

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JYOTI LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/S JYOTI LIMITED which comprise the Balance Sheet as at 31st March ,2019 , the Statement of Profit and Loss, the Cash Flow Statement for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

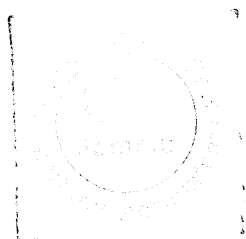
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial



statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstance. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

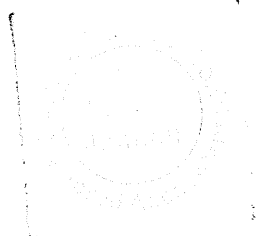
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2019, its profit/loss and its cash flows for the quarter ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In our opinion and as far information obtained, none of the Directors is disqualified from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".



g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

i. The Company has disclosed the pending litigations as contingent liabilities but no provisions have been made in its financial statements.

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

For R.C.GUPTA & CO.

Firm Registration No. 001198N

CHARTERED ACCOUNTANTS



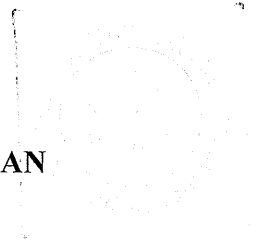
per **KAPIL MAHAJAN**

Partner

M.NO.506196

PLACE: Jammu

DATE: 20/05/2019.



“Annexure A” to the Independent Auditors’ Report

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the financial statements of the Company as of and for the quarter ended 31st, 2019, we have audited the internal financial controls over financial reporting of JYOTI LIMITED hereinafter referred to as Company.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial

reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

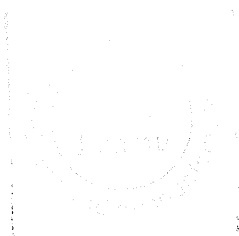
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

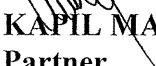
Opinion

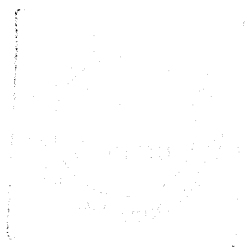
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial



reporting were operating effectively as at 31st March ,2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R C Gupta & Co.
Chartered Accountants
Registration No 001198N


KAPIL MAHAJAN
Partner
M. No.506196
Place: Jammu
Date: 20/05/2019.



Annexure to the Auditors' Report

[REFERRED TO IN PARA 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF JYOTI LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED ON 31ST MARCH , 2019]

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

- (i) In respect of its fixed assets:
 - (a) The Company has only one asset in the shape of building. the company maintained proper records showing full particulars, including quantitative details and situation of the fixed asset.
 - (b) As explained to us, fixed assets have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventory: The company has no inventories.
- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:

According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.)

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods (and/services). During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) The company has not received any public deposits during the year.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) In respect of statutory dues:
 - (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Income-tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues to the Appropriate Authorities.

(b) That the company has not deposited the disputed Income Tax . The detail of Tax and the forum where dispute is pending is as per the table below

However the company has following disputed dues

Statement of Disputed Dues	Statute	Amount	Period to which demand relates	Forum where dispute pending
Dispute on License Fee	Income Tax	16,432,710	AY 05-06	J & K High Court
Dispute on License Fee	Income Tax	26,364,849	AY 06-07	J & K High Court
Dispute on License Fee	Income Tax	27,012,720	AY 07-08	J & K High Court
Dispute on License Fee	Income Tax	13,952,720	AY 08-09	J & K High Court
Dispute on License Fee	Income Tax	23,313,405	AY 09-10	J & K High Court
Dispute on License Fee	Income Tax	20,136,495	AY 10-11	J & K High Court
Dispute on License Fee	Income Tax	17,605,722	AY 11-12	J & K High Court
Dispute on License Fee	Income Tax	14,829,890	AY 12-13	J & K High Court


Statement of Disputed Dues	Statute	Amount	Period to which demand relates	Forum where dispute pending
Dispute on License Fee	Income Tax	14,727,121	AY 13-14	ITAT
Dispute on License Fee	Income Tax	17,500,800	AY 14-15	ITAT

Statement of Disputed Dues	Statute	Amount	Period to which demand relates	Forum where dispute pending
Dispute on License Fee	Income Tax	16,116,501	AY 16-17	ACIT

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the company has neither raised money by way of Initial Public Offer nor obtained any term loan during the year, so this para of order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) The company has not paid any managerial remuneration, so this para of order is not applicable.

- (xii) The company is not a Nidhi Company , so this para of order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the Related Parties are in compliance with Sec.177 and 188 and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) The company has not made any preferential allotment or Private Placement of Shares or Fully or Partly Convertible Debentures during the year , so this para of order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us ,the company has not entered into any Non-Cash Transactions with Directors or Persons connected with him.
- (xvi) In our opinion and according to the information and explanations given to us ,the Company is not required to be registered under Sec.45-IA of the Reserve Bank of India Act, 1934.

For R C GUPTA & CO
CHARTERED ACCOUNTANTS
FRN NO . 001198N


CA KAPIL MAHAJAN
PARTNER
(Membership No.: 506196)

Place: Jammu
Date: 20/05/2019.

JYOTI LIMITED
Balance Sheet As on March 31, 2019

	Note No.	March 2019 (Rs.)	March 2018 (Rs.)
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	1	7,296,802	7,383,533
b) Other Non-Current Assets	2	3,669,015	3,526,602
Total Non Current Assets		10,965,817	10,910,135
Current Assets			
a) Financial Assets			
(i) Cash and Cash Equivalents	3	194,072	209,487
(ii) Loans	4	35,000	15,000
b) Other Current Assets	5	931,727	943,727
Total Current Assets		1,160,799	1,168,214
Total Assets		12,126,616	12,078,349
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	6	6,300,400	6,300,400
Other Equity			
b) Deemed Equity Contribution	6	46,673,136	46,673,136
c) Reserves & Surplus	7	(80,509,317)	(78,560,293)
Equity attributable to the owners		(27,535,781)	(25,586,757)
Non Controlling Interest		-	-
Total Equity		(27,535,781)	(25,586,757)
Non-current liabilities (Long Term)			
a) Financial Liabilities			
(i) Borrowings	8	39,221,058	36,967,483
Total Non Current Liabilities		39,221,058	36,967,483
Current liabilities			
a) Financial Liabilities			
(i) Borrowings	9	300,000	300,000
(ii) Trade Payables	10	131,339	358,073
b) Other Current Liabilities	11	10,000	39,550
Total Current Liabilities		441,339	697,623
Total Liabilities		12,126,616	12,078,349

Summary of significant accounting policies 17 to 21

Other Notes to Accounts 22 to 26

The accompanying notes are an integral part of the financial statements

As per our report of even date

For R.C.GUPTA & Co
Firm Registration No. 001198N
Chartered Accountants

For and on behalf of the Board of Directors of
Jyoti Limited

per KAPIL MAHAJAN
PARTNER
Membership No.: 506196
Place : Jammu
Date : 20-05-2019

Dr. Jyotsna Suri
Director
(DIN: 00004603)
Place :
Date :

Divya Suri Singh
Director
(DIN: 00004559)

JYOTI LIMITED
Statement of Profit and Loss As on March 31, 2019

		(Rs.) March 2019	(Rs.) March 2018
<u>Revenue</u>			
Revenue from operations	12	5,000,000	5,000,000
Other income	13	176,166	6,530
Total income		5,176,166	5,006,530
<u>Expenses</u>			
Other expenses	14	208,659	486,046
		208,659	486,046
Earnings before interest cost, tax, depreciation and amortisation		4,967,507	4,520,484
Finance costs	15	5,603,575	4,988,938
Depreciation and amortization expense	16	86,731	86,731
Profit before exceptional items, share of net profits of investments accounted for using equity method and tax		(722,799)	(555,185)
Share of net profit of associates and joint ventures accounted for using the equity method			
Profit before exceptional items and tax		(722,799)	(555,185)
Exceptional Items		-	-
Profit before tax		(722,799)	(555,185)
Tax expense:			
Current tax		1,226,225	1,178,260
Total Tax Expense		1,226,225	1,178,260
Minority adjustment			
Profit for the year		(1,949,024)	(1,733,445)
Total Comprehensive Income		(1,949,024)	(1,733,445)
Earnings per equity share (for continuing operations)			
1) Basic		(3.09)	(2.75)
2) Diluted		(3.09)	(2.75)

Summary of significant accounting policies

17 to 21

Other Notes to Accounts

22 to 26

The accompanying notes are an integral part of the financial statements

As per our report of even date

For R.C.GUPTA & Co

Firm Registration No. 001198N

Chartered Accountants

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

per KAPIL MAHAJAN
PARTNER

Membership No.: 506196

Place : Jammu

Date : 20-05-2019

Dr. Jyotsna Suri
Director

(DIN: 00004603)

Place :

Date :

Divya Suri Singh
Director

(DIN: 00004559)

JYOTI LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019

	For the period ended March 31, 2019 (Rupees)	For the period ended March 31, 2018 (Rupees)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before Tax	(1,949,024)	(1,733,445)
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	86,731	86,731
Operating profit before working capital changes:	(1,862,293)	(1,646,714)
Movements in working capital:		
Other non current assets		
-Loans and advances and other current assets	(8,000)	12,000
-Liabilities and provisions	(256,284)	321,411
Cash Generated from Operations	(2,126,577)	(1,313,303)
Tax Paid	(142,413)	(19,840)
Net cash flow from/(used in) operating activities (a)	(2,268,990)	(1,333,143)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash flow from/(used in) investing activities (b)	-	-
C CASH FLOWS FROM USED FINANCING ACTIVITIES		
Proceeds from Holding Company	2,253,575	1,288,938
Net Cash from/ (Used in) financing activities (c)	2,253,575	1,288,938
NET (DECREASE)/ INCREASE IN CASH & CASH EQUIVALENTS (a+b+c)	(15,415)	(44,205)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	209,487	253,692
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	194,072	209,487
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on Hand	3,322	3,322
Balances with Scheduled Banks in		
- Current accounts	190,750	206,165
	194,072	209,487

Notes:

*1. Additions to Fixed Assets are stated inclusive of movements of Capital work-in-progress (including capital advances) and Preoperative expenditure pending allocation and the same has been treated as part of Investing Activities.

**2 Amounts under dividend account are held by the Company for the payment of dividend only.

3. The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

For R.C.GUPTA & Co

Firm Registration No. 001198N

Chartered Accountants

For and on behalf of the Board of Directors of

Jyoti Limited

per **KAPIL MAHAJAN**
PARTNER

Membership No.: 506196

Place : Jammu

Date : 20-05-2019



Dr. Jyotsna Suri
Director
(DIN: 00004603)

Divya Suri Singh
Director
(DIN: 00004559)

Jyoti Limited

NOTES TO BALANCE SHEET AS ON MARCH 31, 2019

Note 1: PROPERTY, PLANT & EQUIPMENT

Particulars	Freehold land	Leasehold Land	Freehold Building	Leasehold Building	Total	Intangibles	Sub-total of intangibles	Grand Total
OPENING BALANCE AS ON 01.04.2017 (Gross Block ie Carrying Amount)								
Data for April 16 to March 18								
Gross Carrying Amount (as at 01 April 2017)			7,643,726		7,643,726		-	7,643,726
Additions -April 17 to Mar 18					-		-	-
Exchange Differences					-		-	-
Disposals					-		-	-
Inter unit (transer)/ received					-		-	-
Closing Gross Carrying Amount 31 MARCH 2018	-	-	7,643,726	-	7,643,726	-	-	7,643,726
OPENING BALANCE AS ON 01.04.2017 (Accumulated Depreciation)								
Accumulated Depreciation as at 01 April 2017			173,462		173,462		-	173,462
Depreciation charge for the period (April 2017 to Mar 2018)			86,731		86,731		-	86,731
Assets included in a disposal group classified as held for sale					-		-	-
Disposals					-		-	-
Exchange Differences	-	-	-	-	-		-	-
Inter unit (transer)/ received					-		-	-
Closing Accumulated Depreciation	-	-	260,193	-	260,193	-	-	260,193
Net Carrying Amount (Net Block) as on 31-03-2018	-	-	7,383,533	-	7,383,533	-	-	7,383,533
OPENING BALANCE AS ON 01.04.2018 (Gross Block ie Carrying amount)								
Data for April 18 to March 19							-	
Gross Carrying Amount (as at 01 April 2018)	-		7,643,726		7,643,726		-	7,643,726
Additions -April 18 to March 19					-		-	-
Exchange Differences					-		-	-
Disposals					-		-	-
Inter unit (transer)/ received					-		-	-
Closing Gross Carrying Amount 31 March 2019	-	-	7,643,726	-	7,643,726	-	-	7,643,726
OPENING BALANCE AS ON 01.04.2018 (Accumulated Depreciation)								
Accumulated Depreciation as at 01 April 2018			260,193		260,193		-	260,193
Depreciation charge for the period (April 2018 to Mar 2019)	-		86,731		86,731		-	86,731
Assets included in a disposal group classified as held for sale					-		-	-
Disposals					-		-	-
Inter unit (transer)/ received					-		-	-
Closing Accumulated Depreciation	-	-	346,924	-	346,924	-	-	346,924
Net Carrying Amount (Net Block) as on 31 March 2018	-	-	7,296,802	-	7,296,802	-	-	7,296,802

JYOTI LIMITED**NOTES TO BALANCE SHEET AS ON MARCH 31, 2019**

PARTICULARS	Rs.	Rs.
	March 2019	March 2018

Note 2 :OTHER NON CURRENT ASSETS (LONG TERM)

TDS Deducted by vendors (net of provision)	3,669,015	3,526,602
	<u>3,669,015</u>	<u>3,526,602</u>

Note 3: CASH AND CASH EQUIVALENTS

Balances with banks:-		
In current accounts	190,750	206,165
Cash on hand	3,322	3,322
	<u>194,072</u>	<u>209,487</u>

Note 4: LOANS - SHORT TERM

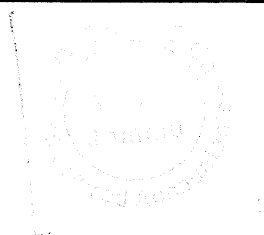
Security Deposits (short term deposit given)	35,000	15,000
	<u>35,000</u>	<u>15,000</u>

Note 5: OTHER CURRENT ASSETS

Advance Rent	931,727	943,727
	<u>931,727</u>	<u>943,727</u>

Note 6: SHARE CAPITAL

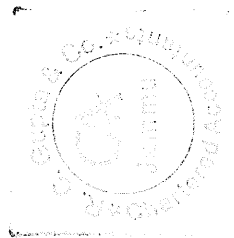
Particulars		
Authorised		
100,000 equity shares of Rs. 100 each	<u>10,000,000</u>	<u>10,000,000</u>
Issued, Subscribed & Paid up		
63,004 equity shares of Rs 100 each fully paid	<u>6,300,400</u>	<u>6,300,400</u>
Deemed Equity		
Equity Portion of interest free loan from holding company	<u>46,673,136</u>	<u>46,673,136</u>
	<u>46,673,136</u>	<u>46,673,136</u>



JYOTI LIMITED
NOTES TO BALANCE SHEET AS ON MARCH 31, 2019

NOTE 7. RESERVES & SURPLUS

	Attributable to owners of Jyoti Limited										Non Controlling Interests	Total
	Equity Component of Compound Financial Instruments	Securities Premium Reserve	Revaluation Reserves	Retained Earnings	General Reserve	Capital Reserve	Debenture Redemption Reserve	FVTOCI Equity Instruments	Foreign Currency Translation Reserve	Total Other Equity		
Opening Balance as at 1 April 2017		-	-	(76,826,848)	-	-	-	-	-	(76,826,848)	(76,826,848)	(76,826,848)
Profit for the year				(1,733,445)						(1,733,445)		(1,733,445)
Other Comprehensive Income												-
Total Comprehensive Income for the year												-
Balance at March 2018	-	-	-	(78,560,293)	-	-	-	-	-	(78,560,293)		(78,560,293)
Balance at 1st April 2018				(78,560,293)	-	-	-	-	-	(78,560,293)		(78,560,293)
Profit for the year		-	-	(1,949,024)						(1,949,024)		(1,949,024)
Other Comprehensive Income												-
Total Comprehensive Income for the year												-
Balance at 31 March 2019	-	-	-	(80,509,317)	-	-	-	-	-	(80,509,317)		(80,509,317)



PARTICULARS	Rs.	Rs.
	March 2019	March 2018

Note 8: LONG TERM BORROWINGS

Unsecured

Loan from Holding Company

39,221,058

36,967,483

39,221,058

36,967,483

Note 9 : SHORT TERM BORROWINGS

From Related Parties

Other loan from directors

300,000

300,000

300,000

300,000

Note 10: TRADE PAYABLES - SHORT TERM

TRADE PAYABLES

- due to micro, small & medium enterprises

41,339

268,073

- others

90,000

90,000

131,339

358,073

Note 11: OTHER CURRENT LIABILITIES- SHORT TERM

Statutory dues payable

TDS payable

10,000

39,550

10,000

39,550

Note 12: REVENUE FROM OPERATIONS

Other Operating Revenues

- Rent

Rs.
March 2019

Rs.
March 2018

5,000,000

5,000,000

5,000,000

5,000,000

Note 13: OTHER INCOME

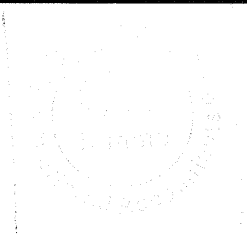
Miscellaneous income

176166

6,530.00

176,166

6,530



PARTICULARS	Rs.	Rs.
	March 2019	March 2018

Note 14: OTHER EXPENSES

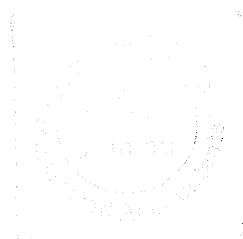
Lease rent*	12,000	12,000
Rates and taxes*	20	430
Travelling and conveyance*	-	5,800
Professional fees*	51,846	4,284
Legal charges*	-	295,500
Bank charges*	835	472
Payment to auditors	118,000	167,560
Miscellaneous expenses*	25,958	-
Total	208,659	486,046

Note 15: FINANCE COST

Related Parties		
- on loan from Holding co.	5,603,575	4,988,938
	5,603,575	4,988,938

Note 16: DEPRECIATION AND AMORTISATION EXPENSE

Depreciation of property, plant and equipment	86,731	86,731
	86,731	86,731



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

17 Corporate Information

Jyoti Limited, ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of renting hotel property. The Company has property at Srinagar and has its principal place of business located at Gulab Bhawan Palace, Gupkar Road, Srinagar, J&K, Pin-190001

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on 20 May 2019.

18 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in INR and all values are rounded to the nearest Rupees, except when otherwise indicated.

19 Significant Accounting Policies

a) Current versus non-current classification

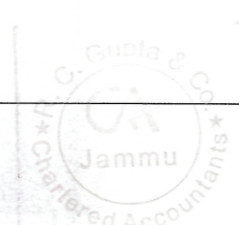
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Property, Plant and Equipment

Recognition and initial measurement

Under the previous GAAP (Indian GAAP), property plant and equipment were carried in the balance sheet at their respective carrying value. Using the deemed cost exemption available as per Ind AS 101, the Company has elected to carry forward the carrying value of PPE under Indian GAAP as on 31 March 2015 as book value of such assets under Ind AS as at the transition date i.e. 1 April 2015.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method using the rates arrived on the basis of the useful life which coincides with the useful life prescribed under Schedule II of the Companies Act, 2013. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

c) Impairment of non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market

JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

d) Fair Value Measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Jyoti Limited uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, Jyoti Limited determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

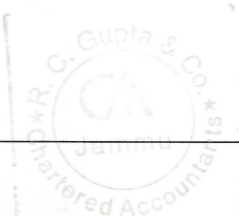
For the purpose of fair value disclosures, Jyoti Limited has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares
- Financial instruments

e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

The Company applies the revenue recognition criteria to each separately identifiable component transaction as set out below:

Rent:

Income from rent is recognized over the period of the contract. Initial direct cost is expensed off when incurred.

Interest Income:

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

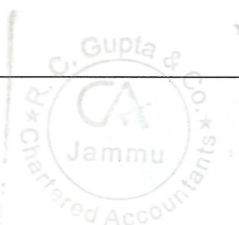
g) Financial Instruments

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

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade, security deposits and other receivables.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

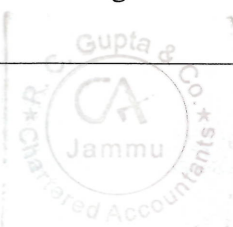
If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

h) Retirement and other employee benefits

The Company has no employee, hence provident fund and provision of gratuity are not applicable.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Profit and Loss net of any reimbursement.

j) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

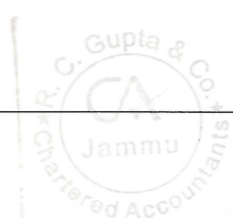
k) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss. Contingent rentals are recognised as expenses in the periods in which they are incurred. Lease management fees, legal charges and other initial direct costs are capitalized.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

I) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

JYOTI LIMITED
NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED
MARCH 2019

Deferred tax

In view of Brought Forward losses, deferred tax asset has not been provided for

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

20 Related Party Disclosures

A] Holding Company: Bharat Hotels Ltd.

B] Key Management Personnel:

- i] Dr. Jyotsna Suri
- ii] Ms. Divya Suri Singh

C] Associated Company

- i] Prima Buildwell Private Limited

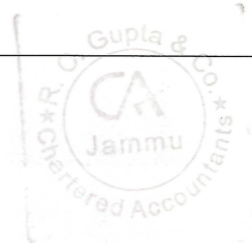
21 Contingent liabilities not provided for:

As at March 31, 2019, there are no disputed demands / dues payable by the company with respect to any statutory Government Dues with the appropriate authorities to the extent applicable to the company other than the Income Tax disputed demands/dues which are as under:-

- (a) For the financial year relevant to the assessment year 2005-06 the Deputy Commissioner of Income Tax passed an order under section 148/143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,70,94,694/- (5,75,94,694 – 5,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 5,00,000/- and raised total demand of Rs. 1,64,32,710/-. Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2014-15. The Commissioner of Income Tax (Appeals), Jammu gave part relief to the assessee company and decided the annual lettable value of the property amounting to Rs. 68,63,054/- as against the annual lettable value of Rs. 5,75,94,694/- assessed by the Assessing Officer.

An appeal against the order of Commissioner of Income Tax (Appeals), Jammu has been filed before the Hon'ble ITAT, Amritsar which has been heard and orders received in favour of the company.

An application requesting for giving appeal effect to the order of Hon'ble ITAT, Amritsar has been filed which is pending disposal by the Deputy Commissioner of Income Tax. The demand deposited by the company amounting to 17,93,056/- after the appeal effect order to the orders



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

of CIT(A), Jammu is required to be refunded once the appeal effect to the orders Hon'ble ITAT, Amritsar will be given by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

The Department has filed appeal before the Hon'ble High Court of Jammu and Kashmir against the orders of Hon'ble ITAT, Amritsar.

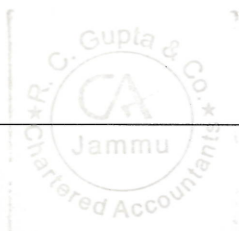
- (b) For the financial year relevant to the assessment year 2006-07 the Deputy Commissioner of Income Tax passed an order under section 148/143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,70,94,694/- (5,75,94,694 – 5,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 5,00,000/- and raised total demand of Rs. 2,63,64,849/-. Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2015-16. The Commissioner of Income Tax (Appeals), Jammu gave part relief to the assessee company and decided the annual lettable value of the property amounting to Rs. 68,63,054/- as against the annual lettable value of Rs. 5,75,94,694/- assessed by the Assessing Officer.

An appeal against the order of Commissioner of Income Tax (Appeals), Jammu has been filed before the Hon'ble ITAT, Amritsar which has been heard and orders received in favour of the company.

An application requesting for giving appeal effect to the order of Hon'ble ITAT, Amritsar has been filed which is pending disposal by the Deputy Commissioner of Income. The demand raised against the company amounting to 40,36,319/- after the appeal effect order to the orders of CIT(A), Jammu is required to be deleted once the appeal effect to the orders Hon'ble ITAT, Amritsar will be given by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

The Department has filed appeal before the Hon'ble High Court of Jammu and Kashmir against the orders of Hon'ble ITAT, Amritsar.

- (c) For the financial year relevant to the assessment year 2007-08 the Deputy Commissioner of Income Tax passed an order under section 147/143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,72,94,694/- (5,77,94,694 – 5,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 5,00,000/- and raised total demand of Rs. 2,70,12,720/-. Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2015-16. The Commissioner of Income Tax (Appeals), Jammu gave part relief to the assessee company and decided the annual lettable value of the property amounting to Rs. 68,63,054/- as against the annual lettable value of Rs. 5,75,94,694/- assessed by the Assessing Officer.



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

An appeal against the order of Commissioner of Income Tax (Appeals), Jammu has been filed before the Hon'ble ITAT, Amritsar which has been heard and orders received in favour of the company.

An application requesting for giving appeal effect to the order of Hon'ble ITAT, Amritsar has been filed which is pending disposal by the Deputy Commissioner of Income. The demand raised against the company amounting to 45,60,316/- after the appeal effect order to the orders of CIT(A), Jammu is required to be deleted once the appeal effect to the orders Hon'ble ITAT, Amritsar will be given by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

The Department has filed appeal before the Hon'ble High Court of Jammu and Kashmir against the orders of Hon'ble ITAT, Amritsar.

- (d) For the financial year relevant to the assessment year 2008-09 the Deputy Commissioner of Income Tax passed an order under section 263/143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,70,94,694/- (5,75,94,694 – 5,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 5,00,000/- and raised total demand of Rs. 1,39,52,720/-. Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2014-15. The Commissioner of Income Tax (Appeals), Jammu gave part relief to the assessee company and decided the annual lettable value of the property amounting to Rs. 68,63,054/- as against the annual lettable value of Rs. 5,75,94,694/- assessed by the Assessing Officer.

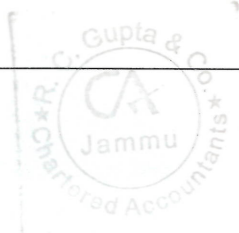
An appeal against the order of Commissioner of Income Tax (Appeals), Jammu has been filed before the Hon'ble ITAT, Amritsar which has been heard and orders received in favour of the company.

An application requesting for giving appeal effect to the order of Hon'ble ITAT, Amritsar has been filed which is pending disposal by the Deputy Commissioner of Income. The demand deposited by the company amounting to 11,74,816/- after the appeal effect order to the orders of CIT(A), Jammu is required to be refunded once the appeal effect to the orders Hon'ble ITAT, Amritsar will be given by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

The Department has filed appeal before the Hon'ble High Court of Jammu and Kashmir against the orders of Hon'ble ITAT, Amritsar.

For the financial year 2007-08 relevant to the assessment year 2008-09 the company is also in appeal before the Hon'ble High Court of Jammu & Kashmir against the order of Income Tax Appellate Tribunal, Amritsar confirming the order passed by Commissioner of Income, Jammu & Kashmir under section 263 of the Income Tax Act, 1961.

- (e) For the financial year relevant to the assessment year 2009-10 the Deputy Commissioner of Income Tax passed an order under section 147/143(3) of the Income Tax Act, 1961 and made an



JYOTI LIMITED**NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED
MARCH 2019**

addition of Rs. 5,72,94,694/- (5,77,94,694 – 5,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 5,00,000/- and raised total demand of Rs. 2,33,13,405/-. Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2015-16. The Commissioner of Income Tax (Appeals), Jammu gave part relief to the assessee company and decided the annual lettable value of the property amounting to Rs. 75,49,359/- as against the annual lettable value of Rs. 5,75,94,694/- assessed by the Assessing Officer.

An appeal against the order of Commissioner of Income Tax (Appeals), Jammu has been filed before the Hon'ble ITAT, Amritsar which has been heard and orders received in favour of the company.

An application requesting for giving appeal effect to the order of Hon'ble ITAT, Amritsar has been filed which is pending disposal by the Deputy Commissioner of Income. The demand raised against the company amounting to 29,73,488/- after the appeal effect order to the orders of CIT(A), Jammu is required to be deleted once the appeal effect to the orders Hon'ble ITAT, Amritsar will be given by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

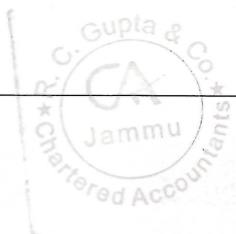
The Department has filed appeal before the Hon'ble High Court of Jammu and Kashmir against the orders of Hon'ble ITAT, Amritsar.

- (f) For the financial year relevant to the assessment year 2010-11 the Deputy Commissioner of Income Tax passed an order under section 147/143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,27,94,694/- (5,77,94,694 – 50,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 50,00,000/- and raised total demand of Rs. 2,01,36,495/-. Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2015-16. The Commissioner of Income Tax (Appeals), Jammu gave part relief to the assessee company and decided the annual lettable value of the property amounting to Rs. 75,49,359/- as against the annual lettable value of Rs. 5,75,94,694/- assessed by the Assessing Officer.

An appeal against the order of Commissioner of Income Tax (Appeals), Jammu has been filed before the Hon'ble ITAT, Amritsar which has been heard and orders received in favour of the company.

An application requesting for giving appeal effect to the order of Hon'ble ITAT, Amritsar has been disposed by the Deputy Commissioner of Income. The demand raised against the company amounting to 28,09,436/- deleted by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

The Department has filed appeal before the Hon'ble High Court of Jammu and Kashmir against the orders of Hon'ble ITAT, Amritsar.



JYOTI LIMITED

**NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED
MARCH 2019**

- (g) For the financial year relevant to the assessment year 2011-12 the Deputy Commissioner of Income Tax passed an order under section 147/143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,27,94,694/- (5,77,94,694 – 50,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 50,00,000/- and raised total demand of Rs. 1,76,05,722/-. Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2015-16. The Commissioner of Income Tax (Appeals), Jammu gave part relief to the assessee company and decided the annual lettable value of the property amounting to Rs. 75,49,359/- as against the annual lettable value of Rs. 5,75,94,694/- assessed by the Assessing Officer.

An appeal against the order of Commissioner of Income Tax (Appeals), Jammu has been filed before the Hon'ble ITAT, Amritsar which has been heard and orders received in favour of the company.

An application requesting for giving appeal effect to the order of Hon'ble ITAT, Amritsar has been disposed by the Deputy Commissioner of Income. The demand raised against the company amounting to 15,70,490/- deleted by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

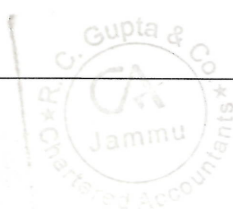
The Department has filed appeal before the Hon'ble High Court of Jammu and Kashmir against the orders of Hon'ble ITAT, Amritsar.

- (h) For the financial year relevant to the assessment year 2012-13 the Deputy Commissioner of Income Tax passed an order under section 143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,27,94,694/- (5,77,94,694 – 50,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 50,00,000/- and raised total demand of Rs. 1,48,29,890/-. Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2015-16. The Commissioner of Income Tax (Appeals), Jammu gave part relief to the assessee company and decided the annual lettable value of the property amounting to Rs. 75,49,359/- as against the annual lettable value of Rs. 5,75,94,694/- assessed by the Assessing Officer.

An appeal against the order of Commissioner of Income Tax (Appeals), Jammu has been filed before the Hon'ble ITAT, Amritsar which has been heard and orders received in favour of the company.

An application requesting for giving appeal effect to the order of Hon'ble ITAT, Amritsar has been disposed by the Deputy Commissioner of Income. The demand raised against the company amounting to 11,89,799/- deleted by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

The Department has filed appeal before the Hon'ble High Court of Jammu and Kashmir against the orders of Hon'ble ITAT, Amritsar.



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

- (i) For the financial year relevant to the assessment year 2013-14 the Deputy Commissioner of Income Tax passed an order under section 143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,27,94,694/- (5,77,94,694 – 50,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 50,00,000/- and raised total demand of Rs. 1,47,27,121/-.

Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2016-17. The Commissioner of Income Tax (Appeals), Jammu gave relief to the assessee company and decided the annual lettable value of the property as declared by the Assessee Company i.e. amounting to Rs. 41,97,360/- as against the annual lettable value of Rs. 5,77,94,694/- assessed by the Assessing Officer.

An application requesting for giving appeal effect to the order of CIT(A) has been filed which is pending disposal by the Deputy Commissioner of Income. The demand raised against the company amounting to 1,47,27,121/- after the appeal effect order to the orders of CIT(A), Jammu is required to be deleted once the appeal effect to the orders CIT(A), Jammu will be given by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

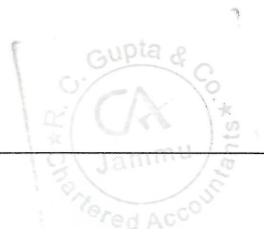
The Department has filed an appeal before the Hon'ble ITAT, Amritsar.

- (j) For the financial year relevant to the assessment year 2014-15 the Deputy Commissioner of Income Tax passed an order under section 143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,27,94,694/- (5,77,94,694 – 50,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 50,00,000/- and raised total demand of Rs. 1,75,00,800/-.

Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax was heard during the financial year 2017-18. The Commissioner of Income Tax (Appeals), Jammu gave relief to the assessee company and decided the annual lettable value of the property as declared by the Assessee Company i.e. amounting to Rs. 38,19,710/- as against the annual lettable value of Rs. 5,77,94,694/- assessed by the Assessing Officer.

An application requesting for giving appeal effect to the order of CIT(A) has been filed which is pending disposal by the Deputy Commissioner of Income. The demand raised against the company amounting to 1,75,00,800/- after the appeal effect order to the orders of CIT(A), Jammu is required to be deleted once the appeal effect to the orders CIT(A), Jammu will be given by the Deputy Commissioner of Income Tax. The outstanding disputed demand as on 31.03.2019 is Rs. NIL.

The Department has filed an appeal before the Hon'ble ITAT, Amritsar.



JYOTI LIMITED

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR PERIOD ENDED MARCH 2019

- (k) For the financial year relevant to the assessment year 2016-17 the Assistant Commissioner of Income Tax passed an order under section 143(3) of the Income Tax Act, 1961 and made an addition of Rs. 5,27,94,694/- (5,77,94,694 – 50,00,000) towards actual market rent of the property against the license fee received by the assessee company amounting to Rs. 50,00,000/- and raised total demand of Rs. 1,61,16,501/-.

Appeal filed before Commissioner of Income Tax (Appeals), Jammu against the order of Deputy Commissioner of Income Tax yet to be fixed for hearing as on date.

Application for stay of demand has been filed before the Assistant Commissioner of Income Tax which is pending to be disposed off as on date.

- (l) Assessment proceedings under section 143(3) of the Income Tax Act, 1961 for the assessment year 2017-18 are going on as date.

The management, based upon expert opinion, believes that the Company has good chances of success in the above cases.

As per our report of even date attached

For R.C.Gupta & Co.

Firm Registration No. 001198N

Chartered Accountants

For and on behalf of Board of Directors of

Jyoti Limited


KAPIL MAHAJAN


Partner


M.No. 506196

Place: Jammu

Dated: 20-05-2019




Dr. Jyotsna Suri
Director
(DIN: 00004603)


Divya Suri Singh
Director
(DIN: 0004559)

Jyoti Limited

Note 22 : Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted

Basic Earnings per share	31 March 2019	31 March 2018
Profit attributable to equity share holders of Company for basic earnings	(1,949,024)	(1,733,445)
Weighted average number of Equity shares for basic EPS	630,040	630,040
Diluted Earnings per share		
Profit attributable to equity share holders of Company for diluted earnings	(1,949,024)	(1,733,445)
Weighted average number of Equity shares for basic EPS	630,040	630,040

Note 23 : Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Company as lessee

The Company has taken ceratin land on long term lease basis. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the property and the fair value of the asset, that it does not have all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(b) Leases

Operating lease commitments - Company as lessor

The Company has entered into operating leases comprising of land provided to Bharat Hotels in Srinagar. These lease terms is for 99 years. There is no escalation clause in the lease agreements. There are no restrictions imposed by lease arrangements.

Jyoti Limited

Note 24 : Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:



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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

	31 March 2019	31 March 2018
Variable rate borrowings	39,221,058	36,967,483
Fixed rate borrowings		

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect on Profit before tax	
	31 March 2019	31 March 2018
Increase by 50 basis points (31 March 2019: 50 bps)	196,105	184,837
Decrease by 50 basis points (31 March 2019: 50 bps)	(196,105)	(184,837)

Note 25 : Related party transactions

Note 19 provides the information about the Company's structure including the details of the subsidiaries and the holding company. The following tables provides the total amount of transactions that have been entered into with related parties for the relevant financial

(a) Holding Company

Bharate Hotels Limited	31 March 2019	31 March 2018
-Services received	-	-
-Loan provided	1,150,000	800,000
-Lease rent received	5,000,000	5,000,000
-Interest expenses on loan from BHL	5,603,575	4,988,938
Repayable to Holding Company	39,221,058	36,967,483
(b) Director		
Payable to Director	300,000	300,000

Jyoti Limited

Note 26 : Capital management

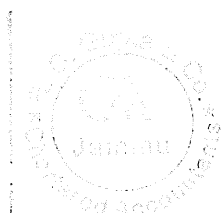
For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 30% and 50%. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

	31 March 2019	31 March 2018
Borrowings including interest accrued	39,221,058	36,967,483
Trade payables	131,339	358,073
Less: Cash and cash equivalents	(194,072)	(209,487)
Net debt	39,158,325	37,116,069
Equity	(27,535,781)	(25,586,757)
Capital and net debt	11,622,544	11,529,312
Gearing ratio	337%	322%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.



Fair value measurement
Financial instruments by category

	31.03.2019			31.03.2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Assets						
Loans			35,000			15,000
Interest Accrued						
Cash and Cash Equivalents			194,072			209,487
Total Financial Assets	-	-	229,072	-	-	224,487
Financial Liabilities						
Loans			39,521,058			37,267,483
Interest Accrued						
Trade Payables			131,339			358,073
Total Financial Liabilities	-	-	39,652,397			37,625,556

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

As per our report of even date

For R.C.GUPTA & Co
Firm Registration No. 001198N
Chartered Accountants

For and on behalf of the Board of Directors of
Jyoti Limited

per KAPIL MAHAJAN
PARTNER
Membership No.: 506196
Place : Jammu
Date : 20-05-2019



Dr. Jyotsna Suri
Director
(DIN: 00004603)
Place :
Date :

Divya Suri Singh
Divya Suri Singh
Director
(DIN: 00004559)