

## NOTICE

NOTICE is hereby given that the 48th ANNUAL GENERAL MEETING of JAIPAN INDUSTRIES LIMITED will be held at 17, Cama Industrial Estate, Walbhath Road, Goregaon (East), Mumbai 400 063 on Friday, 26th September 2014 at 10.00 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended 31st March 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. JAINARAIN O AGARWAL, who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of Auditors

To consider and, if thought fit, to pass with or without modification(s), if any, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Ashok K. Lohiya & Associates, Chartered Accountants (Firm Reg. No. 124406W), be and is hereby re-appointed as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 53rd AGM of the Company to be held in the year 2019 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out of pocket expenses, etc., as may be mutually agreed between the Audit Committee/Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS

#### 4. Appointment of Mr. Ravindra Ashok Mishra as a Director of the Company

To consider and, if thought fit, to pass with or without modification(s), if any, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. **Ravindra Ashok Mishra** (DIN 06904573), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 11th August, 2014 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") but who is eligible for appointment as Director and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed a Director of the Company."

#### 5. Appointment of Mr. Shirish Dwarkadas Gotecha as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), if any, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. **Shirish Dwarkadas Gotecha** (DIN 02877874), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 26th September, 2014 up to 25th September, 2019."

#### 6. Appointment of Mr. Ashwini Om Prakash Sharma as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), if any, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. **Ashwini Om Prakash Sharma** (DIN 02976996), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 26th September, 2014 up to 25th September, 2019."

#### 7. Appointment of Mr. Ravindra Ashok Mishra as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), if any, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. **Ravindra Ashok Mishra** (DIN 06904573), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 26th September, 2014 up to 25th September, 2019."

### NOTES:

- [a] The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), in respect of the business under Item No. 4 to 7 set out above and details under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, in respect of Directors seeking appointment/re-appointment at the Annual General Meeting are annexed hereto.
- [b] A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- [c] The Register of Members and Share Transfer Books of the Company will be closed from Monday, 15th September, 2014 to Wednesday, 17th September, 2014 both days inclusive.

## Annual Report 2013 - 2014

- [d] Members holding shares in dematerialized form are requested to intimate all changes pertaining to their mandates, nominations, power of attorney, change of address, change of name and email address, etc., to their Depository Participant only and not to the Company's Registrars and Transfer Agents, Link Intime India Private Limited ("Link Intime"). Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Link Intime to provide efficient and better Services. Members holding shares in physical form are requested to intimate such changes to Link Intime.
- [e] Benefits of Dematerialization:  
Shares held in dematerialized form have several advantages like immediate transfer of shares, faster settlement cycle, faster disbursement of non-cash corporate benefits like rights, etc., lower brokerage, ease in portfolio monitoring, etc. Besides, risks associated with physical certificates such as forged transfer, fake certificates, bad deliveries, loss of certificates in transit, get eliminated.  
Since there are several benefits arising from dematerialization, we sincerely urge you to dematerialize your shares at the earliest, if you are still holding the shares in physical form.
- [f] Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting. As a cost control measure, copies of the Annual Report will not be distributed at the Annual General Meeting.
- [g] The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Depositories for communication purposes. For other Members, physical copies are being sent. Members holding shares in physical form and who have not registered their email IDs are requested to register their email IDs with Link Intime.
- h] In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

### A. In case of members receiving e-mail from CDSL:

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

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>● In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

## Jaipan Industries Limited

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

### B. In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Monday, 15th September, 2014 (9.00 a.m. IST) and ends on Wednesday, 17th September 2014 (6.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### C. Other Instructions:

- i. The e-voting period commences on Monday, 15th September, 2014 (9.00 a.m. IST) and ends on Wednesday, 17th September 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 22nd August, 2014.
- iii. Ms. Trushna Jhaveri, Practicing Company Secretary, have been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form in case poll is demanded by the members at the meeting) in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.  

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and physical Ballot shall be treated as invalid.
- v. The results declared along with the Scrutinizer's Report shall be placed/ communicated to BSE Limited on 27th September, 2014 where the shares of the Company are listed and the stakeholders can view the same.

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

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

Mumbai, 11th August, 2014

#### Registered Office:

17, Cama Industrial Estate, Walbhatt Road,  
Goregaon (East), Mumbai 400 063  
CIN: L28991MH1965PLC013188

## Annual Report 2013 - 2014

### EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ("ACT")

The following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 to 7 in the accompanying Notice dated 11th August, 2014.

#### Item No. 4

Mr. Ravindra Ashok Mishra was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Act, from effect from 11th August, 2014.

He holds office as Director upto the date of the forthcoming Annual General Meeting of the Company. A notice has been received from a Member pursuant to Section 160 of the Act, as required, signifying his intention to propose Mr. Ravindra Ashok Mishra for appointment as a Director of the Company.

Mr. Ravindra Ashok Mishra is a Company Secretary in employment and by remaining independent, is expected to look into the compliance aspects of the Company and thereby taking care of investor grievances.

Mr. Ravindra Ashok Mishra is deemed to be interested in Resolution at Item No. 4. Other than Mr. Ravindra Ashok Mishra, none of the other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The details of Mr. Ravindra Ashok Mishra along with his brief resume are given in the Annexure to the Notice.

#### Item No 5 to 7

Mr. Shirish Dwarkadas Gotecha, Mr. Ravindra Ashok Mishra and Mr. Ashwini Om Prakash Sharma were appointed as Non-Executive Directors of the Company and were considered as Independent Directors pursuant to Clause 49 of the Listing Agreement.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. Shirish Dwarkadas Gotecha, Mr. Ravindra Ashok Mishra and Mr. Ashwini Om Prakash Sharma have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr. Shirish Dwarkadas Gotecha, Mr. Ravindra Ashok Mishra and Mr. Ashwini Om Prakash Sharma as Independent Directors were placed before the Nomination & Remuneration Committee of the Company ("the Committee"). The Committee commends the appointment of these directors as Independent Directors from 26th September 2014 upto 25th September 2019.

In the opinion of the Board, these directors fulfill the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Director is now being placed before the Members in the general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

A brief profile of the Independent Directors are given in the Annexure to the Notice.

Mr. Shirish Dwarkadas Gotecha, Mr. Ravindra Ashok Mishra and Mr. Ashwini Om Prakash Sharma, respectively, are concerned or interested in the Resolutions mentioned at Item No. 5 to 7 of the Notice relating to their own appointment. Other than these Directors, none of the other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolutions mentioned at Item No. 5 to 7 of the Notice.

#### Details of Directors seeking appointment / re-appointment at the Annual General Meeting

Particulars	MR. RAVINDRA MISHRA	MR. SHIRISH DWARKADAS GOTECHA	MR. JAINARAIN O AGARWAL	MR. ASHWINI OM PRAKASH SHARMA
Date of Birth	09/05/1985	13/02/1956	16/04/1954	12/06/1954
Date of Appointment	11/08/2014	21/06/1999	01/04/2004	25/03/2002
Expertise in specific functional area	Corporate Governance	Management	Business	Management
Directorships held in other companies (excluding foreign companies)	NIL	NIL	1. JAIPAN SOGO ELECTRONICS PVT. LTD. 2. JAIPAN C2C MARKETING PVT. LTD. 3. VENERE INDIA MARKETING PVT. LTD.	NIL
Membership / Chairmanships of committees of other companies (includes only Audit Committee and Shareholders / Investors Grievance Committee)	NIL	NIL	NIL	NIL
Number of shares held in the Company	NIL	NIL	166832	NIL

## DIRECTORS' REPORT

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

The Directors have pleasure in presenting the 48th Annual Report on the business and operations of your Company and the Audited Financial Statements for the year ended 31st March, 2014.

### 1. FINANCIAL RESULTS

The highlights of the Financial Results are:

	31-03-2014	31-03-2013
Sales & Other Income	40,42,38,940.29	27,14,94,236.00
Less: Raw Material	32,82,18,606.67	21,83,59,878.00
Consumed & Purchases		
Less: Expenditure	6,67,06,982.88	4,32,26,142.00
Less: Depreciation	76,72,221.20	76,03,436.00
Net Profit before tax & after depreciation	16,41,129.54	23,04,780.00
Less: Provision for Tax	7,37,230.00	11,75,149.00
Less: Income tax earlier year		-
Add: Provision for Deferred Tax	(3,76,735.00)	(2,96,736.00)
Net Profit After Tax	12,80,634.54	14,26,367.00
Add: Profit & Loss brought forward	3,61,12,656.45	3,46,86,289.45
Add: Excess Provisions of Last Year		-
Profit carried to Balance Sheet	3,73,93,290.99	3,61,12,656.45

### 2. DIVIDEND

Your Board of Directors does not recommend any dividend for the financial year ended 31st March, 2014.

### 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

The Board on 11th August, 2014, has appointed Mr. Ravindra Ashok Mishra, as an Independent and Non Executive Additional Director as per the provisions of Companies Act, 2013 upto the forthcoming Annual General Meeting and the Company has received a notice from a member intending to propose the candidature of Mr. Ravindra as the Director of the Company. Mr. Ravindra Mishra has submitted his declaration under Section 149(6) to be appointed as the Independent Director of the Company and that he shall not be liable to retire by rotation.

Mr. Mahesh Shyama Shetty, resigned from the Company with effect from 11th day of August, 2014 and the Company thanks him for his valuable contribution to the Company.

Mr. Jainarin O 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. Ravindra Mishra, Mr. Ashwini Om Prakash Sharma and Mr. Shirish Gotecha are independent directors of the Company. Pursuant to Section 149 of the Companies Act, 2013, it is proposed to appoint these Directors to hold office as per their tenure of appointment mentioned in the notice of the forthcoming Annual General Meeting of the Company. The independent Directors are not liable to retire by rotation.

Mr. Atin Agarwal, Executive Director of the Company has been appointed as the CFO of the Company with effect from 11th day of August, 2014.

### 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, 2014, 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, 2014 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, 2014 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 53rd Annual General Meeting of the Company and your Directors recommended their re-appointment, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013. The appointment is subject to ratification at every Annual General Meeting of the Company.

### 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 : 11th August, 2014

**Registered Office :**  
17 Cama Industrial Estates,  
Wallbhat Road,  
Goregaon (East),  
Mumbai-400 063



# Annual Report 2013 - 2014

## ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED 31ST MARCH, 2014.

### 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	2013-2014	2012-13
Units Purchase (KWH in Lakhs)	3.17	3.30
Total Amount (Rs. In Lakhs)	10.92	9.89
Average Rate per unit (Rs. /Unit)	3.45	3.00

#### B. Consumption per unit of production

Particulars	2013-14 Per Unit	2012-13 Per Unit
Electricity (KWH)	2.00	2.00

### 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	2013-14 In Lakhs	2012-13 In Lakhs
The Company had earned Foreign Exchange as under On (C & F Basis):		
1) On its Direct Exports	622.63	618.68
2) On its Exports as Supporting Manufacturer	13.88	17.83
The Foreign Exchange outgoing Is as under:		
1) Traveling	0.00	0.00
2) Bank Charges	0.00	0.00
3) Imports of Raw Materials	0.00	46.63

For and on behalf of the Board of Directors

J. N. AGARWAL

(Chairman & Managing Director)

Place : Mumbai  
Dated : 11th August, 2014

**Registered Office:**  
17 Cama Industrial Estates,  
Wallbhat Road,  
Goregaon (East),  
Mumbai-400 063

## 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 home appliances market in the 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 : 11th August, 2014

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2013-2014

(As required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

### PHILOSOPHY ON CODE OF GOVERNANCE

The Board of Directors and the Management of **JAIPAN INDUSTRIES LIMITED** committed 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 Disclosure

I. BOARD OF DIRECTORS: The details of Board of Directors on 31.03.2014 are as under:

As on 31.03.2014, the Company has 5 Directors including an Executive Chairman. Out of 5, three are Non Executive Independent Directors., The Composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

Below is the information as required under Clause 49 of the Listing Agreement:

Name of Directors	Designation	No. of Board Meetings Attended	Directorship in other Limited Companies & Membership as on 31.03.2014			Attendance at last AGM
			Other Board (excluded) Jaipan)	Other Board Committees (exclude Jaipan)		
				Chairman	Member	
J. N. Agarwal	Chairman & Managing Director Executive	4	NIL	NIL	NIL	Present
Atin J. Agarwal	Executive Director	4	NIL	NIL	NIL	Present
Mahesh Shetty	Director Non-Executive & Independent	4	NIL	NIL	NIL	Present
Shirish Gotecha	Director Non-Executive & Independent	4	NIL	NIL	NIL	Present
Ashwini O. Sharma	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. Four Board meetings were held during the year 31st March, 2014. They were held on 30.05.2013, 12.08.2013, 14.11.2013 and 14.02.2014.

#### 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. Jainarain O Agarwal, retires by rotation and offers himself for reappointment at the ensuing Annual General Meeting.

The Independent Directors are liable to be appointed for a period of 5 yrs from 26th September, 2014 to 25th September, 2019 as per the provisions of Companies Act, 2013.

# Annual Report 2013 - 2014

## II. 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 27.09.2013.

In 2013-14, the Audit Committee met 4 times on 30.05.2013, 12.08.2013, 14.11.2013 and 14.02.2014.

The attendance during the year is as under.

Name of the Member	Designation	No. of meetings attended
Ashwini O. Sharma	Chairman	4
Shirish Gotecha	Director	4
Mahesh Shetty	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 12.08.2013 and 14.02.2014.

Name of the Member	Designation
Ashwini O Sharma	Chairman
Mahesh Shetty	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 31.03.2014 are specified below:

A. Remuneration as per Accounts for the year ended 31.03.2014.

Director	Salary & Perquisites (₹)	Commission (₹)	Total (₹)
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 27.09.2013.

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.

The Remuneration Committee of the Board of Directors of the Company has been reconstituted as Nomination and Remuneration Committee with effect from 11.08.2014 in accordance with the provisions of Companies Act, 2013.

### C. SHAREHOLDERS/ INVESTORS GRIEVANCES 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.



## Jaipan Industries Limited

During the financial year ended March 31, 2014, four Shareholders/Investors' Grievance Committee Meetings were held on 30.05.2013, 12.08.2013, 14.11.2013, and 14.02.2014

Name of the Member	Designation
Ashwini O. Sharma	Chairman
Atin Agarwal	Director
Mahesh Shetty	Director

The Company has attended the investors' grievances / correspondence promptly. There were no investors' complaints pending as on March 31, 2014. There were Nil outstanding requests for transfer & Nil pending requests for dematerialization of shares as on March 31, 2014.

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

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

Year	AGM/EGM	LOCATION	DATE	TIME
2012-13	AGM	17, Cama Industrial Estate, Walbhatt Road, Goregaon (E), Mumbai 400 063.	27.09.2013	9.30 A.M.
2011-12	AGM	17, Cama Industrial Estate, Walbhatt Road, Goregaon (E), Mumbai 400 063.	28.09.2012	9.30 A.M.
2010-11	AGM	17, Cama Industrial Estate, Walbhatt Road, Goregaon (E), Mumbai 400 063.	30.09.2011	9.30 A.M.

All resolutions moved at the last Annual General Meeting were passed unanimously by a show of hands by the members attending the meeting.

#### E. DISCLOSURES

- a) 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.
- b) 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:

As 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, 2014, 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, 26th September, 2014 at 10.00 a.m.

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

**2. Book Closure Date** : Monday, 15th September, 2014 to Wednesday, 17th September, 2014 (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
1. Quarter ending 30th June, 2014	By the end of 31st July, 2014
2. Quarter ending 30th September, 2014	By the end of 31st October, 2014
3. Quarter ending 31st December, 2014	By the end of 31st January, 2014
4. Quarter ending 31st March, 2014	By the end of 30th April, 2015

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

## Annual Report 2013 - 2014

5. **Listing of Equity Shares on Stock Exchanges:** 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 :**

<b>Stock Exchange</b>	<b>Stock Code</b>
The Stock Exchange, Mumbai	5840

7. **Stock Price Data :**

Market Price Data of the Company and comparison with BSE Sense

(in ₹)

Year / Month	High	Low	High	Low
	Jaipan Industries Limited		Sensex	
April 2013	13	9.29	19622.68	18144.22
May 2013	10.99	8.21	20443.62	19451.26
June 2013	9.49	8	19860.19	18467.16
July 2013	11.94	10.47	20351.06	19126.82
August 2013	10.75	10.5	19569.2	17448.71
September 2013	10.75	7.95	20739.69	18166.17
October 2013	9.75	8.01	21205.44	19264.72
November 2013	8.9	8	21321.53	20137.67
December 2013	9.68	7.51	21483.74	20568.7
January 2014	9.7	7.31	21409.66	20343.78
February 2014	10.1	7.1	21140.51	19963.12
March 2014	9.95	6.9	22467.21	20920.98

8. **Registrars & Transfer Agents** : Link Intime India Private limited  
C-13 Pannalal Silk Mills Compound  
1st 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 2014.**

SHAREHOLDING OF SHARES	NO. OF SHARE HOLDERS	PERCENTAGE OF TOTAL	SHARES	PERCENTAGE OF TOTAL
1 -- 500	2992	70.6994	595032	9.7549
501 -- 1000	502	11.8620	396876	6.5063
1001 -- 2000	496	11.7202	675739	11.0780
2001 -- 3000	73	1.7250	184760	3.0289
3001 -- 4000	43	1.0161	151096	2.4770
4001 -- 5000	28	0.6616	129608	2.1248
5001 -- 10000	46	1.0870	331082	5.4277
10001 -- *****	52	1.2287	3635647	59.6023
Total:	4232	100.0000	6099840	100.0000

11. **Category of Shareholdings as on 31st March 2014.**

**Jaipan Industries Limited**  
**LIST OF SHAREHOLDERS CATEGORYWISE (SUMMARY)**

CATEGOARY	SHARES	HOLDERS	SHARES	HOLDERS	SHARES	VALUES	%
	DEMATED		PHYSICAL		TOT		
CLEARING MEMBER	13615	15	0	0	13615	136150.00	0.2232
OTHER BODIES	422536	97	189110	4	611646	6116460.00	10.0272
CORPORATE							
DIRECTORS	1909164	3	280	2	1909444	19094440.00	31.3032
HINDU UNDIVIDED FAMILY	24939	11	0	0	24939	249390.00	0.4088
MARKET MAKER	28145	2	0	0	28145	281450.00	0.4614
NON RESIDENT INDIANS	20561	19	0	0	20561	205610.00	0.3371
NON RESIDENT (NON REPATRIABLE)	5407	3	0	0	5407	54070.00	0.0886
PUBLIC	2064671	2752	992059	1320	3056730	30567300.00	50.1116
RELATIVES OF DIRECTOR	98105	1	331248	3	429353	4293530.00	7.0388

# Jaipan Industries Limited

## 12. DEMAT POSITION AS ON 31.03.2014

75.22% Shares of the Company's paid up equity share capital has been dematerialized up to March 31, 2014.

## 13. Address for correspondence

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

By Order of the Board of Directors  
For JAIPAN INDUSTRIES LIMITED

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

Place : Mumbai  
Dated : 11th August, 2014

## 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, 2014, 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**  
MEMBERSHIP NO. 108056

Place : Mumbai  
Date : 11th AUGUST, 2014

## DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49, sub clause 1(D), of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the directors and the senior management personnel of the company have affirmed compliance to their respective codes of conduct, as applicable to them for the financial year ended 31st March, 2014.

For **JAIPAN INDUSTRIES LIMITED**

**Atin Agarwal**  
Chief Financial Officer.

Mumbai, 11th August, 2014.

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

Sr. No.	Particulars	Remark
1	Name of the Company	Jaipan Industries Limited
2	Annual financial statements for the year ended	31st March, 2014
3	Type of Audit observation	Unqualified
4	Frequency of observation	Not Applicable

**Jainarain O Agarwal**  
Managing Director

**Atin Agarwal**  
Chief Financial Officer

**Ashwini O. Sharma**  
Audit Committee Chairman

## Annual Report 2013 - 2014

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### 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 2014**, 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 notified under companies act ,1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013.
- 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 2014 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 2014;
  - 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**  
MEMBERSHIP NO. 108056

PLACE : MUMBAI  
DATED : 11th August 2014

## 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 2014.

- 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 2014.
- 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. 32.62 Lacs Sans & the year-end balance of such loans to such parties was Rs. 32.62 Lacs. The Company has not taken 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.
- 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.



## Annual Report 2013 - 2014

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 than 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 than as indicated below for the assessment year 2013-2014:-

Sr. No.	Name of the Statute	Nature of Dues	Forum where dispute is pending	Amount ₹ (In Lacs)
1	Maharashtra Sales Tax	Sales Tax	Appeal	153.86
2	Maharashtra Sales Tax (2006-07)	Sales Tax	Appeal	460.50
3	Central Sales Tax (2006-07)	Sales Tax	Appeal	170.91
4	Maharashtra Sales Tax (2009-10)	Sales Tax	Appeal	118.78
5	Central Sales Tax (2009-10)	Sales Tax	Appeal	40.05

- 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 a chit fund or a Nidhi \Mutual fund/Society. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) order, 2003 are not applicable to the company.
- 15) 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.
- 16) The Company has not given guarantees for loans taken by subsidiaries, joint Venture companies from Bank or Financial Institution.
- 17) The Company has received a long term Car loan from HDFC during the year for acquiring the Car.
- 18) 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.
- 19) The Company has closed out its mobile division during the year and all of its Stock is transferred to head office (Mumbai).
- 20) 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.
- 21) 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.
- 22) 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.
- 23) 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**  
(PARTNER)  
MEMBERSHIP NO-108056  
FIRM REG. NO-124406W

PLACE: MUMBAI  
DATED: 11TH AUGUST 2014

# Jaipan Industries Limited

## BALANCE SHEET AS AT 31ST MARCH, 2014

PARTICULARS	Note No.	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	6,09,98,400.00	6,09,98,400.00
(b) Reserves and surplus	2	4,70,36,439.99	4,57,55,805.45
(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	46,48,336.10	95,46,049.07
(b) Deferred tax liabilities (net)			
(c) Other long-term liabilities	3	3,30,483.00	37,55,393.00
(d) Long-term provisions			
		<hr/>	<hr/>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	4	7,09,51,433.33	4,35,47,754.87
(b) Trade payables	5	4,48,25,667.46	4,79,37,839.66
(c) Other current liabilities	6	1,00,42,961.80	1,07,31,027.08
(d) Short-term provisions	7	10,39,495.51	10,83,216.00
		<hr/>	<hr/>
<b>TOTAL</b>		<b>23,98,73,217.19</b>	<b>22,33,55,485.13</b>
		<hr/>	<hr/>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	8	2,88,55,470.35	3,01,27,848.22
(ii) Intangible assets	8	12,96,946.00	17,555.00
(b) Non-current investments	9	3,26,068.00	3,26,068.00
(c) Deferred tax assets (net)		16,17,996.00	12,41,261.00
(d) Long-term loans and advances			-
(e) Other non-current assets			-
		<hr/>	<hr/>
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	10	6,78,43,306.07	8,69,44,462.28
(c) Trade receivables	11	6,92,13,690.98	5,16,11,179.72
(d) Cash and cash equivalents	12	3,77,12,758.79	1,92,53,659.91
(e) Short-term loans and advances	13	3,25,31,111.00	3,32,20,747.00
(f) Other current assets	14	4,75,870.00	6,12,704.00
		<hr/>	<hr/>
<b>TOTAL</b>		<b>23,98,73,217.19</b>	<b>22,33,55,485.13</b>
		<hr/>	<hr/>

AS PER OUR ATTACHED REPORT OF EVEN DATE

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

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

PLACE : MUMBAI  
DATED : 11th August, 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

## Annual Report 2013 - 2014

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

PARTICULARS	Note No.	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations (gross)	15	40,08,01,510.52	26,72,03,124.72
Less: Excise duty	15	7,13,659.98	2,89,812.00
Revenue from operations (net)		40,00,87,850.54	26,69,13,312.72
2 Other income	16	41,51,089.75	45,80,923.00
<b>3 Total revenue (1+2)</b>		<b>40,42,38,940.29</b>	<b>27,14,94,235.72</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	17	4,66,61,246.83	1,12,22,954.00
(b) Purchases of stock-in-trade	17	26,36,93,658.04	21,92,14,633.34
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	1,78,63,701.80	-1,20,77,709.68
(d) Employee benefits expense	18	1,99,28,968.00	1,09,65,184.00
(e) Finance costs	19	80,81,808.82	54,30,289.32
(f) Depreciation and amortisation expense	8	76,72,221.20	76,03,435.78
(g) Other expenses	20	3,86,96,206.06	2,68,30,668.68
<b>Total expenses</b>		<b>40,25,97,810.75</b>	<b>26,91,89,455.44</b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>16,41,129.54</b>	<b>23,04,780.28</b>
6 Exceptional items	21	-	-
<b>7 Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		<b>16,41,129.54</b>	<b>23,04,780.28</b>
8 Extraordinary items		-	-
<b>9 Profit / (Loss) before tax (7 + 8)</b>		<b>16,41,129.54</b>	<b>23,04,780.28</b>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		7,37,230.00	11,75,149.00
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		7,37,230.00	11,75,149.00
(e) Deferred tax		-3,76,735.00	-2,96,735.72
		<b>3,60,495.00</b>	<b>8,78,413.28</b>
<b>11 Profit / (Loss) from continuing operations (9 + 10)</b>		<b>12,80,634.54</b>	<b>14,26,367.00</b>
<b>15.i Earnings per share (of ₹ 10/- each)</b>			
(a) Basic			
(i) Continuing operations		0.21	0.23
(ii) Total operations		0.21	0.23
(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**  
(Partner)  
Membership No. : 108056  
Firm Reg No. : 124406 W

PLACE : MUMBAI  
DATED : 11th August, 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

## Jaipan Industries Limited

### CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES

#### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	₹	₹	₹	₹
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		12,80,634.54		14,26,367.00
Adjustments for:				
Depreciation and amortisation	76,72,221.20		76,03,435.91	
Finance costs	80,81,808.82		54,30,289.32	
Loss on Sales of Motor Car			-	
Loss by Theft	-		-	1,45,21,670.51
Income Tax	3,60,495.00		8,78,413.28	
Interest income	-2,89,808.00		-8,16,835.00	
		<u>1,58,24,717.02</u>		
Operating profit / (loss) before working capital changes		1,71,05,351.56		1,45,21,670.51
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	-1,91,01,156.21		8,54,756.28	
Trade receivables	1,76,02,511.26		83,21,882.72	
Short-term loans and advances	-6,89,636.00		15,37,879.00	
Deferred tax assets (net)	376735.00		2,96,736.00	
Long-term loans and advances	-1,36,834.00	-19,48,379.95	44,433.00	
Other current assets	-		3,25,568.00	1,13,81,255.00
Other non-current assets		<u>1,90,53,731.51</u>		<u>31,40,415.51</u>
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	-31,12,172.20		58,29,532.66	
Other current liabilities	-6,88,065.28		34,34,514.08	
Other long-term liabilities	-48,97,712.97		12,08,410.07	
Short-term liabilities	2,74,03,678.46		53,98,273.87	
Short - term Provisions	-43,720.49	1,86,62,007.52	99,684.00	1,59,70,414.68
		<u>3,77,15,739.03</u>		<u>1,91,10,830.19</u>
Cash flow from extraordinary items		-	-	
Cash generated from operations		<u>3,77,15,739.03</u>		<u>1,91,10,830.19</u>
Interest and Finance Charges	-80,81,808.82		-54,30,289.32	
Net income tax (paid) / refunds	-3,60,495.00	-84,42,303.82	-8,78,413.28	-63,08,702.60
<b>Net cash flow from / (used in) operating activities (A)</b>		<u>2,92,73,435.21</u>		<u>1,28,02,127.59</u>
<b>B. Cash Flow From Investing Activity</b>				
Purchase/Sales of Fixed Assest		-76,79,234.33		-40,90,881.68
Sales of Fixed Assest				
<b>Net Cash flow From Investing Activity</b>		-76,79,234.33		-40,90,881.68
<b>C. Cash Flow From Financing Activity</b>				
<b>Increase In Secured Loan Net</b>				
Increase in Unsecured Loan	-34,24,910.00	-	-36,10,112.00	
Interest Income	2,89,808.00	-31,35,102.00	8,16,835.00	-27,93,277.00
Increase in cash and cash Equivalents		1,84,59,098.88		59,17,968.91
Cash and Cash Equivalentents at the Beginning		<u>1,92,53,659.91</u>		<u>1,33,35,691.00</u>
Cash and Cash Equivalentents at the Close		<u>3,77,12,758.79</u>		<u>1,92,53,659.91</u>

## Annual Report 2013 - 2014

### 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, 2014</b>								
- Number of shares	60,99,840.00	-	-	-	-	-	-	60,99,840.00
- Amount (₹)	<b>6,09,98,400.00</b>	-	-	-	-	-	-	6,09,98,400.00
<b>Year ended 31 March, 2013</b>								
- Number of shares	60,99,840.00	-	-	-	-	-	-	60,99,840.00
- Amount (₹)	<b>6,09,98,400.00</b>	-	-	-	-	-	-	<b>6,09,98,400.00</b>

#### Note : 1 (A) Share Capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Numbers of shares	Amount	Numbers of shares	Amount
<b>(a) Authorised</b>				
Equity shares of 10 each with voting rights	61,00,000.00	6,10,00,000.00	61,00,000.00	61,00,000.00
<b>(b) Issued</b>				
Equity shares of 10 each with voting rights	60,99,840.00	6,09,98,400.00	60,99,840.00	60,99,840.00
<b>(c) Subscribed and fully paid up</b>				
Equity shares of 10 each with voting rights	60,99,840.00	6,09,98,400.00	60,99,840.00	6,09,98,400.00
<b>Total</b>	<b>60,99,840.00</b>	<b>6,09,98,400.00</b>	<b>60,99,840.00</b>	<b>6,09,98,400.00</b>

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

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number	Holding %	Number	Holding %
List of Share Holders				
J. N. Agarwal	1666832	27.32	1666832	27.32
<b>Total</b>	<b>1666832</b>	<b>27.32</b>	<b>1666832</b>	<b>27.32</b>



## Jaipan Industries Limited

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 2 Reserves and surplus

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
<b>(a) Investment Subsidy (Received From Development Corporation of Konkan Ltd )</b>		
Opening balance	6,39,500.00	6,39,500.00
Add: Additions during the year (give details)	-	-
Less: Utilised / transferred during the year (give details)	-	-
Closing balance	6,39,500.00	6,39,500.00
<b>(b) Capital redemption reserve</b>		
Opening balance	5,00,000.00	5,00,000.00
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	5,00,000.00	5,00,000.00
<b>(c) Securities premium account</b>		
Opening balance	82,97,000.00	82,97,000.00
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:	-	-
Closing balance	82,97,000.00	82,97,000.00
<b>(d) Investment Allowance Reserve</b>		
Opening balance	2,06,649.00	2,06,649.00
Add / (Less): during the year	-	-
Closing balance	2,06,649.00	2,06,649.00
<b>(e) Profit and Loss Account</b>		
Opening Balance	3,61,12,656.45	3,46,86,289.45
Add:- Profit for the year	12,80,634.54	14,26,367.00
Add Excess Provision for Tax	-	-
	3,73,93,290.99	3,61,12,656.45
<b>Total</b>	<b>4,70,36,439.99</b>	<b>4,57,55,805.45</b>

#### Notes :- 3 forming part of the financial statements

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
<b>(a) Term loans</b>		
<b>ICICI Bank Car Loan</b>		
Secured	4648336.10	9546049.07
Total	4648336.10	9546049.07
<b>Unsecured Loan</b>		
(b) Loans and advances from related parties	190843.00	1615753.00
Unsecured		
(c) Other Loan term Loan	139640.00	2139640.00
Sub Total	330483.00	3755393.00
<b>Total</b>	<b>49,78,819.10</b>	<b>1,33,01,442.07</b>

## Annual Report 2013 - 2014

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

Particulars	Terms of repayment and security*	As at 31 March, 2014		As at 31 March, 2013	
		Secured	Unsecured	Secured	Unsecured
		₹	₹	₹	₹
<b>CAR Loan</b>					
<b>Term loans from banks:</b>					
ICICI Bank Ltd	Motor Car	-		-	
ICICI Bank Ltd		-		1,03,733.40	
HDFC Car Loan		2,01,565.26		-	
Reliance Capital Limited		6,66,551.84		39,03,379.67	
Bank of Baroda Car Loan		37,80,219.00		55,38,936.00	
<b>Total</b>		<b>46,48,336.10</b>		<b>95,46,049.07</b>	
<b>Loans and advances from related parties:</b>					
Hansa Motor Works			1,25,843.00		73,078.00
Jai Narayan Agarwal			-		8,38,140.00
Atin J Agarwal			-		6,39,535.00
Neha Agarwal			65,000.00		65,000.00
<b>Total</b>			<b>1,90,843.00</b>		<b>16,15,753.00</b>
<b>Other loans and advances:</b>					
Venus Records and Tapes Pvt Ltd			29,640.00		20,29,640.00
Amar Singh Kundliwal			60,000.00		60,000.00
Shanti Construction			50,000.00		50,000.00
<b>Total</b>			<b>1,39,640.00</b>		
<b>Total - Other loans and advances</b>		<b>46,48,336.10</b>	<b>3,30,483.00</b>	<b>95,46,049.07</b>	<b>21,39,640.00</b>

#### Note : 4 Short-term borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
<b>(a) Loans repayable on demand</b>		
<b>From banks</b>		
<b>Secured</b>		
Cash Credit loan	7,09,51,433.33	4,35,47,754.87
Foreign Packing Credit Loan	-	-
Inland Packing Credit	-	-
	<b>7,09,51,433.33</b>	<b>4,35,47,754.87</b>
<b>From other parties</b>		
Secured	Nil	
Unsecured	Nil	
<b>Total</b>	<b>7,09,51,433.33</b>	<b>4,35,47,754.87</b>

#### Notes:

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

Particulars	Nature of security	As at 31 March, 2014	As at 31 March, 2013
		₹	₹
Cash Credit Loan	Hypothecation of Bookdebts and Stock	7,09,51,433.33	3,45,82,013.00
Foreign Packing Credit Loan	Mortgage of Factory Building	-	
Inland Packing Credit	Situated at Amlisilvassa		-
<b>Total</b>		<b>7,09,51,433.33</b>	<b>3,45,82,013.00</b>

## Jaipan Industries Limited

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 5 Trade payables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
<b>Trade payables :</b>		
Acceptances	4,48,25,667.46	4,79,37,839.66
Other than Acceptances		
<b>Total</b>	<b>4,48,25,667.46</b>	<b>4,79,37,839.66</b>

#### Note : 6 Other current liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Current maturities of long-term debt (Refer Note (i) below)	67,07,617.20	67,51,723.00
(b) Unpaid dividends	3,59,350.00	3,59,350.00
<b>(C) Other payables</b>		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	18,02,465.60	26,74,839.30
(ii) Salary Payable A/c	6,90,290.00	5,80,350.00
(iii) Telephone Expenses Payable A/c	19,062.00	13,007.78
(iv) Audit Fee payable	3,24,257.00	2,49,257.00
(v) Electricity Expenses Payable A/c	37,420.00	-
(vi) Other Liabilities	1,02,500.00	1,02,500.00
<b>Total</b>	<b>1,00,42,961.80</b>	<b>1,07,31,027.08</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, 2014	As at 31 March, 2013
	₹	₹
<b>(a) Term Loan From Bank (Car loan)</b>		
<b>Secured</b>		
<b>Installment Paid During One Year from banks:</b>		
ICICI Bank Ltd	-	1,25,039.00
ICICI Bank Ltd	2,03,540.20	2,61,960.00
HDFC Car Loan	2,34,636.00	-
Reliance Capital Ltd	38,39,160.00	38,39,160.00
Bank of Baroda Car Loan	24,30,281.00	25,25,564.00
<b>Total</b>	<b>67,07,617.20</b>	<b>67,51,723.00</b>

#### Note : 7 Short-term provisions

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(x) Provision - for Income tax	10,39,495.51	10,83,216.00
<b>Total</b>	<b>10,39,495.51</b>	<b>10,83,216.00</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes : 8 Tangible Assets

Fixed assets

DESCRIPTION	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	AT APRIL 1, 2013	ADDITION/ DEDUCTION AT MARCH 31, 2014	AT APRIL 1, 2013	ADDITION/ DEDUCTION AT MARCH 31, 2014	AT MARCH 31, 2014	AT MARCH 31, 2013
1 Free Hold Land	11,10,000	-	-	-	11,10,000	1110000.00
2 Factory Building	1,54,34,110	-	1,18,23,833	3,60,981	32,49,296	3610277.00
3 Plant and machinery	1,14,60,330	6,19,900	84,58,801	4,81,886	31,39,543	3001529.00
4 Mould & Dies	1,47,22,363	-	1,22,88,711	3,40,729	20,92,923	2433652.00
5 Motor vehicles	4,22,02,705	55,10,340	2,44,11,338	59,22,745	1,73,78,962	17791367.00
6 Furniture and fixtures	31,98,680	6,570	27,15,404	87,173	4,02,673	483276.00
7 Computer System	42,05,786	1,41,153	35,20,719	2,46,309	5,79,911	685067.00
8 Computer Software	60,720	13,67,939	43,165	88,548	12,96,946	17555.00
9 Office Equipment	27,36,008	33,333	17,23,328	1,43,850	9,02,163	1012680.00
<b>Total</b>	<b>9,51,30,702</b>	<b>76,79,235</b>	<b>6,49,85,299</b>	<b>76,72,221</b>	<b>3,01,52,417</b>	<b>3,01,45,403</b>
Previous Year	9,10,39,820	62,30,805	5,73,81,863	85,65,172	3,13,23,590	3,59,92,324

## Jaipan Industries Limited

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 9 Non-current investments

Particulars	As at 31 March, 2014			As at 31 March, 2013		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	₹	₹	₹	₹	₹	₹
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		3,25,568.00	3,25,568.00		3,25,568.00	3,25,568.00
<b>Total - Trade (A)</b>		<b>3,26,068.00</b>	<b>3,26,068.00</b>		<b>3,26,068.00</b>	<b>3,26,068.00</b>

#### Note : 10 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Raw materials	71,87,324.19	84,24,778.40
(b) Finished goods	6,06,55,981.88	7,85,19,683.88
<b>Total</b>	<b>6,78,43,306.07</b>	<b>8,69,44,462.28</b>

#### Note : 11 Trade receivables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good		
Unsecured, considered good	6,92,13,690.98	5,16,11,179.72
Doubtful		-
	6,92,13,690.98	5,16,11,179.72
Less: Provision for doubtful trade receivables	-	-
	6,92,13,690.98	5,16,11,179.72
Other Trade receivables		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful trade receivables		
<b>Total</b>	<b>6,92,13,690.98</b>	<b>5,16,11,179.72</b>

Note: Trade receivables include debts due from:

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
<b>Firms in which any director is a proprietor</b>		
Jaipan C2c Company	26,05,753.55	1,38,956.00
<b>Private companies in which any director is a director or member</b>		
Jil Infoway	4,05,927.60	4,05,928.00
<b>Jaipan C2c Marketing Private Ltd</b>	5,22,846.11	67,527.00
	<b>35,34,527.26</b>	<b>6,12,411.00</b>



## Annual Report 2013 - 2014

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 12 Cash and cash equivalents

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Cash on hand	1,01,03,132.35	25,84,482.28
(c) Balances with banks		
(i) In current accounts	2,11,08,030.06	1,05,38,051.25
(ii) Bank Letter of Credit margin	17,29,425.92	18,15,601.92
(iii) In deposit accounts	38,98,562.00	34,41,916.00
(iv) In Unpaid Dividend Account	3,58,592.00	3,58,592.00
(v) Bank Guarantee	5,15,012.00	5,15,012.00
<b>Total</b>	<b>3,77,12,758.79</b>	<b>1,92,53,659.91</b>

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

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans and advances to related parties		
Secured, considered good		
Unsecured, considered good	32,61,881.00	4,81,200.00
Doubtful	-	
	32,61,881.00	4,81,200.00
Less: Provision for doubtful loans and advances	-	
	32,61,881.00	4,81,200.00
(b) Security deposits		
Secured, considered good		
Unsecured, considered good	1,51,13,845.00	1,39,23,822.00
Doubtful	-	
	1,51,13,845.00	1,39,23,822.00
Less: Provision for doubtful deposits	-	
	1,51,13,845.00	1,39,23,822.00
(g) Others (specify nature)		
Secured, considered good		
Unsecured, considered good	1,41,55,385.00	1,88,15,725.00
Doubtful	-	
	1,41,55,385.00	1,88,15,725.00
Less: Provision for other doubtful loans and advances		
	1,41,55,385.00	1,88,15,725.00
<b>Total</b>	<b>3,25,31,111.00</b>	<b>3,32,20,747.00</b>

## Jaipan Industries Limited

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
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	5,42,200.00	3,61,200.00
Jaipan C2C Co.	18,99,681.00	-
Rashi Agarwal	1,20,000.00	1,20,000.00
Jaipan C2C Marketing Pvt LTD.	7,00,000.00	-
	<b>32,61,881.00</b>	<b>4,81,200.00</b>

#### Note : 14 Other current assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
<b>(a) Accruals</b>		
(i) Interest accrued on deposits	2,59,812.00	3,96,646.00
<b>(b) Others</b>		
(i) Contractually reimbursable of TDS Deducted	2,16,058.00	2,16,058.00
<b>Total</b>	<b>4,75,870.00</b>	<b>6,12,704.00</b>

## Annual Report 2013 - 2014

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note 15 Revenue from operations

	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Sale of Home Appliances	39,99,71,452.52	26,21,42,013.07
(b)	Sale of Mobile and Mobile Accessories	-	43,58,358.65
(c)	Other operating revenues	8,30,058.00	7,02,753.00
	<b>Total Revenue from Operation</b>	<b>40,08,01,510.52</b>	<b>26,72,03,124.72</b>
	Less:		
(d)	Excise duty	7,13,659.98	289812
	<b>Total</b>	<b>40,00,87,850.54</b>	<b>26,69,13,312.72</b>

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(i)	<b>Sale of products comprises @:</b>		
	Manufactured goods ( Silvassa Division)	5,66,86,290.18	56,91,445.72
	<b>Total - Sale of manufactured goods</b>	<b>5,66,86,290.18</b>	<b>56,91,445.72</b>
	<b>Traded goods</b>		
	Mumbai Division	34,32,85,162.34	25,64,50,567.35
	Mobile Division	-	43,58,358.65
	Others		
	<b>Total - Sale of traded goods</b>	<b>34,32,85,162.34</b>	<b>26,08,08,926.00</b>
	<b>Total - Sale of products</b>	<b>39,99,71,452.52</b>	<b>26,65,00,371.72</b>
(ii)	<b>Other operating revenues comprise:</b>		
a	Duty drawback and other export incentives	8,30,058.00	7,02,718.00
b	Discount Received	-	-
c	Other	-	35.00
	<b>Total - Other operating revenues</b>	<b>8,30,058.00</b>	<b>7,02,753.00</b>

## Jaipan Industries Limited

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 16 Other income

	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Interest income (Refer Note (i) below)	2,89,808.00	8,16,835.00
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	38,61,281.75	37,64,088.00
	<b>Total</b>	<b>41,51,089.75</b>	<b>45,80,923.00</b>

Note	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
		₹	₹
(i)	<b>Interest income comprises:</b>		
	<b>Interest from banks on:</b>		
	Interest On Fixed Deposit	2,88,873.00	4,38,209.00
	Interest on loans and advances	935.00	3,78,626.00
	Other interest	Nil	Nil
	<b>Total - Interest income</b>	<b>2,89,808.00</b>	<b>8,16,835.00</b>
(ii)	<b>Other non-operating income comprises:</b>		
	Rental income from Car On Lease Rent	37,64,088.00	37,64,088.00
	Other Income	97193.75	-
	<b>Total Other Non Operating Income</b>	<b>38,61,281.75</b>	<b>37,64,088.00</b>

#### Note : 17 Cost of Material Consumed

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Opening stock	84,24,778.00	1,96,47,732.00
Add: Purchases	4,54,23,793.02	-
	5,38,48,571.02	1,96,47,732.00
Less: Closing stock	71,87,324.19	84,24,778.00
<b>Cost of material consumed</b>	<b>4,66,61,246.83</b>	<b>1,12,22,954.00</b>
<b>Material consumed comprises:</b>		
Alumuinum 141887kg @ 161.29	3,73,57,978.19	-
Non Stick Paints	31,24,655.46	-
Handle	30,06,096.96	-
LID	4,46,059.36	-
Other items	27,26,456.86	1,12,22,954.00
<b>Total</b>	<b>4,66,61,246.83</b>	<b>1,12,22,954.00</b>

## Annual Report 2013 - 2014

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Purchase of traded goods

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
<b>Purchase of traded goods</b>		
Mumbai Division	18,67,89,584.62	21,02,98,935.12
Mobile Division	-	89,15,698.22
Andhra Division	44,94,501.20	-
Delhi Division	5,83,55,801.56	-
M.P. Division	55,82,224.00	-
U.P. Divisaion	60,30,338.66	-
Chattisgarh Division	18,57,322.00	-
Haryana Division	5,83,886.00	-
<b>Total</b>	<b>26,36,93,658.04</b>	<b>21,92,14,633.34</b>

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

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
<b>Inventories at the end of the year:</b>		
Finished goods	6,06,55,981.88	7,85,19,683.68
	6,06,55,981.88	7,85,19,683.68
<b>Inventories at the beginning of the year:</b>		
Finished goods	7,85,19,683.68	6,64,41,974.00
	7,85,19,683.68	6,64,41,974.00
<b>Net (increase) / decrease</b>	<b>(1,78,63,701.80)</b>	<b>1,20,77,709.68</b>

#### Note : 18 Employee benefits expense

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Salaries and wages	1,98,53,890.00	1,09,25,512.00
Contributions to provident and other funds	75,078.00	39,672.00
<b>Total</b>	<b>1,99,28,968.00</b>	<b>1,09,65,184.00</b>

#### Note : 19 Finance costs

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
<b>(a) Interest expense on:</b>		
(i) Bank Charges	22,06,767.39	5,91,111.95
(ii) Bank Interest	43,49,704.00	34,15,028.00
(iii) Interest On Car Loan	15,25,337.43	14,24,149.37
- Interest on delayed / deferred payment of Sales tax		
<b>Total</b>	<b>80,81,808.82</b>	<b>54,30,289.32</b>

## Jaipan Industries Limited

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note : 20 Other expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
<b>Manufacturing Expenses :</b>		
Labour Charges	27,01,460.00	3,08,205.00
Excise Duty -	2,89,812.00	
Factory Expenss	-	18,000.00
Power and fuel	19,24,317.99	9,88,548.00
Octroi Expenses	2,58,949.00	5,659.26
Transportation Expenses	1,73,662.86	-
Packing Freight & Forwarding Expenses	6,13,427.56	-
<b>General and Administration Expenses :-</b>		
Repairs and maintenance	3,48,369.77	3,22,651.11
Legal and Professional Charges	15,41,223.12	13,01,540.71
Payment to Auditors	75,000.00	75,000.00
Computer Expenses	2,57,193.57	56,210.09
Insurance Expenses	4,65,576.00	10,17,818.00
Communication	2,93,798.00	2,62,744.78
Travelling and conveyance	11,50,501.00	6,99,187.00
Motor Car Expenses	-	26,836.00
Printing and stationery	6,78,383.25	7,37,102.75
Office Expenses	-	1,10,590.00
Staff Welfare Expenses	2,77,437.00	2,05,607.00
Miscellaneous Expenses	7,57,987.80	1,20,699.79
Security Charegs	3,07,960.00	3,03,372.00
Web Designing Charge	38,955.20	43,024.00
Rent Paid	7,59,613.00	4,42,209.00
Loss on sale of Motor Car	-	5,04,185.00
Electricity Expenses	6,54,760.00	-
<b>Selling &amp; Distribution Expenses :-</b>		
Advertising Expenses	28,84,387.35	31,94,884.00
Courier Charges	5,84,582.44	13,76,893.00
Freight and Forwarding and Transport Expenses	84,18,539.36	55,55,790.75
Business and Sales Promotion Expenses	11,42,150.80	23,87,247.00
Travelling Expenses	4,09,447.00	6,73,571.00
Export Expenses	5,03,903.46	7,85,076.79
Bad Trade and other Receivables	1,19,029.00	11,91,886.00
Rate and tax paid (Sales tax )	41,96,227.87	4,27,628.00
Sales Discount	23,01,207.47	11,06,524.96
Sales Commission	34,43,737.74	19,15,380.00
Foreign Exchange Fluctuation Expenses	13,66,278.59	2,51,276.69
Other Expenses	48,139.86	1,25,509.00
<b>Total</b>	<b>3,86,96,206.06</b>	<b>2,68,30,668.68</b>

#### Notes

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
(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>

# Annual Report 2013 - 2014

## NOTES TO 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 on the basis of going concern under historical cost convention on the accrual basis of accounting, and comply in all material aspects with applicable Accounting Principles in India prescribed by the Central Government. The Accounting Standards notified under Section 211(3C) (which continues to be applicable in terms of general circular 15/2013 dated September 13, 2013 of the ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013) and the relevant provisions of the said Act.. 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 are 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, Intangible Assets, Work in Progress 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.

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:



## Jaipan Industries Limited

- i Exchange differences arising on settlement of transactions and translation of monetary items other than those covered by (ii) below are recognized 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) Borrowings Costs**  
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing cost are charged to revenue.
- l) Impairment of Assets**  
At the date of each Balance Sheet, the company evaluates internally, indications of the impairment if any, to the carrying amount of its fixed and other assets. If any indication does exist, the recoverable amount is estimated at the higher of the realizable value and the value in use, as considered appropriate. If the estimated realizable value is less than the carrying amount, an impairment loss is recognised.  
Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years.
- m) 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. 67,07,617.20/-(previous year: Rs. 67,51,723/-).
- 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.

## Annual Report 2013 - 2014

### 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 ₹ (In Lacs)
1	Maharashtra Sales Tax	Sales Tax	Appeal	153.86
2	Maharashtra Sales Tax (2006-07)	Sales Tax	Appeal	460.50
3	Central Sales Tax (2006-07)	Sales Tax	Appeal	170.91
4	Maharashtra Sales Tax (2009-10)	Sales Tax	Appeal	118.78
5	Central Sales Tax (2009-10)	Sales Tax	Appeal	40.05

#### 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. 75,078/-to the provident fund plan during the year ended March 31, 2014 (previous year: Rs. 39,672/)

### 8. Segment Reporting

#### Geographical Segment

In accordance with AS 17 the company has identified the reportable segments as on 31-03-2014 and others taking into account the nature of different Risks and returns and the internal reporting systems. The company operates in to nine geographical segments, namely, Mumbai, Silvassa, Delhi & Six others Segments (Branches). 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, 2014.the accounting policies for segment reporting are in line with the accounting policies followed by the company.

In Accordance with AS 17 Segment Report as at 31.03.2014.

#### Jaipan Industries limited Segment Reporting as per Accounting Standard - 17

	Particulars	Jaipan Industries Limited				Total
		Mumbai	Silvassa	Delhi	Others	
	<b>Revenue</b>					
	Domestic Sales and Other Income	174,409,207.70	23282665.83	33767539	45,803,473.70	277262886
	Export	63650438.55	0	0.00	0	63650439
	Inter Segment Sales	27323203.16	37242717.51	25822150	-28993175.01	61394896
	<b>Total Revenue</b>	<b>265382849</b>	<b>60525383.34</b>	<b>59589689</b>	<b>16810298.69</b>	<b>402308221</b>
	<b>Segment Result</b>					
	Gross Profit	47421491	13413228.56	8186285	-976654.35	68044350
Less	Unallocated Corporate Expenses			0		62472501
	<b>Operating profit</b>	-	-	<b>0</b>		<b>5571849</b>
		-	-	-		
Add	Interest Income	289808	0	0		289808
Add	Other Opreating Income	3861281.75		0		3861282
	<b>Operating Profit Before Interest and tax</b>					<b>9722939</b>
Less :-	Interest Expenses	8069451.82	12357	0	0	8081809
	<b>Net Ordianry Profit</b>			<b>0</b>		<b>1641130</b>
	Extra Ordinary Profit/(Loss)	0	0	0	0	0
	<b>Net Profit Before Tax</b>			<b>0</b>		<b>1641130</b>
	Income Tax			0		737230
	Deferred Tax			0		-376735
	<b>Net Profit After Tax</b>			<b>0</b>		<b>1280635</b>
	<b>Other Information</b>					
	Segment Assets					
	Unallocated Corporate Assets			0		238513337
	Segment Liabilities					
	Unallocated Corporate Liabilities			0		238513337

### 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.

## Jaipan Industries Limited

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

	₹	
	Category I	Category II
Sales		48,85,834.00
Remuneration	12,66,900.00	
Purchases		5,37,88,097.00
Expenditure on Salary		
Loans & Advances as on March 31, 2014		32,61,881.00
Receivables at March 31, 2014		35,34,527.00
Payables as at March 31, 2014		1,59,67,754.00
Unsecured Loans as on March 31, 2014		3,30,483.00

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

	₹	
	Category I	Category II
Sales		78,80,543.00
Remuneration	1266900.00	
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		37,55,393.00

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

#### a) Directors remuneration

	₹	
	March 31, 2014	March 31, 2013
Salary and allowances	12,66,900.00	12,66,900.00
<b>Total</b>	<b>12,66,900.00</b>	<b>12,66,900.00</b>

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

	₹	
	March 31, 2014	March 31, 2013
Finished Goods	0.00	46,63,198.00
<b>Total</b>	<b>3238134.00</b>	<b>14318224.00</b>

#### c) Auditors remuneration

	₹	
	March 31, 2014	March 31, 2013
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

	₹	
	March 31, 2014	March 31, 2013
FOB value of exports	6,36,50,439.00	6,18,68,250.00

### 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**

(MANAGING DIRECTOR)

(EXECUTIVE DIRECTOR)

PLACE : MUMBAI

DATED : 11th AUGUST, 2014

# Jaipan®

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

## ANNUAL GENERAL MEETING 2013-2014 PROXY FORM

Please  
affix Re. 1/-  
Revenue  
Stamp

Name of the Member(s) : \_\_\_\_\_

Registered address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Folio No. / Client Id No. : \_\_\_\_\_ DP ID No. \_\_\_\_\_

I / We, being the member(s) of \_\_\_\_\_ shares of Jaipan Industries Limited, hereby appoint

1. Name: \_\_\_\_\_

2. E-mail Id: \_\_\_\_\_

3. Address: \_\_\_\_\_

4. Signature \_\_\_\_\_

or failing him

1. Name: \_\_\_\_\_

2. E-mail Id: \_\_\_\_\_

3. Address: \_\_\_\_\_

4. Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 48th Annual General Meeting of the Company to be held on Friday, 26th September 2014 at 10.00 a.m. at AT 17, Cama Industrial Estate, Walbhatt Road, Goregaon (East), Mumbai 400 063 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of shareholder \_\_\_\_\_

Signature of Proxyholder(s) \_\_\_\_\_

Notes: 1. This Form in order to be effective should be duly completed and deposited at the Registered office of the Company at not less than 48 hours before the commencement of the Meeting.

2. Those Members who have multiple folios with different jointholders may use copies of this Attendance slip/Proxy.

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# Jaipan®

Regd. Office : AT 17, Cama Industrial Estate, Walbhatt Road, Goregaon (East), Mumbai 400 063

## ATTENDANCE SLIP

48TH ANNUAL GENERAL MEETING ON FRIDAY, 26TH SEPTEMBER 2014 AT 10.00 A.M.

Folio No. \_\_\_\_\_ DP ID No.\* \_\_\_\_\_

Client ID No.\* \_\_\_\_\_

Name of the Member \_\_\_\_\_

Signature \_\_\_\_\_

Name of the Proxyholder \_\_\_\_\_

Signature \_\_\_\_\_

\*Applicable for members holding shares in electronic form.

1. Only Member/Proxy holder can attend the meeting

2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

## CONTENTS

	Page No.
Notice .....	1
Directors' Report .....	2
Report on Corporate Governance .....	4
Auditor's Report .....	9
Balance Sheet .....	12
Profit and Loss Account .....	13
Cash Flow Statement .....	14
Notes forming part of the financial statements .....	15

## BOARD OF DIRECTORS

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

**MR. ATIN J. AGARWAL**  
*Director & CFO*

**MR. MAHESH S. SHETTY**  
*Director - Resigned w.e.f. 11/8/2014*

**MR. SHIRISH GOTECHA**  
*Director*

**MR. RAVINDRA MISHRA**  
*Director w.e.f. 11/8/2014*

**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.