Products Scheme (RoDTEP) are accounted as revenue on accrual basis as and when export of goods take place, where there is a reasonable assurance that the benefit will be received and the Company will comply with all the attached conditions.

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Other income

Interest income is recognized by using effective interest method.

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

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

7. Property, Plant & Equipment:

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

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

(iii) Tools and tackles having useful life of more than 12 months are capitalized as Property, Plant and Equipment and accordingly depreciated over its useful life.

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

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

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

8. Capital work in progress and Capital advances:

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

9. Intangible Assets

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

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

10. Depreciation / Amortisation:

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

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

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

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

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

11. Inventories:

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

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

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

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

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

(f) Scrap is valued at net realisable value.

12. Financial Instruments:

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

Financial Assets

Initial recognition and measurement:

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

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

Subsequent measurement:

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

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

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

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

i. Financial assets measured at amortized cost

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

i. Financial assets measured at amortized cost:

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

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

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

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

ii. Financial assets measured at FVTOCI:
A financial asset is measured at FVTOCI if both the following conditions are met:

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

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

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

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

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

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

Derecognition:

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

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

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

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

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

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

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

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NOTE - 33 STATEMENT OF MATERIAL ACCOUNTING POLICIES

Financial liabilities

Initial recognition and measurement:

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

Subsequent measurement:

All financial liabilities of the group are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method or at FVTPL.

(a) Financial Liabilities at FVTPL:

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

(b) Financial Liabilities at Amortised Cost:

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

(c) Financial guarantee contracts:

(a) A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

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(b) Financial guarantee contracts issued by a group are initially measured at their fair value and, if not designated as at FVTPL, are subsequently measured at the higher of:

(i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109, 'Financial Instruments'; and

(ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115, 'Revenue from contract with customers'.

(c) The Financial guarantees issued to third parties on behalf of subsidiaries are recorded at fair value. The same is recognised as Other income in the statement of Profit and Loss.

Derecognition:

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

13. Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. The Group considers a period of twelve months or more as a substantial period of time.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
Finance expenses are recognised immediately in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's policy on borrowing costs.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

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14. Impairment of assets:

(a) Financial Assets:

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

i) Trade receivables and lease receivables
ii) Financial assets measured at amortized cost (other than trade receivables and lease receivables)
iii) Financial assets measured at fair value through other comprehensive income (FVTOCI).

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

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

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

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

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

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

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

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

(b) Non-Financial Assets:

At the end of each reporting period, the Group reviews the carrying amounts of its Property, plant and equipment, intangible and other non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. For the purpose of assessing impairment, assets are grouped at the lowest level, for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or group of assets (cash-generating unit). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

15. Foreign Currency:

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (functional currency). For each branch and jointly controlled operation situated outside India and subsidiary situated outside India and a subsidiary situated outside India. The Holding Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency of that respective branch, jointly controlled operation and Subsidiary. The functional and presentation currency of the Group is Indian Rupees (INR). The financial statements are presented in Indian rupees (INR).

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NOTE - 33 STATEMENT OF MATERIAL ACCOUNTING POLICIES

(i) Foreign Currency Transactions

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

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

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

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

(ii) Foreign Operations

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

(b) The exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

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

16. Leased Assets:

As a lessee:

The Group assesses whether a contract is or contains a lease, at inception of the contract. Leases are recognized as right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

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

The lease payments are discounted using Group's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined).

Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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

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

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

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

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

As a practical expeient, the Group has recognized payments associated with short-term leases and leases of low-value assets on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

<u>As a lessor</u>:

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

17. Cash Flow Statement:

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

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

18. Employees Benefits:

a) Short Term Employee Benefits:

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

b) Long Term Employee Benefits:

I. Defined Contribution Plan:

The Group's contribution to provident fund is considered as defined contribution plans. The Group recognizes contribution payable to a defined contribution plan as an expense in the Consolidated Statement of Profit and Loss in the financial year to which it relates. If the contributions payable for services received from employees, before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

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II. Defined Benefit Plan:

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

19. Income Taxes:

(a) Current Tax:

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

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

(b) Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable

NOTE - 33 STATEMENT OF MATERIAL ACCOUNTING POLICIES

profit nor the accounting profit.

In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in jointly controlled operations, except where it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary
differences and it is probable that the differences will not reverse in the foreseeable future.
Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset
current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and credits only if, it is probable that future taxable amounts will be available to utilise those
temporary differences and losses.

(c) Minimum Alternate Tax (MAT):

MAT paid in a year is charged to the Consolidated Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal taxes during the specified period under the Income Tax Act, 1961. The Group reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

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

20. Earnings Per Share:

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

21. Provisions and Contingencies:

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

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

c) A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is

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remote, no provision or disclosure is made.

d) Contingent assets: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognized but disclosed only when an inflow of economic benefits is probable.

22. Segment Reporting

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

23. Exceptional items

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

24. Rounding off amounts

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

25. Critical estimates and judgements

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

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that has the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in notes no.34:

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

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

26. Fair value measurements

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

27. Employees Stock Option Scheme

Stock Options are granted to eligible employees under the JSL Employee Stock Option Scheme 2021 ("JSL ESOS 2021"),as may be decided by the Nomination & Remuneration Committee. Under Ind AS, the cost of JSL ESOS 2021 is recognised based on the fair value of Stock Options as on the grant date. The fair value of Stock Options granted is recognized in the Statement of Profit and Loss over the period in which the performance and / or service conditions are fulfilled for employees of the Company (other than those out on deputation).

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NOTE – 34 OTHER NOTES:

1. **The details of companies considered in the Consolidated Financial Statements:**

Sr. No.	Name of the Entity
A	**Subsidiaries**
1	Jyoti Energy Limited$
2	JSL Corporate Services Limited$
3	Jyoti Structures Africa (Pty) Limited#
4	Jyoti Structures FZE*

$ As per audited financial statements.

As per unaudited standalone financial statements based on information / management certified.

* As per the unaudited Consolidated Financial Statements, including its subsidiaries viz. Jyoti Structures Namibia (Pty) Ltd.; Jyoti Structures Nigeria Ltd.; and Jyoti Structures Kenya Ltd., which are indirect Subsidiary of the Holding Company.

The subsidiaries considered are as per the table provided above. Out of these companies considered, only two company's financial statements have been subjected to audit. All other companies as stated above are consolidated based on the unaudited financial information and hence are subject to changes on audit.

The financial statements / financial information of the Joint Ventures of the holding company i.e. Gulf Jyoti International LLC and in respect of 1 subsidiary (including its step-down subsidiaries) i.e. Jyoti International Inc are not available and hence the same have not been considered for the purpose of these consolidated financial statements.

The consolidated financial statements have been prepared assuming that consolidated subsidiaries will continue as a going concern. No adjustments are, hence, made in the consolidated financial statements that might result from the outcome of the uncertainty.

2. **Outstanding Contracts – Capital Account:**

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

3. **Contingent Liabilities not provided for:**

(Rs. In Lacs)

Sr. No.	Particulars	2023-24	2022-23
	Section - 1 – Contingent Liability		
i)	Outstanding Bank Guarantee (BG)	3,467.09	6,564.00

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Sr. No.	Particulars	2023-24	2022-23
	Section - 2 – Contingent Liability		
i)	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under	13,566.54	13,566.54
ii)	Writ Petitions/claim	95.81	95.81
iii)	Civil Matters	831.05	831.05
iv)	Labour Matters	3.78	3.78
v)	Arbitration Matters	226.35	226.35

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

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

4. Value of Imported and Indigenous Raw Materials and Stores & Components Consumed etc., in foreign currency is not applicable. Earnings and Expenditure of branches are as under:

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(Rs. in Lacs)

Sr. No.	Particulars	2023-24	2022-23
1)	Foreign Currency Earnings	5,512.61	0.00
2)	Foreign Currency Expenditure	1,094.15	211.65
	Total	6,606.76	211.65

5. **Other Equity** – As reflected in Note no 14.

6. In the absence of audited financial statements or management certified accounts for the year ended March 2024 & March 2023, of Joint Ventures (JV) viz Gulf Jyoti International Inc., the share in the profit / (Losses) and assets and liabilities of the aforesaid JV's has not been included in the Consolidated Financial Statements, and therefore the investment in the aforesaid JV and Subsidiary has been stated at the same value as determined based on the management certified financial statements as on 31st March 2017. The same has been fully impaired in the earlier year(s).

7. In the absence of audited financial statements or management certified accounts for the year ended March 2024, of subsidiary Jyoti International Inc (JII) and its two subsidiaries, the share in the profit / (Losses) and assets and liabilities of the aforesaid subsidiary has not been included in the Consolidated Financial Statements, and therefore the investment in the aforesaid Subsidiary has been stated at the same value as determined based on the management certified financial statements as on 31st March 2016. The investment has been fully impaired in the earlier year(s).

8. The management, considering the business outlook of Jyoti Structures Africa Pty Ltd. (JSAL) is of the opinion that the accumulated losses of JSAL are temporary in nature and expected to recovered in next few years. Hence, the consolidated financial statements have been prepared assuming that JSAL will continue as going concern. No adjustments are, hence, made in the consolidated financial statements that might result from the outcome of uncertainty.

9. The management, considering the business outlook of Jyoti Structures FZE is of the opinion that the accumulated losses of Jyoti Structures FZE are temporary in nature and expected to recovered in next few years. Hence, the consolidated financial statements have been prepared assuming that Jyoti Structures FZE will continue as going concern. No adjustments are, hence, made in the consolidated financial statements that might result from the outcome of uncertainty.

10. **Disclosure as required by Indian Accounting Standard 19'Employee Benefits':**

The below disclosures are of Holding Company.

Defined Contribution Plans:

Provident Fund

The Provident Fund is operated by the Regional Provident Fund Commissioner. Under the scheme, the company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

The company has recognized the following amounts in the Statement of Profit and Loss for the year:

(Rs. in Lacs)

Sr. No.	Particulars	2023-24	2022-23
i)	Contribution to Provident Fund (including	111.96	75.19

Defined Benefit Plans:

Gratuity and Leave Encashment

Gratuity

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

Leave Encashment

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

A. Balance Sheet

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

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Present value of obligation	(122.33)	(57.13)	(75.06)	(49.16)
Fair value of plan assets	-	-	-	-
Asset/(Liability) recognised in the Balance Sheet	(122.33)	(57.13)	(75.06)	(49.16)

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

(Rs. in Lacs)

Defined Benefit Obligation	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Opening Defined Benefit Obligation	57.13	13.51	49.16	-
Service cost for the year	75.88	50.73	21.69	-
Interest cost for the year	4.06	1.00	3.49	-
Actuarial losses (gains)	(7.95)	(8.11)	9.89	49.16
Benefits paid	(6.79)	-	(9.16)	-
Past Service Cost	-	-	-	-
Closing defined benefit obligation	122.33	57.13	75.06	49.16

(Rs. in Lacs)

Fair Value of Plan Assets	Gratuity	
	2023-24	2022-23
Opening fair value of plan assets	-	-
Expected return including interest and other income	-	-
Actuarial gains and (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing balance of fund	-	-

C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Current service cost	75.88	50.13	21.68	49.16
Net interest on net Defined Liability	4.06	1.00	3.49	-
Past Service Cost	-	-	-	-
Actuarial (Gains)/Losses on liability	-	-	9.89	-

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Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Charged to Profit and Loss on Settlement	-	-	-	-
Total	79.94	51.73	35.06	49.16

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

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

Amounts recognized in Other Comprehensive Income:

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Actuarial (Gains) / Losses on Liability	(7.95)	(8.11)	-	-
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-	-	-
Total	(7.95)	(8.11)	-	-

D. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefit plans at their fair value on the Balance Sheet date, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Principal Actuarial Assumptions	2023-24	2022-23
Discount rate	7.10%	7.40%
Expected return on plan assets	N.A	N.A
Principal Actuarial Assumptions	2023-24	2022-23
Annual increase in Salary costs	6.00%	6.00%
Attrition Rate	5.00 to 1.00 %	5.00 to 1.00 %

(Rs. in Lacs)

Maturity profile of defined benefit obligation	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Year 1	21.06	10.57	11.94	9.28
Year 2	10.25	3.29	5.85	2.25
Year 3	11.08	5.61	5.84	4.66
Year 4	10.82	5.11	4.91	3.82
Year 5	10.43	4.21	5.77	3.63
Year 6 to Year 10	48.12	29.20	16.49	13.26

E. Sensitivity Analysis

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

(Rs. in Lacs)

Particulars	Gratuity		Leave Encashment	
	2023-24	2022-23	2023-24	2022-23
Discount Rate:				
One percentage increase	114.00	50.38	69.45	45.67
One percentage decrease	131.98	58.24	81.57	53.20
Salary Escalation Rate:				
One percentage increase	131.99	58.26	81.58	53.22
One percentage decrease	113.85	50.30	69.34	45.60
Withdrawal Rate:				
One percentage increase	123.04	54.42	75.54	49.55
One percentage decrease	121.55	53.56	74.51	48.72

Note -The above information is as per certificates of the Actuary.

OCI Presentation of defined benefit plan:

Gratuity is in the nature of defined benefit plan, Re-measurement gains / (losses) on defined benefit plans is shown under OCI as items that will not be reclassified to profit or loss and also the income tax effect on the same.

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Presentation in Statement of Profit & Loss and Balance Sheet:

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss. IND AS 19 does not require segregation of provision in current and non-current, however net defined liability/(Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

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

(Rs. In Lacs)

	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Expenses relating to short-term leases (including in other expenses)	183.13	121.13

(a) There are no sale & leaseback transactions.
(b) Payments associated with short-term leases of equipment, vehicles and all leases of low-value assets are recognised on straight line basis as an expense in profit or loss.

12. **Disclosures as required by Indian Accounting Standard 24, 'Related Party Disclosures'**

A. Relationships (during the year)

a) Subsidiary of the Company (Extent of holding):
   i. Jyoti International Inc. (100%)
   ii. Jyoti Americas LLC (100%) (Step Down Subsidiary)
   iii. Jyoti Structures Canada Ltd. (100%) (Step Down Subsidiary)

b) Key Management Personnel:
   i. Ms. Sonali Gaikwad (Company Secretary)
   ii. Mr. Abdul Hameed Khan (CEO)
   iii. Mr. Kumar V Balan (CFO)

c) Joint Venture:
   i. Gulf Jyoti International LLC
   ii. GJIL Tunisia Sarl (49%)

d) Directors
   i. Mr. Rajendra Prasad Singh
   ii. Mr. Kannan Ramamirtham (Resigned w.e.f. 6th September, 2023)
   iii. Mr. Abhinav Rishi Angirish
   iv. Mr. Mathew Cyriac (Resigned w.e.f. 7th November, 2023)
   v. Mrs. Monica Akhil Chaturvedi
   vi. Mr. Govind Prasad Saha
   vii. Mr. Abdul Hameed Khan (WTD w.e.f. 22nd June 2023)

e) Key Management Personnel:
   a. Ms. Sonali Gaikwad (Company Secretary)
   b. Mr. Abdul Hameed Khan (CEO w.e.f. 11th November 2021)
   c. Mr. Kumar Balan (CFO w.e.f. 9th May 2022)

B. Transactions during the year and balances at the end of the year:

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

(Rs. in Lacs)

Sr. No.	Particulars	Type of Relationship	Related Party	2023-24	2022-23
1.	Director's Sitting Fees	(d)	(i)	2.68	1.60
2.	Director's Sitting Fees	(d)	(ii)	1.10	2.60
3.	Director's Sitting Fees	(d)	(iii)	3.35	1.98
4.	Director's Sitting Fees	(d)	(iv)	0.70	1.80
5.	Director's Sitting Fees	(d)	(v)	3.88	1.83
6.	Director's Sitting Fees	(d)	(vi)	3.80	2.35
7.	Director's Sitting Fees	(d)	(vii)	0.08	-
8.	Director's Salary	(d)	(vii)	45.40	-
9.	Salary Paid	(e)	(i)	9.03	7.86
10.	Salary Paid	(e)	(ii)	8.56	34.32
11.	Salary Paid	(e)	(iii)	40.01	25.57
12.	Professional Fees	(d)	(i)	132.00	82.40

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

(Rs. In Lacs)

Sr. No.	Particulars	Type of Relationship	Related Party	2023-24	2022-23
1.	Outstanding balance receivable/ (payable) at the end of the	c)	(i)	--	819.19

The above amounts are net of provisions, if any.

13. **Employees Stock Option Scheme:**

Under Jyoti Structures Limited Employees Stock Option Scheme 2021 (JSL ESOS 2021), the company is authorised to issue up to 3,17,26,386 Options to be converted into 1 equity share of Rs. 2 each. A Nomination and Remuneration Committee (NRC) Committee has been constituted by the Board of Directors of the Company to administer the Scheme and determine the exercise price as applicable.

ESOS Issued in FY 2023-24:

Particulars	Date of Grant	No. of Options	Vesting Period
Tranche 1	13/06/2023	30,51,500	One Year
Tranche 2	19/07/2023	59,98,000	One Year
Tranche 3	17/10/2023	3,47,000	One Year
Tranche 4	12/02/2024	38,70,000	30% of the options vest at the end of one year from the date of grant of options, 30% at the end of second year from the date of grant of options and the balance 40% at the end of third year from the date of grant of options

The amount of Rs. 667.75 Lacs (P.Y. Nil) debited to Employee Compensation Expense – ESOS account, represents the proportionate cost for the year and has been credited to the revenue account.

The amount of Rs. 1,487.40 Lacs (P.Y. Nil) in Employee Stock Option outstanding account, represents discounts on the options outstanding.

The balance un-amortized portion of Rs. 819.65 Lacs (P.Y. Nil) Being Deferred Employee Compensation Expense has been shown as reduction from Employees Stock Options outstanding in the Balance Sheet.

Sr. No.	Particulars	2023-24 (In Numbers)	2022-23 (In Numbers)
i)	Options granted and outstanding at the beginning of the year	NIL	NIL
ii)	Options granted during the year	1,32,66,500	NIL
iii)	Options lapsed and/or withdraw during the year	NIL	NIL
iv)	Options exercised during the year against which shares were allotted	NIL	NIL
v)	Options granted and outstanding at the end of the year of which:		
	- Options vested	NIL	NIL
	- Options yet to vest	1,32,66,500	NIL

There are no shares allotted under ESOP / ESOS as at the reporting date by the Companies in the Group.

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14. **Earnings per Share (EPS)**

Sr. No.	Particulars	2023-24	2022-23
i)	Profit/(Loss) after Tax (Net of preference share dividend) (Rs. in Lacs)	2,885.51	(407.23)
ii)	Weighted Average Number of Ordinary Shares for Basic Earnings per Share (No. in Lacs)	7,001.62	6,345.28
iii)	Weighted Average Number of Ordinary Shares for Diluted Earnings per Share (No. in Lacs)	7,303.33	7,045.28
iv)	Nominal value of Ordinary Share	Rs. 2.00	Rs. 2.00
v)	Basic Earnings Per Ordinary Share	Rs. 0.412	Rs. (0.064)
vi)	Diluted Earnings Per Ordinary Share	Rs. 0.395	Rs. (0.064)

15. **Financial Instruments**

1. Category-wise classification of Financial Instruments

(Rs. in Lacs)

Particulars	Note	Non-Current		Current	
		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Financial assets measured at fair value through other comprehensive income (FVTOCI)					
-Investments in quoted Mutual Funds	3	82.56	62.99	-	-
Financial assets measured at amortised cost					
-Investment in unquoted Equity Instruments	3	5.00	5.00	-	-
-Security and other deposits	4	371.76	408.47	-	-
-Trade Receivables	6	-	-	2,03,079.24	1,99,878.82
-Cash and Cash Equivalents	7	-	-	3,871.70	3,061.92
-Other Balances with Banks	8	-	-	145.46	163.14
-Loans to Employees	9	-	-	82.61	58.23
-Loan to Related Parties (Net)	9	-	-	-	818.27
-Sundry Deposits	9	-	-	469.08	262.16
Insurance claim	9	-	-	97.75	-
Interest Accrued	9	-	-	5.56	32.00

Particulars	Note	Non-Current		Current	
		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
-Expenses / Other Receivable	9	-	-	5,292.18	5,494.35
Financial liabilities measured at amortized cost					
-Loans Repayable on Demand	19	-	-	50.12	49.37
-Trade Payables	20	-	-	8,392.64	9,767.98
-Unclaimed Dividend	21	-	-	17.70	17.70
-Payable to employees	21	-	-	826.22	730.17
-Payable towards Other Expenses	21	-	-	1,079.56	811.26
-Security deposits	16	36.00	-	-	-
Financial liabilities - Due as per Approved Resolution Plan					
-Financial Creditors	15 & 19	12,716.03	12,716.03	5,853.54	7,366.34
-Trade Payable	16 & 20	5,995.38	6.000.00	4,753.27	5,242.31
-Payable to employees	16 & 21	8,592.21	8,743.00	4,707.88	6,114.34

2. **Fair Value Measurements**

The fair value of financial instruments as referred to in the note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:
As at 31st March, 2024:

(Rs. in Lacs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
-Investments in quoted Mutual Funds	82.56	82.56	-	-

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Financial liabilities measured at fair value as per Approval Resolution Plan				
-Non Convertible Debentures	1,73,014.45			1,73,014.45

As at 31st March, 2023:

(Rs. in Lacs)

Financial Assets/Financial Liabilities	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
-Investments in quoted Mutual Funds	63.00	63.00	-	-
Financial liabilities measured at fair value as per Approval Resolution Plan				
-Non Convertible Debentures	1,60,198.57			1,60,198.57

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

3. Financial Risk Management – Objectives and Policies

The Group's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Group formulated by the Risk Management Committee are established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables and loans.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point (bps) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure to interest rate risk

(Rs. In Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Borrowings	1,91,634.14	1,80,280.94
% of Borrowings out of above bearing variable rate of interest	0.00%	0.00%

The details have been compiled based on details available which is mostly pertaining to holding company.

Interest Rate Sensitivity:

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

(Rs. in Lacs)

Particulars	2023-24	2022-23
50 bps increase would increase the loss before tax by	-	-
50 bps decrease would decrease the loss before tax by	-	-

ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The Group has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure, the Group does not enter into any forward exchange

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contract or into any derivative instruments for trading or speculative purposes.

The Group is mainly exposed to changes in USD, EUR, AED and ZAR. The below table demonstrates the sensitivity to a 5% increase or decrease in the above-mentioned currencies against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at the reporting date. 5% represents the management's assessment of a reasonably possible change in the foreign exchange rates.

(Rs. In Lacs)

Particulars*	2023-24		2022-23	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	498.00	498.00	684.55	684.55
EUR	49.41	49.41	68.40	68.40
AED	4.74	4.74	4.63	4.63
ZAR	35.47	35.47	37.09	37.09
Total	587.62	587.62	794.67	794.67

iii)Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price.

The Group is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

At 31st March 2024, the investment in mutual funds amounts to Rs. 82.56 Lacs (Rs.63.00 Lacs as on 31st March 2023)

A 5% increase in market prices would have led to approximately an additional gain of Rs. 4.13 Lacs in Other Comprehensive Income.

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

B)Credit Risk

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Group.

To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Group measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Trade Receivable ageing schedule
Mar-24

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade Receivable – Considered Goods	7,279.69	2,527.27	2,643.56	-	1,90,628.72	2,03,079.24

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Trade Receivable ageing schedule
Mar-23

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade Receivable – Considered Goods	9,322.36	20.00	-	-	1,90,536.46	1,99,878.82

Movement in provisions of doubtful debts

(Rs. in Lacs)

Particulars	2023- 24	2022-23
Opening provision	750.00	600.00
Add: Additional Provision made	125.00	150.00
Less: Provision reversed/written off	-	--
Closing provisions	875.00	750.00

Total trade receivables as at 31st March, 2024 are Rs 2,03,079.24 Lacs (P.Y. Rs. 1,99,878.82 Lacs). The Group has initiated reconciliation process with Trade Receivables to determine the continuation of contracts, details of work in progress with age, stage of completion, progress billing, disputed and undisputed dues. The Holding Company has made a provision of Rs. 875 Lacs (P.Y. Rs 750 Lacs) as provision for estimated credit loss.

C) Liquidity Risk

Liquidity Risk is defined as the risk that the Group will face in meeting its obligations associated with its financial liabilities. The processes and policies related to such risks are overseen by the management. The management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities:

(Rs. in Lacs)

Particulars	Note No	Less than 1 year	1-3 Years	3-5 Years	More than 5 years	Total / Carrying Amount
As at 31st March, 2024						
Financial Creditors	15	--	9,838.52	1,796.59	1,080.92	12,716.03
Operational	16	--	13,587.59	1,000.00		14,587.59

Particulars	Note No	Less than 1 year	1-3 Years	3-5 Years	More than 5 years	Total / Carrying Amount
Creditors						
Financial Creditors	19	5,853.54	--	--	--	5,853.54
Loans Repayable on Demand	19	50.12	--	--	--	50.12
Trade Payables	20	13,145.91	--	--	--	13,145.91
Security deposits	16	36.00	--	--	--	36.00
Unclaimed Dividend	21	17.70	--	--	--	17.70
Payable to employees	21	5,534.10	--	--	--	5,534.10
Expenses and other payables	21	1079.56	--	--	--	1079.56

As at 31st March, 2023						
Financial Creditors	15	--	9,838.52	1,796.59	1,080.92	12,716.03
Operational Creditors	16	--	13,743.00	1,000.00	--	14,743.00
Financial Creditors	19	7,366.34	--	--	--	7,366.34
Loans Repayable on Demand	19	49.37	--	--	--	49.37
Trade Payables	20	15,010.29	--	--	--	15,010.29
Unclaimed Dividend	21	17.70	--	--	--	17.70
Payable to Employees	21	6,844.51	--	--	--	6,844.51
Expenses and Other Payables	21	801.69	--	--	--	801.69

16. Engineering Procurement Construction (EPC) Contracts provide for levy of liquidity damages (LD) to the extent of 10% of the contract value for delay in execution of the contracts. As a trade practice, on completion of the contracts such delay is generally condoned by granting time extension. It is not possible to ascertain the quantum of the

LD for the projects where execution is delayed, as the proposals for time extension are pending with the customers and in the past, time extension have been granted in similar circumstances. However, considering recurring/persisting delays it is not possible to assess the amount for which the group would be liable and hence not provided for. However, wherever the amount has been admitted by the Group or recovered, the same has been charged to expenses.

17. The Group has a process where by periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long-term contracts has been made in the books of accounts. The Group has not entered into a derivative contract during the year.

18. The Group is operating in only one primary business segment of power transmission and distribution wherein it manufactures/deals in various components/equipment's and constructs infrastructure related to power transmission. As such there are no separate primary reportable or identifiable business segments. However, there are operations in different geographical segments of which details are given as below:

Segment Information:

(a) Revenue from Operation:

(Rs in Lacs)

Particulars	2023-24	2022-23
Within India	39,625.85	22,923.12
Outside India	5,512.61	-
Total	45,138.46	22,923.12

(b) Non Current Assets:

(Rs in Lacs)

Particulars	2023-24	2022-23
Within India	3,885.65	3,653.95
Outside India	-	4.89
Total	3,885.65	3,658.84

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19. Trade Payables

(Rs. in Lacs)

Particulars	2023-24	2022-23
(a) Total Outstanding dues of micro enterprises and small enterprises	84.80	-
(b) Total outstanding dues of creditors other than micro and small enterprises	19,056.49	21,010.29
Of the above trade payable amounts due to related parties are as below :		
Trade payable due to related parties	-	-

20. Trade Payables include dues to micro and small enterprises to whom the Group owes amounts outstanding for more than 45 days. The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors. The details are as follows:

(Rs. in Lacs)

Sr No	Particulars	2023-24	2022-23
1)	The principal amount remaining unpaid to any supplier as at the end of each accounting year.	84.80	Nil
2)	The interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	2.27	Nil
3)	The amount of interest paid by the Companies incorporated in India in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
4)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
5)	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
6)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

G.P. SHARMA & CO. LLP Chartered Accountants

JYOTI STRUCTURES LTD. MUMBAI

Trade Payable ageing Schedule.
Mar-24

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment				
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	84.80	-	-	-	-	84.80
(ii) Others	8,332.75	48.72	2,079.37	5,000.00	3,595.65	19,056.49

Trade Payable ageing Schedule.
Mar-23

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	10,286.54	48.72	2,079.37	5,000.00	3,595.66	21,010.29

21. The Holding Company has various input credits and balances with various statutory authorities pertaining to service tax, VAT, GST, sales tax etc. aggregating to Rs. 1,616.29 lacs (Preceding financial year Rs. 1,814.95 lacs). The recovery of these amounts is subject to reconciliation, filing of returns and admission by respective statutory authorities. No adjustments have been made in the books of accounts in respect of such amounts.

22. Corporate Social Responsibility (CSR) – Since average net profit of the companies incorporated in India during the immediately preceding three financial years is not more than 5 Cr., hence expenditure on CSR is not applicable for the year ended as at 31st March, 2024.

23. **Key Financial Ratio:**

Sr. No.	Particulars	2023-24	2022-23	Numerator	Denominator
1	Current Ratio (in times)	6.41	6.05	Current Assets	Current Liabilities
2	Debt-Equity Ratio (in times)	(80.96)	77.26	Total Debt	Total Equity
3	Debt Service coverage Ratio (in times)	0.63	0.02	NPAT + non-cash operating expenses + Interest +Other non-cash adjustments	Current Debt Obligation (Interest + Instalments)
4	Return on equity Ratio (in %)	(506.23)	(0.05)	Net Profits after taxes - Preference Dividend (if any)	Average total equity

Sr. No.	Particulars	2023-24	2022-23	Numerator	Denominator
5	Inventory Turnover Ratio (No. of Days)	2.86	2.63	Cost of goods sold	Average Inventory
6	Trade receivables turnover Ratio (No. of Days)	0.22	0.12	Net Credit Sales	Average Account Receivables
7	Trade payables turnover Ratio (No. of Days)	1.42	1.31	Net Credit Purchases	Average Trade Payables
8	Net capital turnover Ratio (in times)	13.84	0.12	Net Sales	Working Capital
9	Net profit Ratio (in %)	0.06	(1.78)	Net Profit	Net Sales
10	Return on capital employed (in %)	0.01	(0.09)	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability
11	Return on investment (in %)	0.01	0.08	Earnings before interest and taxes	Average Total Assets

24. Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/Associates/Joint Ventures

(Rs. in Lacs)

Name of the Entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other Comprehensive Income	Amount	As % of total Comprehensive Income	Amount
Parent:								
Jyoti Structures Limited	27.64	705.12	102.04	2,944.25	100	27.51	102.02	2,971.77
Subsidiaries:								
Indian								

Name of the Entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other Comprehensive Income	Amount	As % of total Comprehensive Income	Amount
1. JSL Corporate Services Ltd.	18.52	472.62	(0.16)	(4.54)	-	-	(0.16)	(4.54)
2. Jyoti Energy Ltd.	(1.10)	(28.02)	(0.01)	(0.39)	-	-	(0.01)	(0.39)
Foreign								
1. Jyoti Structures Africa (Pty) Ltd.	(97.78)	(2,494.75)	-	-	-	-	-	-
2. Jyoti Structures FZE	(21.32)	(544.05)	(1.86)	(53.80)	-	-	(1.85)	(53.80)
Non-Controlling Interests in all subsidiaries	0.18	4.69	-	-	-	-	-	-
Total Adjustment / Elimination for consolidation	(26.14)	(667.06)						
As per Consolidated Net Assets/Profit or Loss	(100.00)	(2551.47)	100.00	(2,885.50)	100.00	27.51	100.00	2,913.04

* Note: The financials of the subsidiary company viz Jyoti International Inc and Gulf Jyoti International LLC are not available and hence not considered in the consolidated results of the company. Refer Note No. 34 (5&6) to Consolidated Financial Statements.

25. **Interest in other entities:**

The Consolidated Financial Statements present the Consolidated Accounts of Jyoti Structures Limited with its following Subsidiaries and Joint Ventures:

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Name	Country of Incorporation	Proportion of Ownership of Interest	
		As at 31st March, 2024	As at 31st March, 2023
1) Subsidiaries			
Indian Subsidiaries:			
(a) Jyoti Energy Limited	India	100%	100%
(b) JSL Corporate Services Limited	India	100%	100%
Foreign Subsidiaries:			
(a) Jyoti Structures FZE	United Arab Emirates	100%	100%
(b) Jyoti Structures Africa (Pty) Limited	South Africa	70%	70%
(c) Jyoti International Inc*	United States of America	100%	100%
(d) Jyoti Structures Kenya Limited #	Kenya	100%	100%
(e) Jyoti Structures Nigeria Limited #	Nigeria	100%	100%
(f) Jyoti Structures Namibia (Pty) Limited #	Namibia	70%	70%
(g) Jyoti Americas LLC ^	United States of America	100%	100%
(h) Jyoti Structures Canada Limited ^	Canada	100%	100%
Joint Ventures:			
(i) Gulf Jyoti International LLC*	United Arab Emirates	30%	30%
(j) GJIL Tunisia Sarl @	Tunisia	49%	49%

** The financials of Jyoti International Inc (including its step-down subsidiaries) and Gulf Jyoti International LLC (including GJIL Tunisia) have not been considered in the consolidated financial statements for the year ended 31st March, 2024 for reasons stated in Note No. 34(5) and Note No. 34(6) to Consolidated Financial Statements respectively.
# Held by Jyoti Structures FZE
^ Held by Jyoti International Inc
@ Held by Gulf Jyoti International LLC

26. The financial statements include the assets, liabilities, income and expenditure in respect of seven branches. The company has included the figures / amounts for the year ended on date in respect of its five branches (management certified) at Bhutan I, Kenya, Tanzania, Georgia, South Africa and two branches (Audited) at Uganda and Tunisia;

27. Under the Approved Resolution Plan, Holding Company has the right to prepay the restructured debt owed to the Financial Creditors at any time, at the net present value

(NPV) of the principal outstanding. With respect to the assenting Secured FCs, as part of restructuring, secured Non-Convertible Debenture (NCD's) at face value of Rs. 1 Lac each, were issued. The value of NCD's including redemption premium as on March 2024 was Rs. 1,73,014.45 Lacs (P.Y. Rs. 1,60,198.57 Lacs) is reflected in Note no 15 under Financial Liabilities - Long Term Borrowings. The assenting secured financial creditors were to be paid their dues over a period of 12 years. Towards this, Non-Convertible Debentures (NCDs) were issued at a face value of the NPV as on November 9, 2021. These NCDs are payable at the Net Present Value which is reflected in Financials. The increase in net present value due to passage of time is shown as the NCD Remeasurement effect due to increase in net present value of these NCDs.

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

29. In FY 2021-22, a Debenture Redemption Reserve of Rs. 1,81,337.86 Lacs was created for redemption premium payable on Non-Convertible Debenture (NCD's). The NCD's are repayable at any point of time at Net Present Value as per Resolution Plan. In FY 2023-24, a sum of Rs. 12,815.88 Lacs (Preceding financial year Rs 11,866.57 Lacs) being changes in remeasurement of NCD at NPV fair value was transferred from Debenture Redemption Reserve to Financial Liabilities Long Term Borrowings Account.

30. The Financial Creditors of Rs.18,569.57 Lacs (Preceding financial year Rs. 20,082.37 Lacs) as per Note No 15 & 19 includes amount payable to Dissenting Financial Creditors, various financial creditors under IDBI Trusteeship and amount payable to unsecured financial creditors.

31. The Companies in the Group did not have any transactions with Struck of Companies in FY 2023-24 nor in Previous preceding year 2022-23. The Balance Outstanding with Companies Struck off is as under:

Name of Struck of Companies	Nature of transactions with struck off company	Balance Outstanding as on March 2024	Balance Outstanding as on March 2023	Relationship with Struck off Company, if any
RAP Energy Solutions Pvt. Ltd.	Payable	20,34,663	20,34,663	NA
Raise Focus T & D Construction Pvt. Ltd.	Payable	44,901	44,901	NA
VBB Construction Pvt Ltd	Payable	2,91,873	2,91,873	NA

32. The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property under the benami transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

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33. The Group has not traded or invested in Crypto currency or Virtual Currency during the current / preceding financial year.

34. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

    a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of The Company (ultimate beneficiaries) or

    b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

35. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

    a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
    b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

36. There is no income surrendered or disclosed as income during the current year or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

37. The resolution plan stood implemented on November 9, 2021 with the infusion of equity by the investors, issuance of securities to financial creditors and transfer of control to the present management, in terms of the resolution plan. The payments to the financial creditors, operational creditors and employees dues are set out in resolution plan. In this regard, on account of the delay by MIDC to execute the tripartite agreement and non-release of the NFB Limits by the lenders in terms of the resolution plan, the company has filed an application with the Hon'ble NCLT seeking exclusion of time. The application is currently sub judice.

38. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

39. None of the Companies in the group is not declared willful defaulter by any bank or financials institution or lender during the year.

40. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

G. P. SHARMA & CO. LLP Andheri (W) Mumbai Chartered Accountants

JYOTI STRUCTURES LTD. MUMBAI

41. Previous year's figures have been re-arranged, re-grouped and re-classified, wherever necessary.

In terms of our report attached

For and on behalf of the Board of Directors

For G.P. SHARMA & CO. LLP
Chartered Accountants
FRN: 109958W/W100247

Utkarsh Sharma
Partner
Membership No: 147906

Mumbai : May 29, 2024

Abdul Hameed Khan
Whole Time Director & CEO
DIN: 09508070

Monica Akhil Chaturvedi
Independent Director
DIN: 02193359

Sonali K Gaikwad
Company Secretary

Kumar V Balan
Chief Financial Officer

OTHER FINANCIAL INFORMATION

RELATED PARTY TRANSACTIONS

For details regarding related party transactions, as per the requirements under applicable Indian Accounting Standards, i.e., Ind AS, please refer to "***Notes to Audited Consolidated Financial Statements***" on page 182 appearing under the section "***Financial Information***".

DIVIDEND:

Company has not paid any dividend in last three years to shareholders.

ACCOUNTING RATIOS

The following tables present certain accounting and other ratios computed on the basis of amounts derived from the Consolidated Financial Statements and Limited Reviewed Statements included in the section "***Financial Statements***" on page 182:

Particulars	Based on Consolidated Financial Statements		
	Six months period ended September 30, 2024	**March 31, 2024**	**March 31, 2023**
Basic earnings per share (₹)	0.14	0.41	(0.06)
Diluted earnings per share (₹)	0.14	0.41	(0.06)
Return on Net Worth (%)	+ve	-ve	+ve
Net Asset Value per equity share (₹)	1.40	(0.35)	0.40
EBITDA (₹ in lakhs)	1,574.55	2,798.87	171.94

The formula used in the computation of the above ratios are as follows:

Basic earnings per share:	Net Profit after Tax as per Consolidated Statement of Profit and Loss / Weighted Average number of Equity Shares
Diluted earnings per share:	Net Profit after Tax as per consolidated Statement of Profit and Loss (after adjustment for convertible securities)/ Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in%):	Net Profit / (Loss) for the Year (attributable to the owners of the parent)/ Net worth at the end of the year on consolidated basis.
Net asset value per equity share:	Net worth at the end of the year on consolidated basis / Number of Equity Shares outstanding at the end of the year.
EBITDA:	Profit for the year before finance costs, tax, depreciation and amortization as presented in the consolidated statement of profit and loss in the Financial Statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of our financial condition and results of operations should be read in conjunction with the "**Audited Consolidated Financial Statements and Limited Reviewed Statements**" on page 182 of this Letter of Offer. You should also read "**Risk Factors**" and "**Forward Looking Statements**" on page 24 and 19 of this Letter of Offer respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations. Further, unless otherwise indicated or the context otherwise requires, all operational information included herein pertains to Fiscal 2023, 2024 and periods ended September 30, 2024.*

In this section, unless the context otherwise indicates or implies, "we", "us" and "our" refer to our Company together with our Subsidiaries, Joint Ventures and Associates, and references to "our Company" are to 'Jyoti Structures Limited'.

You should read the following discussion and analysis of our financial condition and results of operations together with our Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results included in this Letter of Offer. This discussion is based on amounts derived from our Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results which have been prepared in accordance with Indian Accounting Standards ("Ind AS"). Our financial year ends on March 31 of each year, so all references to a particular 'Fiscal' are to the twelve months ending March 31 of that year.

Some of the information contained in the following discussion and analysis, including information with respect to our plans and strategies, contain forward- looking statements that involve risks and uncertainties.

Certain data in this Letter of Offer is based on reports prepared by CRISIL and management estimates. Neither we, nor the Lead Manager, any of their affiliates or advisors, nor any other person connected with the Issue has independently verified such information.

OVERVIEW

Our main business focus areas are Transmission Lines, Substations and Distribution Projects. We undertake turnkey projects on a global scale, offering a complete range of services in Design, Testing, Manufacturing, Sourcing, Supply and Construction with our in-house expertise. We are amongst a very few EPC service providers worldwide, which possess the capabilities to execute turnkey projects covering the entire gamut of Power Transmission business. We are compelled to offer our most competitive bids to beat the bidders from across the globe. We are well qualified to secure business against domestic and international competition

We have manufacturing plants at Nashik and Raipur. We also have an in-house Tower Testing facility at Ghoti, Igatpuri, India. We have relationships with clients from over 45 countries across the globe. With a strong Project Management base, we offer the advantages of lower operating cost, efficient deliveries and services that exceeds their expectations.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. Our results of operations and financial conditions are affected by numerous factors including the following:

Right of way: Seeking landowners consent post agreeing the compensation amount, which can be time consuming, whereby the progress of project may get adversely affected. Wayleaves i.e. access to private land & farms is required to cast foundations, erection of tower & stringing of conductors is obtained by negotiating with landowners, which can be time consuming and can affect the planned progress of the project.

Spike in prices of Raw Material like Steel, Zinc etc: Base Material such as steel, zinc, aluminium form the basic input raw materials for towers, conductor, hardware & accessories, earth wire etc. In recent past the prices of these commodities have seen sharp up moves, such spikes in raw material prices can adversely affect the profitability of the projects.

Environmental & Forest issues: For transmission Lines traversing through forest, bird sanctuaries, wildlife sanctuaries, bio-diversity part etc require permission and NOCs from concerned authorities, this process is time consuming and any delay in receipt of permission or NOCs can lead to idolizing of manpower and other resources which may delay execution and completion of projects.

Rehabilitation & Resettlement: Projects are awarded on the basis of a preliminary survey conducted by the client and/or the Bid processing agencies. However, the final route may differ to the initially anticipated route, however effort is made not to distribute or relocate any of the existing structures or inhabitancies. In rare case there may arise need to rehabilitate or resettlement few inhabitants which may affect the execution of the project.

Natural Calamities: Natural Calamities such as earthquake, cyclones, tsunami, floods etc may affect the portion of project, work location, damage to work done in the affected areas, loss of property, manpower, plant and machinery. Some of the work force & other plant & machinery may be required to be diverted to assist in rescue operations. Occurrence of such natural calamities can cause loss of manpower, plant & machinery and delay in execution & completion of project.

Law & Order Problem & Local Issues: Transmission live projects traverse through multiple areas and few of them may have law & order issues due to local commotions, aspects etc. Local instability limits/restrict free mobility of project execution teams, materials, plant & machinery which can cause delay in execution of project.

Contractual problems: Occurrence of any unforeseen event not covered in the contract but required to be carries out, will need discussions with client and other stake holders which may take time to get resolved, such events may lead to idling of manpower, plant & machinery and can delay execution & completion of the project.

Funds constraints with Contractors: EPC projects need continuous & planned infusion of funds to achieve interim milestones to raise invoices for payments for materials supplied & work executed site are to be released by the client as per contract terms & conditions. Any delay(s) in realisation of payment will affect the next set of fund infusion into the project affecting the planned progress and prolonged delays may lead temporary suspension of the project execution.

Forex Volatility: Indian Rupees keeps fluctuating w.r.t. to leading global currencies and any unfavourable movement in exchange rates can affect the costs & ultimately the margins from the project.

Force Majeure Risk: The Company may be affected by force majeure events, Force majeure" means any unforeseeable circumstance which is beyond the control of Company, or any unavoidable event, even if foreseeable, as a result of which such Company is unable to perform its obligations, in whole or in part. Such circumstances include, but are not limited to, any strike, factory closure, explosion, maritime peril, natural disaster, act by a public enemy, fire, flood, accident, war, riot, insurgence or any other similar event.

Court / NGT / NCLT Cases: The company may face litigation in various forums, the outcome of which may affect our operations.

MARKET

We have been executing contracts of transmission lines and substations within India and abroad. Market can be divided into domestic (including deemed exports) & international (exports).

Material Accounting Policies

Group's Background

The consolidated financial statements comprise financial statements of Jyoti Structures Limited ('the Holding Company'), its subsidiaries and joint venture (collectively, 'the Group') for the year ended 31st March, 2023.

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

The Group is engaged in manufacturing of transmission line towers, sub-station structures, tall antenna towers and masts. In addition, the group is also a leading player in Turnkey / EPC projects involving survey, foundation, designing, fabrication, erection and stringing activities of extra high voltage transmission lines and procurement of major bought out items, supply of lattice and pipe type structures, civil works, erection, testing and commissioning of switchyard / substations and distribution networks.

1. Basis of Preparation of Financial Statements:

(i) Compliance with Ind AS

These Consolidated Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2017.

The Consolidated Financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Consolidated Financial statements, included in the Notes to the consolidated financial statements for the year ended March 31, 2024.

(ii) Historical Cost convention:

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and plan assets under defined benefit plans that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 'Inventories' or value in use in Ind AS 36 'Impairment of Assets', or net present value of lease payments in Ind AS 116 'Leases', as applicable.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

Above levels of fair values are applied consistently and generally, there are no transfers between the levels of fair value hierarchy unless the circumstances change warranting such transfer.

The principal accounting policies are set out below.

(iii) Operating Cycle

Assets and liabilities other than those relating to long-term contracts (i.e. supply or construction contracts) are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

In case of long-term contracts, the time between acquisition of assets for processing and realisation of the entire proceeds under the contracts in cash or cash equivalent exceeds one year. Accordingly, for classification of assets and liabilities related to such contracts as current, duration of each contract is considered as its operating cycle, except for amounts with respect to legal cases or long pending disputes.

2. Basis of Consolidation

(a) Subsidiaries:

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company: -

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company looses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component's other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company. When the end of the reporting period of the Holding Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless transaction provides evidence of an impairment of the transferred asset.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

(b) Joint Ventures:

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains/losses on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities

(c) The consolidated financial statements have been prepared in accordance with Ind AS 110 'Consolidated Financial Statements'. The percentage of ownership interest of the Holding Company in the Subsidiary Companies and the Joint Venture Companies as on 31st March, 2024 are as under:

Name of the Company	Percentage of Holding (%)	Country of Incorporation
Subsidiaries (including step down subsidiaries)		
JSL Corporate Services Ltd.	100	India
Jyoti Energy Ltd.	100	India
Jyoti Structures FZE	100	United Arab Emirates
Jyoti Structures Nigeria Ltd.	100	Nigeria
Jyoti Structures Kenya Ltd.	100	Kenya
Jyoti Structures Namibia (Pty) Ltd.	70	Namibia
Jyoti Structures Africa (Pty) Ltd.	70	South Africa
Jyoti International Inc	100	United States of America
Jyoti America LLC	100	United States of America
Jyoti Structures Canada Limited	100	Canada
Joint Venture Companies		
Gulf Jyoti International LLC	30	United Arab Emirates
GJIL Tunisie Sarl	49	Tunisia

Notes:

(i) Jyoti Structures FZE holds 70% equity in subsidiary Company Jyoti Structures Namibia (Pty) Ltd.

(ii) Jyoti Structures Nigeria Ltd. and Jyoti Structures Kenya Ltd. are 100% subsidiaries of Jyoti Structures FZE.

(iii) Jyoti America LLC and Jyoti Structures Canada Limited are 100% subsidiaries of Jyoti International Inc.

(iv) Gulf Jyoti International LLC holds 49% in Joint Venture Company Gulf Tunisia Sarl.

(v) Gulf Jyoti International LLC and its Joint Venture Companies, are not considered in consolidation due to the non-availability of audited financial statements or management certified accounts.

(vi) Jyoti International Inc, a Subsidiary Company, and its step-down subsidiaries have not been considered in consolidation due to the non-availability of audited financial statements or management certified accounts.

3. Business Combinations

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

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

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

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill

Goodwill arising on an acquisition at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is not amortised but it is tested for impairment.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be Integrated Annual Report impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4. Interests in Jointly Controlled Operations:

A jointly controlled operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under jointly controlled operations, the Group as a joint operator recognises in relation to its interest in a jointly controlled operation:

1. its assets, including its share of any assets held jointly;
2. its liabilities, including its share of any liabilities incurred jointly;
3. its revenue from the sale of its share of the output arising from the jointly controlled operation; and
4. its expenses, including its share of any expenses incurred jointly

The Group accounts for the assets, liabilities, revenues, and expenses relating to its interest in a jointly controlled operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.

When a group entity transacts with a jointly controlled operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the jointly controlled operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the jointly controlled operation.

When a group entity transacts with a jointly controlled operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

5. Non-current assets held for sale and discontinued operations:

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. They are measured at the lower of their carrying amount and fair value less cost to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale and are presented separately from the other assets in the balance sheet. The liabilities related to the assets held for sale are presented separately from other liabilities in the balance sheet.

6. Revenue Recognition:

The Group derives revenue principally from following streams:

- Sale of products (towers and bought out components)
- Sale of services
- Construction contracts
- Other Operating Revenue

Sale of products:

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

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

Sale of services:

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

Construction contracts:

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

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

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

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

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

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

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

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Other Operating Revenue

Export benefits under Mercantile Export from India Scheme (MEIS), Service Export from India Scheme (SEIS), Duty Drawback benefits and Remission of Duties and Taxes on Export Products Scheme (RoDTEP) are accounted as revenue on accrual basis as and when export of goods take place, where there is a reasonable assurance that the benefit will be received and the Company will comply with all the attached conditions.

Other income

Interest income is recognized by using effective interest method.

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

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

7. Property, Plant & Equipment:

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

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

(iii) Tools and tackles having useful life of more than 12 months are capitalized as Property, Plant and Equipment and accordingly depreciated over its useful life.

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

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

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

8. Capital work in progress and Capital advances:

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

9. Intangible Assets

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

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

10. Depreciation / Amortisation:

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

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

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

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

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

11. Inventories:

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

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

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

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

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

(f) Scrap is valued at net realisable value.

12. Financial Instruments:

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

Financial Assets

<u>Initial recognition and measurement:</u>

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

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

<u>Subsequent measurement:</u>

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:
a) The Group's business model for managing the financial asset and
b) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:
i. Financial assets measured at amortized cost
ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

i. <u>Financial assets measured at amortized cost:</u>

A financial asset is measured at the amortized cost if both the following conditions are met:
a) The Group's business model objective for managing the financial asset is to hold financial assets to collect contractual cash flows, and
b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

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

ii. <u>Financial assets measured at FVTOCI:</u>

A financial asset is measured at FVTOCI if both the following conditions are met:
a. The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

Derecognition:

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

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

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

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

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

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

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

Financial liabilities

Initial recognition and measurement:

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

Subsequent measurement:

All financial liabilities of the group are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method or at FVTPL.

(a) Financial Liabilities at FVTPL:

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

(b) Financial Liabilities at Amortised Cost:

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

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

(c) Financial guarantee contracts:

(a) A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

(b) Financial guarantee contracts issued by a group are initially measured at their fair value and, if not designated as at FVTPL, are subsequently measured at the higher of:

i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109, 'Financial Instruments'; and

ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115, 'Revenue from contract with customers'.

(c) The Financial guarantees issued to third parties on behalf of subsidiaries are recorded at fair value. The same is recognised as Other income in the statement of Profit and Loss.

Derecognition:

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

13. Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. The Group considers a period of twelve months or more as a substantial period of time.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Finance expenses are recognised immediately in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's policy on borrowing costs.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

14. Impairment of assets:

(a) Financial Assets:

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

i) Trade receivables and lease receivables
ii) Financial assets measured at amortized cost (other than trade receivables and lease receivables)
iii) Financial assets measured at fair value through other comprehensive income (FVTOCI).

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

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

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

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

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

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

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables and other assets. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

(b) Non-Financial Assets:

At the end of each reporting period, the Group reviews the carrying amounts of its Property, plant and equipment, intangible and other non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. For the purpose of assessing impairment, assets are grouped at the lowest level, for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or group of assets (cash-generating unit). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

15. Foreign Currency:

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (functional currency). For each branch and jointly controlled operation situated outside India and subsidiary situated outside India and a subsidiary situated outside India. The Holding Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency of that respective branch, jointly controlled operation and Subsidiary. The functional and presentation currency of the Group is Indian Rupees (INR). The financial statements are presented in Indian rupees (INR).

(i) Foreign Currency Transactions

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

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

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

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

(ii) Foreign Operations

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

(b) The exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

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

16. Leased Assets:

As a lessee:

The Group assesses whether a contract is or contains a lease, at inception of the contract. Leases are recognized as right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

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

The lease payments are discounted using Group's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined).

Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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

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

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

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

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

As a practical expedient, the Group has recognized payments associated with short-term leases and leases of low-value assets on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor:

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

17. Cash Flow Statement:

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

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

18. Employees Benefits:

a) Short Term Employee Benefits:

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

b) Long Term Employee Benefits:

I. Defined Contribution Plan:

The Group's contribution to provident fund is considered as defined contribution plans. The Group recognizes contribution payable to a defined contribution plan as an expense in the Consolidated Statement of Profit and Loss in the financial year to which it relates. If the contributions payable for services received from employees, before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit Plan:

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

19. Income Taxes:

(a) Current Tax:

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

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

(b) Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in jointly controlled operations, except where it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and credits only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

(c) Minimum Alternate Tax (MAT):

MAT paid in a year is charged to the Consolidated Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal taxes during the specified period under the Income Tax Act, 1961. The Group reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

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

20. Earnings Per Share:

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

21. Provisions and Contingencies:

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

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

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

d) Contingent assets: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognized but disclosed only when an inflow of economic benefits is probable.

22. Segment Reporting

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

23. Exceptional items

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

24. Rounding off amounts

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

25. Critical estimates and judgements

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

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that has the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in notes no.34:

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

26. Fair value measurements

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

27. Employees Stock Option Scheme

Stock Options are granted to eligible employees under the JSL Employee Stock Option Scheme 2021 ("JSL ESOS 2021"),as may be decided by the Nomination & Remuneration Committee. Under Ind AS, the cost of JSL ESOS 2021 is recognised based on the fair value of Stock Options as on the grant date. The fair value of Stock Options granted is recognized in the Statement of Profit and Loss over the period in which the performance and / or service conditions are fulfilled for employees of the Company (other than those out on deputation).

CHANGE IN ACCOUNTING POLICIES

There has been no change in accounting policies during the Six months' period ended September 30, 2024 and during the Fiscal 2024.

RESULTS OF OPERATIONS

The following table sets forth a breakdown of our results of operations and each item as a percentage of our total revenue for the periods indicated:

(₹ in lakhs)

Particulars	Six months period ended September 30, 2024	March 31, 2024	March 31, 2023
CONTINUING OPERATIONS			
INCOME			
Revenue from Operations	19,578.58	45,138.46	22,923.12
Other Income	310.39	1,163.68	184.30
TOTAL INCOME	19,888.97	46,302.14	23,107.42
EXPENSES			

Particulars	Six months period ended September 30, 2024	March 31, 2024	March 31, 2023
Cost of Materials Consumed	8112.65	20,001.60	15,315.98
Erection and Sub-contracting Expense	5,585.26	15,654.64	6,460.79
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(540.77)	668.21	(2,536.31)
Employee Benefits Expense	1871.89	3,520.57	2,560.99
Finance Costs	7.99	100.89	37.80
Depreciation and Amortization Expense (Net)	378.35	744.60	541.37
Other Expenses	3,285.39	3,658.25	1,134.06
TOTAL EXPENSES	18,700.76	44,348.76	23,514.65
Profit/(Loss) Before Tax (I-II)	1,188.21	1,953.38	(407.23)
Tax Expense:			
Current Tax	-	-	-
Deferred Tax (Net)	(27.19)	(932.13)	
Profit/(Loss) for the year (III-IV)	1,215.40	2,885.51	(407.23)
Other Comprehensive income			
A. Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	23.59	7.95	(92.79)
Total	23.59	7.95	(92.79)
B. Items that will be reclassified to profit or loss			
Remeasurement of MF Investment at fair value	13.49	19.56	2.83
Total	13.49	19.56	2.83
	37.08	27.51	(89.96)
Total Comprehensive Income	1,252.48	2,913.02	(497.19)
Net Profit Attributable to			
Owner	1,215.40	2,885.51	(407.23)
Non-controlling Interest	-	-	-
Other Comprehensive income			
Owner	37.08	27.51	(89.96)
Non-controlling Interest	-	-	-
Total Comprehensive income			
Owner	1,252.48	2,913.02	(497.19)
Non-controlling Interest	-	-	-
Earnings Per Equity Share (Face value ₹2/- per equity share)			
Basic (in Rupees)	0.144	0.412	(0.064)
Diluted (in Rupees)	0.138	0.395	(0.058)

Discussion on the Results of Operation

Half year ended September 30, 2024:

During the half year ended September 30, 2024, our Company has scaled up its operations clocking a turnover of ₹ 19,888.97 lakhs as against ₹ 46,302.14 lakhs for the whole of Fiscal 2024. The Company posted a net profit of ₹ 1,215.40 lakhs. Although the half year figures are not comparable with full year figures of Fiscal 2024, the half-yearly results reflect the ongoing revival of Company's operations with the implementation of the Resolution Plan.

Fiscal 2024 compared to Fiscal 2023

Income

Our total income increased to ₹46,302.14 lakhs in Fiscal 2024 from ₹23,107.42 lakhs in Fiscal 2023 owing to increased level of operations in the Company.

Revenue from Operations: Our revenue from operations increased by 96.91% to ₹45,138.46 lakhs in Fiscal 2024 from ₹22,923.12 lakhs in Fiscal 2023.

Other Income: The other income increased by 531.41% from ₹184.30 lakhs in Fiscal 2023 to ₹1,163.68 lakhs in Fiscal 2024. The increase in other income was primarily due to increase in interest income from fixed deposits and miscellaneous receipts.

Expenses

Total Expenditure

The increase of 88.80% is on account of comparison of Direct cost of ₹ 19,240.46 lakhs in Fiscal 2023 to ₹ 36,324.45 Lakhs in Fiscal 2024. Direct cost comprises of Cost of materials consumed (Fiscal 2024 – ₹ 20,001.60 Lakhs; Fiscal 2023 – ₹ 15,315.98 Lakhs); Change in in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade (Fiscal 2024 – ₹ 668.21 Lakhs; Fiscal 2023 – ₹ (2,536.31) Lakhs); Erection and Sub-contracting expense (Fiscal 2024 – ₹15,654.64 Lakhs; Fiscal 2023 – ₹ 6,460.79 Lakhs). The increase is mainly on account of increase in revenue from operations.

Employee benefit expenses:

Our employee benefit expenses increased by 37.47% from ₹2,560.99 lakhs in Fiscal 2023 to ₹3,520.57 lakhs in Fiscal 2024. Employee benefit expenses comprise salaries and bonus, contribution to provident and other funds, staff welfare expenses and training & development expenses. This increase is due to the fact that as compared to previous year, the company was operational throughout the year and also, the scale of our company's operations have increased.

Finance cost:

Our finance cost expenses increased by 166.90% from ₹ 37.80 lakhs in Fiscal 2023 to ₹100.89 lakhs in Fiscal 2024. This increase was primarily due to increase in interest expense and other bank charges.

Depreciation and amortisation expense:

Our depreciation and amortization expense increased by 37.54% from ₹ 541.37 lakhs in Fiscal 2023 to ₹744.60 lakhs in Fiscal 2024. Depreciation and amortization expenses primarily include depreciation expenses on our plant, property and equipment and amortization expenses on our intangible assets.

Other expenses:

Our other expenses increased by 222.59 % from ₹1,134.03 lakhs in Fiscal 2023 to ₹3,658.25 lakhs in Fiscal 2024. Other expenses primarily include travelling expenses, legal and professional fees, insurance, provisions for loans & advances to subsidiaries, stores & consumables consumption, and office & general expenses. The expenses have increased as the scale of operations have increased in Fiscal 2024 as compared to Fiscal 2023.

Tax Expense:

There is no change in tax expenses as the Company has accumulated losses. The deferred tax in Fiscal 2024 is ₹ 932.13 lakhs as compared to Nil in Fiscal 2023.

Other comprehensive income for the period/year:

Our comprehensive income increased by 130.58% from ₹(89.96) lakhs in Fiscal 2023 to ₹27.51 lakhs in Fiscal 2024. This was mainly due to recognition of remeasurement gain of defined benefit plans during the Fiscal and remeasurement of mutual funds investment at FV.

Profit/ (Loss) for the period/year, net of tax from continuing operations: Our Company has profit of ₹2,913.02 lakhs in Fiscal 2024 compared to loss of ₹(497.19) lakhs in Fiscal 2023. The Company's profitability is attributable to increase in scale of operations.

Liquidity and Capital Resources

Historically, our primary liquidity requirements were for funding our working capital requirements and capital expenditure. We have funded these through cash generated from operations, issuance of capital, and borrowings from banks and financial institutions.

We expect to meet our working capital and planned capital expenditure requirements for the next 24 months primarily from the cash flows from business operations, borrowings from banks and financial institutions and through capital issue.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

(₹ in lakhs)

Particulars	Based on Consolidated Financial Statements		
	As at and for the half yearly ended Sept. 30, 2024	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
Net Cash from Operating Activities	(9,775.73)	(1,947.89)	(3,601.89)
Net Cash Used in Investing Activities	(474.17)	(689.19)	(1,052.54)
Net Cash Used in Financing Activities	14740.55	3,446.86	(671.46)
Net Increase / (Decrease) in Cash and Cash Equivalents	4,490.65	809.78	(5,325.90)
Cash and Cash Equivalents at the beginning of the period/year	3,871.70	3,061.92	8,387.82
Cash and Cash Equivalents at the end of the period/ year	8,362.35	3,871.70	3,061.92

Operating Activities

Fiscal 2024

In Fiscal 2024, net cash generated from operating activities was ₹ (1,947.89) lakhs and the operating profit before working capital changes was ₹ 4,119.51 lakhs. The change in working capital was due to increase in Trade Receivables & other current assets.

Investing Activities

Fiscal 2024

Net cash utilised in investing activities was ₹ 689.19 lakhs in Fiscal 2024, primarily on account of net purchase of property, plant and equipment of ₹ 993.43 lakhs, which is offset by interest received of ₹115.44 lakhs and also includes sale proceeds of property, plant and equipment of ₹ 188.80 lakhs.

Financing Activities

Fiscal 2024

Net cash generated from financing activities was ₹3,446.86 lakhs during Fiscal 2024, primarily on account of proceeds from Issue of Equity share (inclusive of Share Premium) of ₹ 5,060.55 lakhs, repayment of borrowing of ₹ 1,512.80 Lakhs and finance cost paid of ₹ 100.89 lakhs.

Capital Expenditure

Our capital expenditures primarily relate to the purchase of additions to property, plant and equipment, intangible assets, capital work in progress and intangible assets under development for the financial years ended March 31, 2024 and March 31, 2023. During Fiscal 2024, the major addition pertains towards purchase of Plant & Machinery and Tools & Tackles for ₹ 831.15 Lakhs.

The table below details our capital expenditures incurred for the stated period:

(₹ in lakhs)

Particular	Based on Financial Statements		
	As at and for the half yearly ended Sept. 30, 2024	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
Property, Plant and Equipment	696.00	898.90	1,230.21
Intangible assets	-	-	0.60
Intangible assets under development	32.67	94.52	-
Total	728.67	993.42	1,230.81

Indebtedness

As on September 30, 2024, we have outstanding borrowings of ₹1,93,213.08 lakhs on a consolidated basis, the details of which are given below:

Particulars	Amount (Rs in lakhs)
Non current borrowing	1,92,651.06
Current borrowing	562.02
Total	1,93,213.08

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business, which are mentioned in the table hereunder.:

Sr. No.	Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023
1	Director's Sitting Fees			
i	Mr. Rajendra Prasad Singh	0.80	2.68	1.60
ii	Mr. Kannan Ramamirtham	-	1.10	2.60
iii	Mr. Abhinav Rishi Angirish	1.33	3.35	1.98
iv	Mr. Mathew Cyriac	-	0.70	1.80
v	Mrs. Monica Akhil Chaturvedi	1.63	3.88	1.83

Sr. No.	Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023
vi	Mr. Govind Prasad Saha	1.55	3.80	2.35
vii	Mr. Abdul Hameed Khan	-	0.08	-
viii	Mr. Rajeev Batra	0.60	-	-
2	Director's Remuneration			
I	Abdul Hameed Khan	29.60	45.40	-
3	Key Management Personnel			
i	Ms. Sonali K Gaikwad	9.25	9.03	7.86
ii	Mr. Abdul Hameed Khan	-	8.56	34.32
iii	Mr. Rajesh Kumar Singh	9.74	-	-
iv	Mr. Kumar V Balan	17.60	40.01	25.57
4	Professional Fees			
i	Mr. Rajendra Prasad Singh	72.00	132.00	82.40
ii	Abchlor Investments Pvt. Ltd	23.00		
5	Sales			
i	Bajel Electricals Ltd.	235.83	-	-
5	Investments as at the end of the year			
i	JSL Corporate Services Ltd	350.00	350.00	350.00
ii	Jyoti Energy Ltd (Excluding Impairment)	-	-	5.00
iii	Jyoti Structures Africa (Pty) Ltd	0.00*	0.00*	0.00*
iv	Jyoti Structures FZE	317.04	317.04	317.04
	*Investment at the end of the year in Jyoti Structures Africa (Pty) Ltd. is ₹419/-			

6	Loans/Advance- (Taken) / Given	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023
i	Jyoti Energy Ltd	44.71	44.21	43.88
ii	JSL Corporate Services Ltd	(462.24)	(462.74)	(463.09)
iii	Jyoti Structures Africa (Pty) Ltd	6,020.16	5,990.02	5,971.03
iv	Jyoti International Inc	-	-	-
v	Gulf Jyoti International LLC	-	-	819.19
vi	Jyoti Structures FZE	(1,634.66)	(1,695.66)	(1,600.18)
vii	Jyoti Structures Namibia (Pty) Ltd	420.73	420.73	420.73
viii	Jyoti Structures Nigeria Ltd	30.54	30.54	30.54
ix	Jyoti Structures Kenya Ltd	(225.85)	(230.72)	(238.42)

Jyoti Energy Ltd.

Sr No	Name	Nature of Relationship		
1	Jyoti Structures Ltd	100% Holding of Jyoti Energy Ltd		
2	Loans/Advance- (Taken) / Given	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**
i	Jyoti Structures Ltd	(44.71)	(44.21)	(43.88)
ii	JSL Corporate Services Ltd	(10.13)	(10.13)	(10.13)

JSL Corporate Services Ltd

Sr No	Name	Nature of Relationship		
1	Jyoti Structures Ltd	100% Holding of JSL Corporate Services Ltd		
2	Loans/Advance- (Taken) / Given	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**
i	Jyoti Structures Ltd	462.24	462.74	463.09
ii	Jyoti Energy Ltd	10.13	10.13	10.13

Jyoti Structures Africa (Pty) Ltd

Sr No	Name	Nature of Relationship		
1	Jyoti Structures Ltd	70% Holding of Jyoti Structures Africa (Pty) Ltd		
2	Loans/Advance- (Taken) / Given	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**
i	Jyoti Structures Ltd	(6020.17)	(5,990.01)	(5,971.03)
ii	Jyoti Structures FZE	531.56	531.56	579.55

Jyoti Structures FZE

Sr No	Name	Nature of Relationship		
1	Jyoti Structures Ltd	100% Holding of Jyoti Structures FZE		
2	Loans/Advance- (Taken) / Given	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**
i	Jyoti Structures Ltd	1,634.66	1,695.66	1,600.18
ii	Jyoti Structures Africa (Pty) Ltd	(531.56)	(531.56)	(579.55)

For further information on our related party transactions, see the "***Risk Factor - We have in the past entered into related party transactions and will continue to do so in the future***" on page 39 of the Letter of Offer.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Contingent liabilities

As of Fiscal 2024, our contingent liabilities were ₹ 21,287.53 lakhs and are set out below:

Contingent Liability not provided for:

(₹ in lakhs)

Sr. No.	Particulars	Six months period ended September 30, 2024	March 31, 2024
	Section - 1 – Contingent Liability		
i)	Outstanding Bank Guarantee (BG)	3,994.22	3,467.09

Sr. No.	Particulars	Six months period ended September 30, 2024	March 31, 2024
	Section - 2 – Contingent Liability		
i)	Disputed liabilities in respect of Income Tax, Sales Tax, Central Excise and Service Tax (under appeal)	13,566.54	13,566.54
ii)	Writ Petitions/claim	95.81	95.81
iii)	Civil Matters	831.05	831.05
iv)	Labour Matters	3.78	3.78
v)	Arbitration Matters	226.35	226.35

In case of items provided for in the resolution plan of Holding Company, under Section 2 of the Table above, if such liability crystalizes then, as per the Resolution Plan, all such amounts accrued shall be treated and serviced as unsecured debt of the Company and settled at 42% (as shown in the above Table) to be repaid from the 6th to 12th year.

However, these matters are pending for decision before various judicial and legislative authorities. Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims / debts is remote.

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

Known trends or uncertainties

Except as disclosed in this Letter of Offer, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on the revenues or income of our Company from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Letter of Offer, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Future relationships between costs and income

Except as disclosed in this Letter of Offer, to our knowledge there are no known factors that we expect will have a material adverse impact on the costs or income from operations of our Company in future.

New Products or Business Segments

Other than as described in this Letter of Offer, there are no new products or business segments in which we operate.

Significant material developments subsequent to the last financial period

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Letter of Offer, there have not arisen any circumstance that materially and adversely affect or are likely to affect the business activities or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve (12) months.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) litigation involving claims related to direct and indirect taxes; and (iv) pending litigation determined to be material as per the materiality threshold adopted by our Company pursuant to the Board resolution dated November 30, 2023, in each case involving our Company, Directors and Subsidiaries ("**Relevant Parties**").*

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation to be disclosed by our Company in this Letter of Offer pursuant to the Board resolution dated November 30, 2023. Accordingly, disclosures of the following types of litigation involving the Relevant Parties have been included.

All outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary actions including any penalty imposed by SEBI or Stock Exchanges against the Relevant Parties in the last five financial years including any outstanding actions, would be considered 'material' in the following circumstances:

*a) where such matters involve any of the Relevant Parties, the monetary amount of claim by or against the entity or person in any such pending proceeding is equivalent to or in excess of ₹ 926.04 Lakhs (being lesser of (i) two percent (2%) of our turnover, as per last audited financial statement of our Company, (ii) two percent (2%) of our net worth, as per last audited financial statement of our Company, except in case where the arithmetic value of net worth is negative, and (iii) five percent (5%) of the average of absolute value of profit or loss after tax, as per the last three audited financial statements of our Company up to the Financial Year 2024), in terms of the Audited Financial Information) ("**Materiality Threshold**"); and*

b) all outstanding litigation which may not meet the Monetary Threshold or wherein a monetary liability is not quantifiable, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation or prospects of our Company as determined by our Company.

Further, except as disclosed in this Letter of Offer, there are no disciplinary actions including penalties imposed by the SEBI or the Stock Exchanges against the Relevant Parties in the last five Financial Years.

It is clarified that for the above purposes, pre-litigation notices received by the Relevant Parties from third-parties (excluding statutory or regulatory or tax authorities) have not been considered as litigation until such time that the Relevant Parties are not impleaded as a defendant in the litigation proceedings before any judicial forum or arbitral forum.

Our Company was admitted into corporate insolvency resolution process ("**CIRP**") as per the Insolvency and Bankruptcy Code, 2016 ("**Code**") pursuant to an order dated July 4, 2017 ("**Insolvency Commencement Date**") passed by the National Company Law Tribunal, Mumbai Bench ("**NCLT**"). Further to the CIRP, a resolution plan was submitted to and approved by the members of the committee of creditors ("**Approved Resolution Plan**") and subsequently, by the NCLT on March 27, 2019 under Section 31 of the Code. The Approved Resolution Plan was implemented on November 9, 2021.

In accordance with the provisions of the Code, any person/ entity who is owed dues pertaining to or in respect of a period prior to the Insolvency Commencement Date, was required to submit 'claims' in respect of its dues to the interim resolution professional/resolution professional of the Company. The Code, read with the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 also prescribes a timeline within which such claims are required to be submitted. Such claims, upon submission and subsequent verification and admission, were thereafter resolved in terms of a resolution plan approved under Section 31 of the Code i.e., the Approved Resolution Plan. During the CIRP of the Company, a moratorium in terms of Section 14 of the Code subsists which, *inter alia*, prohibits "*the institution of suits or continuation of pending suits or proceedings against the corporate debtor (read, our Company), including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority*". Additionally, the provisions of the Code mandate settlement of all insolvency resolution process costs incurred during the CIRP of the Company in full in priority to all other creditors of our Company.

The Approved Resolution Plan was implemented on November 9, 2021, on which date all insolvency resolution process costs were paid in full, and all claims covered under the Approved Resolution Plan were to be dealt with only in accordance with the provisions of the Approved Resolution Plan.

The provisions of the Approved Resolution Plan are binding under Section 31 of the Code. The relevant portion of Section 31(1) of the Code is reproduced below:

If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors under Section 30(4) meets the requirements as referred to in section 30(2), it shall, by order approve the resolution plan which shall be binding on the corporate debtor and its employees, members, creditors, guarantors, stakeholders, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the resolution plan.

As regards any claim not covered under the Approved Resolution Plan, the same stood settled/ resolved in terms of the Approved Resolution Plan and judicial precedents. The Approved Resolution Plan specifically provides for treatment of claims which are not resolved under its provisions. Reference is drawn to Section VII, Clause L of the Approved Resolution Plan, which provides as under:

"*Other than the claims and settlements pertaining to the Company that have been envisaged and set out under this Final Resolution Plan, no other payment or settlement, of any kind, shall be made to any other person or entity in respect of any other claims (whether or not admitted or filed with the Resolution Professional) and all such claims against the Company along with any related legal proceedings shall be liable to be irrevocably and unconditionally abated, settled and extinguished. This condition relating to such extinguishment of claims and related legal proceedings being liable to be irrevocably and unconditionally abated, settled and extinguished, shall be deemed to form an integral part of the order by the NCLT approving the Final Resolution Plan and shall accordingly be binding on all the stakeholders including the Company, its employees, workmen, financial and operational creditors, guarantors, security providers, and other stakeholders.* "

The Hon'ble Supreme Court, in the decision of ***Ghanshyam Mishra and Sons Private Limited v. Edelweiss Assets Reconstruction Company Limited*** (2021 9 SCC 657), has also upheld the aforesaid, wherein it was held that once a resolution plan is duly approved by the Adjudicating Authority under Section 31(1) of the Code,, the claims as provided in the resolution plan shall stand frozen and will be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority, guarantors and other stakeholders. On the date of approval of the resolution plan by the Adjudicating Authority, all claims, which are not a part of the resolution plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim, which is not part of the resolution plan.

The Hon'ble Supreme Court, in its decision in ***Essar Steel India Ltd. Committee of Creditors v. Satish Kumar Gupta, (2020) 8 SCC 531***, held that once a resolution plan has been approved by the Adjudicating Authority, the same is binding on all stakeholders. After approval of the resolution plan, a successful resolution applicant cannot suddenly be faced with "undecided" claims as this would amount to a hydra head popping up which would throw into uncertainty amounts payable by a prospective resolution applicant who would successfully take over the business of the corporate debtor. All claims must be submitted to, and decided by, the resolution professional so that a prospective resolution applicant knows exactly what has to be paid in order that it may then take over and run the business of the corporate debtor, and run the corporate debtor on a fresh slate.

The Approved Resolution Plan also provides the following protections against any actions by any statutory authority or otherwise:

Section VI, Clause C(3)
"*...it is stipulated that there will be no further demands, litigation, and prosecution by the statutory bodies against the Proposed Investors, the Company, its directors, employees and erstwhile Founder Promoters with respect to the matters contained herein.* "

Section VII, Clause N
"*All litigation against the Company, the Founder Promoters, guarantors, directors and employees of the Company, related to matters that are addressed as per the Final Resolution Plan will become liable to be withdrawn by the creditors of the Company upon receipt of the NCLT's approval of this Final Resolution Plan. All creditors shall within 30 days of NCLT's approval of this Final Resolution Plan, execute appropriate documents and take appropriate steps to give effect to these stipulations.* "

Section 32A of the Code deals with liability for prior offences. It states that the liability of a corporate debtor for an offence committed prior to the commencement of the corporate insolvency resolution process shall cease, and the corporate debtor shall not be prosecuted for such an offence from the date the resolution plan has been approved by the Adjudicating Authority under Section 31. The proviso clarifies that if prosecution had been instituted during the corporate insolvency resolution process against such corporate debtor, it shall stand discharged from the date of approval of the resolution plan, subject to the conditions mentioned therein.

Section 32A of the Code *inter alia* also states that no action shall be taken against the property of the corporate debtor in relation to an offence committed prior to the commencement of the corporate insolvency resolution process of the corporate debtor, where such property is covered under a resolution plan approved by the Adjudicating Authority under section 31, subject to the conditions mentioned therein.

By virtue of the Approved Resolution Plan, read with the provisions of the Code, our Company is protected from liabilities for any criminal offences pertaining to the period prior to the Insolvency Commencement Date. The Approved Resolution Plan also provides protection against any actions by any statutory authority or otherwise as follows:

Section VI, Clause C(3)
"*…it is stipulated that there will be no further demands, litigation, and prosecution by the statutory bodies against the Proposed Investors, the Company, its directors, employees and erstwhile Founder Promoters with respect to the matters contained herein.* "

Section VII, Clause N
"*All litigation against the Company, the Founder Promoters, guarantors, directors and employees of the Company, related to matters that are addressed as per the Final Resolution Plan will become liable to be withdrawn by the creditors of the Company upon receipt of the NCLT's approval of this Final Resolution Plan. All creditors shall within 30 days of NCLT's approval of this Final Resolution Plan, execute appropriate documents and take appropriate steps to give effect to these stipulations.* "

Based on the above, the legal proceedings against our Company are classified into the following categories / sections:

Section I: Litigations initiated prior to CIRP but not part of admitted claims addressed in the Approved Resolution Plan

Based on the principles of the Code, any financial liability in respect of these litigations stood resolved. Further, the liability of our Company for an offence committed prior to commencement of the CIRP in terms of Section 32A of the Code ceased upon approval of the Approved Resolution Plan. Also, in terms of the Approved Resolution Plan, all litigations against our Company, the Founder Promoters, guarantors, directors and employees of the Company, related to matters that are addressed as per the Approved Resolution Plan were liable to be withdrawn by the creditors of the Company upon the approval of the Approved Resolution Plan by Adjudicating Authority.

Section II(a) Specific "Identified Potential Liabilities" addressed in the Approved resolution Plan

Claims that are recognized as potential liabilities have been resolved in the Approved Resolution Plan. Since the same are resolved in terms of the Approved Resolution Plan on account of specific treatment being accorded to the relevant creditors, our Company has no further financial liability on account of the same.

Section II(b) Specific "Identified Potential Liabilities" contingent under the Approved resolution Plan

Claims that are identified as contingent liabilities in the Approved Resolution Plan. If such contingent liability crystalizes, then as per the Approved Resolution Plan, such amounts are to be treated and serviced as unsecured debt of our Company and the persons to whom such amounts are owed shall be treated as unsecured creditors. Our Company will pay 42% of the crystalized amount from year 6 up to year 12 (as calculated under the Approved Resolution Plan read with relevant orders of the Adjudicating Authority and the Appellate Tribunal).

Section III: Litigation / Arbitrations filed by our Company

Litigation / Arbitration matters filed by our Company. If our Company receives a favorable order in these matters, it will result in cash inflow for our Company.

Section IV: Litigations initiated after the Approved Resolution Plan

As elaborated within this Chapter

Litigation involving our Company

Litigation against our Company

Criminal Proceedings

The following criminal proceedings were initiated against our Company prior to the CIRP and continue to be contested. Since these proceedings relate to prior to the CIRP, whether admitted or not, they will be dealt with in accordance with the provisions of the Approved Resolution Plan and Section 32A of the Code, which states that the liability of a corporate debtor (read, our Company) for an offence committed prior to the commencement of the corporate insolvency resolution process shall cease, and the corporate debtor shall not be prosecuted for such an offence from the date the resolution plan has been approved and that if prosecution had been instituted during the corporate insolvency resolution process against such corporate debtor, it shall stand discharged from the date of approval of the resolution plan.

1. ***Kishan Dhannulal Sadhwani vs. State of Maharashtra and Ors. – Criminal Writ Petition No. 130 of 2017***

   Kishan Dhannulal Sadhwani ("**Petitioner**") filed a criminal writ petition before the Hon'ble High Court of Judicature at Bombay, Nagpur Bench ("**Court**") against, amongst others, Jyoti Structures Limited ("**Respondent 7**") under Article 226 of the Constitution of India. It is alleged that Mitali Kishan Sadhwani, daughter of the Petitioner, came into the clutches of the high voltage lines which pulled her towards it and injured her. The Petitioner filed the Petition, praying that the court direct appointment of an independent agency to investigate the incident and that the person/persons responsible for the same be booked, prosecuted and punished in accordance with law and be asked to pay certain compensation. The Petition is pending before the court. Vide an order dated February 7, 2012, the Court had granted leave to the Petitioner to convert this criminal writ petition into a civil writ petition.

2. ***Application of Discharge in PMLA Complaint No. 3 of 2014 arising out of ECIR no. 01/SRT/2014***

   The case is a pre-insolvency financial transaction wherein the Company through erstwhile Company Managing Director namely Mr. Santosh Naik was accused of alleged offence u/s 3 of Prevention of Money Laundering Act, 2002. While the High Court of Gujarat had discharged the erstwhile Managing Director, a similar discharge for JSL was sought by erstwhile management on the grounds that:

   The erstwhile Company Managing Director has been discharged by HC vide order dated February 23, 2018, in Criminal Revision Application No. 1175 of 2017. Also, even the charges against the main accused for scheduled offences has been quashed by the High Court. The applicant is not an accused in the Scheduled Offence. There is nothing on record to show that JSL or its director is involved and had knowingly dealt with proceeds of crime.

In any event, the clean slate principles as envisaged under Section 32A of the Insolvency and Bankruptcy Code, 2016 will kick in after successful resolution of JSL and the Company along with its new management are completely immune from any criminal prosecution for acts of/ omission during the pre-CIRP period.

Civil Proceedings

The following civil proceedings were initiated against our Company and continue to be contested. In case of the proceedings that relate to prior to or during the CIRP, whether admitted or not, they will be dealt with in accordance with the provisions of the Code and the Approved Resolution Plan, as explained above.

Civil proceedings above the Materiality Threshold

1. BDO Restructuring Advisory LLP vs. Sharad Sanghi & Ors. – Interlocutory Application in Company Petition No. CP (ID) 1137 (MB) 2017

BDO Restructuring Advisory LLP ("**Applicant**") has filed an interlocutory application being IA 533 of 2023 under Section 60(5) of the Code before the National Company Law Tribunal, Mumbai Bench ("**NCLT**") for recovery of its dues aggregating to ₹ 17,34,58,562/- (Rupees Seventeen Crores Thirty Four Lakhs Fifty Eight Thousand Five Hundred and Sixty two Only) and interest amounting to ₹6,15,28,727/- (Rupees Six Crore Fifteen Lakhs Twenty Eight Thousand Seven Hundred Twenty Seven Only) of arising out of alleged professional services rendered by it *inter alia* during the CIRP of our Company ("**Respondent**") as well as implementation period of the Resolution Plan. The Application has been contested by the Respondent Company on the grounds that the Applicant has been paid its due entitlement for the CIRP period upon the implementation of the Plan. Any payments other than the ones already paid, i.e. for the implementation period were subject to verification and negotiation by the new management which the Applicant itself failed to pursue with an actual intent to verify and negotiates its purported fees. The Pleadings in the matter are complete and the same remains sub judice before the Hon'ble NCLT. Along with this, BDO has also filed another application IA No. 4396 of 2024 wherein it has *inter alia* sought a relief of liquidation of the Respondent Company on the grounds of failure of making payments for the CIRP period to BDO. The said application has also been contested by Respondent Company. Lastly, the Respondent Company has also filed an application IA No 5641 of 2024 seeking necessary directions to restrain BDO from approaching extra judicial authorities on the subject matter that is pending before the NCLT in IA No. 533 of 2024 and IA No. 4396 of 2024. The NCLT has directed BDO to not engage in such acts of writing to extra judicial authorities on the subject matter of these litigations. All applications are sub-judice.

Civil proceedings that are non-quantifiable but otherwise deemed material

2. UBA Bank Kenya Limited vs. Jyoti Structures Limited and Kenya Electricity Transmission Company Limited – Civil Suit 38 of 2018

UBA Bank Kenya Limited ("**Plaintiff**") filed a civil suit bearing No.38 of 2018 ("**Plaint**") before the Hon'ble High Court of Kenya, Nairobi, Commercial and Admiralty Division ("**Court**") against Jyoti Structures Limited ("**Defendant 1**") and Kenya Electricity Transmission Company Limited ("**Defendant 2**"), (collectively "**Defendants**"), praying *inter alia* for an order for permanent injunction restraining Defendant 2 from making any payments due to Defendant 1 on account of the power line transmission contracts and works undertaken by Defendant 1, in or outside Kenya and a declaration that Defendant 2 must make all remittances to Defendant 1 only through Defendant 1 bank accounts held with the Plaintiff. The Court has ruled in favor of the Plaintiff *vide* judgement dated 27 September 2024 ("**Judgement**"). Thereafter Defendants filed a notice of appeal with High Court. The Company, being Defendant No. 2 has also filed an appeal along with an application seeking stay of the Judgement before the Hon'ble Court of Appeal, Kenya. Meanwhile, following an application filed by Defendant 2 before the Court, the execution of the Judgement has been stayed *vide* order dated 20 November 2024. Negotiations are ongoing with the Plaintiff and Defendant 2. In view of the provisions of IBC, which makes the Approved Resolution Plan binding on all stakeholders and the clean slate principle established through judicial precedents set by Supreme Court of India, the Company cannot be saddled with any new liability and all prior liabilities are liable to be resolved/extinguished.

3. Bank of Maharashtra vs. Ms. Vandana Garg and Ors. – Company Appeal (AT) (Insolvency) No. 344 of 2022

Bank of Maharashtra ("**BoM**") filed a Company Appeal bearing No.344 of 2022 ("**BoM Appeal**") before the Hon'ble National Company Law Appellate Tribunal, Principal Bench at New Delhi ("**NCLAT**") against Ms. Vandana Garg and Ors. ("**Respondents**") against the order dated December 23, 2021 passed by the Hon'ble NCLT in the Interlocutory Application bearing No.2028 of 2021 ("**BoM Application**") in Company Petition No.1137 of 2017 seeking equal treatment of all Secured Financial Creditors for payment of plan value under the Resolution Plan. The Adjudicating Authority passed the said impugned order disallowing the BoM Application and BoM therefore, filed the Appeal before the NCLAT seeking similar relief and setting aside of the said order. The BoM Appeal is pending before the NCLAT.

4. Central Bank of India vs. Ms. Vandana Garg and Ors. – Company Appeal (AT) (Insolvency) No. 345 of 2022

The Central Bank of India ("**CBI**") filed a Company Appeal No.345 of 2022 ("**CBI Appeal**") before the Hon'ble NCLAT against the Respondents against the order dated December 23, 2021 passed by the Hon'ble NCLT in the Interlocutory Application No.2035 of 2021 ("**CBI Application**") in Company Petition No. 1137 of 2017 seeking equal treatment of all Secured Financial Creditors for payment of plan value under the Resolution Plan. The Adjudicating Authority passed the said impugned order disallowing the CBI Application and CBI, therefore, filed the CBI Appeal before the NCLAT seeking similar relief and setting aside the Impugned Order. The Appeal is pending before the NCLAT.

Actions taken by Regulatory or Statutory Authorities

The Approved Resolution Plan provides protection against any actions by any statutory authority or otherwise and states that there will be no further demands, litigation, and prosecution by the statutory bodies against the Proposed Investors, the Company, its directors, employees and erstwhile Founder Promoters with respect to the matters contained therein. As such, although the following litigations initiated by the statutory authority continues, they were initiated prior to the CIRP and will be dealt with in accordance with the provisions of the Approved Resolution Plan.

Tax Proceedings

The following are the tax proceedings prior to November 9, 2021 which are pending against our Company and which will be dealt with as per the Approved Resolution Plan:

Particulars	Amount involved (₹ in lakhs) (A)	Contingent Liability - Settlement Amount if liability crystalises @ 42% of (A)
Direct Tax	1,197.00	502.74
Indirect Tax	31,104.28	13,063.80
Total	**32,301.28**	**13,566.54**

Details of the above Contingent Liability is set out below:

No.	Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Financial year to which the amount relates	Forum where dispute is pending
1	Sales Tax	Tax & Interest	32.68	Various years from 1995-96 to 1998-99	Commercial Tax Tribunal, Cuttack, Odhisha
2	Entry Tax	Tax & Interest	18.86	Various years from 2004-05 to 2005-06	Commercial Tax Appellate Authority, Agra, UP
3	Commercial Tax	Tax & Interest	70.34	2006-07	West Bengal Commercial Tax, Appellate Board, Kolkata

No.	Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Financial year to which the amount relates	Forum where dispute is pending
4	Sales Tax	Tax & Interest	81.71	2009-10	Commercial Tax Appellate Authority, Srinagar, J&K
5	Sales Tax	Tax & Interest	103.77	2011-12	Commercial Tax Appellate Authority, Emakulam, Kerela
6	Sales Tax	Tax & Interest	1,650.93	Various years from 2005-06 to 2007-08	Maharashtra Sales Tax Tribunal, Mumbai
7	TDS WCT	Tax & Interest	27,564.58	Various years from 2010-11 to 2014-15	Madras High Court, Chennai
8	Excise	Tax & Interest	1,581.41	Various years from 2010-11 to 2014-15	CESTAT
9	Income Tax	Tax & Interest	1,197.00	Various years up to 2017 18	Income Tax Appellate Tribunal
	Total		**32,301.28**		
	Contingent Liability @ 42%		**13,566.54**		

Litigation by our Company

Criminal Proceedings

Nil

Civil Proceedings

Civil proceedings above the Materiality Threshold

Nil

Civil proceedings that are non-quantifiable but otherwise deemed material

1. Jyoti Structures Limited vs. Regional Provident Fund Commissioner – II, Nashik – CGIT – 2/EPFA/63/2022

Jyoti Structures Limited ("**Appellant**") filed an appeal under Section 7-I of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("**Appeal**") before the Central Government Industrial Tribunal, Mumbai – II ("**Tribunal**") against the Regional Provident Fund Commissioner – II, Nashik ("**Respondent**").

The employees of the Appellants ("**Complainants**") had filed complaints against the Appellant before the Employees Provident Fund Organization ("**Authority**") seeking payment of certain provident fund ("**PF**") dues. The Appellant submitted that they had initiated corporate insolvency resolution process ("**CIRP**") before the NCLT, Mumbai Bench and the CIRP was admitted vide order dated July 4, 2017. A Resolution Plan ("**RP**") was submitted and approved by the NCLT, Mumbai Bench by order dated March 27, 2019 ("**Plan Approval Order**"). The RP had already contemplated settlement of the entire dues payable to employees and workmen of the Appellant, including their PF dues over first five years of the Plan Approval Order out of the cash flows of the Appellant. The approved RP was implemented with effect from November 9, 2021. The Respondent passed an order dated April 4, 2022 ("**Impugned Order 1**"), disregarding the various provisions of the RP. The Appellant thereafter filed a review application under Section 7B of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 seeking review of Impugned Order 1. During the interim period between the passing of Impugned Order 1 and filing of the review application, the ongoing discussions with the Complainants culminated whereby most of the Complainants entered into full and final settlements with the Appellant ("**F&F Settlements**"). The Appellant had particularly highlighted the F&F Settlements in their review application. After hearing the Appellant, the Respondent passed an order dated June 15, 2022 ("**Impugned Order 2**") dismissing the review application. Therefore, the Appellant filed this Appeal before the Tribunal challenging the Impugned Order 1 and Impugned Order 2. The matter is pending before the Tribunal. The matter is next listed on April 28, 2025.

2. Jyoti Structures Limited Vs Regional Provident Fund Commissioner 2 CGIT 2/EPFA/63/2022

The Nashik Company has filed civil writ petition being Writ Petition (Civil) No. 24536 of 2024, against Regional Provident Fund Commissioner II Nashik ("**Respondent 1**") & Assistant Provident Fund Commissioner Nashik ("**Respondent 2**") & Regional Provident Fund Commissioner I Nashik ("**Respondent 3**") & Recovery Officer Nashik ("**Respondent 4**") & State Bank of India, Commercial Branch, Mumbai ("**Performa Respondent**"), before the Hon'ble High Court of Bombay challenging the orders passed and recovery actions undertaken by various provident fund authorities under various provisions of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

The Bombay High Court has passed an interim order dated 29 August 2024 directing PF Authorities to not take any further coercive steps against the Company and suspending the orders impugned in the writ petition. The said writ petition remains sub judice before the Bombay High Court. The court, in the hearing on January 28, did not grant us any further date, and the matter is currently pending.

Litigation involving our Directors

Litigation against our Directors

Criminal Proceedings

Nil

Civil Proceedings

Civil proceedings above the Materiality Threshold

Nil

Civil proceedings that are non-quantifiable but otherwise deemed material.

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Tax Proceedings

The following are tax proceedings are pending against the Directors:

Particulars	Number of Cases	Amount involved (₹ in lakhs)
Direct Tax	6	5.66
Indirect Tax	Nil	Nil
Total	**5**	**5.66**

i. Direct Tax

Nil

ii. Indirect Tax

Nil

Litigation by our Directors

Criminal Proceedings

Nil

Civil Proceedings

Nil

Civil proceedings above the Materiality Threshold

Nil

Civil proceedings that are non-quantifiable but otherwise deemed material.

Nil

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Criminal Proceedings

Nil

Civil Proceedings

Civil proceedings above the Materiality Threshold

Nil

Civil proceedings that are non-quantifiable but otherwise deemed material

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Tax Proceedings

The following are tax proceedings are pending against the Subsidiaries:

Particulars	Number of Cases	Amount involved (₹ in lakhs)
Direct Tax	5	4.25
Indirect Tax	Nil	Nil
Total	**5**	**4.25**

Tax proceedings above the Materiality Threshold

Nil

Litigation by our Subsidiaries

Criminal Proceedings

Nil

Civil Proceedings

Civil proceedings above the Materiality Threshold

Nil

Civil proceedings that are non-quantifiable but otherwise deemed material

Nil

Disclosure Pertaining to Wilful Defaulter(s) or Fraudulent Borrower(s)

None of our Company, our Directors or our Subsidiaries have been categorized or identified as Wilful Defaulter(s) or Fraudulent Borrower(s).

GOVERNMENT AND OTHER STATUTORY APPROVALS

We are not required to obtain any licenses or approvals from any governmental and regulatory authorities in relation to the objects of this Issue. For further details, please refer to "***Objects of the Issue***" on page 76 of this Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of our Board passed at its meeting held on November 22, 2024, pursuant to Section 62(1)(a) of the Companies Act and other applicable laws. The terms of the Issue including the Record Date has been approved by our Rights Issue Committee on February 10, 2025, the Issue Price, Rights Entitlement ratio and other related matters, have been approved by our Rights Issue Committee on February 04, 2025.

Our Rights Issue Committee, in its meeting held on February 04, 2025 has resolved to issue Rights Equity Shares to the Eligible Equity Shareholders, at ₹ 16 per Rights Equity Share (Including a premium of ₹ 14 per Rights Equity Share), in the ratio of 9 Rights Equity Share for every 26 Equity Shares, as held on the Record Date and the Rights Entitlement as 9 Rights Equity Share for every 26 fully paid-up Equity Shares, as held on the Record Date. The Issue Price is ₹ 16 per Rights Equity Share which has been arrived at, in consultation with the Lead Manager, prior to determination of the Record Date.

This Letter of Offer has been approved by our Board pursuant to its resolution dated February 11, 2025.

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be allotted in this Issue pursuant to their respective letters each dated January 24, 2025 and January 22, 2025, respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN INE197A20024 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "***Terms of the Issue***" on page 325.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Directors have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors are associated with the securities market in any manner. Further, there are no outstanding action initiated against any of our Directors by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither of our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, as amended, to the extent applicable, as on the date of this Letter of Offer.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications to the Stock Exchanges and has received their in-principle approvals from BSE and NSE through their letter dated January 24, 2025 and January 22, 2025, respectively, for listing of the Equity Shares to be issued pursuant to this Issue. NSE is the Designated Stock Exchange for the Issue.

Compliance with conditions of Fast Track Issue:

Our Company satisfies the following conditions specified in Regulation 99 of the SEBI ICDR Regulations, and accordingly, our Company is eligible to make this Issue by way of a 'fast track issue':

1. Our Equity Shares have been listed on BSE and NSE, each being a recognized stock exchange having, nationwide trading terminals, for a period of at least three years immediately preceding the date of filing this Letter of Offer with the Designated Stock Exchange;
2. The average market capitalization of the public shareholding (as defined under the SEBI ICDR Regulations) of our Company is at least ₹ 25,000 lakhs, in at least one of the recognized stock exchanges with nationwide trading terminals, where our securities are listed, calculated as per explanation (i) of Regulation 99 of the SEBI ICDR Regulations;
3. The annualized trading turnover of our Equity Shares during six calendar months immediately preceding the month of filing this Letter of Offer with the Designated Stock Exchange has been at least 2% of the weighted average number of Equity Shares listed during such six-months' period;
4. The annualized delivery-based trading turnover of our Equity Shares during six calendar months immediately preceding the month of filing this Letter of Offer with the Designated Stock Exchange has been at least 10% of the annualized trading turnover of Equity Shares during such six-months period;
5. The Company is and have been in compliance with the equity listing agreement or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, for a period of at least three years immediately preceding the reference date, however, except, as mentioned under chapter titled "***Risk Factors - There have been certain instances of regulatory non-compliances or delays or errors in the past. We may be subject to regulatory actions and penalties for any such further non-compliance or delays or errors and our business, financial condition and reputation may be adversely affected***" on page 27.
6. Our Company has redressed at least 95% of the complaints received from the investors until the end of the quarter immediately preceding the month at the date of filing this Letter of Offer with the Designated Stock Exchange;
7. As on the date of filing of this Letter of Offer, no show-cause notices, excluding proceedings for imposition of penalty, have been issued by SEBI and are pending against our Company, our Promoters or whole-time Directors as on date of filing this Letter of Offer with the Designated Stock Exchange. Further, no show-cause notices have been issued or adjudication proceedings or prosecution proceedings initiated by SEBI against our Company, our Promoter, our Directors or our Whole-time Directors which have not been disclosed in this Letter of Offer, along with its potential adverse impact on our Company;
8. Our Company, our Promoters, the members of our Promoter Group or our Directors have not settled any alleged violation of securities laws through the consent or settlement mechanism with SEBI during the three years immediately preceding the date of filing this Letter of Offer with the Designated Stock Exchange;
9. Our Equity Shares have not been suspended from trading as a disciplinary measure during three years immediately preceding the date of filing this Letter of Offer with the Designated Stock Exchange;
10. There is no conflict of interest between the Lead Manager and our Company or our Group Companies in accordance with applicable regulations;

11. There are no audit qualifications (as defined under the SEBI ICDR Regulations) on the audited accounts of our Company in respect of the Financial Year for which such accounts are disclosed in this Letter of Offer.

Our Company does not have an identifiable promoter and accordingly, the Issue shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. THE LEAD MANAGER, ARIHANT CAPITAL MARKETS LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE THE LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 11, 2025, WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISING THE LETTER OF OFFER PERTAINING TO THE ISSUE;

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

a) THE LETTER OF OFFER FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE RELEVANT TO THE ISSUE;

b) ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

c) THE MATERIAL DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID – COMPLIED WITH TO THE EXTENT APPLICABLE

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE**

5. **WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH THE SEBI TILLTHE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THIS LETTER OF OFFER – NOT APPLICABLE.**

6. **ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE LETTER OF OFFER. – NOT APPLICABLE**

7. **ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS WHICH RELATE TO RECEIPT OF PROMOTER'S CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. – NOT APPLICABLE**

8. **NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE CREDITED/TRANSFERRED IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE**

9. **THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE "MAIN OBJECTS" IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED TO THE EXTENT APPLICABLE**

10. **FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER:**

a) **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY. – COMPLIED WITH (AS ON THE DATE OF THE LETTER OF OFFER, OUR COMPANY HAS NOT ISSUED ANY SUPERIOR RIGHTS EQUITY SHARES); AND**

b) **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME – COMPLIED WITH**

11. **WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS– NOTED FOR COMPLIANCE**

12. **IF APPLICABLE, THE ISSUER IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THE SEBI ICDR REGULATIONS – NOT APPLICABLE**

13. **NONE OF THE INTERMEDIARIES NAMED IN THIS LETTER OF OFFER HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY - COMPLIED WITH**

14. **THE COMPANY IS ELIGIBLE TO MAKE A FAST TRACK ISSUE IN TERMS OF REGULATION 99 OF THE SEBI ICDR REGULATIONS. THE FULFILMENT OF THE ELIGIBILITY CRITERIA AS SPECIFIED IN THAT REGULATION BY THE COMPANY HAS ALSO BEEN DISCLOSED IN THIS LETTER OF OFFER - COMPLIED WITH**

15. **THE ABRIDGED LETTER OF OFFER CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SEBI ICDR REGULATIONS - NOTED FOR COMPLIANCE**

16. **ALL MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN THIS LETTER OF OFFER AND WE CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE COMPANY UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE EQUITY SHARES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN - COMPLIED WITH AND NOTED FOR COMPLIANCE**

17. **AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE COMPANY - COMPLIED WITH**

THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

Disclaimer clauses from our Company and the Lead Managers

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in the Issue will be deemed to have represented to our Company, the Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Rights Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Letter of Offer is current only as of its date.

Our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Securities. The Lead Manager and its respective affiliates may engage in transactions with and perform services for our Company or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company or affiliates, for which they have received and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra, India only.

Disclaimer Clause of the BSE

*BSE Limited ("the **Exchange**") has given Vide its letter Ref. No. LOD/Rights/KD/FIP/1739/2024-25 dated January 24, 2025, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which the Company's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

- *Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or*
- *Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or*
- *Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;*

And it should not for any reason be deemed or constructed that this Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever

It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or constructed that the Letter of Offer has been cleared or approved by BSE Limited, nor does it certify the correctness or completeness of any of the contents of the Letter of Offer. The investors are advised to refer to the Letter of Offer for the full text of the Disclaimer Clause of the BSE Limited.

Disclaimer Clause of NSE

As required, a copy of this letter of offer has been submitted to National Stock Exchange of India limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. – NSE/LIST/46075 dated January 22, 2025 permission to the Issuer to use the Exchange's name in this Letter of Offer as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Letter of Offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is National Stock Exchange of India Limited.

Listing

The Rights Equity Shares offered through the Letter of Offer are proposed to be listed on BSE and NSE. Our Company will apply to BSE and NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Consents

Consents in writing of each of our Directors, Legal Counsel to the Issue, the Lead Manager, Registrar to the Issue, Statutory Auditor, Banker to the Issue, Monitoring Agency, in their respective capacities, have been obtained, and such consents have not been withdrawn up to the time of delivery of this Letter of Offer

Our Company has received written consent dated February 06, 2025 from our Statutory Auditor, for inclusion of their report, on the Audited Financial Information in this Letter of Offer and to include their name in this Letter of Offer and as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated December 17, 2024 in the form and context in which it appears in this Letter of Offer. Such consent has not been withdrawn up to the date of this Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated December 13, 2024 from M/s. Mahendra R. Kothari, for inclusion of their report, on Manufacturing facilities, in this Letter of Offer and to include their name in this Letter of Offer and as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013. Such consent has not been withdrawn up to the date of this Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Performance vis-à-vis objects – Public/Rights Issue of our Company

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Letter of Offer.

Stock Market Data of the Equity Shares

Our Equity Shares are listed on BSE and NSE. Our Equity Shares are traded on BSE and NSE.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 03, 2011 and shall comply with the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014 and the SEBI Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform dated November 07, 2022 (SEBI circular no. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150), in relation to redressal of investor grievances through SCORES. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Bigshare Services Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints are received by our Company on a case-to-case basis, i.e. grievances are being received on the Company's email address and are typically disposed of in a timely manner from the date of receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" on page 325 of this Letter of Offer. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Registrar to the Company:

Bigshare Services Private Limited
Office No S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre,
Mahakali Caves Road,
Andheri (East) Mumbai 400 093
Email: rightsissue@bigshareonline.com
Website: www.bigshareonline.com
Investor grievance e-mail: investor@bigshareonline.com
Contact Person: Suraj Gupta
SEBI Registration No.: INR000001385

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

Sonali Krishnaji Gaikwad is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

Sonali Krishnaji Gaikwad
Valecha Chambers,
6th Floor, New Link Road,
Andheri (West), Mumbai, Maharashtra - 400053
Telephone: +91 +91 22 40915000
E- mail: investor@jsl.co.in

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer and the other Issue Materials, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with the instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer and the Letter of Offer.

Investors are requested to note that application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents/ records confirming the legal and beneficial ownership of the Securities with regards to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

OVERVIEW

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and other Issue Materials, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, and SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlements Letter and other Issue Materials will be sent/dispatched only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlements Letter and other Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Application Form, the Rights Entitlements Letter and other Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard.

Investors can access this Letter of Offer, the Letter of offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable laws) on the websites of:

- Our Company at http://www.jyotistructures.in/
- the Registrar to the Issue at https://www.bigshareonline.com/;
- the Lead Manager at https://www.arihantcapital.com/
- Securities and Exchange Board of India at www.sebi.gov.in; and
- the Stock Exchanges at https://www.bseindia.com and https://www.nseindia.com.

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit https://www.bigshareonline.com/;

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue (*i.e.*, https://www.bigshareonline.com/) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, http://www.jyotistructures.in/).

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for not sending the physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Letter of Offer and other Issue Materials attributable to nonavailability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of the Issue Materials and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with SEBI, BSE Limited and National Stock Exchange of India Limited.

Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Letter of Offer, or any Issue Materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Materials in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Issue Materials are received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Issue Materials. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and other applicable Issue Materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email address and an Indian address to our Company.

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE U.S. STATE SECURITIES LAWS. ACCORDINGLY, THE EQUITY SHARES AND THE RIGHTS ENTITLEMENTS REFERRED TO IN THIS LETTER OF OFFER ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S TO EXISTING SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE EQUITY SHARES AND/ OR RIGHTS ENTITLEMENTS IS PERMITTED UNDER LAWS OF SUCH JURISDICTIONS AND IN COMPLIANCE WITH THE APPLICABLE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY OR TRANSFER ANY OF THE SAID SECURITIES.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under the Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch, only through email, the Abridged Letter of Offer, the Application Form and other applicable Issue Materials only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States, and is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Equity Shares and/ or the Rights Entitlements is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Equity Shares and/ or the Rights Entitlements under applicable securities laws, and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue and have obtained requisite approvals before applying in this Issue; or (iii) where either a registered Indian address is not provided or our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements. Our Company shall not be bound to issue or allot any Equity Shares and/ or the Rights Entitlements in respect of any such Application Form.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see "***- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders***" on page 340.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Investors should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see "*Terms of the Issue - Grounds for Rejection*" on page 335. Our Company, the Lead Manager, the Registrar to the Issue and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Investors.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please see "***- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***" on page 329.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to. The details of each of the Eligible Equity Shareholders' Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at https://www.bigshareonline.com/ and link of the same would also be available on the website of our Company at http://www.jyotistructures.in/. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

(i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements;

(ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part);

(iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements;

(iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares;

(v) renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its Directors, its employees, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply may make an Application to subscribe to this Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Jyoti Structures Limited;

2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);

3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;

4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue;

5. Number of Equity Shares held as on Record Date;

6. Allotment option – only dematerialised form;

7. Number of Rights Equity Shares entitled to;

8. Number of Rights Equity Shares applied for within the Rights Entitlements;

9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);

10. Total number of Rights Equity Shares applied for;

11. Total amount paid at the rate of ₹ 16 per Rights Equity Share (including a premium of ₹ 14 per Equity shares);

12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;

13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;

14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);

16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at:

Bigshare Services Private Limited
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai – 400093
Tel No: +91 22 6263 8200
Website: www.bigshareonline.com
E-Mail: rightsissue@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Contact Person: Suraj Gupta
SEBI Reg. No.: INR000001385

17. All such Eligible Equity Shareholders are deemed to have accepted the following:

"*I/We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States (including its territories and possessions thereof, any state of the United States and the District of Columbia) (the "**United States**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and incompliance with any applicable securities laws of any state of the United States. I/we understand the Rights Equity Shares and Rights Entitlement referred to in this application are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") to existing shareholders and located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in compliance with the applicable laws of such jurisdictions. I/we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/we confirm that I /we (a) am/are not in the United States and am/are eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) am/are complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar to the Issue, the Lead Manager nor any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar to the Issue, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/We satisfy, and each account for which I/we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties and agreements set forth therein. "

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar to the Issue not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar to the Issue at www.bigshareonline.com.

Our Company, the Lead Manager and the Registrar to the Issue shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Do's for Investors:

(a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.

(b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.

(c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

(d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

(e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.

(f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

(g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

(h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

(i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors:

(a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

(b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

(c) Do not send your physical Application to the Lead Manager, the Registrar to the Issue, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

(d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.

(e) Do not submit Application Form using third party ASBA account.

(f) Avoid applying on the Issue Closing Date due to risk of delay/restrictions in making any physical Application.

(g) Do not submit multiple Applications.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar to the Issue or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar to the Issue, shall be credited in a demat suspense escrow account opened by our Company.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

(a) The Eligible Equity Shareholders shall send a letter to the Registrar to the Issue containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar to the Issue no later than two Working Days prior to the Issue Closing Date;

(b) The Registrar to the Issue shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

(c) The remaining procedure for Application shall be same as set out in "***- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***" on page 329.

In accordance with the SEBI Rights Issue Circular, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR TO THE ISSUE OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM, AS APPLICABLE.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange, being NSE. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "***- Basis of Allotment***" on page 349.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making of an application

(a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.

(b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Issue Materials are liable to be rejected. The Application Form must be filled in English.

(c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under "***- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***" on page 329.

(d) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Designated Stock Exchange, being NSE.

(e) Applications should not be submitted to the Banker to the Issue, our Company or the Registrar to the Issue or the Lead Manager.

(f) All Investors, and in the case of Application in joint names, each of the joint Investors, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.

(g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar to the Issue will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar to the Issue. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed on the registered e-mail address or to the address of the Investor as per the Indian address provided to our Company or the Registrar to the Issue or Demographic Details received from the Depositories, as the case may be. The Registrar to the Issue will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar to the Issue or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**

(h) By signing the Application Forms, Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

(i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The

Investors must sign the Application as per the specimen signature recorded with the SCSB.

(j) Investors should provide correct DP ID and Client ID/Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/Folio number should match the demat account details in the records available with Company and/or Registrar to the Issue, failing which such Application is liable to be rejected. Investors will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar to the Issue will not be liable for any such rejections.

(k) In case of joint holders and physical Applications, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.

(l) All communication in connection with Applications for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole Investor, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar to the Issue in case of Eligible Equity Shareholders holding Equity Shares in physical form, as applicable.

(m) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(p) Avoid applying on the Issue Closing Date due to risk of delay/restrictions in making any physical Application.

(q) Do not pay the Application Money in cash, by money order, pay order or postal order.

(r) Do not submit multiple Applications.

(s) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(t) An Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

(u) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Grounds for Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

(a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar to the Issue.

(b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar to the Issue.

(c) Sending an Application to our Company, the Lead Manager, Registrar to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.

(d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

(e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.

(f) Account holder not signing the Application or declaration mentioned therein.

(g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.

(h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

(i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

(j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.

(k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

(l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.

(m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.

(n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

(o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.

(p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

(q) Applications which have evidence of being executed or made in contravention of applicable securities laws.

(r) Application from Investors that are residing in U.S. address as per the depository records.

(s) Investors not having the requisite approvals to make application in the Issue.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see "***Procedure for Applications by Mutual Funds***" on page 339.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities/centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., in any investment which would result in the investor holding10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("**OCI**") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Company.

Further, in accordance with press note 3 of 2020 issued by the DPIIT, the FEMA Rules have been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar to the Issue about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funded or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

*Procedure for Applications by Systemically Important Non-Banking Financial Companies ("**NBFCSI**")*

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in Application Form or a plain paper Application is March 03, 2025 *i.e.*, Issue Closing Date. Our Rights Issue Committee may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or Rights Issue Committee, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or Rights Issue Committee shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "***Terms of the Issue- Basis of Allotment***" on page 349.

Please note that on the Issue Closing Date, Applications will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Designated Stock Exchange, being NSE.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar to the Issue informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where Application is submitted. However, no Investor, applying through ASBA facility, may withdraw their Application post 5.00 p.m. (Indian Standard Time) on the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded/unblocked in the ASBA Accounts of the Investor within a period of four days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue (*i.e.,* www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, http://www.jyotistructures.in/).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE197A20024. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar to the Issue after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar to the Issue (*i.e.*, www.bigshareonline.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, (namely "**Jyoti Structures Limited – Rights Issue Escrow Entitlement Demat Account")** for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF Authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account namely ("**Jyoti Structures Limited – Unclaimed Securities Suspense Account**") (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar to the Issue on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar to the Issue; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any.

Eligible Equity Shareholders, holding Equity Shares in physical form as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar to the Issue not later than two Working Days prior to the Issue Closing Date, i.e., by March 3, 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Designated Stock Exchange, being NSE, or through an off-market transfer. In accordance with SEBI circular

SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Designated Stock Exchange, being NSE, (the "**On Market Renunciation**"); or (b) through an off-market transfer (the "**Off Market Renunciation**"), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of Rights Entitlement not later than two Working Days prior to Issue Closing Date, such that credit of Rights Entitlement in their demat account takes place at least one day before Issue Closing Date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Separate ISIN for Rights Equity Shares

In addition to the present ISIN for the existing Equity Shares, our Company has obtained a separate ISIN for the Rights Equity Shares. The Rights Equity Shares offered under this Issue will be traded under the said separate ISIN.

Payment Schedule of Rights Equity Shares

per Rights Equity Share (including premium of per Rights Equity Share) shall be payable on Application.

The Lead Manager and our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) *On Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Designated Stock Exchange, being NSE, through a registered stock-broker in the same manner as the existing Equity Shares.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN INE197A20024 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Designated Stock Exchange, being NSE, for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Designated Stock Exchange, being NSE, from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from February 25, 2025 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE197A20024 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and SEBI.

(b) *Off Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE197A20024 , the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 325 OF THE LETTER OF OFFER.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar to the Issue will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

The Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar to the Issue, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, being NSE, the SCSBs shall transfer such amount as per the Registrar to the Issue's instruction from the ASBA Account into the Allotment Account(s). The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.

2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.

3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Application Forms received from non-residents/NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.

5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.

6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of Business Hours on the Record Date. For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, please see "***The Issue***" on page 55.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of Rights Equity Share for every Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than Equity Shares or not in the multiple of Equity Shares, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement.

However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlements, if any. For example, if an Eligible Equity Shareholder holds 7 Equity Shares, such Equity Shareholder will be entitled to one Rights Equity Share and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above their Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 7 Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Letter of Offer, the Letter of Offer and other Issue Materials, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice. The Rights Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from BSE vide their letter bearing reference number LOD/Rights/KD/FIP/1739/2024-25 dated January 24, 2025 and from NSE through letter bearing reference number NSE/LIST/46075 dated January 22, 2025. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 513250) and NSE (Scrip Code: JYOTISTRUC) under the ISIN: INE197A01024. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL. The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Intention and extent of participation by our Promoters and our Promoter Group shareholder

Our Company is a professionally managed company, hence, there will be no participation in the Issue by promoter or promoter group shareholder.

Rights of Holders of Equity Shares of our Company

Subject to applicable laws, Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

(a) The right to receive dividend, if declared;
(b) The right to receive surplus on liquidation;
(c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
(d) The right to free transferability of Rights Equity Shares;
(e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited/restricted by law and as disclosed in this Letter of Offer; and
(f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, and MCA General Circular No. 21/2020 dated May 11, 2020, our Company will send through email and speed post, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other Issue Materials will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is situated) and/or, will be sent by post to the Indian address of the Eligible Equity Shareholders provided to our Company. However, the distribution of this Letter of Offer, the Letter of Offer, Abridged Letter of Offer and the issue of Rights Equity Shares on a rights basis, including pursuant to the Issue, to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions.

This Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including Additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/letters of Allotment/Allotment Advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at https://www.bigshareonline.com/. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar to the Issue, our Company, the Lead Manager and the Designated Stock Exchange, being NSE. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Investors. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.,* from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Investor is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("**OCBs**") have been derecognized as an eligible class of investors in India and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor, being an OCB, may apply for this Issue, as an incorporated non-resident entity, provided that (i) it is not under the adverse notice of RBI; and (ii) it complies with the FDI Circular 2020 and the FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar to the Issue and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at investor@bigshareonline.com.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE "*ALLOTMENT ADVICE OR REFUND/UNBLOCKING OF ASBA ACCOUNTS*" BELOW.

VIII. ISSUE SCHEDULE

Particulars	**Day and Date**
Last date for credit of Rights Entitlements	Thursday, February 13, 2025
Issue Opening Date	Monday, February 17, 2025
Last date for On Market Renunciation*	Tuesday, February 25, 2025
Issue Closing Date**	Monday, March 03, 2025
Finalisation of Basis of Allotment (on or about)	Tuesday, March 11, 2025
Date of Allotment (on or about)	Wednesday, March 12, 2025
Date of credit (on or about)	Thursday, March 13, 2025
Date of listing (on or about)	Monday, March 17, 2025

Note: Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date*

***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date. Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, *i.e.*, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*,

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Issue Materials, the Articles of Association and the approval of the Designated Stock Exchange, being NSE, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

(a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part, as adjusted for fractional entitlement.

(b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange, being NSE, and will not be a preferential allotment.

(c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, being NSE, as a part of this Issue and will not be a preferential allotment.

(d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, being NSE, as a part of this Issue and will not be a preferential allotment.

(e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be ‘unsubscribed’.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, being NSE, the Registrar to the Issue shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund/unblocking with corresponding amount will also be shared with Banker to the Issue to refund/unblock such Applicants.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

X. ALLOTMENT ADVICE OR REFUND/UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/dispatch Allotment Advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of four days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% per annum and such other rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment Advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository. In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Investor has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money shall be unblocked. The unblocking of ASBA funds shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in unblocking of funds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Investors, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE

REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM, AS APPLICABLE, AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/ FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Company, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

(a) Tripartite agreement dated April 30, 1998 between our Company, NSDL and the Registrar to the Company; and

(b) Tripartite agreement dated December 28, 2000 between our Company, CDSL and the Registrar to the Company.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE DESIGNATED STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor’s depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor’s depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.

5. The Rights Equity Shares will be allotted to Investors only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/with IEPF Authority/in suspense, *etc.*). Allotment Advice, refund order (if any) would be sent through physical dispatch, by the Registrar to the Issue but the Investor’s depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Investor’s depository account.

6. Non-transferable Allotment Advice/refund intimation will be directly sent to the Investors by the Registrar to the Issue, on their registered e-mail address or through physical dispatch, if the e-mail address is not available.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

9. Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar to the Issue or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

XIII. IMPERSONATION

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who –*

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*. "

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 lakhs or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

A. All monies received out of this Issue shall be transferred to a separate bank account;

B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

D. Our Company may utilise the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2) All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are to be listed will be taken by our Board

within the time limit specified by SEBI.

3) The funds required for making refunds/unblocking to unsuccessful Investors as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company.

4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date or as per applicable law, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

5) In case of refund/unblocking of the Application Money for unsuccessful Investors or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Investors.

6) No further issue of securities shall be made till the securities offered through the Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.

7) Adequate arrangements shall be made to collect all ASBA Applications.

8) As on the date of this Letter of Offer, our Company does not have any convertible debt instruments.

9) At any given time, there shall be only one denomination of the Equity Shares of our Company.

10) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1) Please read this Letter of Offer and the Letter of Offer carefully before taking any action. The instructions contained in the Issue Materials are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.

2) All enquiries in connection with the Issue Materials must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "Jyoti Rights Issue" on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

Bigshare Services Private Limited
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai – 400093
Tel No: +91 22 6263 8200
Website: www.bigshareonline.com
E-Mail: rightsissue@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Contact Person: Suraj Gupta
SEBI Reg. No.: INR000001385

3) In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar to the Issue (*i.e.*, www.bigshareonline.com). Further, helpline number provided by the Registrar to the Issue for guidance on the Application process and resolution of difficulties is +91 22 6263 8200.

   a) The Investors can visit following links for the below-mentioned purposes:
   b) Frequently asked questions and online/electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.bigshareonline.com
   c) Updation of Indian address/e-mail address/phone or mobile number in the records maintained by the Registrar to the Issue: www.bigshareonline.com
   d) Updation of demat account details by Eligible Equity Shareholders holding Equity

Shares in physical form: www.bigshareonline.com

e) Submission of self-attested PAN, client master sheet and demat account details by nonresident Eligible Equity Shareholders: investor@bigshareonline.com

This Issue will be kept open for a minimum period of 7 days. However, the Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular. Further, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route.

The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("**OCBs**") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the Issue as an incorporated non-resident must do so in accordance with the FDI Policy and FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants/ Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND RESALES

The distribution of the Letter of Offer or Application Form and the offering, sale or delivery of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Application Form or any offering material may come are advised to consult with their own legal advisors as to what restrictions may be applicable to them and observe such restrictions. Our Company is making the Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an address in India.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer was filed with the SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer and Application Form or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction other than India, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer or where any action would be required to be taken to permit the Issue and, in those circumstances, this Letter of Offer or Application Form must be treated as sent for information only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or Application Form in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlements and the Equity shares in compliance with all the applicable laws and regulations prevailing in such person's jurisdiction and India. Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer and Application Form, that it is either in India or is outside the United States and in compliance with laws of its jurisdiction, and in each case is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under the Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is making the Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made and is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States or any other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under the law of such jurisdictions; (ii) does not include the relevant certification set out in the Application Form including that such person is submitting and/ or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue, among others; or (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or Allot any Rights Equity Shares in respect of any such Application Form.

Australia

This Letter of Offer does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Corporations Act**") and does not purport to include the information required of a disclosure document under the Corporations Act. This Letter of Offer has not been, and will not be, lodged with the Australian Securities and Investments Commission (whether as a disclosure document under the Corporations Act or otherwise). Any offer in Australia of the Rights Entitlements and Rights Equity Shares under this document or otherwise may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), to "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Corporations Act so that it is lawful to offer the Rights Entitlements and Rights Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Corporations Act.

Any offer for on-sale of the Rights Entitlements and Rights Equity Shares that is received in Australia within 12 months after their issue by the Company is likely to need prospectus disclosure to investors under Part 6D.2 of the Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Corporations Act or otherwise. Any persons acquiring Rights Entitlements and Rights Equity Shares should observe such Australian on-sale restrictions.

The Company is not licensed in Australia to provide financial product advice in relation to the Rights Entitlements and Rights Equity Shares. Any advice contained in this Letter of Offer is general advice only. This Letter of Offer has been prepared without taking account of any investor's objectives, financial situation or needs, and before making an investment decision on the basis of this Letter of Offer, investors should consider the appropriateness of the information in this Letter of Offer, having regard to their own objectives, financial situation and needs. No cooling off period applies to an acquisition of the Rights Entitlements and Rights Equity Shares.

Kingdom of Bahrain

In relation to investors in the Kingdom of Bahrain, the Rights Entitlements and Rights Equity Shares, which are the subject of this Letter of Offer and related offering documents may only be offered in registered form to existing account holders and accredited investors as defined by the Central Bank of Bahrain (the "**CBB**") in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.$100,000 or any equivalent amount in another currency or such other amount as the CBB may determine.

This Letter of Offer does not constitute an offer of securities in the Kingdom of Bahrain pursuant to the terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (Decree Law No. 64 of 2006). This Letter of Offer and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Rights Entitlements or Rights Equity Shares may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Letter of Offer or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Rights Entitlements or Rights Equity Shares, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside the Kingdom of Bahrain.

The CBB has not reviewed, approved or registered the Letter of Offer or related offering documents and it has not in any way considered the merits of the Rights Entitlements and Rights Equity Shares offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Letter of Offer and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Letter of Offer. No offer of Rights Entitlements or Rights Equity Shares will be made to the public in the Kingdom of Bahrain and this Letter of Offer must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

British Virgin Islands

The Letter of Offer may not be and is not intended to be distributed to individuals in the British Virgin Islands. The Rights Entitlements and Rights Equity Shares are being offered in the British Virgin Islands only to persons resident in the British Virgin Islands solely by virtue of being a company or a limited partnership incorporated or registered in the British Virgin Islands. Any person who is a member of the public in the British Virgin Islands (other than solely by virtue of being a company or a limited partnership incorporated or registered in the British Virgin Islands) or who receives this Letter of Offer in the British Virgin Islands (other than in the case of a person resident in the British Virgin Islands solely by virtue of being a company or a limited partnership incorporated or registered in the British Virgin Islands, at its registered office in the British Virgin Islands) should not act or rely on this Letter of Offer. Each person in the British Virgin Islands subscribing to Rights Entitlements and Rights Equity Shares shall be deemed to represent and warrant that it is a company or a limited partnership incorporated or registered in the British Virgin Islands.

Cayman Islands

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares may be made to the public in the Cayman Islands.

Dubai International Financial Center

The Rights Entitlements and Rights Equity Shares have not been offered and will not be offered to any person in the Dubai International Financial Centre unless such offer is:

an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "DFSA") rulebook; and
made only to persons who meet the Professional Client criteria set out in Rule 2.3.4 of the Conduct of Business (COB) Module of the DFSA rulebook and who are not a natural person.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no Rights Entitlements and Rights Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State, except that offers of Rights Entitlements and Rights Equity Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of Lead Manager for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,
- provided that no such offer of Shares shall require the Issuer or the Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any Rights Entitlements and Rights Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Rights Entitlements and Rights Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Rights Entitlements and Rights Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Hong Kong

WARNING: This Letter of Offer has not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Issue. If you are in any doubt about any of the contents of this Letter of Offer, you should obtain independent professional advice.

This Letter of Offer has not been and will not be approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. No person may offer or sell in Hong Kong, by means of any document, any Rights Entitlements and Rights Equity Shares other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (ii) in other circumstances which do not result in the Letter of Offer being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O. No person may issue or have in its possession for the purposes of issue, in each case whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Rights Entitlements and Rights Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Rights Entitlements and the Rights Equity Shares. No Rights Entitlements or Rights Equity Shares are, directly or indirectly, being offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a "qualified institutional investor" (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the "**Qualified Institutional Investor**"), the Rights Entitlements and Equity Shares will be offered in Japan by a private placement to no more than 49 investors (shoninzu muke kanyu), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree is a Qualified Institutional Investor, the Rights Entitlements and the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investor (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To subscribe to the Equity Shares (the "**QII Offer Shares**"), such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Offer Shares other than to another Qualified Institutional Investor.

Kuwait

The Rights Entitlements and Rights Equity Shares have not been authorized or licensed for offering, marketing or sale in Kuwait. The distribution of this Letter of Offer and the offering and sale of the Rights Entitlements and Rights Equity Shares in Kuwait is restricted by law unless all necessary approvals from the Kuwait Capital Markets Authority pursuant to Law No. 7 of 2010, and its executive bylaws (each as amended) together with the various resolutions, regulations, guidance principles and instructions issued pursuant thereto, or in connection therewith (regardless of nomenclature) or any other applicable law or regulation in Kuwait, have been given in respect of the offering, marketing, and sale, of the Rights Entitlements and Rights Equity Shares. No private or public offering of the Rights Entitlements or Rights Equity Shares is being made in Kuwait, and no agreement relating to the sale of the Rights Entitlements or Rights Equity Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Rights Entitlements and Rights Equity Shares in Kuwait.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Rights Entitlements and the Rights Equity Shares may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Letter of Offer has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Letter of Offer does not constitute a public offering. This Letter of Offer is for the exclusive use of the person to whom it has been given our Company and is a private concern between our Company and the recipient.

People's Republic of China

This Letter of Offer has not been and will not be circulated or distributed in the People's Republic of China, and the Rights Entitlements and Rights Equity Shares may not be offered or sold, and will not be offered or sold, to any person for re-offering or resale, directly or indirectly, to any resident of the People's Republic of China except pursuant to applicable laws and regulations of the People's Republic of China. For the purpose of this paragraph, People's Republic of China does not include Taiwan and the special administrative regions of Hong Kong and Macau.

Singapore

This Letter of Offer has not been and will not be registered as a prospectus with the Monetary Authority of Singapore and the securities will be offered pursuant to exemptions under the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**"). Accordingly, this Letter of Offer and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Rights Entitlements and Rights Equity Shares may not be circulated or distributed, nor may the Rights Entitlements and Rights Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA,
to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or
otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Rights Entitlements and Rights Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Rights Entitlements and Rights Equity Shares pursuant to an offer made under Section 275 of the SFA except:

- to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- where no consideration is or will be given for the transfer;
- where the transfer is by operation of law;
- as specified in Section 276(7) of the SFA; or
- as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309B(1) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore – The Company has determined, and hereby notifies all persons (including all relevant persons (as defined in Section 309A(1) of the SFA)) that the Rights Entitlements and Rights Equity Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

United Kingdom

In relation to the United Kingdom, no Rights Entitlements and Rights Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the Financial Conduct Authority, except that offers of Rights Entitlements and Rights Equity Shares may be made to the public in the United Kingdom at any time under the following exemptions under the UK Prospectus Regulation:

to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Lead Manager for any such offer; or
in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of Shares shall require the Issuer or the Lead Manager to publish a prospectus pursuant to Section 85 of FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to any Rights Entitlements and Rights Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Rights Entitlements and Rights Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Rights Entitlements and Rights Equity Shares, and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and the expression "FSMA" means the Financial Services and Markets Act 2000.

United Arab Emirates (excluding the Dubai International Financial Centre)

The Rights Entitlements and Rights Equity Shares to be offered pursuant to the Issue have not been and will not be offered, sold or publicly promoted or advertised in the United Arab Emirates (the "**UAE**") other than in compliance with any laws applicable in the UAE governing the issue, offering or sale of securities.

No offer in the United States

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Rights Entitlements (including their credit) and the Rights Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Neither receipt of the Letter of Offer, nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholder who has received the Letter of Offer and its accompanying documents directly from our Company or the Registrar.

RESTRICTIONS ON TRANSFER

Each purchaser by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the "purchaser", which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.

The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.

The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.

Without limiting the generality of the foregoing, the purchaser is aware and understands (and each account for which it is acting has been advised and understands) that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States and the Rights Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it in India and inviting it to participate in this Issue.

Neither the purchaser nor any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.

Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below), and will have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of our Company concerning the financial condition and results of operations of our Company and the purchase of the Rights Entitlements or the Rights Equity Shares, and any such questions have been answered to its satisfaction; (iv) will have possessed and reviewed all information that it believes is necessary or appropriate in connection with an investment in the Rights Entitlements and the Rights Equity Shares; (v) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company, the Lead Manager or its affiliates (including any research reports) (other than, with respect to our Company and any information contained in the Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

Without limiting the generality of the foregoing, the purchaser acknowledges that (i) the Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited and National Stock Exchange of India Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "**Exchange Information**"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; (ii) our Company does not expect or intend to become subject to the periodic reporting and other information requirements of the Securities and Exchange Commission; and (iii) neither our Company nor any of its affiliates, nor the Lead Manager or any of their affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements or the Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Equity Shares, including the Letter of Offer and the Exchange Information (collectively, the "**Information**"), has been prepared solely by our Company; and (ii) none of the Lead Manager or any of its affiliates has verified such Information, and no recommendation, promise, representation or warranty (express or implied) is or has been made or given by the Lead Manager or its affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by any of them or their affiliates.

The purchaser will not hold our Company, the Lead Manager or its affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it. It acknowledges that no written or oral information relating to this Issue, and the Rights Entitlements or the Equity Shares has been or will be provided by the Lead Manager or its affiliates to it.

The purchaser is a highly sophisticated investor and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Equity Shares. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Equity Shares, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to any investment it (or such account for which it is acting) may make in the Rights Entitlements and the Equity Shares, and is able to sustain a complete loss in connection therewith and it will not look to our Company, or to the Lead Manager, for all or part of any such loss or losses it may suffer.

The purchaser understands and acknowledges that the Lead Manager are assisting our Company in respect of this Issue and that the Lead Manager are acting solely for our Company and no one else in connection with this Issue and, in particular, are not providing any service to it, making any recommendations to it, advising it regarding the suitability of any transactions it may enter into to subscribe or purchase any Rights Entitlements or Equity Shares nor providing advice to it in relation to our Company, this Issue or the Rights Entitlements or the Equity Shares. Further, to the extent permitted by law, it waives any and all claims, actions, liabilities, damages or demands it may have against the Lead Manager arising from its engagement with our Company and in connection with this Issue.

The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in the Letter of Offer and the Application Form. The purchaser understands that neither our Company, nor the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.

The purchaser (i) is aware that the Rights Entitlements and the Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Equity Shares are, located outside the United States and eligible to subscribe for Rights Entitlements and Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Equity Shares in an "offshore transaction" meeting the requirements of Regulation S under the U.S. Securities Act.

The purchaser, and the person, if any, for whose account or benefit it is acquiring the Rights Entitlements and/or the Rights Equity Shares, was located outside the United States at the time (i) the offer was made to the purchaser and (ii) when the buy order for the Rights Entitlements and/or the Rights Equity Shares was originated and continues to be located outside the United States and has not purchased the Rights Entitlements and/or the Rights Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Rights Entitlements or the Rights Equity Shares or any economic interest therein to any person in the United States.

The purchaser acknowledges that the Rights Entitlement and the Rights Equity Shares may not be offered, resold, pledged or transferred with in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Equity Shares are, entitled to subscribe for the Equity Shares, and the sale of the Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.

The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

The purchaser is authorized to consummate the purchase of the Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.

The purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate.

The purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" (as defined in Regulation S under the U.S. Securities Act) in the United States with respect to the Equity Shares.

The purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold.

The purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Upon a proposed sale, transfer, assignment, pledge or other disposition of the Equity Shares, we will notify any purchaser of such Equity Shares, the executing broker and any other agent of the transferor involved in selling the Equity Shares, as applicable, of the transfer restrictions set forth in this Application Form that are applicable to the Equity Shares being sold and will require the broker and such other agent, as applicable, to comply with such restrictions.

SECTION VIII – STATUTORY AND OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all working days of the Company from the date of this Letter of Offer until the Issue Closing Date and the material contracts shall also be made available at the website of the Company at http://www.jyotistructures.in/.

I. Material Contracts for the Issue

i. Issue Agreement dated December 02, 2024, between our Company and the Lead Manager, pursuant to which certain arrangements are agreed in relation to the Issue.
ii. Registrar Agreement dated December 09, 2024, entered into between our Company and the Registrar to the Issue.
iii. Banker to the Issue Agreement dated February 05, 2025 between our Company, the Lead Manager, the Registrar to the Issue and Banker(s) to the Issue.
iv. Monitoring Agency Agreement dated February 05, 2025 between our Company and the Monitoring Agency.

II. Material Documents

i. Certificate of incorporation dated May 27, 1974 and October 21, 1974 issued by ROC.
ii. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
iii. Annual Reports of the Company for the financial years ended March 31, 2024, March 31, 2023, and limited review financial statements for the periods ended December 30, 2024 and September 30, 2024.
iv. Letter of Offer dated December 20, 2024, in respect of the rights issue of equity shares of face value of ₹ 2 each by our Company.
v. Certificate of incorporation dated May 27, 1974, issued by the RoC, and fresh certificate of incorporation dated October issued by the RoC upon conversion to public limited company
vi. Resolution of the Board of Directors dated November 22, 2023 in relation to the Issue.
vii. Resolution of the Rights Issue Committee dated November 22, 2024 approving and adopting this Letter of Offer.
viii. Resolution of the Board of Directors dated February 04, 2025 in relation to the terms of the Issue including the Record Date, Issue Price and Rights Entitlement Ratio.
ix. The audited consolidated financial results for the years ended March 31, 2024, March 31, 2023, and for the six month period ended September 30, 2024 included in this Letter of Offer.
x. Consent of our Directors, Compliance Officer, Statutory Auditor, Lead Manager, the Registrar to the Issue, Key Banker(s) to the Company, the legal advisor to the Issue for inclusion of their names in this Letter of Offer in their respective capacities.
xi. Consent letter dated December 17, 2024 from the Statutory Auditor for inclusion of their name as expert, as defined under Section 2(38) of the Companies Act, in this Letter of Offer.
xii. Statement of Tax Benefits dated December 17, 2024, from the Statutory Auditor included in this Letter of Offer.
xiii. Consent letter dated December 13, 2024, from the Chartered Engineer for inclusion of their name as expert, as defined under Section 2(38) of the Companies Act, in this Letter of Offer.
xiv. Report titled "*Industry Report on Power transmission, distribution and smart metering*" issued on December, 2024, issued by CRISIL and consent letter dated December 18, 2024.
xv. Engagement letter dated September 29, 2023, entered into between our Company and CRISIL for appointment of CRISIL.
xvi. Board resolution dated November 22, 2024, in order to constitute a Rights Issue Committee.
xvii. Tripartite Agreement between our Company, Central Depository Service India Limited and the

Registrar to the Company dated December 28, 2000.

xviii. Tripartite Agreement between our Company, National Securities Depository Limited and the Registrar to the Company dated November 30, 1998.
xix. Due Diligence Certificate dated February 11, 2025 issued by Lead Manager.
xx. In-principle listing approvals dated January 24, 2025, from BSE.
xxi. In-principle listing approvals dated January 22, 2025, from the NSE.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be.

I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Rajendra Prasad Singh
Independent Director

Date: February 11, 2025
Place: New Delhi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be.

I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Govind Prasad Saha
Independent Director

Date: February 11, 2025
Place: New Zealand

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be.

I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Monica Akhil Chaturvedi
Woman Independent Director

Date: February 11, 2025
Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be.

I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Abhinav Rishi Angirish
Non-Executive Director

Date: February 11, 2025
Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be.

I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Abdul Hameed Khan
Whole-time Director and Chief Financial Officer

Date: February 11, 2025
Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be.

I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Raajeev B Batra, Independent Director

Date: February 11, 2025
Place: Mumbai

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF JYOTI STRUCTURES LIMITED ("THE COMPANY") ONLY

Please scan this QR Code to view the Letter of Offer

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated February 11, 2025 ("**Letter of Offer**") which is available on the websites of the Registrar to the Issue, the Company, the Lead Manager and the stock exchanges where the Equity Shares of our Company are listed, i.e., BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (collectively referred to as "**Stock Exchanges**"). You are encouraged to read greater details available in the Letter of Offer. Capitalised terms not specifically defined herein shall have the same meaning as ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Our Company has made available on the Registrar's website at www.bigshareonline.com and the Company's website at www.jyotistructures.in, the Letter of Offer, this Abridged Letter of Offer along with the Rights Entitlement Letter and Application Form to the Eligible Equity Shareholders. You may also download the Letter of Offer from the websites of the Securities and Exchange Board of India (**"SEBI"**), the Stock Exchanges and the Lead Manager to the Issue i.e., Arihant Capital Markets Limited at www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.arihantcapital.com, respectively. The Application Form is also available on the respective websites of our Company, the Lead Manager, Registrar and the Stock Exchanges.

JYOTI STRUCTURES LIMITED
SINCE 1974

JYOTI STRUCTURES LIMITED

Registered Office: 6th Floor, Valecha Chambers, New Link Road, Andheri (West), Mumbai 400 053,
Telephone: 022-40915000; **Email:** investor@jsl.co.in; **Website:** www.jyotistructures.in;
Contact Person: Sonali Krishanji Gaikwad, Company Secretary and Compliance Officer;
Corporate Identification Number: L45200MH1974PLC017494

PROMOTER OF THE COMPANY

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF JYOTI STRUCTURES LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY

ISSUE DETAILS

ISSUE OF UP TO 31,19,29,934 FULLY PAID-UP EQUITY SHARES WITH A FACE VALUE OF ₹2 EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 16 EACH (INCLUDING A SHARE PREMIUM OF ₹ 14 PER EQUITY SHARE) AGGREGATING TO AN AMOUNT UP TO ₹ 49,908.79 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 9 RIGHTS EQUITY SHARES FOR EVERY 26 FULLY PAID UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FEBRUARY 10, 2025 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 8 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE THE CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 325 OF THE LETTER OF OFFER.

Assuming full subscription, Subject to finalization of the Basis of Allotment

LISITNG

The existing Equity Shares of our Company are listed on BSE and NSE. Our Company has received an "in-principle" approval from BSE and NSE for listing of the Rights Equity Shares to be allotted in this Issue pursuant to this issue vide letters dated January 24, 2025 and January 22, 2025, respectively. Our Company will also make an application to the Stock Exchanges to obtain the trading approval for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. For the purpose of this Issue, the Designated Stock Exchange is NSE.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on the Stock Exchanges. Our Company is eligible to offer Equity Shares pursuant to the Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations. Our Company satisfies the conditions specified in Regulation 99 of the SEBI ICDR Regulations, and accordingly, our Company is eligible to make this Issue by way of a 'fast track issue'

MINIMUM SUBSCRIPTION

Since, the Objects of the Issue involve financing other than financing of capital expenditure for a project and our Company being a professionally managed company having no identifiable promoter, the requirement of minimum subscription in the Issue as mandated under Regulation 86 of the SEBI ICDR Regulations is not applicable.

INDICATIVE TIMETABLE#

Last Date for credit of Rights Entitlements	**February 13, 2025**	**Finalization of Basis of Allotment (on or about)**	**March 11, 2025**
Issue Opening Date	**February 17, 2025**	**Date of Allotment (on or about)**	**March 12, 2025**
Last Date for On Market Renunciation#	**February 25, 2025**	**Date of credit (on or about)**	**March 13, 2025**
Issue Closing Date*	**March 03,2025**	**Date of listing (on or about)**	**March 17, 2025**

Note : The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date.

#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date. Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date*

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Letter of Offer, this Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other material relating to the Issue (collectively, the "**Issue Materials**") will be sent/ dispatched only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials as applicable will be physically dispatched, on reasonable effort basis, to the Indian address provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Investors can also access, the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the Stock Exchange, as provided above, subject to the applicable law.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended **(the "U. S. Securities Act")**, and may not be offered, sold, resold or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and appliable state securities laws. Accordingly, the Rights Entitlements (including their credit) and the Rights Equity Shares are only being offered and sold outside the United States in **"Offshore Transactions"** as defined and in reliance on Regulation S under the U.S. Securities Act (**"Regulation S"**) and in compliance with the applicable laws of the jurisdiction where those offers and sales occur. The Offering to which the Letter of Offer relates in not, under no circumstances is to be constructed as, an offering of any Equity Shares occurs. The offering to which the Letter of Offer relates is not, and under no circumstances is to be constructure as, an offering of any Equity Shares or the Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy or transfer any of the Equity Shares or Rights Entitlement. There is no intention to Register any.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under the Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer or the Abridged Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company.

We, the Registrar, the Lead Manager or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that such person is submitting and / or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (**"SEBI"**), nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. Specific attention of the Investors is invited to the statement of ***"Risk Factors"*** beginning on page 24 of the Letter of Offer and "**Internal Risk Factors**" on page 05 of this Abridged Letter of Offer before making an investment in the Issue.

Name of Lead Manager to the Issue and contact details	**Arihant Capital Markets Limited** 1011, Solitaire Corporate Park, Bldg no -10, 1st Floor, Guru Hargovindji Road, Chakala, Andheri (East), Mumbai, 400093 **Telephone:** +91-22-42254800; **Email**: mbd@arihantcapital.com **Website:** www.arihantcapital.com **Investor Grievance Email:** mbd@arihantcapital.com **Contact Person:** Amol Kshirsagar / Satish Kumar P **SEBI Registration Number:** INM000011070

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Name of Registrar to the Issue and contact details	**Bigshare Services Private Limited** Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400 093 **Telephone:** + 91-22-62638200 **Email:** rightsissue@bigshareonline.com **Website:** www.bigshareonline.com **Investor Grievance Email:** investor@bigshareonline.com **Contact Person:** Suraj Gupta **SEBI Registration Number:** INR000001385
Name of Statutory Auditor	M/s. SARC & Associates
Self-Certified Syndicate Banks ("SCSBs")	The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.
Banker to the Issue/Refund Bank	**HDFC Bank Limited** FIG-OPS Department - Lodha- I Think Techno Campus O-3 Level, Next to Kanjumarg Railway Station, Kanjurmarg (East) Mumbai – 400042 **Telephone:** 022-30752927/28/2914 **Contact Person:** Eric Bacha/ Sachin Gawade/ Siddharth Jadhav **E-mail:** eric.bacha@hdfcbank.com, sachin.gawade@hdfc.com, siddharth.jadav@hdfcbank.com,

1. Summary of our Business

We are an Engineering, Procurement and Construction (EPC) contracting company executing turnkey projects in the power transmission and distribution network across India and global markets with our major clients being power transmission companies. In the global markets, we hold a key presence in 14 countries, such as, USA, United Kingdom, Canada, France, South Africa, Bangladesh, Tanzania, Kenya, Kuwait, Rwanda, Tajikistan, United Arab Emirates, Algeria, Philippines, Kenya, Georgia, etc., directly, through our subsidiaries or joint venture company. We have three main lines of operations viz. Transmission Lines, Substations and Rural Electrification. For further information, refer chapter titled "***Our Business***" on page 161 of the Letter of Offer.

2. Summary of Objects of the Issue and Means of Finance

The details of the Issue Proceeds are set forth in the following table.

(₹ in lakhs)

Particulars	Estimated Amount
Gross proceeds to be raised through the Issue*	49,908.79
Less: Issue related expenses	2,000.00
Net Proceeds	47,908.79

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio*

Requirements of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details set forth in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount
1.	Payment of NCLT approved resolution plan dues	15,206.78
2.	Meeting costs, expenses, charges and other payment commitments/ obligations including margin requirements associated with financing to be raised from banks and financial institutions for the operations of the Company	20,500.00
3.	General Corporate Purposes*	12,202.01
	Net Proceeds of the Issue	47,908.79

**The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds. The amount deployed towards General Corporate Purposes will not be deployed for Working Capital requirements.*

3. Means of Finance

The funding requirements mentioned above are based on our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management, subject to applicable law. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

For further details, refer chapter titled "*Object of the Issue*" on page 76 of the Letter of Offer.

4. **Name of Monitoring Agency – Our Company has appointed CARE Ratings Limited as Monitoring Agency for the Issue to monitor the utilization of the Gross Proceeds**

5. **Shareholding Pattern**

   Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchange in compliance with the SEBI Listing Regulations

   1. The shareholding pattern of our Company, as on December 31, 2024 can be accessed on the website of the BSE at https://www.bseindia.com/stock-share-price/jyoti-structures-ltd/jyotistruc/513250/shareholding-pattern/ and at https://www.nseindia.com/get-quotes/equity?symbol=JYOTISTRUC
   2. The statement showing holding of Equity Shares of persons belonging to the category "Public" including shareholders holding more than 1% of the total number of Equity Shares as on December 31, 2024, can be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=513250&qtrid=124.00&QtrName=December%202024 and at NSE https://www.nseindia.com/get-quotes/equity?symbol=JYOTISTRUC

   For further details, please see "*Capital Structure*" on page 62 of the Letter of Offer.

6. **Board of Directors**

Sr. No.	Name	Designation	Other Directorships
1.	Rajendra Prasad Singh	Chairman and Independent Director	1) Bajel Projects Limited 2) Jammu And Kashmir State Power Trading Company Limited 3) Techno Electric & Engineering Company Limited
2.	Govind Prasad Saha	Independent Director	Nil
3.	Monica Akhil Chaturvedi	Woman Independent Director	1) Inspectorate Arma Private Limited 2) Eduthinkers Management Private Limited 3) Rebelcorp Private Limited 4) Optimiser Ventures Private Limited 5) Infinitus Infrastructure Private Limited
4.	Abhinav Rishi Angirish	Non-Executive Director	1) Abchlor Portfolio Management Services Private Limited 2) Abchlor Investments Private Limited
5.	Abdul Hameed Khan	Whole-time Director and Chief Financial Officer	Nil
6.	Rajeev B Batra	Whole-time Director	Nil

For further details, refer chapter titled "*Our Management*" on page 177 of the Letter of Offer.

7. **Wilful Defaulters or Fraudulent Borrowers**

   Neither of our Company, our Directors or our Subsidiaries have been categorized or identified as Wilful Defaulter(s) or Fraudulent Borrower(s).

8. **Financial Statement Summary**

   A summary of the Consolidated Financial Information as of and for the Financial Year ended March 31, 2024, March 31, 2023 and for the six months period ended on September 30, 2024.

   The following table sets forth a breakdown of our results of operations and each item as a percentage of our total revenue for the periods indicated:

(₹ in lakhs)

Particulars	Six months period ended September 30, 2024	March 31, 2024	March 31, 2023
CONTINUING OPERATIONS			
TOTAL INCOME	19,888.97	46,302.14	23,107.42
TOTAL EXPENSES	18,700.76	44,348.76	23,514.65
Profit/(Loss) Before Tax (I-II)	1,188.21	1,953.38	(407.23)
Tax Expense:			
Current Tax	-	-	-
Deferred Tax (Net)	(27.19)	(932.13)	
Profit/(Loss) for the year (III-IV)	1,215.40	2,885.51	(407.23)
Other Comprehensive income	37.08	27.51	(89.96)
Total Comprehensive Income	1,252.48	2,913.02	(497.19)
Net Profit Attributable to			
Owner	1,215.40	2,885.51	(407.23)
Non-controlling Interest	-	-	-
Other Comprehensive income			
Owner	37.08	27.51	(89.96)

Particulars	Six months period ended September 30, 2024	March 31, 2024	March 31, 2023
Non-controlling Interest	-	-	-
Total Comprehensive income			
Owner	1,252.48	2,913.02	(497.19)
Non-controlling Interest	-	-	-
Earnings Per Equity Share (Face value ₹2/- per equity share)			
Basic (in Rupees)	0.144	0.412	(0.064)
Diluted (in Rupees)	0.138	0.395	(0.058)

9. Internal Risk Factors

The below-mentioned are top 10 risk factors as per the Letter of Offer:

1) We have, in the past, experienced certain defaults under our debt obligations and have been subjected to a Resolution Plan. Our Company is required to adhere to compliance with the various requirements as mandated under the Resolution Plan approved by the NCLT and one of the objects of the Issue is to effect partial repayment to such creditors under the Resolution Plan. Further, there can be no assurance that we would be in a position to comply with the requirements of the Resolution Plan or that the implementation of the Resolution Plan will successfully address our cash flow and liquidity concerns.
2) Our Company was admitted into Corporate Insolvency Resolution Process (CIRP) as per the Insolvency and Bankruptcy Code, 2016 and a resolution plan was submitted and approved. Pursuant to the Approved Resolution Plan, all litigation against our Company, the Founder Promoters, and other parties have been withdrawn, and the debts have been restructured. If we default in compliance with the material provisions of the Approved Resolution Plan, we may have to undergo another round of corporate insolvency resolution or liquidation process
3) Our Company requires working capital particularly in the form of non-fund based guarantee/letter of credit limits for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations.
4) Due to accumulated losses from previous years, including the impact of re-measurement of certain liabilities at NPV fair value, there has been a reduction in our equity. Our auditors have included an emphasis of matter in their reports on our Financial Statements. Further, our Company has reported negative cash flows during last two financial years.
5) There have been certain instances of regulatory non-compliances or delays or errors in the past. We may be subject to regulatory actions and penalties for any such further non-compliance or delays or errors and our business, financial condition and reputation may be adversely affected.
6) Our Company has negative cash flows from its operating activity, investing activity and financing activity, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.
7) Our funding requirements and proposed deployment of the Gross Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on factors, some of which may be beyond our control
8) Risks inherent to power sector projects could materially affect our business, financial conditions and results of operations.
9) Projects included in our Order Book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation
10) Loss of any of our key customers or reduction in production and sales of, or demand for our products from, our customers may materially and adversely affect our business and financial performance.

For further details, refer chapter titled **"*Risk Factors*"** on page 24 of the Letter of Offer.

10. Summary of Outstanding Litigations and Defaults

All litigations against the Company, the Founder Promoters, guarantors, directors and employees of the Company, related to matters that are addressed as per the Final Resolution Plan have been withdrawn.

A summary of outstanding litigation proceedings involving our Company and our Subsidiary as on the date of the Letter of Offer is provided below:

Name of entity	Criminal matters	Actions by regulatory or statutory authorities	Civil Matters		Tax Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter during the last five Financial Years	Aggregate amount involved (₹ in lakhs)*
			Above the materiality threshold	Non-quantifiable but otherwise deemed material			
Company							
By the Company	Nil	Nil	Nil	2	Nil	Nil	Unquantifiable
Against the Company	2	Nil	1	3	Unascertainable	Nil	Unquantifiable
Directors							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	5	Nil	5.66

Name of entity	Criminal matters	Actions by regulatory or statutory authorities	Civil Matters		Tax Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter during the last five Financial Years	Aggregate amount involved (₹ in lakhs)*
			Above the materiality threshold	Non-quantifiable but otherwise deemed material			
Subsidiaries							
By the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	Nil	5	Nil	4.25

**To the extent quantifiable*

For details, please refer to chapter titled ***"Outstanding Litigations and Material Developments"*** on page 306 of the Letter of Offer.

11. Terms of the Issue

Process of making an Application in the Issue

12. In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circular and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see *"Terms of the Issue – "Process of making an application in the Issue"* on page 328 of the Letter of Offer.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow acount, see '*Term of the Issue - Credit of Rights entitlements in demat accounts of Eligible Equity Shareholders*' on page 340 of the Letter of offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Investors should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN, or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see *"Terms of the Issue – Grounds for Rejection"* on page 335 of the Letter of Offer. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Investors.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholder making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see *"Terms of the Issue – Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 329 of the Letter of Offer.

Making an Application through the ASBA process

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/ sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/ DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its Directors, its employees, affiliates, associates and their respective directors and officers, and the Registrar shall not be responsible for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply may make an Application to subscribe to this Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the websites of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1) Name of our Company, being; Jyoti Structures Limited
2) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) / DP and Client ID;
4) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
5) Number of Equity Shares held as on Record Date;
6) Allotment option - only dematerialised form;
7) Number of Rights Equity Shares entitled to;
8) Number of Rights Equity Shares applied for within the Rights Entitlements;
9) Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10) Total number of Rights Equity Shares applied for;
11) Total amount paid at the rate of ₹ 16 per Rights Equity Share (including a premium of ₹ 14/- per Equity shares);
12) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);

    An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at www.bigshareonline.com ; and
16) All such Eligible Equity Shareholders are deemed to have accepted the following:

*"I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States (including its territories or possessions thereof any state of the United States and the District of Columbia) (the "**United States**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and incompliance with any applicable securities laws of any state of the United Sates. I/ we understand the Rights Equity Shares and the Rights Entitlement referred to in this application are being offered and sold only outside the United States in offshore transactions in reliance with Regulation S under the U.S. Securities Act ("**Regulation S**") to existing shareholders who are located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in compliance with the applicable laws of such jurisdictions. I/ we understand*

that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a)not in the United States and am/are eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) am/are complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/ We acknowledge that we, the Company, the Lead Manager, its afiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.bigshareonline.com. Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB, or funds are not blocked in the Investors'

ASBA Accounts on or before the Issue Closing Date.

Making an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish details of their demat account to the Registrar or our Company at least 2 (two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat account at least 1 (one) day before the Issue Closing Date. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder.

For further details, see '*Terms of the Issue – Credit of Rights Entitlement in Demat account of Eligible Equity Shareholders*' on page 340 of the Letter of Offer.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar not later than 2 (two) Working Days prior to the Issue Closing Date;
2) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least 1 (one) day before the Issue Closing Date; and
3) The remaining procedure for Application shall be same as set out in *"Terms of the Issue - Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 329 of the Letter of Offer.

In accordance with SEBI Rights Issue Circular, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for Additional Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM, AS APPLICABLE.

Terms of Payment

₹ 16 /- per Rights Equity Share (including premium of ₹ 14/- per Rights Equity Share) shall be payable, in entirety at the time of making the Application.

Where an Applicant has applied for Additional Rights Equity Shares and is Allotted a lesser number of Rights Equity Shares in the Issue than applied for, the excess Application Money paid/ blocked shall be refunded/ unblocked. The unblocking of ASBA funds/ refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 9 (Nine) Rights Equity Shares for every 26 (Twenty-Six) Equity Shares held as on the Record Date..

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 9 (Nine) Rights Equity Shares for every 26 (Twenty-Six) Equity Shares held as on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 26 Equity Shares or not in the multiple of 26 Equity Shares, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement.

However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlements, if any. For example, if an Eligible Equity Shareholder holds 7 Equity Shares, such Equity Shareholder will be entitled to one Rights Equity Share and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above their Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 26 Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Credit of Rights Entitlements in Demat accounts of Eligible Equity Shareholders

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any. Eligible Equity Shareholders, holding Equity Shares in physical form as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar to the Issue not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

In this regard, our Company has made necessary arrangements with CDSL and NSDL for crediting the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. Our Company shall apply for a separate ISIN for the Rights Entitlements. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details / records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or our Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1(one) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, *PER SE*, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE *"TERMS OF THE ISSUE"* ON PAGE 325 OF THE LETTER OF OFFER.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Designated Stock Exchange, being NSE or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

For details, see *"Procedure for Renunciation of Rights Entitlements"* on page 342 of the Letter of Offer.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (**On Market Renunciation**); or (b) through an off-market transfer (**Off Market Renunciation**), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/ her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of Rights Entitlement not later than two Working Days prior to Issue Closing Date, such that credit of Rights Entitlement in their demat account takes place at least one day before Issue Closing Date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN INE197A20024 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from February 17, 2025 to February 25, 2025 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock- brokers by quoting the ISIN INE197A20024 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stockbroker will issue a contract note in accordance with the requirements of the Stock Exchange and SEBI.

Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off- market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE197A20024, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the CDSL and NSDL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to. The details of each of the Eligible Equity Shareholders' Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue and link of the same would also be available on the website of our Company. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

(i) Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or

(ii) Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or

(iii) Apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

(iv) Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or

(v) Renounce its Rights Entitlements in full.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange, being NSE. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in '*Terms of the Issue - Basis of Allotment*' beginning on page 349 of Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their Application post the Issue Closing Date.

Intention and extent of participation by our Promoters and Promoter Group

Our Company is a professionally managed company, hence, there will be no participation in the Issue by promoter or promoter group shareholder.

13. Availability of offer document of the immediately preceding public issue or rights issue for inspection: Our Company had made Rights Issue of Equity Shares during April 2024. Copy of the Letter of Offer issued in this connection is made available for inspection and the same can be accessed on the website of the Company i.e. www.jyotistructures.in

13. Any other important information as per Lead Manager and the Issuer: Nil

DECLARATION BY THE COMPANY

We hereby declare that no statement made in the Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

We further certify that all disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-
Rajendra Prasad Singh
Chairman and Independent Director
Place: New Delhi

Sd/-
Govind Prasad Saha
Independent Director
Place: New Zealand

Sd/-
Monica Akhil Chaturvedi
Independent Director
Place: Mumbai

Sd/-
Abhinav Rishi Angirish
Non-Executive Director
Place: Mumbai

Sd/-
Abdul Hameed Khan
Wholetime Director and Chief Financial Officer
Place: Mumbai

Sd/-
Rajesh Kumar Singh
Chief Executive Officer
Place: Mumbai

Sd/-
Raajeev B Batra,
Independent Director

Place: Mumbai
Date: February 11, 2025

APPLICATION FORM FOR ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY AND RENOUNCEES ONLY USING ASBA FACILITY

Application No.:

Collecting SCSB's Sign & Seal

JYOTI STRUCTURES LIMITED
SINCE 1974

JYOTI STRUCTURES LIMITED

Corporate Identification Number: L45200MH1974PLC017494
Registered Office: 6th Floor, Valecha Chambers, New Link Road, Andheri (West), Mumbai 400 053, Maharashtra, India
Contact person: Sonali Krishnaji Gaikwad, Company Secretary and Compliance Officer
Telephone: 022-40915000 | **E-mail id:** investor@jsl.co.in
Website: www.jyotistructures.in

NOT INTENDED FOR ELIGIBLE EQUITY SHAREHOLDERS IN THE UNITED STATES AND CERTAIN OTHER JURISDICTIONS

ISSUE OPENS ON	MONDAY, FEBRUARY 17, 2025
LAST DATE FOR ON MARKET RENUNCIATION*	TUESDAY, FEBRUARY 25, 2025
ISSUE CLOSES ON#	MONDAY, MARCH 03, 2025

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.*

#Our Board or the Rights Issue Committee or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please read the letter of offer dated February 11, 2025 ("**Letter of Offer**" or "**LOF**"), the Abridged Letter of Offer, the Rights Entitlement Letter and instructions on the reverse of this Application Form carefully. All capitalised terms not defined herein shall carry the same meaning as ascribed to them in the Letter of Offer.

DO NOT TEAR OR DETACH ANY PART OF THIS APPLICATION FORM
THIS DOCUMENT IS NOT NEGOTIABLE

ISSUE OF UP TO 31,19,29,934 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹2 EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 16/- PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 14/- PER EQUITY SHARE) AGGREGATING TO ₹ 49,908.79 LAKHS# ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 9 RIGHTS EQUITY SHARE FOR EVERY 26 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FEBRUARY 10, 2025 (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE REFER TO "*TERMS OF THE ISSUE*" ON PAGE 324 OF THE LETTER OF OFFER.
#Assuming full subscription. Subject to finalisation of the Basis of Allotment

TERMS OF PAYMENT

The entire amount of the Issue Price of ₹16/- per Rights Equity Share shall be payable at the time of Application

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT, 1933, AS AMENDED ("**SECURITIES ACT**"), AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES OCCUR.

Date: ________________

To,
The Board of Directors,
JYOTI STRUCTURES LIMITED

Dear Sir/ Madam,

- I/We hereby accept and apply for Allotment of the Rights Equity Shares (including Additional Rights Equity Shares "if applicable") mentioned in **Block I of Point 5** below in response to the Abridged Letter of Offer/ Letter of Offer dated February 11, 2025 and any addendum thereto offering the Rights Equity Shares to me/us on rights basis.
- I/We agree to pay the amount specified in **Block II of point 5** below at the rate of ₹ 16 per Rights Equity Share payable on Application on the total number of Rights Equity Shares specified in **Block I of Point 5** below.
- I/We agree to accept the Rights Equity Shares Allotted to me/us and to hold such Rights Equity Shares upon the terms and conditions of the Abridged Letter of Offer/ Letter of Offer dated February 11, 2025 and any addendum thereto, this Application Form, Rights Entitlement Letter and subject to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), SEBIRighs Issue Circular as applicable and the rules made thereunder and the Memorandum and Articles of Association of the Company.
- I/We undertake that I/we will sign all such other documents and do all other such acts, if any, necessary on my/our part to enable me/us to be registered as the holder(s) of the Rights Equity Shares in respect of which this application may be accepted.
- I/We also agree to accept the Rights Equity Shares subject to laws, as applicable, guidelines, circulars, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by Securities Exchange Board of India ("**SEBI**") /Government of India/Reserve Bank of India ("**RBI**") and/or other authorities.
- I/We hereby solemnly declare that I am/we are not applying for the Rights Equity Shares in contravention of section 269SS of the Income-Tax Act, 1961.
- I/We authorise you to place my/our name(s) on the Register of Members / Register of Significant Beneficial Owners.

  All such Resident Eligible Shareholders are deemed to have accepted the following:

  "*I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (**United States**), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold only in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (**Regulation S**) to existing shareholders who are located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

- *I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*

  ***From Resident Applicants: I am/we are not applying for the Rights Equity Shares as nominee(s) of any Person who is/are resident outside Indian or Foreign national(s) or a foreign company or a foreign controlled company.*

  ***For Non-Resident Applicants : I/we are non-resident Investors and who have made payments by way of a valid bank account in compliance with relevant FEMA regulations/ circulars, rules and other applicable laws.*

  I/we hereby make the representations, warranties, acknowledgments and agreements set forth in 'Restrictions on Foreign Ownership of Indian Securities' on page 353 of the Letter of Offer.

  I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

  I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the U.S. Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act.

  I/We acknowledge that the Company, the Lead Manager, its afiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements"

1. **NAME AND CONTACT DETAILS OF APPLICANT**

Name of Sole/First Applicant	
Name of Second Applicant	
Name of Third Applicant	
Indian Address	
Email	
Telephone / Mobile No.	

2. **PERMANENT ACCOUNT NUMBER (PAN)**

Sole/First Applicant	
Second Applicant	
Third Applicant	

3. **TYPE OF APPLICANTS (Please tick ✓):** ☐ Resident ☐ Non-Resident

Note: Non-resident Applicants applying on non-repatriation basis should select "Resident".

4. **DEPOSITORY ACCOUNT DETAILS :** ***please provide your DP ID and Client ID (Please tick ✓ for NSDL or CDSL) :*** – ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

Note: Allotment of Rights Equity Shares shall be made in dematerialized form only.

5. **APPLICATION DETAILS**
Rights Equity Shares (Including Additional Rights Equity Shares) applied for [Block I]

Total amount payable on application @ ₹ 16/- per Equity Share [Block II] = [Block I] x ₹ 16/-	
(₹ in Figures)	**(₹ in Words)**

6. **PAYMENT DETAILS [IN CAPITAL LETTERS]**

Amount Blocked (₹ in figures) :	**(₹ in Words)**
ASBA BANK A/c No.	

Name of ASBA Bank Account Holder: ____________________

SCSB Name and Address: ____________________

I/We understand that on Application, Investors will have to pay full amount ₹16 per Rights Equity Shares.

I/We authorise the SCSB to block the amount specified above as part of the ASBA process. I/ We confirm that I/ we are making the payment towards my/our Application through my/our bank account only and not using any third party bank account for making such payment. Further, I/we confirm that the ASBA Account is held in my/our own name.

SIGNATURE OF ASBA BANK ACCOUNT HOLDER

Sole/First Account Holder	**Second Joint Account Holder**	**Third Joint Account Holder**

Note: *Signature(s) as per the specimen recorded with the SCSB. In case of joint shareholders, all the joint shareholders must sign in the same sequence as per specimen recorded with the SCSB.*

8. **SIGNATURE OF APPLICANT(S)**
I/We hereby confirm that I/We have read, understood and accept the terms and conditions of this Application Form, Rights Entitlement Letter, Abridged Letter of Offer/ Letter of Offer dated February 11, 2025 and any addendum thereto. I/We hereby confirm that I/We have read the Instructions for filling up this Application Form given overleaf. I/We understand that in case of Allotment of Rights Equity Shares to me/ us, my/our Beneficiary Account as mentioned in this Application Form would get credited to the extent of allotted Rights Equity Shares.

Sole/First Applicant	**Second Joint Applicant**	**Third Joint Applicant**

Note: *Signature(s) as per the specimen recorded with the Depository. In case of joint shareholders, all the joint shareholders must sign in the same sequence as per specimen recorded with the Depository.*

Tear Here

JYOTI STRUCTURES LIMITED – RIGHTS ISSUE
ACKNOWLEDGEMENT SLIP FOR APPLICANT

APPLICATION FORM NO.

Received from				
PAN				
DP ID and Client ID				**Collecting SCSB's Sign & Seal**
Amount blocked (₹ in figures)		**Bank & Branch**		
ASBA Account No.				**Date** ____________
Tel. / Mobile No.		**Email Id:**		

GENERAL INSTRUCTION

(a) **Please read the Letter of Offer dated February 11, 2025 carefully to understand the Applicable process and applicable settlement process.**

(b) The Application Form can be used by both the Eligible Equity Shareholders as well as the Renouncees.

(c) Please read the Letter of Offer, and any addendum thereto carefully to understand the Application process and applicable settlement process. All references in this Application Form to the "Abridged Letter of Offer" are to the Abridged Letter of Offer read together with the Letter of Offer and any addendum thereto. For accessing the Letter of Offer, the Abridged Letter of Offer, and any addendum thereto and the Application Form, please refer to the links provided below on page 4 of this Application Form.

(d) Application should be made only through the ASBA facility.

(e) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. **For** details, see ***"Terms of the Issue - Making an Application through ASBA process"*** on page 328 of the Letter of Offer.

(f) **Applications should be submitted to the Designated Branch of the SCSB or online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, i.e., Monday, March 03, 2025, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.**

(g) Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to at least one day before the Issue Closing Date.

(h) Please read the instructions on the Application Form sent to you. The Application should be completed in all respects. Any Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. **The Application Form must be filled in English.**

(i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with a SCSB, prior to making the Application.

(j) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under ***"Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"*** on page 328 of the Letter of Offer.

(k) Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.

(l) Applications should not be submitted to the Banker(s) to the Issue, our Company or the Registrar or the Lead Manager

(m) **All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income Tax Act, 1961, irrespective of the amount of the Application.** Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Application without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no allotment and credit of Rights Equity Shares pursuant to the Issue shall be made into the accounts of such Investors.

(n) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. **Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for Application.** In case payment is effected in contravention of this, the Application may be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.

(o) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded the SCSB.

(p) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

(q) Investors should provide correct DP ID and Client ID / Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID should match the demat account details in the records available with Company and / or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

(r) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first / sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) / DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

(s) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(t) Only the Investors holding Equity Shares in demat form or the Physical Shareholders who furnish the details of their demat accounts to the Registrar not later than two Working Days prior to the Issue Closing Date, are eligible to participate in the Issue. In accordance with the SEBI Rights Issue Circular, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date shall not be eligible to apply in this Rights Issue.

(u) Please note that ASBA Applications may be submitted at all designated branches of the SCSBs available on the SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.

(v) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(w) **The Investors shall submit only one Application Form for the Rights Entitlements available in a particular demat account.** In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations such the Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts; the Investors are required to submit the Application Form separately from each demat account.

(x) **Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.**

(y) Our Company, the Registrar, the Lead Manager or any other person acting on behalf of us, reserves the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

(z) **PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE "*TERMS OF THE ISSUE*" ON PAGE 324 OF THE LETTER OF OFFER.**

(aa) Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

(ab) Ensure that your PAN is linked with Aadhar and your are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2024 and September 17, 2021.

LAST DATE FOR APPLICATION

The last date for submission of the duly filled in Application Form or a plain paper Application is Monday, March 03, 2025 i.e., Issue Closing Date. Our Board or the Rights Issue Committee may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with a SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as set out in entitled 'Terms of the Issue - Basis of Allotment' on page 348 of the Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

WITHDRAWAL OF APPLICATION

An Shareholder who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their Application post the Issue Closing Date.

LIST OF SELF CERTIFIED SYNDICATE BANKS (SCSBs)

The list of banks who have registered with SEBI to act as SCSBs for the ASBA Process is https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. For this Issue, following banks would be acting as SCSB: 1. AU Small Finance Bank Limited 2. Axis Bank Ltd 3. Bandhan Bank 4. Bank of Baroda.5. Bank of India 6. Bank of Maharashtra 7. Barclays Bank PLC 8. BNP Paribas 9. Canara Bank 10. Catholic Syrian Bank Limited 11. Central Bank of India 12. CITI Bank 13. City Union Bank Ltd. 14. DBS Bank Ltd. 15. Deutsche Bank 16. Dhanlaxmi Bank Limited 17. Equitas Small Finance Bank, 18. GP Parsik Sahakari Bank Limited 19. HDFC Bank Ltd. 20. HSBC Ltd. 21. ICICI Bank Ltd 22. IDBI Bank Ltd. 23. IDFC FIRST Bank 24. Indian Bank 25. Indian Overseas Bank 26. IndusInd Bank 27. J P Morgan Chase Bank, N.A. 28. Janata Sahakari Bank Ltd.

29. Karnataka Bank Ltd. 30. Karur Vysya Bank Ltd. 31. Kotak Mahindra Bank Ltd. 32. Mehsana Urban Co-operative Bank Limited 33. Nutan Nagarik Sahakari Bank Ltd. 34. Punjab & Sind Bank 35. Punjab National Bank 36. Rajkot Nagarik Sahakari Bank Ltd 37. RBL Bank Limited 38. South Indian Bank 39. Standard Chartered Bank 40. State Bank of India 41. SVC Co-operative Bank Ltd. 42. Tamilnad Mercantile Bank Ltd. 43. The Ahmedabad Mercantile Co-Op. Bank Ltd. 44. The Federal Bank 45. The Jammu & Kashmir Bank Limited.

46. The Kalupur Commercial Cooperative Bank Ltd. 47. The Saraswat Co-Operative Bank Ltd 48. The Surat Peoples Co-op Bank Ltd 49. TJSB Sahakari Bank Ltd 50. UCO Bank

51. Union Bank of India 52. Utkarsh Small Finance Bank Limited 53. YES Bank Ltd.

In accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circular, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent / dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be sent or dispatched to Eligible Equity Shareholders who have provided an Indian address and have requested a copy. If an Eligible Equity Shareholder has provided a valid email address, the Letter of Offer will be sent only to that email. If no email address has been provided, the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian address furnished by them.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

a) Our Company at www.jyotistructures.in;

b) the Registrar at www.bigshareonline.com;

c) the Lead Manager at www.arihantcapital.com; and

d) the Stock Exchange at www.bseindia.com, www.nseindia.com

In accordance with the SEBI Rights Issue Circular, frequently asked questions, and online / electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar www.bigshareonline.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 22 6263 8200.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post- Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole / first holder, folio number or demat account, number of the Rights Equity Shares applied for, amount blocked , ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please see the section entitled "Terms of the Issue" on page 324 of the Letter of Offer.

COMPANY CONTACT DETAILS	LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
JYOTI STRUCTURES LIMITED SINCE 1974	ArihantCapital Generating Wealth	
JYOTI STRUCTURES LIMITED **Registered Office:** 6th Floor, Valecha Chambers, New Link Road, Andheri (West), Mumbai 400 053, Maharashtra, India **Contact person:** Sonali Krishnaji Gaikwad, Company Secretary and Compliance Officer **Telephone:** 022-40915000 **E-mail id:** investor@jsl.co.in **Website:** www.jyotistructures.in **Corporate Identity Number:** L45200MH1974PLC017494	**ARIHANT CAPITAL MARKETS LIMITED** 1011, Solitaire Corporate Park Bldg. No. -10, 1st Floor, Guru Hargovindji Road, Chakala, Andheri (East), Mumbai, 400093 **CIN:** L67120MP1992PLC007182 **Telephone:** +91 22 4225 4800 **E-mail:** mbd@arihantcapital.com **Investor grievance e-mail id:** mbd@arihantcapital.com **Contact person:** Amol Kshirsagar / Satish Kumar P. **Website:** www.arihantcapital.com **SEBI registration number:** INM000011070	**BIGSHARE SERVICES PRIVATE LIMITED** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400 093 **CIN:** U99999MH1994PTC076534 **Telephone**: +91 22 6263 8200 **Email**: rightsissue@bigshareonline.com **Investor grievance e-mail**: investor@bigshareonline.com **Contact Person**: Suraj Gupta **Website**: www.bigshareonline.com **SEBI registration no.**: INR000001385

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters.

For grievances related to the ASBA process, investors should reach out to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process). The grievance should include full details such as the applicant's name, address, contact number(s), email ID of the sole/first holder, folio number or demat account details, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA account number, and the designated branch of the SCSB where the application form or plain paper application was submitted. A photocopy of the acknowledgment slip (for ASBA applications) should also be attached. For more details on the ASBA process, please refer to the chapter **"Terms of the Issue"** on page 324 of the Letter of Offer.