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## BOARD OF DIRECTORS

**MR. J. N. AGARWAL**  
*Chairman & Managing Director*

**MR. ATIN J. AGARWAL**  
*Director*

**MR. MAHESH S. SHETTY**  
*Director*

**MR. SHIRISH GOTECHA**  
*Director*

**MR. ARJUN SINGH MEHROTRA**  
*Director*

**MR. ASHWINI O. SHARMA**  
*Director*

## AUDITORS

**ASHOK K. LOHIYA & ASSOCIATES**  
*Chartered Accountants*

4/3, Sonal Apartment, Sonawala Cross Road No. 1,  
Goregaon (E), Mumbai - 400 063.

## BANKERS

**BANK OF BARODA**  
Goregaon (E) Br., Mumbai

## SHARE TRANSFER AGENTS

**Link Intime India Pvt. Ltd.**  
C-13, Pannalal Silk Mills Compound,  
1st Floor, L.B.S. Marg,  
Bhandup (W),  
Mumbai - 400 078.

## REGISTERED OFFICE

17, Cama Industrial Estate,  
Walbhat Road,  
Goregaon (E),  
Mumbai - 400 063.

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 47TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF JAIPAN INDUSTRIES LIMITED WILL BE HELD ON FRIDAY, 27TH SEPTEMBER 2013 AT 9.30 A.M. 17, CAMA INDUSTRIAL ESTATE, WALBHATT ROAD, GOREGAON (EAST), MUMBAI 400 063 TO TRANSACT THE FOLLOWING BUSINESS:**

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013, Profit and Loss Account for the year ended 31st March 2013 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Atin J Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in Place of Mr. Shirish Gotecha, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:  
"RESOLVED THAT M/s Ashok K. Lohiya & Associates, Chartered Accountants, Mumbai, the retiring Auditors, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration and reimbursement of expenses as agreed upon by the Board of Directors and the Auditors in connection with the audit of the accounts of the Company for the year ending on 31.03.2014."

### SPECIAL BUSINESS

5. "RESOLVED THAT Mr. Mahesh Shyama Shetty, who was appointed as an Additional Director of the Company under section 260 of the Companies Act, 1956, on 11th March 2013 and who holds office up to the date of this Annual General Meeting, in respect of whom notice under section 257 of the Companies Act, 1956 has been received from the member signifying his intention to propose Mr. Mahesh Shyama Shetty, as a candidate for the office of Director of the Company be and is hereby appointed as the Director of the Company liable to retire by rotation."

By Order of the Board of Directors  
For **JAIPAN INDUSTRIES LIMITED**

**J. N. AGARWAL**  
(Chairman & Managing Director)

Place : Mumbai  
Dated : 12th August, 2013

**Registered Office :**  
17, Cama Industrial Estate,  
Walbhat Road, Goregaon (East),  
Mumbai - 400 063.

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A Proxy form duly completed, signed and stamped, must reach the registered office of the Company not less than 48 hours before the commencement time of Annual General Meeting.

2. Members/Proxies should bring the attendance slip sent herewith duly, filled in for attending the meeting. You are requested to bring the copy of Annual Report sent to you.
3. The Register of members and Share Transfer Books of the Company will remain closed from Wednesday, September 25, 2013 to Friday, September 27, 2013 (both days inclusive).
4. Shareholders holding shares in identical order of names in more than one folio are requested to write to the Company's below mentioned Registrar & Transfer Agent and send their Share Certificates, to enable consolidation of their holding into one folio.

Also the members are requested to immediately notify in their own interest the change in their Address to the Company's Registrars & Transfer Agent:

M/s. LINK INTIME INDIA PRIVATE LTD  
C-13, Pannalal Silk Mills Compound,  
1st Floor, Bhandup (West),  
Mumbai 400 078.

5. Members seeking any information on accounts are requested to write to the Company, which should reach the Company at least a week before the meeting so as to enable the management to keep the information ready. Replies will be provided at the meeting.
6. INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of the Director who are proposed to be appointed or re-appointed is furnished below:

- i) Item No. 2 of the Notice:

Name	: Mr. Atin Agarwal
Age	: 36 Years
Qualification	: Post Graduate
Expertise	: Management
Date of Appointment	: 01/09/2004

- ii) Item No. 3 of the Notice:

Name	: Mr. Shirish Gotecha
Age	: 57 Years
Qualification	: Graduate
Expertise	: Management
Date of appointment	: 21/06/1999

By Order of the Board of Directors  
For **JAIPAN INDUSTRIES LIMITED**

**J. N. AGARWAL**  
(Chairman & Managing Director)

Place : Mumbai  
Dated : 12th August, 2013

**Registered Office :**  
17, Cama Industrial Estate,  
Walbhat Road, Goregaon (East),  
Mumbai - 400 063.

# Annual Report 2012 - 2013

## DIRECTORS' REPORT

To,  
The Members of  
**JAIPAN INDUSTRIES LIMITED**

The Directors have pleasure in presenting the 47th Annual Report on the business and operations of your Company and the Audited Financial Statements for the year ended 31st March, 2013.

### 1. FINANCIAL RESULTS

The highlights of the Financial Results are :

	<u>31-03-2013</u>	<u>31-03-2012</u>
Sales & Other Income	<b>27,14,94,236</b>	27,19,04,126
Less: Raw Material Consumed & Purchases	<b>21,83,59,878</b>	21,44,18,561
Less: Expenditure	<b>4,32,26,142</b>	4,62,46,596
Less: Depreciation	<b>76,03,436</b>	85,65,172
Net Profit before tax & after depreciation	<b>23,04,780</b>	20,93,796
Less: Provision for Tax	<b>11,75,419</b>	10,78,033
Less: Income tax earlier year	-	-
Add: Provision for Deferred Tax	<b>(2,96,736)</b>	(2,54,539)
Net Profit After Tax	<b>14,26,367</b>	12,70,302
Add: Profit & Loss brought forward	<b>3,43,94,134</b>	3,31,23,832
Add: Excess Provisions of Last Year	-	2,92,155
Profit carried to Balance Sheet	<b><u>3,61,12,656</u></b>	<u>3,46,86,289</u>

### 2. DIVIDEND

Your Board of Directors does not recommend any dividend for the financial year ended 31st March, 2013.

### 3. FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year under review.

### 4. DEPOSITORY SYSTEM

The Company has entered into an agreement with National Securities Depository Limited (NSDL) as well as Central Depository Services (India) Limited (CDSL) to enable shareholders to hold the shares in dematerialized form. The Company also offers simultaneous Dematerialization of physical shares lodged for transfer.

### 5. DISCLOSURE UNDER SECTION 274(1)(g)

None of the Director of the Company have been disqualified under section 274(1)(g) of the Companies Act, 1956.

### 6. DIRECTORS

Mr. ARJUNSINGH MEHROTRA, Independent Director, resigned from the Company with effect from 11th day of March, 2013 and the Company thanks him for his valuable contribution in the Company.

Mr. MAHESH SHYAMA SHETTY, was appointed as an Additional Director in the company with effect from 11th day of March, 2013 and is now appointed as an Independent Director on the Board of the Company with the remuneration as decided by the Board subject to the approval of the shareholders.

Mr. ATIN J AGARWAL, Executive Director retires by rotation at the ensuing Annual General Meeting & being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Mr. SHIRISH DWARKADAS GOTECHA, Independent Director, retires by rotation at the ensuing Annual General Meeting & being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

### 7. DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

- that in preparation of the Annual Accounts for the year ended 31st March, 2013, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- that the Directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2013 and the profit of the Company for the year under review;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts for the year ended 31st March, 2013 have been prepared on a 'going concern basis'

### 8. SUBSIDIARY

Your Company does not have any subsidiary company.

### 9. PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not given as there are no employees during the year or part thereof as required under Section 217 (2A).

### 10. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 217 (1) (e) of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is given in the Annexure and forms part of this report.

### 11. CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance of requirements of Corporate Governance as per Listing Agreement with Stock Exchange. A separate report on Corporate Government is given in Annexure "A".

### 12. AUDITORS

M/s. Ashok K. Lohiya & Associates, Chartered Accountant, the Auditor of the Company hold their office until the conclusion of the ensuing Annual General Meeting of the Company and your Directors recommended their re-appointment, if made, would be within the limits prescribed under Section 224 (1-B) of the Companies Act, 1956.

### 13. ACKNOWLEDGEMENT

The Directors sincerely appreciate the enthusiasm and hard work displayed by all employees during the year. Your Directors also acknowledge their appreciation of the continued assistance and support given by the esteemed customers, suppliers, bankers and various departments of Central and State Governments.

For and on behalf of the Board of Directors  
**JAIPAN INDUSTRIES LIMITED**

**J. N. AGARWAL**  
(Chairman & Managing Director)

Place : Mumbai  
Dated :12th August, 2013

**Registered Office :**  
17, Cama Industrial Estate,  
Walbhat Road,  
Goregaon (East),  
Mumbai - 400 063.

## ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER SECTION 217 (1)(e) OF THE COMPANIES ACT, 1956, FOR THE YEAR ENDED 31ST MARCH, 2013.

### I. CONSERVATION OF ENERGY

The Company has been strictly observing and monitoring the power consumption and had been taken adequate measure for saving of energy.

#### A. Power and Fuel Consumption

Particulars	2012-13	2011-12
Units Purchase (KWH in Lakhs)	3.30	6.49
Total Amount (Rs. in Lakhs)	9.89	19.48
Average Rate per unit (Rs./Unit)	3.00	3.00

#### B. Consumption per unit of production

Particulars	2012-13 Per Unit	2011-12 Per Unit
Electricity (KWH)	2.00	1.45

### II. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

#### A. Research and Development [R & D]

The Company is in a continuous process of finding out new technology efficient products.

#### B. Technology absorption

The Company is trying to make products that consume absorb less technology and energy.

### III. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	2012-13 In Lakhs	2011-12 In Lakhs
The Company had earned Foreign Exchange as under on (C & F Basis):		
1) On its Direct Exports	618.68	799.50
2) On its Exports as Supporting Manufacturer	17.83	5.29
The Foreign Exchange outgoing is as under		
1) Travelling	0.00	2.10
2) Bank Charges	0.00	1.54
3) Imports of Raw Materials/Purchases	46.63	30.27

For and on behalf of the Board of Directors

J. N. AGARWAL  
(Chairman & Managing Director)

Place : Mumbai  
Dated : 12th August, 2013

## MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 (IV) (B) & (F) of the Listing Agreement your Directors wish to report as follows:

#### • Industry Structure and Development:

In view of the demand for Latest Home Appliances, there is good demand in Domestic as well as International Market. The Companies which will manage to maintain high standards of quality will see potential in the Indian / Overseas market in diamond trade and export.

#### • Opportunities and Threats:

Opportunities are there for Companies who maintain their standards of quality but the market conditions in the Domestic and International market pose some threat to the industry. Hence, in view of the prevailing and future scenario in the Domestic and International Market, each Company in the Industry has to be very judicious in its business decisions.

#### • Outlook:

The outlook for the Industry and consequently for your company during the current financial year is reasonable, subject however, to the demands in the different parts of the Country. Your Company is putting a lot of efforts to maintain high standards of quality and strengthen its financial position and is attempting to tie up with various Banks- National & Multinational for working capital so as to expand its operations and export business.

#### • Risks and Concerns:

Domestic and International market conditions could be the only risk which may be faced by the Diamond Industry. Other risks or concerns related to finance, production, stocks, insurance, etc. are being managed adequately and efficiently by your Company.

#### • Internal Control Systems and their adequacy:

Your Company has put effective internal control systems into operation and is having regular internal audit mechanism to monitor and review the same under the overall control and supervision of the statutory Auditor and the Audit Committee of Directors. These systems have improved substantially and resulted into better management and effective controls. Continuous improvement in this regard is on going.

#### • Discussion on Financial Performance with respect to Operational Performance:

The Financial performance with respect to the operational performance during the year under review was satisfactory.

#### • Material Development in Human Resources / Industrial Relations Front, including Number of People Employed:

Your Company is constantly endeavoring to introduce Human Resources Development activities for overall improvement of its team. Your Company has cordial and healthy industrial relations at all levels.

#### • Material Financial and Commercial Transactions:

There are no material significant financial and commercial transactions with the related parties viz. Promoters, Directors or the Management, their Companies / firms or relatives conflicting with the interest of the Company. The Promoters and the Directors are not dealing in the Shares of the Company.

For and on behalf of the Board

J. N. AGARWAL  
(Chairman)

Place : Mumbai  
Dated : 12th August, 2013

# Annual Report 2012 - 2013

## CORPORATE GOVERNANCE

### PHILOSOPHY ON CODE OF GOVERNANCE

The Board of Directors and the Management of **JAIPAN INDUSTRIES LIMITED** commit themselves to :

- Strive towards enhancement of shareholder value in the medium and long term through sound business decisions, prudent financial management and high standard of ethics throughout the organization.
- Ensure transparency and professionalism in all decisions and transactions of the Company.
- Achieve excellence in Corporate Governance by
  - Confirming to and exceeding wherever possible, prevalent guidelines on Corporate Governance.
  - Regularly reviewing the Board processes and the Management systems to improve governance relating to all the above.

The report on corporate governance is divided into five parts :

- I. Board of Directors
- II. Committees of the Board
- III. Shareholder Information
- IV. Other Disclosures

#### I. BOARD OF DIRECTORS

The details of Board of Directors are as under:

Name of Directors	Designation	No. of Board Meetings Attended	Directorship in other Limited Companies & Membership as on 31.03.2013			Attendance at last AGM
			Other Board (excluded) Jaipan)	Other Board Committees (exclude Jaipan)		
				Chairman	Member	
J. N. Agarwal	Chairman & Managing Director Executive	5	NIL	NIL	NIL	Present
Atin J. Agarwal	Executive Director	5	NIL	NIL	NIL	Present
Mahesh Shetty	Additional Director	1	NIL	NIL	NIL	Not Applicable
Shirish Gotecha	Director Non-Executive & Independent	5	NIL	NIL	NIL	Present
Ashwini O. Sharma	Director Non-Executive & Independent	5	NIL	NIL	NIL	Present
Arjun Singh Mehrotra	Director Non-Executive & Independent	4	NIL	NIL	NIL	Present

#### A. RESPONSIBILITIES

The Board of Directors responsibilities include review of :

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment and exposure limits
- Business risk analysis and control
- Senior executive appointment
- Compliance with statutory / regulatory requirements and review of major legal issues
- Adoption of quarterly results / annual results
- Transaction pertaining to purchase, disposal of property, major provisions and write-offs.

#### B. BOARD MEETINGS

The meetings of the Board of Directors' are scheduled well in advance and the folder containing the agenda for the meeting with detailed review of all aspects of the Company business, including performance of the Company, employee relations, details of investment, capital expenditure, etc. is circulated to all the directors. It also highlights important matters discussed at the audit committee, shareholders grievance committee and at the sub-committee of Directors. Five Board meetings were held during the period 31st March, 2013. They were held on 15.05.2012, 04.08.2012, 07.11.2012, 15.02.2013 and 11.03.2013.

#### C. CODE OF CONDUCT

The Board of Directors has adopted the code of conduct and responsibilities of the Board towards the company in the Board Meeting.

#### D. DISCLOSURE REGARDING RE-APPOINTMENT OF DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Mr. Shirish Gotecha and Mr. Atin J Agarwal, retire by rotation and have expressed their willingness to be re-appointed at the ensuing Annual General Meeting.

### III. COMMITTEES OF THE BOARD

#### A. AUDIT COMMITTEE

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committee under clause 49 of the Listing Agreement as well as section 292A of the Companies Act, 1956.

**The primary role of Audit Committee is:**

- To oversee the Company's financial reporting process and disclosure of financial information.
- To review the financial statements, adequacy of internal control systems and periodic audit reports.
- To recommend to the Board the matters relating to the financial management of the Company.
- To recommend appointment/re-appointment of Statutory Auditors and fixation of their remuneration.
- To hold discussions with Statutory Auditors periodically.

The Statutory Auditors of the Company are invited to attend Audit Committee Meetings, to discuss and review the quarterly/half yearly unaudited results, the annual audited accounts, internal audit, matters relating to the compliance with accounting standards, auditor's observations arising from the audit of the Company's accounts and other related matters.

The Chairman of the Audit Committee is an Independent Director. He was present in AGM of the Company held on 28.09.2012.

In 2011-12, the Audit Committee met 5 times on 15.05.2012, 04.08.2012, 07.11.2012, 15.02.2013 and 11.03.2013. The attendance during the year is as under.

Name of the Member	Designation	No. of meetings attended
Shirish Gotecha	Chairman	5
Ashwini O. Sharma	Director	5
Mahesh Shetty	Additional Director	1
Arjun Singh Mehrotra	Director	4

#### B. REMUNERATION COMMITTEE

The terms of reference of the Remuneration Committee is to determine, review and recommend the Company's policy on specific remuneration packages for Whole Time Directors, Non-Executive Directors and commission payable to the Chairman of the Company. The recommendations of the Committee are put up to the Board of Directors and Shareholders of the Company.

The Remuneration Committee met twice in the year, on 15.05.2012 and 15.02.2013

Name of the Member	Designation
Arjun Singh Mehrotra	Chairman
Ashwini O. Sharma	Director
Shirish Gotecha	Director

#### REMUNERATION POLICY

The Managing / Executive Directors are paid remuneration as per the Agreements entered between them and the Company. These Agreements are placed for approval before the Board and the shareholders and such other authorities as may be necessary. The remuneration structure of the Managing / Executive Directors comprises of salary, commission, perquisites and allowances, contributions to provident fund, superannuation and gratuity. The Non-Executive directors do not draw any remuneration from the Company except commission and sitting fees.

#### DETAILS OF REMUNERATION TO ALL DIRECTORS

The primary role of the Remuneration Committee is to determine and recommend to the board the compensation to the Directors. The details of remuneration paid to the Directors for the year-ended 31.03.2013 are specified below:

##### A. Remuneration as per Accounts for the year ended 31.03.2013

Director	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
1. Mr. J. N. Agarwal	9,50,000/-	NIL	9,50,000/-
2. Mr. Atin Agarwal	3,16,900/-	NIL	3,16,900/-

No Sitting fees are paid to Non-Executive Directors of the Company.

The Chairman of Remuneration Committee was present in the Annual General Meeting held on 28.09.2012.

Company has not issued any stock options to any of its Directors and Employees.

There are no shares or convertible instruments held by the Independent Directors of the Company.

#### C. SHAREHOLDER / INVESTOR GRIEVANCE COMMITTEE

The Committee reviews all matters connected with the physical securities transfer. The Committee also looks into redressal of shareholders complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of dividends, issue of share certificates on account of bonus, split or any other matter related to securities of the Company. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Committee meets as and when required, depending upon grievances and/or request for physical transfer of securities received by the Company.

The report received from the Share Transfer Agents as reviewed by the Committee is placed at the Board Meetings from time to time.



## Annual Report 2012 - 2013

During the financial year ended March 31, 2013, four Shareholders/Investors' Grievance Committee Meetings were held on 15.05.2012, 04.08.2012, 07.11.2012, and 15.02.2013

Name of the Member	Designation
Ashwini O. Sharma	Chairman
Atin Agarwal	Director
Arjun Singh Mehrotra	Director

The Company has attended the investors' grievances / correspondence promptly. There were no investors' complaints pending as on March 31, 2013. There were Nil outstanding requests for transfer & Nil pending requests for dematerialization of shares as on March 31, 2013. One court case is pending against Link Intime India Pvt. Ltd, our RTA, by a shareholder of the Company..

### D. DETAILS OF ANNUAL / EXTRAORDINARY GENERAL MEETINGS

Location and time of General Meetings held in last 3 years:

Year	AGM/EGM	LOCATION	DATE	TIME
2011-12	AGM	17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai 400 063.	28.09.2012	9.30 A.M.
2010-11	AGM	17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai 400 063.	30.09.2011	9.30 A.M.
2009-10	AGM	17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai 400 063.	30.09.2010	9.30 A.M.

### E. DISCLOSURES

- There were no materially significant related party transactions with the promoters, Directors etc that may have potential conflict with the interests of the Company at large.
- There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

### F. MEANS OF COMMUNICATION

The Companies Website [www.jaipan.com](http://www.jaipan.com) also displays official news releases and presentations made to the institutional investors/analysts.

### G. CODE OF CONDUCT:

The Company has formulated and implemented a Code of Conduct for all Board Members and Senior Management of the Company which is in compliance with clause 49(1)(D) of Listing Agreement.

### H. INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN is a unique identification number of traded scrip. The number has to be quoted in each transaction relating to the dematerialized equity shares of the Company. The Company's ISIN is INE058D01030.

### I. SECRETARIAL AUDIT REPORT REGARDING RECONCILIATION OF CAPITAL:

AAs required by regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, a quarterly audit is conducted by a Practicing Company Secretary, reconciling the Issued and Listed Share Capital of the Company with the aggregate of the shares held by the investors in physical form and in demat form in CDSL and NSDL and said certificates are submitted to the Stock Exchange within the prescribed time limit.

As on March 31, 2013, there was no difference between the Issued capital and the aggregate of shares held by the investors in both physical form and in electronic form with depositories.

## IV. SHAREHOLDER INFORMATION

### 1. Annual General Meeting :

**Date and Time** : Friday, 27th September, 2013 at 9.30 a.m.

**Venue** : 17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai - 400 063.

**2. Book Closure Date** : Wednesday, Monday, 25th September, 2013 to Friday, 27th September, 2013 (Both Days inclusive).

**3. Financial Calendar** : **(Provisional)**

The Company's Financial Year is based on four quarters consisting three months per quarter.

Period	Board meeting to approve quarterly financial results
Quarter ending 30th June, 2013	By end of 31st July, 2013
Quarter ending 30th September, 2013	By end of 31st October, 2013
Quarter ending 31st December, 2013	By end of 31st January, 2014
Quarter ending 31st March, 2014	By end of 30th April, 2014

**4 Registered Office** : 17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai - 400 063.

# Jaipan Industries Limited

5. **Listing of Equity Shares on Stock :** The Stock Exchange, Mumbai  
Listing Fees as prescribed has been fully paid to the Stock Exchanges where the shares of the Company are listed.

6. **Stock Code :**

Stock Exchange	Stock Code
The Stock Exchange, Mumbai	5840

7. **Stock Price Data :**

Market Price Data of the Company and comparison with BSE Sensex

(in Rs.)

Year / Month	High	Low	High	Low
	Jaipan Industries Limited		Sensex	
April 2012	13.85	35.05	17,664.10	17,010.16
May 2012	15.35	30.00	17,432.33	15,809.71
June 2012	14.22	23.10	17,448.48	15,748.98
July 2012	15.90	23.70	17,631.19	16,598.48
August 2012	15.00	25.35	17,972.54	17,026.97
September 2012	13.90	24.20	18,869.94	17,250.80
October 2012	14.43	22.00	19,137.29	18,393.42
November 2012	12.13	20.10	19,372.70	18,255.69
December 2012	12.32	18.30	19,612.18	19,149.03
January 2013	12.49	17.90	20,203.66	19,508.93
February 2013	12.00	19.25	19,966.69	18,793.97
March 2013	11.25	17.75	19,754.66	18,568.43

8. **Registrars & Transfer Agents** : Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
1<sup>st</sup> Floor, L.B.S. Marg, Bhandup (W),  
Mumbai - 400 078.

9. **Share Transfer System :**

Share Transfer in physical form is normally effected within a maximum period of 30 days of receipt of the documents, if found in order. The Share Transfer Committee approves all share transfers. All requests for dematerialization of shares are processed and the confirmation is given to the depositories i.e. National Securities Depository Limited (NSDL) & Central Depository Services Limited (CDSL).

10. **Distribution of shareholding as on 31st March, 2013**

Range of Shares	No. of Share Holders	% of Shareholdings	Share Amount (in Rs.)	% of Total Share Amount
1 - 500	3058	70.84	608899	9.98
501 - 1000	513	11.88	403503	6.62
1001 - 2000	505	11.7	692825	11.36
2001 - 3000	74	1.71	185521	3.04
3001 - 4000	44	1.02	156191	2.56
4001 - 5000	26	0.6	119330	1.96
5001 - 10000	49	1.14	350979	5.75
10001 & above	48	1.11	3582592	58.73
<b>TOTAL</b>	<b>4317</b>	<b>100</b>	<b>6099840</b>	<b>100</b>

11. **Category of Shareholdings as on 31st March, 2013**

**LIST OF SHAREHOLDERS CATEGORYWISE (SUMMARY)**

Category	No. of Shares	% of total Shares
CLEARING MEMBER	24427	0.4005
OTHER BODIES	630802	10.3413
DIRECTORS	1909444	31.3032
HINDU UNDIVIDED FAMILY	9836	0.1613
MARKET MAKER	30869	0.5061
NON RESIDENT INDIANS	23180	0.3800
NON RESIDENT ( NON REPATRIABLE )	5407	0.0886
PUBLIC	3084627	50.5690
RELATIVE OF DIRECTORS	381248	6.2501
<b>TOTAL</b>	<b>6099840</b>	<b>100</b>



## Annual Report 2012 - 2013

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### 12. DEMAT POSITION AS ON 31.03.2013

NIL Shares of the Company's paid up equity share capital has been dematerialized up to March 31, 2013. Trading in the equity shares of the Company at Bombay Stock Exchange is permitted only in dematerialized form.

### 13. Address for Correspondence

Company's Registrar & Transfer Agent : Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound, 1<sup>st</sup> Floor, L.B.S. Marg,  
Bhandup (W), Mumbai - 400 078.

For and on behalf of the Board of Directors

**J. N. AGARWAL**  
(Chairman & Managing Director)

Place : Mumbai  
Dated : 12th August, 2013

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## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
**JAIPAN INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Jaipan Industries Limited (the Company), for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For **ASHOK K. LOHIYA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**ASHOK K. LOHIYA**  
(Proprietor)  
MEMBERSHIP NO. 108056

PLACE : MUMBAI  
DATED : 12th August, 2013

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### **FORM A** (As per Clause 31 of Listing Agreement)

Sr. No.	Particulars	Remark
1.	Name of the company.	Jaipan Industries Limited
2.	Annual financial statements for the year ended.	31.03.2013
3.	Type of Audit observation.	Unqualified
4.	Frequency of observation.	Not Applicable.

For and on Behalf of  
**JAIPAN INDUSTRIES LIMITED**

**J. N. Agarwal**  
(Managing Director)

Place : Mumbai  
Date : 12th August, 2013

## AUDITORS' REPORT

To,  
The Members of  
**JAIPAN INDUSTRIES LIMITED**

We have audited the attached Balance sheet of **M/s. JAIPAN INDUSTRIES LIMITED**, as at 31st March 2013, the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto.

These financial statements are responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conduct our audit in accordance with the Auditing Standards generally accepted in India. Those Standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by Companies [Auditors Report] Order, 2003 as amended by Companies [Auditors Report] [Amended] Order, 2004 [together 'the Order'], issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the annexure a statement on the matters specified in paragraph 4 & 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that;
  - a. We have obtained all the information & explanations, which to the best of our knowledge and belief were necessary for the purpose of audit.
  - b. In our opinion, proper books of accounts, as required by Law have been kept by the Company so far as it appears from our examination of such books.
  - c. The Balance Sheet, Profit and Loss Account & Cash Flow Statement dealt with by this report are in arrangement with the books of accounts.

- d. In our opinion, the Balance Sheet, Profit and Loss Account & Cash Flow Statement dealt by this Report comply with the Accounting Standards referred to in sub-section [3C] of section 211 of the Companies Act, 1956.
- e. On the basis of the written representations received from Directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director within the meaning of section 274 (1)(g) of the Companies Act, 1956.
- f. Subject to above, in our opinion and to the best of our information & explanations given to us, the said accounts read with significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India ;
  - i) In so far as relates to the Balance Sheet, of state affairs of the Company as at 31st March 2013;
  - ii) In so far as relates to the Profit and Loss Account of the profit of the Company for the year ended on the date, and
  - iii) In so far as relates to the Cash Flow Statement of the cash flow of the Company for the year ended on the date.

For **ASHOK K. LOHIYA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**ASHOK K. LOHIYA**  
(Proprietor)  
MEMBERSHIP NO. 108056

PLACE : MUMBAI  
DATED : 12th August, 2013

# Annual Report 2012 - 2013

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## ANNEXURE TO THE AUDITORS' REPORT

**Annexure referred to the paragraph 2 of the Report of even date of the Auditors' to the Members of Jaipan Industries Limited on the accounts for the year ended 31st March 2013.**

- 1) The nature of the Company's business / activities during the year is such that clause [viii] & [xiii] of paragraph 4 of the Companies [Auditors' Report] Order, 2003 are not applicable to the Company for the year ended on 31st March 2013.
- 2) In respect of its Fixed assets :
  - a) The Company is maintaining proper records, showing full particulars including quantitative details and location of fixed assets.
  - b) The Company has programme of physical verification of assets which in our opinion is reasonable having regards of the size of the Company & the nature of business.
  - c) None of the fixed assets have been revalued during the year.
  - d) In our opinion and according to the information and explanations given to us No substantial part of fixed assets has been disposed off during the year.
- 3) In respect of its Inventory :
  - a) The stock of finished goods, spare parts & raw materials has been physically verified during the year by the management. In our opinion the frequency of verification is at reasonable interval.
  - b) The procedure of physical verification of fixed assets followed by the management as reasonable & adequate in relation to the size of the company & the nature of its business.
  - c) In our opinion and according to the information & explanations given to us, discrepancies noticed on physical verification between physical stock & book records were not material in relation to the operation of the Company and same have been properly dealt with in the books of account.
- 4) In respect of its loans :
  - a) The Company has granted loan to our parties covered in register maintained under section 301 of the Companies Act 1956 (which is being updated). The maximum amount involved during the year was Rs. 35.46 Lacs Sans & the year end balance of such loans to such parties was Rs. 4.81 Lacs. The Company has not take any loan from parties covered in register covered under Section 301 of Companies Act 1956.
  - b) There are no terms & condition fixed on which loans have been granted to parties listed in the register maintained under section 301 of Companies Act 1956.
  - c) Hence whether the company is regular in covering the principal amount could not be reported hereunder.
  - d) In the absence any terms & conditions it is informed to us that there is no overdue amount of loans taken from or granted to companies, firms or other parties listed in register maintained under section 301 of Companies Act 1956.
- 5) In our opinion and according to the information & explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of stores, raw materials including components, plant & machinery, equipment & other assets & With regard to sale of goods.
- 6)
  - a) According to information & explanations given to us, we are of the opinion That the transactions that need to be entered into the register maintained under Sections 301 of the Companies Act 1956 are in the process of being updated.
  - b) In our opinion and according to information & explanations given to us, the transactions made in pursuance of contracts & arrangements which are being entered in the register maintained under section 301 of Companies Act 1956 and exceeding the value of rupees Five Lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at relevant time.
- 7) The Company has not accepted any Fixed Deposits from the public during the Year and therefore, the question of compliance with directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA or any other relevant provisions of Companies Act 1956 & the rules framed there under does not arise.

## Jaipan Industries Limited

- 8) In our opinion, Company has an adequate internal audit system commensurate with its size & nature of its business.
- 9) Maintenance of cost records has not been prescribed by the Central Government Under section 209 (1) (d) of the Companies Act 1956 for any products of the Company.
- 10) According to information & explanations given to us in respect of Statutory and Other dues :

- a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Sales Tax, Income Tax, Custom Duties, Excise Duty, Cess & other raw material statutory dues applicable to it. According to information & explanations given to us, there are no undisputed amount payable in respect of Wealth Tax, Sales Tax, Custom Duty, & Cess at the year end for the period of more then Six months from the Date, they became payable.
- b) According to the information & explanations given to us, there are no dues of Custom duty, Excise duty, Wealth tax, & cess on account of any dispute other then as indicated below :

Sr. No.	Name of the Statue	Nature of Dues	Forum where dispute is pending	Amount Rs. (In Lacs)
1	Maharashtra Sales Tax	Sales Tax	Appeal	152.48

- 11) The Company has no accumulated losses.
- 12) Based on our audit procedure & according to information & explanation given to us, we are of the opinion that the Company has repayment of dues to Financial Institutions, Banks or Debenture holders subject to note.
- 13) The Company has not granted any Loans & advances on the basis of security by way of pledge of shares, debentures & other similar securities.
- 14) In our opinion, the Company is not dealing in or trading in shares, securities, debentures & other investments. Accordingly, the provision of clause (xiv) of Paragraph 4 of aforesaid Order are not applicable to the Company.
- 15) The Company has not given guarantees for loans taken by subsidiaries, joint Venture companies from Bank or Financial Institution.
- 16) The Company has received a long term Car loan From Bank of Baroda during the year for Acquiring the car.
- 17) According to the information & explanations given to us by the management, the Funds raised on short term basis have not been used for long term use & vice versa.
- 18) The Company has not raised any money by any preferential allotment during the Year. Therefore the provision of clause (xviii) of paragraph 4 of the aforesaid Order not applicable to the Company.
- 19) The Company has not issued any debentures during the year under audit. Accordingly the provisions of clause (xix) of paragraph 4 of the aforesaid Order not applicable to the Company.
- 20) The Company has not raised any money by way of public issue during the year. Therefore, the provisions of clause (xix) of paragraph of the aforesaid Order not applicable to the Company.
- 21) During the course of our examination of the books of accounts carried out in accordance with Generally Accepted Auditing Practices, we have neither come across any instance of fraud on or by the Company nor have we been informed of any such case by the management.

For **ASHOK K. LOHIYA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**ASHOK K. LOHIYA**  
(Proprietor)  
MEMBERSHIP NO. 108056

PLACE : MUMBAI  
DATED : 12th August 2013

# Annual Report 2012 - 2013

## BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	Note No.	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	60,998,400.00	60,998,400.00
(b) Reserves and surplus	2	45,755,805.45	44,329,438.45
(c) Money received against share warrants		—	—
		<hr/>	<hr/>
<b>2 Share application money pending allotment</b>		—	—
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3	9,546,049.07	8,337,639.00
(b) Deferred tax liabilities (net)			
(c) Other long-term liabilities	3	3,755,393.00	7,365,505.00
(d) Long-term provisions			
		<hr/>	<hr/>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	4	43,547,754.87	38,149,481.00
(b) Trade payables	5	47,937,839.66	42,108,307.00
(c) Other current liabilities	6	10,731,027.08	7,296,513.00
(d) Short-term provisions	7	1,083,216.00	983,532.00
<b>TOTAL</b>		<b>223,355,485.13</b>	<b>209,568,815.45</b>
		<hr/>	<hr/>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	8	30,127,848.22	33,628,699.45
(ii) Intangible assets	8	17,555.00	29,258.00
(b) Non-current investments	9	326,068.00	500.00
(c) Deferred tax assets (net)		1,241,261.00	944,525.00
(d) Long-term loans and advances			—
(e) Other non-current assets			—
		<hr/>	<hr/>
<b>2 Current assets</b>			
(a) Current investments		—	—
(b) Inventories	10	86,944,462.28	86,089,706.00
(c) Trade receivables	11	51,611,179.72	43,289,297.00
(d) Cash and cash equivalents	12	19,253,659.91	13,335,691.00
(e) Short-term loans and advances	13	33,220,747.00	31,682,868.00
(f) Other current assets	14	612,704.00	568,271.00
<b>TOTAL</b>		<b>223,355,485.13</b>	<b>209,568,815.45</b>
		<hr/>	<hr/>

AS PER OUR ATTACHED REPORT OF EVEN DATE

For **ASHOK K. LOHIYA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**ASHOK K. LOHIYA**  
(PROPRIETOR)  
Membership No. : 108056  
Firm Reg No. : 124406 W

PLACE : MUMBAI  
DATED : August 12, 2013

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**J. N. AGARWAL**  
(MANAGING DIRECTOR)

**ATIN J. AGARWAL**  
(DIRECTOR)

# Jaipan Industries Limited

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Note No.	For the year ended 31 March, 2013 Rs.	For the year ended 31 March, 2012 Rs.
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations (gross)	15	267,203,124.72	267,686,904.00
Less: Excise duty	15	<u>289,812.00</u>	<u>532,457.00</u>
Revenue from operations (net)		<u>266,913,312.72</u>	<u>267,154,447.00</u>
2 Other income	16	<u>4,580,923.00</u>	4,749,679.00
<b>3 Total revenue (1+2)</b>		<b><u>271,494,235.72</u></b>	<b><u>271,904,126.00</u></b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	17	11,222,954.00	36,799,824.00
(b) Purchases of stock-in-trade	17	219,214,633.34	191,069,278.60
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	-12,077,709.68	-13,450,541.00
(d) Employee benefits expense	18	10,965,184.00	10,452,330.00
(e) Finance costs	19	5,430,289.32	7,470,205.00
(f) Depreciation and amortisation expense	8	7,603,435.78	8,565,171.87
(g) Other expenses	20	<u>26,830,668.68</u>	<u>28,324,061.95</u>
<b>Total expenses</b>		<b><u>269,189,455.44</u></b>	<b><u>269,230,330.42</u></b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>2,304,780.28</b>	<b>2,673,795.58</b>
6 Exceptional items	21	-	580,000.00
<b>7 Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		<b>2,304,780.28</b>	<b>2,093,795.58</b>
8 Extraordinary items		-	-
<b>9 Profit / (Loss) before tax (7 ± 8)</b>		<b>2,304,780.28</b>	<b>2,093,795.58</b>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		<u>1,175,149.00</u>	<u>1,078,033.00</u>
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		<u>1,175,149.00</u>	<u>1,078,033.00</u>
(e) Deferred tax		<u>-296,735.72</u>	<u>-254,539.88</u>
		<b>878,413.28</b>	<b>823,493.12</b>
<b>11 Profit / (Loss) from continuing operations (9 ± 10)</b>		<b>1,426,367.00</b>	<b>1,270,302.46</b>
<b>15.i Earnings per share (of Rs.10/- each)</b>			
(a) Basic			
(i) Continuing operations		0.23	0.21
(ii) Total operations		0.23	0.21
(b) Diluted		NA	NA
(i) Continuing operations			
(ii) Total operations			

See accompanying notes forming part of the financial statements

AS PER OUR ATTACHED REPORT OF EVEN DATE

For **ASHOK K. LOHIYA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**ASHOK K. LOHIYA**  
(PROPRIETOR)  
Membership No. : 108056  
Firm Reg No. : 124406 W

PLACE : MUMBAI  
DATED : August 12, 2013

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**J. N. AGARWAL**  
(MANAGING DIRECTOR)

**ATIN J. AGARWAL**  
(DIRECTOR)



# Annual Report 2012 - 2013

## CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	For the year ended 31 March, 2013		For the year ended 31 March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		1,426,367.00		2,093,795.00
<u>Adjustments for:</u>				
Depreciation and amortisation	7,603,435.91		8,565,172.00	
Finance costs	5,430,289.32		7,470,205.00	
Loss by Theft	—		580,000.00	17,781,232.00
Income Tax	878,413.28			
Interest income	-816,835.00		-927,940.00	
		<u>13,095,303.51</u>		
Operating profit / (loss) before working capital changes		14,521,670.51		17,781,232.00
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	854,756.28		28,969,952.00	
Trade receivables	8,321,882.72		-9,130,521.00	
Short-term loans and advances	1,537,879.00		-5,694,256.00	
Long-term loans and advances	325,568.00			
Other current assets	44,433.00	11,381,255.00	534,594.00	
Other non-current assets	296,736.00		254,540.00	14,934,309.00
		<u>3,140,415.51</u>		<u>2,846,923.00</u>
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	5,829,532.66		6,541,586.00	
Other current liabilities	3,434,514.08		64,440.00	
Other long-term liabilities	1,208,410.07		-2,899,247.00	
Short-term liabilities	5,398,273.87		125,055.00	
Short - term Provisions	99,684.00	15,970,414.68		3,559,860.00
		<u>19,110,830.19</u>		<u>6,406,783.00</u>
Cash flow from extraordinary items		—		—
Cash generated from operations		19,110,830.19		6,406,783.00
Interest and Finance Charges	-5,430,289.32		-7,470,205.00	
Net income tax (paid) / refunds	-878,413.28	-6,308,702.60	-823,493.00	-8,293,698.00
<b>Net cash flow from / (used in) operating activities (A)</b>		<b><u>12,802,127.59</u></b>		<b><u>-1,886,915.00</u></b>
<b>B. Cash Flow From Investing Activity</b>				
Purchase of Fixed Asset		-4,090,881.68		-6,230,805.00
<b>Net Cash flow From Investing Activity</b>		<b><u>-4,090,881.68</u></b>		<b><u>-6,230,805.00</u></b>
<b>C. Cash Flow From Financing Activity</b>				
<b>Increase In Secured Loan Net</b>				
Increase in Unsecured Loan	-3,610,112.00	—	4,377,662.00	
Interest Income	816,835.00	-2,793,277.00	927,940.00	5,305,602.00
Increase in cash and cash Equivalents		5,917,968.91		-2,812,118.00
Cash and Cash Equivalents at the Beginning		13,335,691.00		16,147,809.00
Cash and Cash Equivalents at the Close		<u>19,253,659.91</u>		<u>13,335,691.00</u>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 1 Share Capital

#### Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy Back	Other changes back	Closing Balance
Equity shares with voting rights								
<b>Year ended 31 March, 2013</b>								
– Number of shares of Rs. 10 each	6,099,840.00	–	–	–	–	–	–	6,099,840.00
– Amount	60,998,400.00	–	–	–	–	–	–	60,998,400.00
<b>Year ended 31 March, 2012</b>								
– Number of shares	6,099,840.00	–	–	–	–	–	–	6,099,840.00
– Amount (Rs.)	60,998,400.00	–	–	–	–	–	–	60,998,400.00

### Note : 1 (A) Share Capital

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Numbers of shares	Amount	Numbers of shares	Amount
(a) Authorised				
Equity shares of 10 each with voting rights	6,100,000.00	61,000,000.00	6,100,000.00	6,100,000.00
(b) Issued				
Equity shares of 10 each with voting rights	6,099,840.00	60,998,400.00	6,099,840.00	6,099,840.00
(c) Subscribed and fully paid up				
Equity shares of 10 each with voting rights	6,099,840.00	60,998,400.00	6,099,840.00	60,998,400.00
<b>Total</b>	<b>6,099,840.00</b>	<b>60,998,400.00</b>	<b>6,099,840.00</b>	<b>60,998,400.00</b>

### Details of Share held by Shareholder more than 5%

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number	Holding %	Number	Holding %
List of Share Holders				
J. N. Agarwal	1666832	26.51	1666832	27.32
<b>Total</b>	<b>1666832</b>	<b>26.51</b>	<b>1666832</b>	<b>27.32</b>

# Annual Report 2012 - 2013

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 2 Reserves and surplus

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
<b>(a) Investment Subsidy (Received From Development Corporation of Konkan Ltd)</b>		
Opening balance	639,500.00	639,500.00
Add: Additions during the year (give details)	—	—
Less: Utilised / transferred during the year (give details)	—	—
Closing balance	639,500.00	639,500.00
<b>(b) Capital redemption reserve</b>		
Opening balance	500,000.00	500,000.00
Add : Additions during the year	—	—
Transferred from surplus in Statement of Profit and Loss	—	—
Others (give details)	—	—
Less : Utilised during the year (give details)	—	—
Closing balance	500,000.00	500,000.00
<b>(c) Securities premium account</b>		
Opening balance	8,297,000.00	8,297,000.00
Add : Premium on shares issued during the year	—	—
Less : Utilised during the year for:	—	—
Closing balance	8,297,000.00	8,297,000.00
<b>(d) Investment Allowance Reserve</b>		
Opening balance	206,649.00	206,649.00
Add / (Less) : during the year	—	—
Closing balance	206,649.00	206,649.00
<b>(e) Profit and Loss Account</b>		
Opening Balance	34,686,289.45	33,123,832.00
Add : Profit for the year	1,426,367.00	1,671,007.00
Add : Excess Provision for Tax	—	292,155.00
	36,112,656.45	34,686,289.45
<b>Total</b>	<b>45,755,805.45</b>	<b>44,329,438.45</b>

### Notes : 3 Long term Borrowings

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
<b>(a) Term loans</b>		
<b>ICICI Bank Car Loan</b>		
Secured	9546049.07	8337639
Total	9546049.07	8337639
Unsecured Loan		
(b) Loans and advances from related parties	1615753	3646882
Unsecured		
(c) Other Loan term Loan	2139640	3718623
Sub Total	3755393	7365505
<b>Total</b>	<b>13,301,442.07</b>	<b>15,703,144.00</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 3 A Long-term borrowings (contd.)

Particulars	Terms of repayment and security*	As at 31 March, 2013		As at 31 March, 2012	
		Secured	Unsecured	Secured	Unsecured
		Rs.	Rs.	Rs.	Rs.
<b>CAR Loan</b>					
<b>Term loans from banks:</b>					
ICICI Bank Ltd	Motor Car	–		611,900.00	
ICICI Bank Ltd		103,733.40		627,653.00	
Kotak Mahindra Bank Ltd		–		1,833,356.00	
Reliance Capital Limited		3,903,379.67		10,684,662.00	
Bank of Baroda Car Loan		5,538,936.00		–	
<b>Total</b>		<b>9,546,049.07</b>		<b>13,757,571.00</b>	
<b>Loans and advances from related parties:</b>					
Hansa Motor Works			73,078.00		1,064,180.00
Jai Narayan Agarwal			838,140.00		1,551,431.00
Atin J Agarwal			639,535.00		852,423.00
Neha Agarwal			65,000.00		178,848.00
<b>Total</b>			<b>1,615,753.00</b>		
<b>Other loans and advances:</b>					
Shailesh D Shah			–		1,718,623.00
Venus Records and Tapes Pvt Ltd			2,029,640.00		2,000,000.00
Amar Singh Kundliwal			60,000.00		–
Shanti Construction			50,000.00		–
<b>Total</b>			<b>2,139,640.00</b>		
<b>Total - Other loans and advances</b>		<b>9,546,049.07</b>	<b>3,755,393.00</b>	<b>13,757,571.00</b>	<b>3,718,623.00</b>

### Note : 4 Short-term borrowings

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
<b>(a) Loans repayable on demand</b>		
<b>From banks</b>		
<b>Secured</b>		
Cash Credit loan	43,547,754.87	35,906,623.00
Foreign Packing Credit Loan	–	2,242,858.00
Inland Packing Credit	–	–
	<b>43,547,754.87</b>	<b>38,149,481.00</b>
<b>From other parties</b>		
Secured	Nil	
Unsecured	Nil	
<b>Total</b>	<b>43,547,754.87</b>	<b>38,149,481.00</b>

#### Notes:

#### (i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2013	As at 31 March, 2012
		Rs.	Rs.
Cash Credit Loan	Hypothecation of Bookdebts and Stock Mortgage of Factory Building Situated at AmliSilvassa	43,547,754.87	34,582,013.00
Foreign Packing Credit Loan		–	
Inland Packing Credit			3,442,413.00
<b>Total</b>		<b>43,547,754.87</b>	<b>38,024,426.00</b>

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### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 5 Trade payables \*

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
<b>Trade payables :</b>		
Acceptances	47,937,839.66	42,108,307.00
Other than Acceptances		
<b>Total</b>	<b>47,937,839.66</b>	<b>42,108,307.00</b>

#### Note : 6 Other current liabilities

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(a) Current maturities of long-term debt (Refer Note (i) below)	6,751,723.00	5,419,932.00
(b) Unpaid dividends	359,350.00	359,350.00
(c) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	2,674,839.30	700,897.00
(ii) Salary Payable A/c	580,350.00	507,300.00
(iii) Telephone Expenses Payable A/c	13,007.78	13,401.00
(iv) Audit Fee payable	249,257.00	181,757.00
(v) Other Liabilities	102,500.00	113,876.00
<b>Total</b>	<b>10,731,027.08</b>	<b>7,296,513.00</b>

#### Note (i) : Current maturities of long-term debt (Refer Notes (i), (iii) and (iv) in Note 5 - Long-term borrowings for details of security and guarantee):

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
<b>(a) Term Loan From Bank (Car loan)</b>		
<b>Secured</b>		
<b>Installment Paid During One Year</b>		
<b>from banks:</b>		
ICICI Bank Ltd	125,039.00	531,120.00
ICICI Bank Ltd	261,960.00	261,960.00
Kotak Mahindra Bank Ltd	–	787,692.00
Reliance Capital Ltd	3,839,160.00	3,839,160.00
Bank of Baroda Car Loan	2,525,564.00	–
<b>Total</b>	<b>6,751,723.00</b>	<b>5,419,932.00</b>

#### Note : 7 Short-term provisions

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(x) Provision - for Income tax	1,083,216.00	983,532.00
<b>Total</b>	<b>1,083,216.00</b>	<b>983,532.00</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Notes : 8 Fixed Assets**

**Tangible and Intangible Assets**

	DESCRIPTION	GROSS BLOCK (Rs.)		DEPRECIATION (Rs.)			NET BLOCK (Rs.)	
		AT APRIL 1, 2012	ADDITION/ DEDUCTION	AT MARCH 31, 2013	AT APRIL 1, 2012	ADDITION/ DEDUCTION	AT MARCH 31, 2013	AT MARCH 31, 2012
1	Free Hold Land	1,110,000	-	1,110,000	-	-	1,110,000	1110000.00
2	Factory Building	15,434,110	-	15,434,110	11,422,743	401,090	3,610,277	4011367.00
3	Plant and machinery	11,419,885	40,445	11,460,330	7,949,879	508,922	3,001,529	3470006.00
4	Mould & Dies	14,722,363	-	14,722,363	11,892,690	396,021	2,433,652	2829673.00
5	Motor vehicles	38,575,671	3,627,034	42,202,705	18,706,602	5,704,736	17,791,367	19869069.00
6	Furniture and fixtures	3,168,271	148,910	3,168,271	2,508,201	102,311	557,759	511160.00
7	Computer System	4,092,091	113,695	4,205,786	3,172,818	347,901	685,067	919273.00
8	Computer Software	60,720	-	60,720	31,462	11,703	17,555	29258.00
9	Office Equipment	2,456,709	279,299	2,736,008	1,595,157	128,171	1,012,680	861552.00
	<b>Total</b>	<b>91,039,820</b>	<b>4,090,882</b>	<b>95,130,702</b>	<b>57,381,863</b>	<b>7,603,436</b>	<b>30,145,403</b>	<b>33,657,957</b>
	Previous Year	84,809,015	6,230,805	91,039,820	48,816,691	8,565,172	33,657,957	35,992,324



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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 9 Non-current investments

Particulars	As at 31 March, 2013			As at 31 March, 2012		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Investments (At cost):						
A. Trade @						
(a) Investment in equity Shares of Malad Co - Op Society Ltd		500.00	500.00		500.00	500.00
(b) Investment in Golden Coin		325,568.00	325,568.00			
<b>Total - Trade (A)</b>		<b>326,068.00</b>	<b>326,068.00</b>		<b>500.00</b>	<b>500.00</b>

### Note : 10 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(a) Raw materials	8,424,778.40	19,647,732.00
(b) Finished goods	78,519,683.88	66,441,974.00
<b>Total</b>	<b>86,944,462.28</b>	<b>86,089,706.00</b>

### Note : 11 Trade receivables

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good		
Unsecured, considered good	51,611,179.72	43,289,297.00
Doubtful	–	–
	51,611,179.72	43,289,297.00
Less : Provision for doubtful trade receivables	–	–
	51,611,179.72	43,289,297.00
Other Trade receivables		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less : Provision for doubtful trade receivables		
<b>Total</b>	<b>51,611,179.72</b>	<b>43,289,297.00</b>

Note: Trade receivables include debts due from:

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
<b>Firms in which any director is a proprietor</b>		
Jaipan C2c Company	138,956.00	417,239.00
<b>Private companies in which any director is a director or member</b>		
Jil Infoway	405,928.00	351,928.00
<b>Jaipan Teleshoppee</b>	–	3,315,680.00
Jaipan C2c Marketing Private Ltd	67,527.00	
<b>Total</b>	<b>612,411.00</b>	<b>4,084,847.00</b>

## Jaipan Industries Limited

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 12 Cash and cash equivalents

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(a) Cash on hand	2,584,482.28	3,440,742.00
(c) Balances with banks		
(i) In current accounts	10,538,051.25	4,399,348.00
(ii) Bank Letter of Credit margin	1,815,601.92	290,102.00
(iii) In deposit accounts	3,441,916.00	3,000,000.00
(iv) In Unpaid Dividend Account	358,592.00	358,592.00
(v) Bank Guarantee	515,012.00	1,846,907.00
<b>Total</b>	<b>19,253,659.91</b>	<b>13,335,691.00</b>

#### Note : 13 Short-term loans and advances

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(a) Loans and advances to related parties		
Secured, considered good		
Unsecured, considered good	481,200.00	466,200.00
Doubtful	–	–
	481,200.00	466,200.00
Less: Provision for doubtful loans and advances	–	–
	481,200.00	466,200.00
(b) Security deposits		
Secured, considered good		
Unsecured, considered good	13,923,822.00	13,916,884.00
Doubtful	–	–
	13,923,822.00	13,916,884.00
Less: Provision for doubtful deposits	–	–
	13,923,822.00	13,916,884.00
(g) Others (specify nature)		
Secured, considered good		
Unsecured, considered good	18,815,725.00	17,299,784.00
Doubtful	–	–
	18,815,725.00	17,299,784.00
Less: Provision for other doubtful loans and advances	–	–
	18,815,725.00	17,299,784.00
<b>Total</b>	<b>33,220,747.00</b>	<b>31,682,868.00</b>

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### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note 13 (a) Short-term loans and advances (contd.)

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
Note: Short-term loans and advances include amounts due from:		
<b>Relative of Directors</b>		
Firms in which any director is proprietor or a partner		
Garuda Builder	361,200.00	143,200.00
Jai Shree Finanace Company	–	88,000.00
Rashi Agarwal	120,000.00	20,000.00
Veena J Agarwal	–	215,000.00
<b>Total</b>	<b>481,200.00</b>	<b>466,200.00</b>

#### Note : 14 Other current assets

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(a) Accruals		
(i) Interest accrued on deposits	396,646.00	441,916.00
(d) Others		
(ii) Contractually reimbursable of TDS Deducted	216,058.00	126,355.00
<b>Total</b>	<b>612,704.00</b>	<b>568,271.00</b>

## Jaipan Industries Limited

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note 15 Revenue from operations

	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
		Rs.	Rs.
(a)	Sale of Home Appliances	262,142,013.07	252,761,039.00
(b)	Sale of Mobile and Mobile Accessories	4,358,358.65	13,724,385.00
(c)	Other operating revenues	702,753.00	1,201,480.00
	<b>Total Revenue from Operation</b>	<b>267,203,124.72</b>	<b>267,686,904.00</b>
	Less:		
(d)	Excise duty	289,812.00	532,457
	<b>Total</b>	<b>266,913,312.72</b>	<b>267,154,447.00</b>

Note	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
		Rs.	Rs.
(i)	<b>Sale of products comprises @:</b>		
	Manufactured goods (Silvassa Division)	5,691,445.72	47,792,475.00
	<b>Total - Sale of manufactured goods</b>	<b>5,691,445.72</b>	<b>47,792,475.00</b>
	<b>Traded goods</b>		
	Mumbai Division	256,450,567.35	204,968,564.00
	Mobile Division	4,358,358.65	13,724,385.00
	Others		
	<b>Total - Sale of traded goods</b>	<b>260,808,926.00</b>	<b>218,692,949.00</b>
	<b>Total - Sale of products</b>	<b>266,485,424.00</b>	<b>268,098,525.00</b>
(ii)	Other operating revenues comprise:		
a	Duty drawback and other export incentives	702,718.00	820,000.00
b	Discount Received	–	381,480.00
c	Other	35.00	–
	<b>Total - Other operating revenues</b>	<b>702,753.00</b>	<b>1,201,480.00</b>

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### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 16 Other income

	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
		Rs.	Rs.
(a)	Interest income (Refer Note (i) below)	816,835.00	927,940.00
(b)	Net gain on foreign currency transactions and translation (other than considered as finance cost)	–	57,651.00
(f)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	3,764,088.00	3,764,088.00
	<b>Total</b>	<b>4,580,923.00</b>	<b>4,749,679.00</b>

Note	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
		Rs.	Rs.
(i)	<b>Interest income comprises:</b>		
	<b>Interest from banks on:</b>		
	Interest On Fixed Deposit	438,209.00	454,353.00
	Interest on loans and advances	378,626.00	473,587.00
	Other interest	Nil	Nil
	<b>Total - Interest income</b>	<b>816,835.00</b>	<b>927,940.00</b>
(ii)	<b>Other non-operating income comprises:</b>		
	Rental income from Car On Lease Rent	3,764,088.00	3,764,088.00
	<b>Total Other Non Operating Income</b>	<b>3,764,088.00</b>	<b>3,764,088.00</b>

#### Note : 17 Cost of Material Consumed

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
Opening stock	19,647,732.00	4,128,321.00
Add: Purchases	–	52,319,235.00
	19,647,732.00	56,447,556.00
Less: Closing stock	8,424,778.00	19,647,732.00
<b>Cost of material consumed</b>	<b>11,222,954.00</b>	<b>72,071,421.00</b>
<b>Material consumed comprises:</b>		
Alumuium 141887kg @ 161.29	–	22,885,006.00
Non Stick Paints	–	4,558,235.00
Handle	–	1,716,339.00
LID	–	2,443,874.00
Other items	11,222,954.00	5,196,370.00
<b>Total</b>	<b>11,222,954.00</b>	<b>36,799,824.00</b>

# Jaipan Industries Limited

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Purchase of traded goods

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
<b>Purchase of traded goods</b>		
Mumbai Division	210,298,935.12	178,557,003.00
Mobile Division	8,915,698.22	12,512,275.60
<b>Total</b>	<b>219,214,633.34</b>	<b>191,069,278.60</b>

### Note : 17 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
<b>Inventories at the end of the year:</b>		
Finished goods		
Raw Material	78,519,683.68	66,441,974.00
	78,519,683.68	66,441,974.00
<b>Inventories at the beginning of the year:</b>		
Finished goods	66,441,974.00	52,991,433.00
Raw Material	66,441,974.00	52,991,433.00
<b>Net (increase) / decrease</b>	<b>12,077,709.68</b>	<b>13,450,541.00</b>

### Note : 18 Employee benefits expense

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
Salaries and wages	10,925,512.00	10,349,917.00
Contributions to provident and other funds	39,672.00	102,413.00
<b>Total</b>	<b>10,965,184.00</b>	<b>10,452,330.00</b>

### Note : 19 Finance costs

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
<b>(a) Interest expense on:</b>		
(i) Bank Charges	591,111.95	793,679.00
(ii) Bank Interest	3,415,028.00	4,850,849.00
(iv) Loan Processing Fee and Charges	-	479,792.00
(ii) Interest On Car Loan	1,424,149.37	1,344,685.00
(iii) Others	-	1,200.00
- Interest on delayed / deferred payment of Sales tax		
<b>Total</b>	<b>5,430,289.32</b>	<b>7,470,205.00</b>



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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 20 Other expenses

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
<b>Manufacturing Expenses :</b>		
Labour Charges	308,205.00	2,510,407.00
Custom Duty	471,309.00	
Factory Expenses	18,000.00	335,311.00
Power and fuel	988,548.00	1,948,508.00
<b>General and Administration Expenses :</b>		
Repairs and maintenance	322,651.11	732,758.00
Legal and Professional Charges	1,301,540.71	1,381,124.00
Payment to Auditors	75,000.00	75,000.00
Computer Expenses	56,210.09	58,342.00
Insurance Expenses	1,017,818.00	740,788.00
Rate and tax paid (Sales tax and Excise)	717,440.00	603,693.00
Communication	262,744.78	375,884.00
Travelling and conveyance	699,187.00	598,836.00
Motor Car Expenses	26,836.00	31,798.00
Printing and stationery	737,102.75	415,540.00
Office Expenses	110,590.00	385,807.00
Staff Welfare Expenses	205,607.00	208,541.00
Miscellaneous Expenses	120,699.79	145,522.00
Security Charegs	303,372.00	238,678.00
Web Designing Charge	43,024.00	84,800.00
Rent Paid	442,209.00	112,000.00
Loss on sale of Motor Car	504,185.00	-
<b>Selling &amp; Distribution Expenses :</b>		
Advertising Expenses	3,194,884.00	3,051,483.00
Courier Charges	1,376,893.00	1,350,790.00
Freight and Forwarding ,Octroi and Transport Expenses	5,561,450.01	5,553,360.00
Business and Sales Promotion Expenses	2,387,247.00	1,148,316.00
Travelling Expenses	673,571.00	365,078.00
Export Expenses	785,076.79	1,482,861.00
Bad Trade and other Receivables	1,191,886.00	91,815.00
Sales Discount	1,106,524.96	1,394,455.30
Sales Commission	1,915,380.00	2,178,641.00
Foreign Exchange Fluctuation Expenses	251,276.69	-
Other Expenses	125,509.00	42,183.65
Foreign Travell Expenses		210,433.00
<b>Total</b>	<b>26,830,668.68</b>	<b>28,324,061.95</b>

### Notes

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	40,000.00	40,000.00
For taxation matters	10,000.00	10,000.00
For company law matters	10,000.00	10,000.00
For management services	10,000.00	10,000.00
For other services	5,000.00	5,000.00
<b>Total</b>	<b>75,000.00</b>	<b>75,000.00</b>

### Note : 21.a Other Expenses Details

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
Loss By Theft	-	580,000.00
<b>Total</b>	<b>-</b>	<b>580,000.00</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1. Nature of operations

Jaipan Industries Limited ('Jaipan' or 'the Company'), a public limited company was incorporated on 27th April, 1965. The Company is primarily engaged in the manufacturing & trading of home appliances.

The Company's registered office is at 17, Jai Villa Compound, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai - 400 063 Maharashtra, India.

### 2. Basis of preparation of financial statements

The financial statements have been prepared under historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 1956 (the 'Act') and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006, to the extent applicable. The accountings policies have been consistently applied by the Company, except for the changes in accounting policy discussed in note 13 of Schedule 23 and are consistent with those used in the previous year. The financial statements are presented in Indian Rupees, unless otherwise specified.

### 3. Summary of significant accounting policies

#### a. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities at the date of financial statements. The key estimates made by the Company in preparing these financial statements comprise provision for expenses, retirement benefits, provision for doubtful debts and income taxes. Actual results could differ from those estimates. Any revision to the accounting estimates is recognised prospectively in current and future periods.

#### b. Fixed assets and depreciation

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and other costs attributable to bringing the asset to its working condition for its intended use, net of cenvat recoverable.

Intangible Assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprises and the cost of the asset can be measured reliably.

Capital Work in progress comprises outstanding advances paid to acquire fixed assets. The cost of fixed assets that is not yet ready for their intended use at the Balance sheet date.

Depreciation on fixed assets is provided on the Written down Value (WDV), at the rates and the manner prescribed in Schedule XIV to the Act which as per management is representative of the estimated useful life of these assets. Leasehold improvements are amortised over the primary lease period. Proportionate depreciation is charged for additions/deletions during the year. Individual asset costing less than Rs 5,000 are depreciated in full in the year of purchase.

#### c. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. Current investments are carried at lower of cost and fair value, determined on an individual investment basis. All other investments are classified as long-term investments and are carried at cost. However, a provision for diminution in value is made if the diminution in value is other than temporary.

#### d. Inventories

Inventories are valued as under:

- a) Raw materials, stores and spares and packaging materials: Lower of cost and net realisable value. Cost is determined on FIFO basis.
- b) Finished goods: Lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
- c) Traded goods: Lower of cost and net realisable value. Cost is determined on FIFO basis.
- d) Work-in-process: At cost upto estimated stage of completion. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity..

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### e. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer usually on acceptance of the goods and other revenue recognition criteria are met and is stated net of trade discounts, rebates, excise duties, sales returns and all applicable sales tax and duties.

##### Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

##### Dividends

Revenue is recognized when the Companies right to receive the payment is established.

#### f. Foreign exchange transactions

Transactions in foreign currencies are recorded at the rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

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Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognised as follows::

- i) Exchange differences arising on settlement of transactions and translation of monetary items other than those covered by (ii) below are recognised as income or expense in the year in which they arise.

**g. Export benefits/incentives**

Export entitlements under the Duty Entitlement Pass Book scheme ('DEPB') are recognised in the profit and loss account on cash basis in respect of the exports made. Obligation/entitlements on account of Advance License Scheme for import of raw materials are accounted for on the purchase of raw materials and/or export sales.

**h. Provisions and contingencies**

A provision is recognised when an enterprise has a present obligation as a result of a past event; 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 not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**i. Employee retirement benefits**

Defined contribution plan - provident fund

The employees entitled to receive benefits under the provident fund as defined, in Employees Provident Fund and Miscellaneous Provisions Act, 1952, receive the benefits of provided fund contribution. Both, the employee and the employer make monthly contributions to the plan at a predetermined rate (presently at 12%) of the employees' basic salary. The Company has no further obligations under the plan beyond its monthly contributions. These contributions are made to the fund administered and managed by the Government of India and are charged to Profit and Loss Account.

**j. Taxation**

The Charge for current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

The Charge for Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet dates. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in the future. At each balance sheet date the Company re-assesses unrecognised deferred tax assets.

Minimum Alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period.

**k. 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 applicable taxes) by the weighted average number of equity shares outstanding during the period.

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.

**4. Loans**

**a) Secured working capital loans:**

These include Cash Credit, Packing Credit and letter of credit facility from Bank of Baroda secured by way of charge on hypothecation of inventories and book debts (except specific clearing and forwarding services receivables) of the Company, situated at Silvassa and Mumbai office. Further, these loans are secured by collateral charge on factory Building situated at silvassa. Further, these loans are secured by personal guarantee of Directors, Mr. J.N.Agawal and Mr. Atin Agarwal. These loans are generally extended for a period of one year and mutually renewable every year with a clause of payable on demand.

**b) Secured term loans:**

These include loans from banks and financial institutions secured by way of first charge / mortgage in respect of the Company's immovable and movable properties, both present and future. Presently company has not obtained any secured terms loan from any bank or the financial institution.

**c) Secured vehicle loans:**

These include hire-purchase loans from banks for purchase of various vehicles secured by way of hypothecation of respective vehicles. Amounts payable within one year Rs. 67,51,723/-(previous year: Rs. 54,19,932/-).

**d) Unsecured loans:**

Working capital requirements obtained from others and is payable within one year. These loans are generally extended for a period of one year and mutually renewable every year with a clause of payable on demand.

**5. Sundry Creditors**

The Company has no details of Small Scale Industrial undertakings & Micro, Small and Medium Enterprises.

**6. Contingent liabilities and claims not acknowledged as debts**

**i. Unpaid disputed dues:**

Sr. No.	Name of the Statue	Nature of Dues	Forum where dispute is Pending	Amount Rs. In Lacs
1	Maharashtra Sales Tax	Sales Tax	Appeal	152.48

# Jaipan Industries Limited

**ii. Performance guarantees issued**

Bank guarantees given by the Company for performance are Rs. Nil (previous year: Rs. Nil)

**iii. Bills discounted**

Bills supported by letters of credit accepted by customers and discounted with banks are Rs. Nil (previous year: Rs. Nil)

**iv. Capital commitments:**

Estimated amount of contracts remaining to be executed on capital account not provided for are Rs. Nil (previous year: Rs Nil)

**7. Employee benefits**

**Defined contribution plan**

The Company contributed Rs. 39,672/-to the provident fund plan during the year ended March 31, 2012 (previous year: Rs. 1, 02,413/)

**8. Segment Reporting**

**Primary Business Segment**

In accordance with AS 17 the company operates in to two business segments, namely, Home appliances Segment and Mobile. The Home Appliances segment is the primary business segment comprises of manufacture and trading of Home Appliances, while Mobile Segment is entirely a trading business of the company. The segment revenue, segment results, total carrying amount of segment assets and liabilities, total costs incurred to acquire segment assets, total amount of charge of depreciation during the year is as reflected in the financial statements for the year ended March 31, 2013.

In Accordance with AS 17 Segment Report as at 31.03.2013.

	Particulars	Home Appliances Division	Mobile Division	Total
	<b>Revenue</b>			
	Domestic sales	20,40,37,850.00	43,58,358.00	20,83,96,208.00
	Export	6,18,68,250.00	0	6,18,68,250.00
	Inter Segment Sales	0	0	0
	<b>Total Revenue</b>	<b>26,59,06,100.00</b>	<b>43,58,358.00</b>	<b>27,02,64,458.00</b>
	<b>Segment Result</b>	5,00,95,012.00	-71,876.00	5,00,23,136.00
Less	Unallocated Corporate Expenses			22,02,41,322.00
	<b>Operating Profit</b>			<b>92,54,657.00</b>
Add	Other Operating Income			7,02,753.00
Add	Interest Income			8,16,835.00
	<b>Operating Profit Before Interest and tax</b>			<b>77,35,069.00</b>
Less :-	Un allocated Interest Expenses			54,30,289.00
	<b>Net Ordinary Profit</b>			23,04,780.00
Add	Extra - Ordinary Income/(Expenses)			0.00
	<b>Net Profit Before Tax</b>			<b>23,04,780.00</b>
Less	Income Tax			11,75,149.00
	Deferred Tax			(2,96,735.00)
	<b>Net Profit After Tax</b>			<b>14,26,367.00</b>
	<b>Other Information :-</b>			
	<b>Assets :</b>			
	Segment			
	Unallocated Assets			3,01,45,406.00
	<b>Liabilities</b>			
	Segment			
	Unallocated Liabilities			3,01,45,406.00

**9. Related party disclosures**

As required under Accounting Standard 18 - Related Parties, details and disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

**Category I: Key management personnel.**

**Category II: Associate concerns controlled by the directors.**

## Annual Report 2012 - 2013

The following transactions were carried out with key management personnel related parties during the current year:

	Rs.	
	Category I	Category II
Sales	–	78,80,543.00
Remuneration	12,66,900.00	–
Purchases	–	5,37,92,272.00
Expenditure on Salary	–	–
Loans & Advances as on March 31, 2013	–	4,81,200.00
Receivables at March 31, 2013	–	2,07,483.00
Payables as at March 31, 2013	–	0.00
Unsecured Loans as on March 31, 2013	–	37,35,393.00

The following transactions were carried out with related parties during the previous year:

	Rs.	
	Category I	Category II
Sales	–	461283.00
Remuneration	1266900.00	–
Purchases	–	79274032.00
Expenditure on salary	–	–
Loans & Advances as on March 31, 2011	–	466200.00
Receivables as at March 31, 2011	–	7839997.00
Payables as at March 31, 2012	–	3188.00
Unsecured Loans as on March 31, 2012	–	3646882.00

### 10. Additional disclosures required under Companies Act, 1956:

#### a) Directors remuneration

	Rs.	
	March 31, 2013	March 31, 2012
Salary and allowances	1266900.00	1266900.00
<b>Total</b>	<b>1266900.00</b>	<b>1266900.00</b>

#### b) Imports of C.I.F. basis

	Rs.	
	March 31, 2013	March 31, 2012
Finished Goods	46,63,198.00	30,27,700.00
Travelling	Nil	2,10,433.600
<b>Total</b>	<b>3238134.00</b>	<b>14318224.00</b>

#### c) Auditors remuneration

	Rs.	
	March 31, 2013	March 31, 2012
Statutory audit fees	60000.00	60000.00
Other matters	15000.00	15000.00
<b>Total</b>	<b>75000.00</b>	<b>75000.00</b>

#### d) Earnings in foreign currency

	Rs.	
	March 31, 2013	March 31, 2012
FOB value of exports	6,18,68,250.00	7,99,49,812.00

### 11. Previous year figures

Previous year figures have been re-grouped/re-casted wherever considered necessary to make them comparable with those of the current year.

Signatures to schedules 1 to 11

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**J. N. AGARWAL**  
(MANAGING DIRECTOR)

**ATIN J. AGARWAL**  
(DIRECTOR)

PLACE : MUMBAI  
DATED : August 12, 2013

# Jaipan Industries Limited

Regd. Office : 17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai - 400 063.

## ANNUAL GENERAL MEETING 2012-2013 PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_  
in the district \_\_\_\_\_ of being a Member/Members of  
**Jaipan Industries Limited** hereby appoint Shri \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ in the district of \_\_\_\_\_ or failing him  
Shri \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ in the district of \_\_\_\_\_

as my / our Proxy to attend and vote for me / us and on my / our behalf at the 47th ANNUAL GENERAL MEETING of the Company to be held on Friday, the 27th September, 2013 at 17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai 400 063 at 9.30 a.m.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

Regd. Folio No. \_\_\_\_\_

Signature \_\_\_\_\_

No. of Shares held \_\_\_\_\_

Please  
affix Re. 1/-  
Revenue  
Stamp

**Note :** The proxy duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. A proxy need not be a member of the Company.

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# Jaipan Industries Limited

Regd. Office : 17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai - 400 063.

## ANNUAL GENERAL MEETING 2012-2013

### ATTENDANCE SLIP

(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

Name & Address of the Shareholder

Regd. Folio No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

I hereby record my presence at 47th ANNUAL GENERAL MEETING of the Company on Friday, the 27th September, 2013 at 17, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai 400 063 at 9.30 a.m.

SIGNATURE OF MEMBER

THE ATTENDING PROXY \_\_\_\_\_